

DIRECTORS' REPORT ON OPERATIONS

1. Business

The Company was established on 27 February 2017 pursuant to Law no. 130 of 30 April 1999, which regulates securitisation transactions in Italy.

The Company's exclusive corporate purpose is:

to purchase for a consideration from banks, in the context of one or more issues (i.e. both individual issues and issue programmes) of guaranteed bank bonds (or "covered bonds") carried out pursuant to art. 7-bis of Law no. 130 of 30 April 1999, subsequent amendments and additions and related implementing provisions:

(i) land loans and mortgage loans, also *en bloc*;

(ii) receivables from public administrations or guaranteed by them and securities issued or guaranteed at the same terms, also *en bloc*;

(iii) securities issued as part of securitisations involving the same type of receivables;

(iv) other eligible assets or additional eligible assets that are permitted by the regulations mentioned above; through the assumption of loans granted or guaranteed also by the originator banks, as well as guaranteeing the bonds issued by these or other banks.

In accordance with the Articles of Association and the provisions of the law mentioned previously, the Company will carry out the activities indicated above according to the terms, methods and conditions established by the law applicable to issues of covered bonds pursuant to art. 7-bis of Law 130/99.

In accordance with the said law and art. 1180 of the Italian Civil Code, the loans, receivables and securities purchased by the Company and the sums paid by the related debtors are intended to satisfy the rights of the holders of the covered bonds referred to in paragraph 1 of the art. 7-bis of Law 130/99 and issued in the context of the issuing transactions in which the Company participates and for which the Company has provided a guarantee, of the counterparties of derivative contracts for the purpose of hedging the risks inherent in the loans, receivables and securities purchased and other ancillary contracts, as well as payment of the other transaction costs, as a priority with respect to the repayment of the loans granted or guaranteed also by the assigning banks pursuant to paragraph 1 of art. 7-bis of Law 130/99.

The loans, receivables and securities purchased by the Company as part of each transaction or issue programme constitute assets (known as the "cover pool") that are to all effects separate from those of the Company and from those relating to other transactions or issue programmes; no legal action against these assets is permitted by creditors other than the bearers of the covered bonds issued and the additional creditors referred to in the previous paragraph.

To the extent permitted by Law 130/99, the Company can also carry out ancillary transactions to be stipulated for the provision of guarantees and for the successful completion of the covered bond issue transactions in which it participates or which are in any case instrumental to the achievement of its own corporate purpose. Moreover, in cases where this is permitted by law and in the manner and within the limits provided therein, the Company can reinvest in other financial assets the funds derived from managing the loans, receivables and securities purchased according to these Articles of Association and not immediately used to meet the rights of holders of the covered bonds and to pay transaction costs.

As part of the covered bond issue transactions in which it participates, in accordance with Law 130/99, the Company can appoint third parties to collect the loans and receivables purchased and to provide the cashier and payment services needed for their management and to carry out any other activity permitted by art. 7-bis of Law 130/1999.

The Company can carry on its business both in Italy and abroad.

According to Legislative Decree no. 141 of August 2010, as amended by Legislative Decree no. 218 of December 2010, "the provisions foreseen for financial intermediaries under Title V of Legislative Decree no. 385 of 1 September 1993 apply to assignees pursuant to art. 7-bis, within the limits established by the Minister for the Economy and Finance with a regulation issued pursuant to art. 17, paragraph 3, of Law no. 400 of 23 August 1988, having consulted the Bank of Italy".

According to the supervisory provisions, issuing covered bonds is an instrument reserved only to those banks "with high capitalisation considering the specific characteristics of the covered bond market and the need to protect creditors other than the covered bond bearers, whose capital guarantee is mitigated by the effect of the sale of high quality bank assets".

As part of this purpose, since 2017 the Company has participated in a programme for the issue of covered bonds of the Banco di Desio e della Brianza Group, (i) by purchasing without recourse, pursuant to articles 4 and 7-bis of Law no. 130/99 of 5 July 2017, a portfolio of performing residential mortgage loans *en bloc*, deriving from loan agreements entered into with individuals as part of their commercial activity originated by Banco di Desio e della Brianza S.p.A. and Banca Popolare di Spoleto S.p.A., and (ii) by the transferring banks simultaneously obtaining a subordinated loan and the signing, among other things, of the contract by which the assets purchased are used as an irrevocable guarantee for the bank bonds.

The financial statements at 31 December 2021 end up in a break-even situation as a result of recharging the net operating costs for the year to the cover pool.

2. Market trends in 2021

While the recovery has grown stronger in the United States and other advanced countries, in the Euro area growth decelerated significantly at the turn of the year, due to the rise in infections and the persistence of tensions on supply chains that hinder manufacturing. Inflation reached its highest point since the start of the Monetary Union, due to exceptional increases in energy, gas in particular, which in Europe is also affected by geopolitical factors.

The ECB has decided to gradually reduce purchases of financial assets and to maintain an expansionary monetary policy.

Growth in Italy remained high in the third quarter of 2021, supported by the expansion in household consumption. Subsequently, GDP slowed down. The increase in value added weakened both in industry and in the service sector. However, the rise in infections tends to increase caution on the part of consumers.

However, the dynamics of exports remain strong and employment and the workforce are on the rise.

Inflation rose to high levels (4.2% in December), driven by energy prices. Net of the more volatile components, the annual change in prices remains moderate. So far, increases in production costs have been passed on to retail prices only to a modest extent.

The pandemic and monetary policy expectations have influenced market trends.

In the autumn, the growth of loans to non-financial companies remained weak, reflecting the low demand for new loans, also due to the large amounts of liquidity set aside in the last two years. The expansion of credit to households continues apace. The offer conditions remain favourable. The rates of deterioration of bank assets, although increasing slightly, remain at very low levels and the share of performing loans for which banks have detected a significant increase in credit risk has decreased; in the first nine months of last year the profitability of intermediaries improved, above all following the reduction in write-downs on loans.

Expansive public finance interventions are also planned for the three-year period 2022-24.

GDP, which at the end of last summer was 1.3 percentage points below pre-pandemic levels, should recover them around the middle of this year and inflation should ease over the course of the year, turning moderate again in the next two years.

However, the prospects for growth are subject to multiple risks, mainly oriented to the downside.

3. Significant events during the year

As regards the cover pool, note that after the end of last year the issuance of a third series of Covered Bank Bonds was approved as part of the Programme, based on the loan portfolio assigned to the Company. This issue took place on 20 January 2021 for a nominal amount of Euro 100,000,000.00.

It should also be noted that on 6 May 2021, with effect from the same day, Banco di Desio e della Brianza S.p.A. sold a new portfolio for a total of Euro 217,527,659.48 and on 18 May 2021 made available to the Company a new Subordinated Loan for a principal amount equal to the purchase price of the new portfolio.

The persistence of the health crisis caused by the Covid-19 pandemic continued to complicate the macroeconomic context in 2021 which, despite this, managed to turn in a robust economic recovery in the first nine months, thanks to the rapid progress of the vaccination campaign. The recovery subsequently weakened at the turn of the year due to another rise in infections. As happened in the previous year, this pandemic led to an emergency situation that did not have any significant impact on the vehicle company's operations. As regards securitisations, there was a distinct fall in the amount of write-downs of securitised loans communicated by the Originator and Servicer of the transactions. This in light of the updates of the projections which envisage an improvement in the overall macroeconomic framework.

In fact, as things stand, management believes that the current emergency will not have consequences that could jeopardise the Company's business continuity.

During the course of 2021, following the persistence of the crisis linked to the pandemic and by virtue of Decree Law no. 73 of 25 May 2021 ("Sostegni Bis"), the loan moratoriums currently in place until 31 December 2021 were granted a third extension; unlike previous extensions, this latest one gave borrowers the possibility to extend only the suspension of payments of the principal amount; and the extension was not automatic but had to be expressly requested by the customer.

Furthermore, following the current and prospective development of the securitisation market, the Supervisory Authority deemed it opportune to integrate the periodic information package on managed securitisation transactions in order to make available to the Supervisory Authority updated and comparable data on the individual transactions. The templates containing general information on individual transactions and precise data on collections and the progress of recoveries will be sent by the banking and financial servicers every six months, by the 20th day following the reference date, starting from the first survey that was carried out in January 2022 with reference to 31 December 2021.

It is worth specifying that self-securitisation transactions, so-called "synthetic" securitisations and those in the so-called "warehousing" phase, are excluded from this reporting obligation (see Circular 272/2008 of the Bank of Italy, General Notices, in the paragraph entitled "Sales of financial assets").

4. Information on the Company's situation, performance and results

As regards the Company's capital, given its type of activity, we do not think that there is any other information that needs to be provided in addition to what has already been explained in the Notes.

As far as performance indicators are concerned, we do not think that they are significant with reference to the Company's capital, while as regards the performance of the cover pool, reference should be made to Attachment 1 of the Notes.

5. Significant subsequent events

The current conflict between Russia and Ukraine, coupled with the imposition of international sanctions, have a pervasive economic impact, not only on businesses in Russia and Ukraine, but also globally, where businesses engage in economic activities that could be affected by recent developments. This requires careful consideration of the accounting implications by the entities affected by these developments.

This event does not entail any adjustment of the balances shown in the financial statements, as the fact itself and the related consequences occurred after the balance sheet date, starting on 24 February 2022. Taking into account the elements of absolute uncertainty regarding the development of the war and the consequent manoeuvres that will be implemented by Governments to counter it, it is not possible to exclude particularly severe effects on the international and Italian economy, which could involve having to reassess book values, in the light of the information that will become available.

In any case, it is believed that any negative impacts on the Company's operations and with reference to the cover pool cannot be foreseen at the present time. Furthermore, management believes that the current emergency does not determine consequences that could jeopardise the Company's business continuity.

6. Outlook for the year

Management will be geared to continuing the current operation on a regular basis.

7. Going concern

During the preparation of the financial statements, an assessment was made of the Company's ability to operate as a going concern with a time horizon of at least twelve months from the balance sheet date. To express this assessment, we took into account all available information and the specific business activity performed by the Company, whose exclusive purpose is to carry out one or more securitisations in accordance with Law no. 130 of 30 April 1999.

Consequently, these financial statements have been prepared on a going-concern basis, i.e. with a view to continuing operations, as there are no events or conditions that raise doubts about the Company's ability to continue operating as a going concern.

8. Other information

A) Own shares/quotas

The Company does not own any of its own quotas nor shares in its parent company, whether directly or through trust companies.

B) Research and development activities

Given the particular nature of the Company, no specific research and development activities have been carried out.

C) Related party transactions

No related party transactions involving the Company's assets were carried out during the year.

With reference to the covered bond operation, please refer to paragraph L.2 of Attachment 1 of the Notes, where there is a complete list of the entities involved.

D) Management control and coordination activities

The Company is subject to management control and coordination by Banco di Desio e della Brianza S.p.A. pursuant to art. 2497-bis of the Italian Civil Code.

E) Information on risks and related hedging policy

The information below refers to the Company's operations; as regards the cover pool, reference should be made to paragraph L.2 of Attachment 1 of the Notes.

Liquidity risk

The Company believes it has sufficient liquid assets to meet its financial commitments.

Interest rate risk

The Company has no financial assets and liabilities that expose it to significant interest rate risks.

Exchange rate risk

The Company operates solely at a domestic level and is therefore not exposed to exchange rate risk.

Credit risk

The Company's receivables are mainly for operating costs recharged to the cover pool. Given the collection forecasts of receivables in the cover pool and the priority with which these collections are allocated to pay the receivables, no risks are believed to exist regarding their recoverability.

F) Tax treatment of the cover pool

Pursuant to circular 8/E of 6 February 2003, any income or capital gains derived from managing the cover pool while carrying out covered bond transactions are not at the Company's disposal, so the Company does not have any tax liability for them. This treatment confirms the Bank of Italy's Provision of 29 March 2000, on the basis of which the income statement of the Company is not affected by the income and charges relating to management of the covered bond transaction.

The Company would attract taxation only at the end of the covered bond transaction on any financial resources that it has received once all the creditors of the cover pool have been satisfied.

G) Secondary offices

The Company does not have secondary offices.

H) Employees

The Company does not have any employees.

Conegliano, 8 February 2022

Desio OBG S.r.l.
The Chairman of the Board of Directors
Carlo Maria Rebay

ATTACHMENT NO. 1

INFORMATION ON THE COVER POOL

Section 1 – SPECIFIC REFERENCES ON THE ACTIVITIES CARRIED ON

D. GUARANTEES AND COMMITMENTS

At the closing date of the financial statements, the Company has not issued any guarantees in favour of third parties and there are no outstanding commitments, other than those envisaged and regulated expressly by the contracts governing the covered bond issue and the related cover pool.

L. COVERED BONDS

In the absence of specific detailed tables as required by the Bank of Italy's Instructions of 15 December 2015, as modified by the provision of 9 December 2016, the Company decided to base the disclosures made in this section on the structure explicitly required for the part L "Securitisation of loans and receivables".

The following table gives details of the initial portfolio and of the portfolio purchased subsequently, as well as the resources obtained for its purchase in the form of subordinated loans from the originator bank.

Amount of loans purchased

Date of purchase	Nominal value	Loss provision	Amortised cost difference	Transfer price
05 July 2017	833,394,536	(723,512)	(1,348,884)	831,309,426
07 November 2018	413,702,051	(455,049)	387,028	413,634,030
06 June 2019	344,458,371	(464,549)	(798,764)	343,195,058
07 May 2020	372,656,537	(324,568)	(762,794)	371,569,175
06 May 2021	219,014,601	(1,298,428)	(188,513)	217,527,660
Total loans and receivables purchased	2,183,226,096	(3,266,106)	(2,711,927)	2,177,235,349

Detail of the loans and receivables purchased:

Date of the transfer: 05/07/2017

Banco Desio:

Nominal value of loans and receivables of the first portfolio at the valuation date: Euro 584,087,987.45

Transfer price of the first portfolio: Euro 582,522,028.94

Banca Popolare di Spoleto*:

Nominal value of loans and receivables of the first portfolio at the valuation date: Euro 249,306,548.33

Transfer price of the first portfolio: Euro 248,787,397.10

Date of the transfer: 07/11/2018

Banco Desio:

Nominal value of loans and receivables of the second portfolio at the valuation date: Euro 165,453,330.36

Transfer price of the second portfolio: Euro 165,070,907.58

Banca Popolare di Spoleto*:

Nominal value of loans and receivables of the second portfolio at the valuation date: Euro 248,248,720.47

Transfer price of the second portfolio: Euro 248,563,122.49

* absorbed by Banco Desio with effect from 1 July 2019

Date of the transfer: 06/06/2019

Banco Desio:

Nominal value of loans and receivables of the third portfolio at the valuation date:	Euro
	196,018,656.41
Transfer price of the third portfolio:	Euro 195,304,356.86

Banca Popolare di Spoleto*:

Nominal value of loans and receivables of the third portfolio at the valuation date:	Euro 148,439,714.84
Transfer price of the third portfolio:	Euro 147,890,701.58

Date of the transfer: 07/05/2020

Banco Desio:

Nominal value of loans and receivables of the fourth portfolio at the valuation date:	Euro 372,656,537.00
Transfer price of the fourth portfolio:	Euro 371,569,174.58

Date of the transfer: 06/05/2020

Banco Desio:

Nominal value of loans and receivables of the fourth portfolio at the valuation date:	Euro 219,014,601.00
Transfer price of the fourth portfolio:	Euro 217,527,659.48

The subordinated loans granted by Banco di Desio e della Brianza S.p.A. and Banca Popolare di Spoleto S.p.A. on the dates that the loans and receivables were purchased, for an amount equal to the transfer price, are subject to interest due on each payment date equal to the sum of:

1. an amount (known as the "Basic Interest") calculated by multiplying the each subordinated loan by the applicable rate and the number of days in the accrual period

2. an amount (known as the "Premium") equal to the difference between the funds available on interest account of the guarantor, deriving from the loans and receivables collected and transferred by each of the two originators, and all other amounts (attributed pro-quota according to the contractual documentation to each of the two subordinated lenders), payment of which is due first according to the payment order of priority.

* absorbed by Banco Desio with effect from 1 July 2019

The loans can be repaid on each payment date in accordance with the applicable payment order of priority and within the limits of the available funds on capital account, on condition that such payment does not result in a breach of the tests contained in the contracts.

The key figures of the first issue of covered bonds completed by Banco Desio in the context of the Programme are summarised below, as shown in the following table:

Series	Tranche	Amount	ISIN	Common Code	Issue date	Expiry date	Type of rate	Rate	Coupon
1	1	500,000,000	IT0005277451	167862977	12.09.2017	12.09.2024	Fixed	0.875%	Annual

This first issue was increased on 31 October 2017, again on the initial portfolio, as shown in the following table:

Series	Tranche	Amount	ISIN	Common Code	Issue date	Expiry date	Type of rate	Rate	Coupon
1	2	75,000,000	IT0005277451	167862977	31.10.2017	12.09.2024	Fixed	0.875%	Annual

On 24 July 2019, a second issue of covered bonds was carried out, for which the figures are summarised below:

Series	Tranche	Amount	ISIN	Common Code	Issue date	Expiry date	Type of rate	Rate	Coupon
2	1	500,000,000	IT0005380446	203326343	24.07.2019	24.07.2026	Fixed	0.375%	Annual

INFORMATION ON THE SUMMARY TABLE

As explained in part A.1 Section 1 and Section 2 "Transactions carried out", the structure and form of the summary table are in line with the Instructions issued by the Bank of Italy with the Provision of 15 December 2015. Note that pending official pronouncements on the matter, these criteria are not affected by the valuation amendments introduced by Legislative Decree 139/15, but are consistent with the valuation criteria applied in previous years. In fact, they appear to be the most suitable to reflect the financial aspect of the Company's specific nature and to link these financial statements with the other financial information that the Company is required to produce.

The items linked to the receivables subject to transfer agree with the figures taken from the books of account and from the information system of the Servicer, Banco di Desio e della Brianza S.p.A.

Amounts are expressed in euros.

A. Assets

A.1 Loans and receivables

Loans and receivables are initially recognized at their transfer value and then shown during the course of the operation net of any amounts collected during the period. Their value is written down at the closing date to adjust it to their estimated realisable value based on the information provided by the Servicer. They include accrued income for the interest that is considered recoverable.

The write-down of loans and receivables is determined on the basis of IFRS 9, which requires that financial assets not measured in the financial statements at fair value through profit or loss, represented by debt securities and loans, are subject to the new impairment model based on expected credit losses (ECLs).

Based on the information provided by the servicer, the write-downs refer to the impairment of loans classified in Stage 1, Stage 2, Stage 3 according to changes in the debtor's creditworthiness. The following are included in:

Stage 1: performing financial assets for which there has been no significant deterioration in credit risk compared with the initial recognition date or for which credit risk is considered low. The impairment is based on an estimate of expected loss over a time horizon of one year;

Stage 2: performing financial assets that have suffered a significant deterioration in credit risk compared with initial recognition. The impairment is based on an estimate of the expected loss over a time horizon equal to the entire residual life of the financial asset.

Stage 3: non-performing financial assets (with a probability of default of 100%). The impairment is based on an estimate of the expected loss on the specific financial asset over its entire life.

B. Use of available funds

B.3 Cash and banks

The balances on bank current accounts are shown in the financial statements at their nominal value, which is the same as their estimated realisable value, and include the interest accrued at the date of these financial statements.

B.4 Investments and cash equivalents

The item "Investments and cash equivalents" includes amounts already collected at the balance sheet date, but not yet credited to the Company's current accounts.

B.5 Accrued income and prepaid expenses

Accrued income on swaps has been calculated on an effective accruals basis to match costs and revenues in the correct period.

B.6 Other loans and receivables

Other loans and receivables include the advance made to the so-called "ordinary operations" so that the Company could pay for its operating costs.

D. Loans received

The amount is stated at nominal value.

E. OTHER LIABILITIES

Payables are recorded at nominal value.

Accrued expenses have been calculated on an effective accruals basis to match costs and revenues in the correct period.

Interest, commission, income and expenses

Costs and revenues relating to the cover pool, interest, commission, income and expenses that derive from the covered bond operation are accounted for on an accruals basis.

Derivative contracts

The differential on the interest rate swap contract taken out to hedge interest risk is recorded as income or expense according to the accruals principle applied to the flows exchanged between the swap counterparties in the reference period.

Cover pool closure mechanism

Table 1 of the Summary Statement shows how the year ended at break-even, by allocating the entire surplus earned during the year in the form of additional remuneration on subordinated loan.

In this way, total assets of the cover pool coincide with total liabilities.

RECONCILIATION TABLE 1

TOTAL ASSETS	1,595,738,633
TOTAL LIABILITIES	1,595,738,633
DIFFERENCE	0
PREVIOUS YEARS' RESULTS	0
RESULT OF THE OPERATION FOR THE CURRENT YEAR	0

STATEMENT L.1

STATEMENT L.1		31/12/2021	31/12/2020
A.	Assets	1,486,395,162	1,467,850,728
A.1	Loans and receivables	1,486,395,162	1,467,850,728
B.	Use of resources derived from receivable management	109,296,290	91,468,836
B.3	Cash and banks	108,218,490	90,138,262
B.4	Investments and cash equivalents	(47,181)	203,610
B.5	Accrued income and prepaid expenses	1,111,607	1,105,822
B.6	Other loans and receivables	13,374	21,142
D.	Loans received	1,594,673,686	1,561,115,851
E.	Other liabilities	1,064,947	(1,796,287)
E.1	Suppliers for services rendered to the securitisation	9,506	7,831
E.2	Accrued expenses and deferred income	282,145	55,777
E.3	Payables to the Originator	773,296	(1,859,894)
G.	Fees and commission to be borne by the securitisation	1,160,655	1,054,737
G.1	For servicing	1,004,096	913,803
G.2	For other services	156,559	140,934
H.	Other charges	27,326,785	27,927,670
H.1	Write-downs of loans and receivables	(3,748,971)	8,404,438
H.2	Interest expense	31,064,284	19,508,498
H.4	Other charges	11,472	14,734
I.	Interest generated by the assets	25,380,538	26,567,334
L.	Other income	3,106,901	2,415,074
L.3	Asset swap differential	3,077,913	2,400,429
L.4	Other income	28,988	14,645

Please refer to the following pages for comments on the notes to the above table.

BREAKDOWN OF THE MAIN ITEMS REFERRED TO IN THE ABOVE TABLE

STATEMENT F.1 - BREAKDOWN OF THE CAPTIONS		31/12/2021	31/12/2020
A.1	Loans and receivables	1,486,395,162	1,467,850,728
	a. Principal amount of loans and receivables still to fall due	1,495,106,170	1,478,651,053
	b. Loans and receivables for future charges	139,810	139,810
	c. Adjustment of loans and receivables to amortised cost	(2,711,927)	(2,523,414)
	d. Receivables from customers for default interest	880	3,328
	e. Receivables for expenses accrued	5,743	(366)
	f. Past due loan instalments - interest	36,333	56,167
	g. Past due loan instalments - principal	134,827	209,842
	i. Accrued interest income on mortgage loans	1,375,824	868,925
	h. Instalments in suspense - interest	886,203	1,474,628
	j. Collective provision for loans and receivables	(6,261,862)	(9,496,812)
	k. Specific provision for loans and receivables	(2,316,839)	(1,532,433)
B.3	Cash and banks	108,218,490	90,138,262
	a. Collection account	106,165,457	88,086,946
	c. Payments account	29,828	48,533
	d. Liquidity reserve account	2,023,206	2,002,783
B.4	Investments and cash equivalents	(47,181)	203,610
	a. Receivables for amounts to be collected	(47,181)	203,610
B.5	Accrued income and prepaid expenses	1,111,607	1,105,822
	a. Accrued income on swaps	1,111,607	1,105,822
B.6	Other loans and receivables	13,374	21,142
	a. Advances on ordinary operating costs	13,374	21,142
D.	Loans received	1,594,673,686	1,561,115,851
	a. Payables for subordinated loan	1,438,337	1,408,162
	b. Loans received	1,593,235,349	1,559,707,689
E.1	Suppliers for services	9,506	7,831
	a. Suppliers	7,066	7,831
	b. Suppliers for invoices to be received	2,440	0
E.2	Accrued expenses and deferred income	282,145	55,777
	a. Accrued expenses	14,400	11,944
	b. Accrued expenses for servicing fee	234,812	0
	b. Accrued expenses on swaps	32,933	43,833
E.3	Payables to the Originator	773,296	(1,859,894)
	b. Payables for servicing fee	0	249,697
	c. Advance payments	1,705	1,604
	d. Payables to assignor for additional remuneration	724,410	(2,111,196)
G.1	For servicing	1,004,096	913,803
	a. Servicing	1,004,096	913,803
G.2	Other service fees	156,559	140,934
	G.2a Corporate expenses	88,335	80,024
	G.2b On-going expenses	68,224	60,910
H.1	Write-downs of loans and receivables	(3,748,971)	8,404,438
	a. Collective write-downs of loans and receivables	(4,517,701)	8,305,863
	b. Specific write-downs of loans and receivables	768,729	98,575
H.2	Interest expense	31,064,284	19,508,498

DESIO OBG S.R.L.

COMPANY SUBJECT TO MANAGEMENT CONTROL AND COORDINATION AS PER ART. 2497 AND SEQ. OF THE ITALIAN CIVIL

CODE: BANCO DI DESIO E DELLA BRIANZA S.P.A.

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	a. Interest expense on subordinated loans	8,156,458	8,145,993
	b. Add. remuneration	22,907,825	11,362,505
H.4	Other charges	11,472	14,734
	a. Bank charges and expenses	0	42
	b. Operating costs	79	79
	c. Notary and legal fees	6635	9,428
	d. Translation expenses	4,758	5,185
I.	Interest generated by the assets	25,380,538	26,567,334
	a. Default interest income	16,054	24,849
	b. Interest income on loans	25,359,113	26,854,038
	c. Ancillary income on instalments	5,371	(311,553)
L.3	Positive swap differential	3,077,913	2,400,429
	b. Income/expense from swaps	3,077,913	2,400,429
L.4	Other income	28,988	14,645
	a. Out-of-period income	5,220	0
	b. Penalties on early repayments	23,768	14,645

QUALITATIVE INFORMATION

L.2 DESCRIPTION OF THE SECURITISATION AND ITS PROGRESS

Date of the transaction

The transaction was completed by signing the receivables assignment contract on 5 July 2017.

This contract governs the transfer of the initial receivables portfolio and subsequent transfers that will be part of a single programme for the issue of covered bonds by Banco di Desio e della Brianza S.p.A., in which the Company acts as Guarantor by granting the bearers of the covered bonds a first, irrevocable, unconditional and autonomous demand guarantee.

The Guarantor's purchase of the receivables was financed by the Subordinated Loans.

Date of the Initial Transfer contract (effective date for legal purposes):	<u>5 July 2017</u>
Economic effectiveness date of the Initial Transfer:	<u>5 July 2017</u>
Valuation date of the Initial Portfolio:	<u>5 July 2017</u>
Loan disbursement date:	<u>17 July 2017</u>
Issue date by Banco di Desio e della Brianza S.p.A. of the first series of covered bonds	<u>12 September 2017</u>
Date guarantee on covered bonds signed	<u>19 July 2017</u>

Assignors

Company name:	<u>BANCO DI DESIO E DELLA BRIANZA S.P.A.</u>
Legal form:	<u>Joint stock company</u>
Head office in:	<u>Via Rovagnati 1, Desio (MB)</u>
Tax code and registration in the Register of Companies:	<u>01181770155</u>
Enrolment in Bank Register:	<u>3440</u>
Company name:	<u>BANCA POPOLARE DI SPOLETO S.P.A.*</u>
Legal form:	<u>Joint stock company</u>
Head office in:	<u>Piazza Pianciani 5, Spoleto (PG)</u>

* absorbed by Banco Desio with effect from 1 July 2019

Tax code and registration in the Register of Companies:	01959720549
Enrolment in Bank Register:	5134.2

Loans and receivables subject to transfer

The assignors have each transferred without recourse, pursuant to art. 1 and 4 of Law no. 130 of 30 April 1999, a portfolio of loans and receivables en bloc, deriving from mortgages secured by residential buildings:

Nominal value of loans and receivables transferred by Banco di Desio e della Brianza S.p.A. at the valuation date:	584,087,987.45
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Transfer price of loans and receivables sold by Banco di Desio e della Brianza S.p.A. (including accrued interest):	582,522,028.94
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Nominal value of loans and receivables transferred by Banca Popolare di Spoleto S.p.A. at the valuation date:	249,306,548.33
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Transfer price of loans and receivables sold by Banca Popolare di Spoleto S.p.A. (including accrued interest):	248,787,397.10
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Type of assets	The portfolio consists of loans and receivables deriving from mortgages secured by residential properties
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Nature of the loans and receivables purchased:	The characteristics of the loans and receivables purchased have been published in detail in the Official Gazette part II no. 84 of 18/07/2017, also for the purpose of notifying their assignment to the debtors.
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Quality of the loans and receivables purchased:	At the time of the transfer, the loans and receivables
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	were classified as performing on the basis of the criteria applied by the assignors in compliance with the Bank of Italy's regulations.
Transfer price of loans and receivables sold by Banco di Desio e della Brianza S.p.A. (including accrued interest):	165,070,907.58
Transfer price of loans and receivables sold by Banca Popolare di Spoleto S.p.A. (including accrued interest):	248,563,122.49
Type of assets	The portfolio consists of loans and receivables deriving from mortgages secured by residential properties
Nature of the loans and receivables purchased:	The characteristics of the loans and receivables purchased have been published in detail in the Official Gazette part II no. 131 of 11/10/2018, also for the purpose of notifying their assignment to the debtors.
Quality of the loans and receivables purchased:	At the time of the transfer, the loans and receivables were classified as performing on the basis of the criteria applied by the assignors in compliance with the Bank of Italy's regulations.
Transfer price of loans and receivables sold by Banco di Desio e della Brianza S.p.A. (including accrued interest):	195,304,356.86

Transfer price of loans and receivables sold by Banca Popolare di Spoleto S.p.A. (including accrued interest): 147,890,701.58

Type of assets

The portfolio consists of loans and receivables deriving from mortgages secured by residential properties

Nature of the loans and receivables purchased:

The characteristics of the loans and receivables purchased have been published in detail in the Official Gazette part II no. 69 of 13/06/2019, also for the purpose of notifying their assignment to the debtors.

Quality of the loans and receivables purchased:

At the time of the transfer, the loans and receivables were classified as performing on the basis of the criteria applied by the assignors in compliance with the Bank of Italy's regulations.

Transfer price of loans and receivables sold by Banco di Desio e della Brianza S.p.A. (including accrued interest): 371,569,174.58

Type of assets

The portfolio consists of loans and receivables deriving from mortgages secured by residential properties

Nature of the loans and receivables purchased:

The characteristics of the loans and receivables purchased have been

published in detail in the Official Gazette part II no. 57 of 14/05/2020, also for the purpose of notifying their assignment to the debtors.

Quality of the loans and receivables purchased:

At the time of the transfer, the loans and receivables were classified as performing on the basis of the criteria applied by the assignors in compliance with the Bank of Italy's regulations.

Transfer price of loans and receivables sold by Banco di Desio e della Brianza S.p.A. (including accrued interest): 217,527,659.48

Type of assets

The portfolio consists of loans and receivables deriving from mortgages secured by residential properties

Nature of the loans and receivables purchased:

The characteristics of the loans and receivables purchased have been published in detail in the Official Gazette part II no. 57 of 15/05/2021, also for the purpose of notifying their assignment to the debtors.

Quality of the loans and receivables purchased:

At the time of the transfer, the loans and receivables

were classified as performing on the basis of the criteria applied by the assignors in compliance with the Bank of Italy's regulations.

1) Progress of the transaction

The transaction is progressing regularly and no irregularities have emerged with respect to the contractual conditions.

2) Performance of the loans and receivables

The actual amounts collected in 2021 amount to Euro 226.36 million, which is higher than the total amount expected to be collected (Euro 124.23 million). The variance is due to the fact that the collection forecasts do not take into account the possibility of early repayments.

Compliance with the indices shown below will be monitored once a quarter by the transaction's Asset Monitor, who prepares a quarterly report at the covered bond issuer's request and analyses the following parameters:

- Nominal Value Test: the total nominal value of the assets forming part of the cover pool has to be at least equal to the nominal value of the existing covered bonds;
- Net Present Value Test: the present value of the assets forming part of the cover pool, net of all transaction costs borne by the Guarantor, including the expected costs and charges of any derivative contracts hedging the financial risks taken out in connection with the transaction, must be at least equal to the net present value of the existing covered bonds;
- Interest Coverage Test: the interest and other income generated by the assets forming part of the cover pool, net of the Guarantor's costs, must be sufficient to cover the interest and costs payable by the issuing bank on the existing covered bonds, taking into account any derivative contracts hedging the financial risks taken out in connection with the transaction;
- Asset Coverage Test: it verifies dynamically that the assets forming part of the cover pool, weighted differently depending on their type and quality, are able to guarantee the minimum level of over-collateralisation required by the rating agencies.

These parameters have always been complied with at the end of the year.

3) Other information on significant events

As regards the cover pool, note that after the end of last year the issuance of a third series of Covered Bank Bonds was approved as part of the Programme, based on the loan portfolio assigned to the Company. This issue took place on 20 January 2021 for a nominal amount of Euro 100,000,000.00.

It should also be noted that on 06 May 2021, with economic effects from 06 May 2021, Banco di Desio e della Brianza S.p.A. sold a new portfolio for a total consideration of Euro 217,527,659.48 and on 18 May 2021 made available to the Company a new Subordinated Loan for a principal amount equal to the purchase price of the new portfolio.

No other significant events took place after the end of the year.

L.3 PARTIES INVOLVED

Issuer of the covered bonds	Banco di Desio e della Brianza S.p.A.
Guarantor of the covered bonds	Desio OBG S.r.l.
Assignors	Banco di Desio e della Brianza S.p.A. and Banca Popolare di Spoleto S.p.A.
Subordinated Lenders	Banco di Desio e della Brianza S.p.A. and Banca Popolare di Spoleto S.p.A.
Servicer	Banco di Desio e della Brianza S.p.A.
Sub-Servicer	Banca Popolare di Spoleto S.p.A.
Corporate Servicer	Securitisation Services S.p.A. (now Banca Finint)
Guarantor Calculation Agent	Securitisation Services S.p.A. (now Banca Finint)
Account Bank	Crédit Agricole Corporate and Investment Bank, Milan Branch
Guarantor Paying Agent	Crédit Agricole Corporate and Investment Bank, Milan Branch
Representative of the Covered Bond Holders	Securitisation Services S.p.A. (now Banca Finint)
Back-Up Servicer Facilitator	Securitisation Services S.p.A. (now Banca Finint)
Liability Swap Provider	BNP Paribas
Asset Monitor	BDO Italia S.p.A.
Quotaholder	Stichting Morricone
Stiching Corporate Services Provider	Wilmington Trust SP Services (London) Limited
Cash Manager	Banco di Desio e della Brianza S.p.A.
Test Calculation Agent	Banco di Desio e della Brianza S.p.A.
Issuer Paying Agent	Banco di Desio e della Brianza S.p.A.
Luxembourg Listing Agent	BNP Paribas Securities Services, Luxembourg branch.

Note that, with deed of 26 October 2020, rep. no. 54597 dossier no. 30824, the merger by absorption of Securitisation Services S.p.A., among others, by Banca Finanziaria Internazionale S.p.A. was finalised by Notary Alberto Sartorio and registered in the Treviso-Belluno Company Register on 28 October 2020.

Obligations of the assignor

At the date of the transfer, the Company, as guarantor and Banco di Desio e della Brianza S.p.A. and Banca Popolare di Spoleto S.p.A. as assignors, entered into two separate guarantee and indemnity agreements under which each assignor made certain declarations and guarantees in favour of the Guarantor in relation to the transferred loan and receivable portfolio and agreed to hold the Guarantor indemnified in relation to certain costs, expenses and liabilities that the latter might incur in relation to the purchase and ownership of the portfolio.

For an explanation of the other obligations of the assignor and of the other parties involved in the transaction in various capacities, reference should be made to paragraph L.5. Ancillary financial transactions.

Contractual relations between the parties

The Guarantor has entrusted management of the collections of the portfolios acquired to Banco di Desio e della Brianza S.p.A., as the Servicer, which has the task of monitoring the transaction according to Law no. 130/99 so that the transaction is carried out in compliance with the law and with the prospectus.

Collections of loans and receivables are made on the Desio Collection Account and the Spoleto Collection Account, both in the name of the Guarantor, initially opened at BNP Paribas Securities Services and from July moved to the new Account Bank Crédit Agricole Corporate and Investment Bank.

Based on the Servicer's reports on the progress of the transaction and, more specifically, on collections of loans and receivables and other items involved in formation of the funds available to the Guarantor, Securitisation Services, as Guarantor Calculation Agent, distributes these funds at each payment date as fees and expenses to the various parties delegated to perform specific functions for the cover pool and for the remuneration of the subordinated loans. In paragraph L.4) below, there is a more complete examination of the funds available to the Guarantor and the order of priority that it has to comply with when making payments to the counterparties.

The management of administrative and accounting services has been entrusted to Securitisation Services, as the Guarantor Corporate Servicer.

The role of Representative of the Covered Bond Holders has been given to Securitisation Services.

L.4 CHARACTERISTICS OF THE ISSUES

The following information is provided on the bonds issued by Banco di Desio e della Brianza S.p.A., for which the vehicle company acts as Guarantor.

Series	1
ISIN Code	IT0005277451
Common Code	167862977
Denomination	Euro 100,000
Issue date	12 September 2017
Expiry date	12 September 2024
Extended expiry date	12 September 2025
Foreign currency	Euro
Amount of the issue	Euro 575,000,000
Amount at 31/12/2021	Euro 575,000,000
Type of rate	Fixed
Coupon	0,875 %
Applicable law	Italian

Series	2
ISIN Code	IT0005380446
Common Code	203326343
Denomination	Euro 100,000
Issue date	24 July 2019
Expiry date	24 July 2026
Extended expiry date	24 July 2027
Foreign currency	Euro
Amount of the issue	Euro 500,000,000
Amount at 31/12/2021	Euro 500,000,000
Type of rate	Fixed
Coupon	0,375 %
Applicable law	Italian

Series	3
ISIN Code	IT0005433682
Common Code	229177818
Denomination	Euro 100,000
Issue date	20 January 2021
Expiry date	20 January 2031
Extended expiry date	20 January 2032
Foreign currency	Euro
Amount of the issue	Euro 100,000,000
Amount at 31/12/2021	Euro 100,000,000
Type of rate	Fixed
Coupon	0.00 %
Applicable law	Italian

Allocation of the flows coming from the loan portfolio

The allocation of the cash flows from the purchased loan and receivable portfolio follows the order established in the "Intercreditor Agreement".

The funds on interest account available to the Guarantor are allocated according to the following order of priority.

Order of priority for the application of available funds on interest account:

1. payment of corporate expenses and reintegration of the Retention Amount;
2. payment of commission to the Representative of the Covered Bond Holders;
3. payments of commission to the Company's agents for payment to the Liability Swap Provider;
4. payment of the Reserve Fund Amount;
5. allocation to available principal funds of an amount equal to the principal funds allocated to available interest funds at the previous payment dates and not yet reimbursed;
6. payment to the Subordinated Lenders of the basic interest accrued on each loan
7. payment to the Liability Swap Provider of additional amounts due;
8. payment to the Subordinated Lenders of the premium accrued on each loan.

Order of priority for the application of available principal funds:

9. transfer of an amount equal to the possible shortfall that might occur at the current payment date, in the event that the interest funds available are insufficient for: the payment of corporate expenses, the reintegration of the Retention Amount, payment of commission to the Representative of the Covered Bond Holders and the other Agents of the Company, payment to the Liability Swap Provider and payment of the Reserve Fund Amount, in compliance with the applicable order of priority for interest;
10. payment of the price for new portfolios of loans and receivables or other assets;
11. any principal payments due to the Liability Swap Provider;
12. reimbursement, if requested by the lenders and provided that this does not result in a violation of the Tests carried out by the Asset Monitor and the Test Calculation Agent of the Subordinated Loans;
13. provision in the Collection Account of funds not used for the items with the highest priority.

L.5 ANCILLARY FINANCIAL TRANSACTIONS

Interest rate risk hedging

Desio OBG S.r.l took out a first Interest Rate Swap contract on 19 July 2017 and a second one on 22 July 2019 to hedge the interest rate risk deriving from the misalignment between the flows of interest income on the Portfolio and the flows of interest expense on the series of covered bonds issued by Banco di Desio e della Brianza S.p.A. as part of the programme which would have to be paid by the Guarantor in a scenario of Post Issuer Default. Note that starting from the Guarantor's first payment date a cash reserve was created for a sum

of:

- the expenses of the Company to be paid on the next payment date;
- the commission of the Senior Agents to be paid on the next payment date;
- for each of the covered bonds not hedged by a Liability Swap, the coupons maturing in the following quarter;
- for each of the covered bonds fully hedged by a Liability Swap, the higher of the swap that the vehicle has to pay at the next payment date and the coupon maturing in the next quarter;
- for each of the covered bonds partially hedged by a Liability Swap, the highest of the swap that the vehicle has to pay at the next payment date and the coupon maturing in the next quarter for the part hedged by the Liability Swap and the coupon accruing in the next quarter for the part not hedged by the Liability Swap.

In the event of the issuer's default, this reserve therefore guarantees payment of the coupons on the covered bonds issued for the following quarter and of the guarantor's senior expenses.

L.6 OPERATIONAL POWERS OF THE ASSIGNEE COMPANY

Desio OBG S.r.l., as the assignee and guarantor, has operational powers that are limited by the articles of association. In particular, art. 3 establishes that:

"The Company's exclusive purpose is to purchase for a consideration from banks, in the context of one or more issues (i.e. both individual issues and issue programmes) of guaranteed bank bonds ("covered bonds") carried out pursuant to art. 7-bis of Law no. 130 of 30 April 1999, subsequent amendments and additions and related implementing provisions:

- (i) land loans and mortgage loans, also *en bloc*;
 - (ii) receivables from public administrations or guaranteed by them, also *en bloc*;
 - (iii) securities issued as part of securitisations involving the same type of receivables;
 - (iv) other eligible assets or additional eligible assets that are permitted by the regulations mentioned above;
- through the assumption of loans granted or guaranteed also by the originator banks, as well as guaranteeing the bonds issued by these or other banks.

The Company will carry out the activities indicated above according to the terms, methods and conditions established by the law applicable to issues of covered bonds pursuant to art. 7-bis of Law 130 of 30 April 1999, and subsequent amendments and additions related to its implementation.

In accordance with the said law and art. 1180 of the Italian Civil Code, the loans, receivables and securities purchased by the Company and the sums paid by the related debtors are intended to satisfy the rights of the holders of the covered bonds referred to in paragraph 1 of the art. 7-bis of Law 130 of 30 April 1999 and issued in the context of the issuing transactions in which the Company participates and for which the Company has provided a guarantee, of the counterparties of derivative contracts for the purpose of hedging the risks inherent in the loans, receivables and securities purchased and other ancillary contracts, as well as payment of the other

transaction costs, as a priority with respect to the repayment of the loans granted or guaranteed also by the originator banks pursuant to paragraph 1999 of art. 7-bis of Law 130 of 30 April 1999.

The loans, receivables and securities purchased by the Company as part of each transaction or issue programme constitute assets (known as the "cover pool") that are to all effects separate from those of the Company and from those relating to other transactions or issue programmes; no legal action against these assets is permitted by creditors other than the bearers of the covered bonds issued and the additional creditors referred to in the previous paragraph.

To the extent permitted by the provisions of Law 130 of 30 April 1999 and the related implementing provisions, the Company may also carry out ancillary transactions to be stipulated for the provision of guarantees and for the successful completion of the transactions for the issuance of covered bank bonds and in the cases in which this is permitted by Law 130/99 and the related implementing provisions, and with the procedures and within the limits provided therein, carry out operations of reinvestment in other financial assets of funds deriving from the management of credits and securities purchased pursuant to this statute and not immediately used to meet the rights of the holders of covered bonds (issued in the context of these issuance transactions) and for payment of the transaction costs.

In the context of the issuance of guaranteed bank bonds in which it participates, in compliance with the provisions of Law 130/99 and the related implementing provisions, the Company may appoint third parties to collect the receivables purchased and for the provision of cash services. and payment and also perform any other activity permitted by art. 7-bis of Law 130/1999 and related implementing provisions."

All of the main operating activities related to the management of the operation have been entrusted to third parties (see point L.3).

QUANTITATIVE INFORMATION

L.7 FLOW DATA ON THE LOANS AND RECEIVABLES

Description	At 31/12/2021	From the start date to 31 December 2020
Balance of loans and receivables at the beginning of the year	1,467,850,728	0
Increases:		
Purchase of the loan and receivable portfolio from Banco Desio and Banca Popolare Spoleto	217,527,760	1,963,757,019
Other increases, of which:		
Interest income accrued on loans	25,359,113	79,325,879
Default interest income	16,054	80,688
Penalties for early repayments	23,768	97,782
Write-backs to the write-down provision	4,517,701	208,306
ancillary income on instalments	(118,751)	(175,085)
other	649	0
Decreases:		
Customer collections	(226,766,977)	(546,980,170)
Other decreases, of which:		
Loan write-downs	(768,729)	(10,731,822)
Adjustment to amortised cost	0	(2,523,414)
Repurchases	(1,336,154)	(15.208.45)
Balance of loans and receivables at the end of the year	1,486,395,162	1,467,850,728

It should be noted that during the year just ended, the Originator, pursuant to art. 11 of the Sale Agreement, exercised its repurchase option by individual loan.

Collections in portfolio flows differ from collections in cash flows, as they consider collections accrued in December, but transferred to the Company's current accounts by the Servicer during the first few months of 2022 for an amount of Euro 2021, while it does not consider collections received in January 203,610 in current accounts for Euro 164,048 but pertaining to the previous year.

L.8 CHANGES IN OVERDUE LOANS AND RECEIVABLES

Description	at 31/12/2021	At 31/12/2020
Balance of overdue loans and receivables at the beginning of the year	266,009	522,015
Purchase of loans and receivables	7,002	5,912
Amounts falling due in the year	127,346,561	83,912,217
Collection of loans and receivables due	(127,005,448)	(83,388,747)
Instalments renegotiated	(442,964)	(785,388)
Balance of overdue loans and receivables at the end of the year	171,160	266,009

The collection and recovery of overdue loans and receivables is entrusted to Banco di Desio e della Brianza S.p.A. and to Banca Popolare di Spoleto S.p.A. on the basis of the Servicing Agreement and the Sub-Servicing Agreement.

The Servicer and the Sub-Servicer continue during the course of the operation to monitor the loans and receivables and implement the recovery measures as provided for in the Servicing and Sub-Servicing Agreements.

L.9 CASH FLOWS

Inflows	At 31/12/2021	At 31/12/2020
1. Balance on current accounts at the beginning of the year	90,138,262	208,938,695
2. Subordinated loan received	0	0
3. Collections on loans and receivables transferred by the Servicer and	228,392,370	208,068,778
4. Positive swap differential	3,061,228	2,343,397
Total inflows during the year	321,591,860	419,350,870

Outflows	At 31/12/2021	At 31/12/2020
1. Reintegration of the Retention Amount	51,309	65,215
2. Interest expense and commission charged in current accounts	0	42
3. Payment of interest expense on loan	8,126,282	8,060,622
4. Payment of commission to counterparties	1,123,559	1,007,259
5. Negative swap differential	0	0
6. Payment of additional remuneration	20,072,219	20,079,471
7. Partial repayment of loan	184,000,000	300,000,000
Total outflows during the year	213,373,370	329,212,608

The difference between inflows and outflows of € 108,218,490 represents the balance of current accounts at 31 December 2021 (item B.3 of table L.1).

Note that certain financial transactions referred to in the tables above were carried out by offsetting debit and credit flows: in particular, payment of the transfer price of the portfolio was offset against disbursement of the related loan.

The actual amounts collected in 2021 amount to Euro 226.36 million, which is higher than the total amount expected to be collected (Euro 124.23 million).

The variance is due to the fact that the collection forecasts do not take into account the possibility of early repayments and the purchase of a new portfolio.

On the basis of the financial plans provided by the Servicer, it is expected that the collections deriving from the loans and receivables will amount to approximately Euro 134.13 million during the course of 2022; this figure does not include any repurchases or early repayments).

L.10 SITUATION OF GUARANTEES AND CASH LINES

At 31 December 2021 there are no guarantees or cash lines.

L.11 BREAKDOWN OF RECEIVABLES BY RESIDUAL LIFE

Residual life	Balance of loans and receivables in 2021
01) Up to 3 months	118,182.31
02) From 3 months to 1 year	1,411,839.56
03) From 1 to 5 years	58,030,020.45
04) Over 5 years	1,438,125,747.55
Total loans and receivables at the end of the year:	1,497,685,789.87

The above table shows the total residual debt at 31 December 2021, gross of the write-down provision and adjustment to amortised cost.

L.12 BREAKDOWN BY GEOGRAPHICAL AREA

Geographical area	Amount
Italy	1,497,685,790
Total loans and receivables at the end of the year:	1,497,685,790

The above table shows the total residual debt at 31 December 2021, gross of the write-down provision and adjustment to amortised cost.

L.13 RISK CONCENTRATION

Classes of amount (euro)	Balance of loans and receivables in 2021
01) 0 - 25,000	20,327,928
02) 25,001 - 75,000	329,576,026
03) 75,001 - 250,000	970,780,009
04) Over 250,000	177,001,827
Total loans and receivables at the end of the year:	1,497,685,790

The above table shows the concentration of risk. The above table shows the total residual debt at 31 December 2021, gross of the write-down provision and adjustment to amortised cost.

At 31 December 2021 there are no loans and receivables whose principal due is greater than 2% of the total amount of loans and receivables in portfolio.

Conegliano, 8 February 2022

Desio OBG S.r.l.
The Chairman of the Board of Directors
Carlo Maria Rebay

General information about the Company

Company data

Name: DESIO OBG S.R.L.
Head office: VIA VITTORIO ALFIERI, 1 - CONEGLIANO (TV)
Quota capital: 10,000.00
Quota capital fully paid: yes
Chamber of Commerce code: TV
VAT number: 10537880964
Tax code: 04864650264
Chamber of Commerce (REA) Number: 404888
Legal form: LIMITED LIABILITY COMPANY
Main sector of activity (ATECO): 649940
Company in liquidation: no
Company with sole quotaholder: no
Company subject to management control and coordination by others: yes
Name of the company that exercises management control and coordination: Banco di Desio e della Brianza S.p.A.
Membership of a group: yes
Name of the holding company: Banco di Desio e della Brianza S.p.A.
Country of the holding company:
Register of cooperative companies:

Financial statements at 31/12/2021

Balance sheet

	31/12/2021	31/12/2020
Assets		
B) Fixed assets		
I - Intangible assets	-	-
1) start-up and expansion cost	-	394
<i>Total intangible assets</i>	-	394
<i>Total fixed assets (B)</i>	-	394

DESIO OBG S.R.L.

COMPANY SUBJECT TO MANAGEMENT CONTROL AND COORDINATION AS PER ART. 2497 AND SEQ. OF THE ITALIAN CIVIL CODE: BANCO DI DESIO E DELLA BRIANZA S.P.A.

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	31/12/2021	31/12/2020
C) Current assets		
II - Receivables	-	-
5-bis) tax receivables	5,452	6,466
due within 12 months	5,452	6,466
<i>Total receivables</i>	5,452	6,466
IV - Cash and cash equivalents	-	-
1) bank and postal deposits	46,462	39,869
<i>Total cash and cash equivalents</i>	46,462	39,869
<i>Total current assets (C)</i>	51,914	46,335
D) Accrued income and prepaid expenses	11,349	9,536
<i>Total assets</i>	63,263	56,265
Liabilities and equity		
a) Quotaholders' equity	10,000	10,000
I - Quota capital	10,000	10,000
Total quotaholders' equity	10,000	10,000
D) Payables		
6) advances	13,374	21,142
due within 12 months	13,374	21,142
7) due to suppliers	28,029	16,756
due within 12 months	28,029	16,756
12) taxes payable	5,130	2,512
due within 12 months	5,130	2,512
<i>Total payables</i>	46,533	40,410
E) Accrued expenses and deferred income	6,730	5,855
<i>Total liabilities</i>	63,263	56,265

Income statement

	31/12/2021	31/12/2020
A) Value of production		
5) other income	-	-
other	88,336	80,024
<i>Total other income</i>	88,336	80,024
<i>Total value of production</i>	88,336	80,024
B) Production costs		

DESIO OBG S.R.L.

COMPANY SUBJECT TO MANAGEMENT CONTROL AND COORDINATION AS PER ART. 2497 AND SEQ. OF THE ITALIAN CIVIL CODE: BANCO DI DESIO E DELLA BRIANZA S.P.A.

DIRECTORS' REPORT ON OPERATIONS ACCOMPANYING THE FINANCIAL STATEMENTS AT 31 DECEMBER 2021

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	31/12/2021	31/12/2020
7) services	83,844	77,876
10) amortisation, depreciation and write-downs	-	-
a) amortisation of intangible assets	394	394
<i>Total amortisation, depreciation and write-downs</i>	394	394
14) other operating charges	462	446
<i>Total production costs</i>	84,700	78,716
Difference between value and costs of production (A - B)	3,636	1,308
Profit before taxes (A-B+-C+-D)	3,636	1,308
20) Income taxes, current and deferred tax assets and liabilities		
current taxes	3,930	1,308
taxes relating to prior years	(294)	-
<i>Total income taxes, current and deferred tax assets and liabilities</i>	3,636	1,308
21) Net profit (loss) for the year	-	-

Cash flow statement (indirect method)

	Amount at 31/12/2021	Amount at 31/12/2020
A) Cash flows generated by operations (indirect method)		
Income taxes	3,636	1,308
<i>1) Net profit (loss) before taxes, interest, dividends and capital gain/losses on disposal</i>	3,636	1,308
Adjustments for non-monetary items without a contra-entry in net working capital		
Amortisation and depreciation	394	394
<i>Total adjustments for non-monetary items without a contra-entry in net working capital</i>	394	394
<i>2) Cash flow before changes in net working capital</i>	4,030	1,702
Change in net working capital		
Increase/(Decrease) in due to suppliers	11,273	(2,459)
Decrease/(Increase) in accrued income and prepaid expenses	(1,813)	(221)
Increase/(Decrease) in accrued expenses and deferred income	875	50
Other decreases/(other increases) in net working capital	(4,136)	2,083
<i>Total changes in net working capital</i>	6,199	(547)
<i>3) Cash flow after changes in net working capital</i>	10,229	1,155
Other changes		
(Income taxes paid)	(3,636)	(1,308)
<i>Total other changes</i>	(3,636)	(1,308)
Cash flow generated by operations (A)	6,593	(153)
Increase (decrease) in cash and cash equivalents (A ± B ± C)	6,593	(153)
Cash and cash equivalents at the beginning of the year		
Bank and postal deposits	39,869	40,022
Total cash and cash equivalents at the beginning of the year	39,869	40,022
Cash and cash equivalents at the end of the year		
Bank and postal deposits	46,462	39,869
Total cash and cash equivalent at the end of the year	46,462	39,869
Balance		

Introduction

Quotaholders, these explanatory notes form an integral part of the financial statements at 31/12/2021.

The financial statements comply with the provisions of articles 2423 et seq. of the Italian Civil Code and national accounting standards as published by the Italian Accounting Body; they therefore give a true and fair view of the Company's financial position and result for the year.

The Company was established on 27 February 2017 pursuant to Law no. 130 of 30 April 1999, which regulates securitisation transactions in Italy.

Legislative Decree no. 141 of 2010, as subsequently amended, lays down that securitisation vehicle companies are to be set up in the form of limited companies.

In accordance with the articles of association and the provisions of the law mentioned above, the Company has as its exclusive purpose the implementation of one or more issues (i.e. both individual issues and issue programmes) of guaranteed bank bonds (or "covered bonds") carried out pursuant to art. 7-bis of Law no. 130 of 30 April 1999, subsequent amendments and additions and related implementing provisions, consisting of:

- (i) land loans and mortgage loans, also *en bloc*;
 - (ii) receivables from public administrations or guaranteed by them and securities issued or guaranteed at the same terms, also *en bloc*;
 - (iii) securities issued as part of securitisations involving the same type of receivables;
 - (iv) other eligible assets or additional eligible assets that are permitted by the regulations mentioned above;
- through the assumption of loans granted or guaranteed also by the originator banks, as well as guaranteeing the bonds issued by these or other banks.

The Company has prepared these financial statements confirming the accounting separation of the securitised assets with respect to those of the company, in line with the provisions of the previous Bank of Italy Provision of 29 March 2021, even if it has lapsed as a result of the repeal by Legislative Decree 136/15 of Legislative Decree 87/92, of which it was a direct application and although this segregation is not governed by any provision of the Italian Civil Code.

Recourse to the provisions of the Italian Civil Code for representation of corporate operations derives from the exclusion of the securitisation vehicle companies under Law 130/99 from subjects qualifying as non-banking financial intermediaries, following the completion of the Reform of Title V by Legislative Decree 141/2010 and subsequent corrective decrees, the effects of which have been translated from an accounting point of view by Legislative Decree 136/15.

Pending the issue of a new regulatory source - replacing the previous one - to govern the preparation of financial statements of the securitisation vehicle companies, the Company has made the choices explained above as being closer to the regulatory provisions currently in force and, at the same time, suitable for the purpose of providing information on the Company's financial position, result and cash flows, which is useful for users of the financial statements to make decisions of an economic nature and which is at the same time relevant, reliable, comparable and comprehensible with regard to both the Company's operations and the cover pool.

These decisions are also based on compliance with the general principle of continuity in the representation of transactions and other operating situations to help make the financial statements more comprehensible.

Company's operations

The contents of the balance sheet and income statement, which only represent the Company's operations, are therefore those foreseen in articles 2424 and 2425 of the Italian Civil Code, whereas the cash flow statement has been prepared in accordance with art. 2425-ter.

The explanatory notes, prepared in accordance with art. 2427 of the Italian Civil Code, contain all the information necessary to provide a correct interpretation of the financial statements and, in particular, they contain a specific attachment with information on the Securitisation.

Securitisation

In light of the above, the Company has prepared these financial statements confirming the accounting separation of the securitised assets with respect to those of the Company, in line with the provisions of the previous Bank of Italy Instructions of 29 March 2021.

As a consequence, the financial assets purchased, the securities issued and the other transactions carried out as part of the securitisation are represented in accordance with the previous instructions issued specifically by the Bank of Italy, as explained in the attachment to these notes, and do not form part of the financial statements.

This attachment has to be considered an integral part of these financial statements.

This approach is also in line with the provisions of Law no. 130 of 30 April 1999, according to which "the receivables related to each transaction constitute a pool of segregated assets that are to all effects separate from those of the company and from those relating to other transactions".

In greater detail, with reference to the securitisation, the following provisions continue to be respected:

- a) the accounting information relating to each securitisation is shown separately in specific attachments to the explanatory notes;
- b) the attachments contain the qualitative and quantitative figures needed for a clear and complete representation of each operation. More specifically, they provide the minimum quantity of information specified below: (i) information on the amount of loans purchased (nominal and sale value); (ii) information on the amount of securities issued, distinguishing between the various classes of securities with their level of subordination; (iii) accounting information; (iv) qualitative information; (v) quantitative information pertaining to the securitisation(s).

The Company has complied with the rule that all pertinent information must be provided, even if not expressly required, in order to give a complete picture of the situation, whereas information that by its nature or due to excessive content reduces the clarity and immediacy of the document's information should be excluded.

Note that the question of the accounting treatment of financial assets and/or groups of financial assets and financial liabilities arising as part of securitisations is still under review by the bodies responsible for the interpretation of accounting standards.

Furthermore, Legislative Decree no. 139/2015 was published on 4 September 2015, taking effect from the financial statements for financial years commencing on or after 1 January 2016, according to which important changes have been introduced to the measurement criteria of certain financial statement items of companies required to follow the accounting rules dictated by the Italian Civil Code and the Italian accounting standards.

These changes include, in particular, the measurement at amortised cost of receivables and liabilities arising in 2016, as well as the fair value measurement of derivatives existing at the date of first-time application of the decree.

Note that pending an express clarification of the law regarding the applicability of these changes to the cover pool of securitisation vehicle companies, the Company has decided to keep the same accounting policies used to measure the prospectus items, in the interests of consistency. These items are more explained in greater detail in the attachment to the notes, in the paragraph "Information on the summary prospectus", to which reference should be made.

Preparation of the financial statements

The information contained in this document is presented in the order in which the items are indicated in the balance sheet and in the income statement.

With reference to what is indicated in the introductory part of these notes, we can assure readers that if the information required by specific legal provisions is not sufficient to give a true and fair view of the Company's situation, we provide the additional information deemed necessary for the purpose, pursuant to art. 2423, paragraph 3 of the Italian Civil Code.

There were no exceptional cases that required exemptions pursuant to art. 2423, paragraphs 4 and 5 and art. 2423-bis paragraph 2 of the Italian Civil Code.

The financial statements and these notes have been drawn up in euros.

Basis for the preparation of the financial statements

The items in the financial statements are measured in compliance with the prudence principle and on a going-concern basis. Pursuant to art. 2423-bis para.1 point 1-bis of the Italian Civil Code, the recognition and presentation of the items take into account the substance of the transaction or contract.

In preparing the financial statements, income and expenses are recorded on an accruals basis regardless of when payment is made or received. The risks and losses pertaining to the year were also taken into account, even if they became known after the end of the period.

Form and content of the Financial Statements

The balance sheet, income statement, cash flow statement and the accounting information contained in these explanatory notes agree with the accounting records, from which they were taken directly.

No items in the balance sheet and income statement preceded by Arabic numerals were grouped together (an option provided in art. 2423 ter of the Italian Civil Code).

Pursuant to art. 2424 of the Italian Civil Code, we can confirm that there are no assets or liabilities that fall under more than one item in the financial statements.

Measurement

The notes on individual items give details of the criteria applied, pursuant to article 2427 para. 1 no. 1 of the Italian Civil Code, in compliance with the provisions contained in art. 2426 of the Italian Civil Code, with particular reference to those items in the financial statements for which the legislator admits various different criteria for measurement and adjustment or for which no specific criteria are envisaged.

Measurement of items in foreign currencies

At the year end date, the Company does not hold foreign currency receivables or payables.

Transactions with a forward repurchase obligation

Pursuant to art. 2427 no. 6-ter, the Company certifies that during the year there were no transactions subject to a forward repurchase obligation.

Assets

The figures recorded under assets in the balance sheet are measured in accordance with the provisions of art. 2426 of the Italian Civil Code and in compliance with Italian accounting standards. The notes on individual items give details of the criteria applied.

Fixed assets

Intangible assets

They consist solely of start-up and expansion costs.

Start-up and expansion costs are recorded on the assets side of the balance sheet because they produce benefits that last for more than one year; these costs are amortised systematically over a period of not more than five years.

Changes in intangible assets

The table below shows the changes in intangible assets.

	Start-up and expansion costs	Total intangible assets
Opening balance		
Cost	394	394
Book value	394	394
Changes during the year		
Decreases due to sales and disposals (at book value)	394	394
Total changes	(394)	(394)

Current assets

Current assets are valued according to article 2426, 8 to 11-bis of the Italian Civil Code. The criteria used are indicated in the notes to the various items in the financial statements.

Loans and receivables recorded under current assets

The loans and receivables recorded under current assets are reported in the financial statements according to the amortised cost method, as defined by art. 2426 of the Italian Civil Code, taking into account the time factor and their estimated realisable value, in compliance with the provisions of art. 2426, paragraph 1, no. 8 of the Italian Civil Code.

The adjustment to estimated realisable value is made, where necessary, by charging a provision for doubtful accounts.

Loans and receivables for which applying the amortised cost and/or discount method is irrelevant for the purpose of giving a true and fair view of the Company's economic situation have been maintained at their estimated realisable value. For example, this is applied to receivables with a maturity of less than twelve months or, with reference to the amortised cost criterion, in the event that transaction costs, commissions and any other difference between the initial value and the maturity value is of little importance, or in the case of the discount method, in the presence of an interest rate that can be inferred from contractual conditions that are not significantly different from the market interest rate.

Changes and maturity of loans and receivables recorded under current assets

The following table shows the information regarding changes in loans and receivables recorded under current assets and information on their maturity, if this is significant.

	Opening balance	Changes during the year	Closing balance	Portion due within 12 months
Tax receivables	6,466	(1,014)	5,452	5,452
Total	6,466	(1,014)	5,452	5,452

"Tax receivables" refer to:

- IRES and IRAP advances paid during the year and deductible from the provision for taxation.
- The residual IRES payable at the reporting date;
- tax credits for withholding taxes.

Cash and cash equivalents

Cash and cash equivalents are valued at nominal value.

	Opening balance	Changes during the year	Closing balance
bank and postal deposits	39,869	6,593	46,462
<i>Total</i>	<i>39,869</i>	<i>6,593</i>	<i>46,462</i>

The amount consists of temporary cash balances on bank accounts held by the Company for its own operations; these are demand deposits.

Accrued income and prepaid expenses

Accrued income and prepaid expenses are calculated on an accruals basis, allocating revenues or costs relating to two or more financial years.

The following table shows the composition of these items, as they are shown in the financial statements.

Description	Detail	Current year amount
<i>ACCRUED EXPENSES AND DEFERRED INCOME</i>		
	ACCRUED INCOME	6,730
	PREPAID EXPENSES	4,618
	Rounding	1
	Total	11,349

Accrued income" includes the accrual of the "corporate servicer fee", which the Company collects periodically from the cover pool of the securitisation for the administrative and corporate management service of the vehicle being accrued as of 31/12/2021, in accordance with the Administrative Services contract.

"Prepaid expenses" refer to the costs of stichting management.

Liabilities and quotaholders' equity

The liabilities and equity items in the balance sheet are accounted for in compliance with Italian accounting standards; the notes on individual items give details of the criteria applied.

Quotaholders' equity

The items are shown in the financial statements at their book value in accordance with the guidelines contained in accounting standard OIC 28.

Changes in quotaholders' equity items

The following tables show changes in the individual equity items at the end of the year, as well as details of any other reserves.

	Opening balance	Closing balance
Quota capital	10,000	10,000
Total	10,000	10,000

Availability and use of quotaholders' equity

The following tables give details of the various equity items, specifying their origin, how they can be used and distributed, as well as how they have been used in the last three years.

Description	Amount	Origin/nature	Possibility of use
Quota capital	10,000	Quota capital	
Total	10,000		
Non-distributable portion			
Residual distributable portion			
Key: A: Increase in capital; B: loss coverage; C: Distribution to quotaholders; D: Other restrictions; E: Other			

	Quota capital	Total
Balance at 01/01/2019	10,000	10,000
<i>Allocation of net profit of the year:</i>		
- To dividend		
- Other		
<i>Other changes:</i>		
- Loss coverage		
- Capital transactions		
- Distribution to quotaholders		
- Other changes		
Result of the year 2019		
Closing balance at 31/12/2019	10,000	10,000
Balance at 01/01/2020	10,000	10,000
<i>Allocation of net profit of the year:</i>		
- To dividend		
- Other		
<i>Other changes:</i>		
- Loss coverage		
- Capital transactions		
- Distribution to quotaholders		
- Other changes		
Result of the year 2020		
Closing balance at 31/12/2020	10,000	10,000
Balance at 01/01/2021	10,000	10,000
<i>Allocation of net profit of the year:</i>		
- To dividend		
- Other		
<i>Other changes:</i>		
- Loss coverage		
- Capital transactions		
- Distribution to quotaholders		
- Other changes		
Result of the year 2021		
Closing balance at 31/12/2021	10,000	10,000

Payables

Payables are recorded in the financial statements at amortised cost, as defined by art. 2426 para. 2 of the Italian Civil Code, taking into account the time factor, in accordance with the provisions of art. 2426, para. 1, no. 8 of the Italian Civil Code. Payables for which applying the amortised cost or discount method is irrelevant for the purpose of giving a true and fair view of the Company's financial and economic situation have been maintained at their face value. For example, this is applied to payables with a maturity of less than twelve months or, with reference to the amortised cost criterion, in the event that transaction costs, commissions and any other difference between the initial value and the maturity value is of little importance, or in the case of the discount method, in the presence of an interest rate that can be inferred from contractual conditions that are not significantly different from the market interest rate.

Change and maturity of payables

The following table shows the information regarding changes in payables and any information on their maturity.

	Opening balance	Changes during the year	Closing balance	Portion due within 12 months
Advances	21,142	(7,768)	13,374	13,374
Due to suppliers	16,756	11,273	28,029	28,029
Taxes payable	2,512	2,618	5,130	5,130
Total	40,410	6,123	46,533	46,533

The amounts "due to suppliers" refer to invoices for services rendered in 2018 (i) received and not yet paid at the end of the year and (ii) not yet received at the balance sheet date.

"Advances" refer to money received by the Company from the securitisation to pay for its operating expenses.

"Taxes payable" refer to IRES provisions calculated at a rate of 24% (for IRAP provisions, the rate applied is 3.90%) and withholding taxes to be paid over.

Accrued expenses and deferred income

Accrued expenses and deferred income have been calculated on an accruals basis, allocating costs or revenues relating to two or more financial years.

The following table shows the composition of these items, as they are shown in the financial statements.

Description	Detail	Current year amount
<i>ACCRUED EXPENSES AND DEFERRED INCOME</i>		
	ACCRUED EXPENSES	6,730
	Total	6,730

"Accrued expenses" include the cost for the administrative and corporate management of the securitisation vehicle, calculated on an annual basis, accruing up to 31/12/2021, for which the supplier will issue an invoice next year.

Income statement

The income statement shows the result for the year.

It provides an overview of the Company's operations, summarising the positive and negative components of income that make up the result for the year. The positive and negative components of income, recorded in the financial statements in

accordance with article 2425-bis of the Italian Civil Code, are classified according to their nature: core business, ancillary operations and financial management.

Core business identifies the income components generated by transactions that take place continuously and in the relevant sector for the Company's operations, which identify and qualify the peculiar and distinctive part of the Company's activity, the one for which it was set up.

Considering the Company's nature, which was set up specifically to carry out securitisation transactions, the core business is dedicated to the Company's subsistence by sustaining the costs that allow it to survive and applying the contractual provision that allows them to be recharged to the cover pool.

Financial management consists of transactions that generate financial income and expenses.

On a residual basis, ancillary operations consist of transactions that generate items of income that form part of ordinary operations, but are not considered part of the core business nor part of financial management. The Company does not carry on any ancillary activities.

Value of production

Revenues are recorded on an accruals basis, net of returns, rebates, discounts and bonuses, as well as any taxes directly connected to them.

They refer mainly to the reimbursements that the Company is entitled to accrue from the cover pool having paid for its own operating costs.

Production costs

Costs and charges are recognised on an accruals basis according to their nature, net of returns, rebates, discounts and premiums, in accordance with the principle of matching costs with revenues, and recorded in the respective items as required by accounting principle OIC 12. In the case of purchased services, the costs are recorded when the service has been received, whereas if the services are provided on an ongoing basis, the costs are recorded as they accrue.

Amount and nature of individual elements of revenue or cost of exceptional amount or impact

There are no elements of revenue or cost of an exceptional amount.

Current and deferred income taxes

Deferred tax assets and liabilities

No provision has been made for deferred tax assets and liabilities in the income statement, as there are no temporary differences between the tax charge in the balance sheet and the theoretical tax charge.

Cash flow statement

The Company has prepared a cash flow statement which is the summary document that links the changes that took during the year in the Company's assets with the changes in its financial position; it highlights the financial resources that the Company required during the year and how they were used.

The Company uses the indirect method by which cash flow is reconstructed by adjusting the result for non-monetary items, in accordance with OIC 10.

Other information

Other information required by the Italian Civil Code is provided below.

Employment data

The Company did not have any employees during the year.

Remuneration, advances and loans granted to directors and statutory auditors and commitments undertaken on their behalf

The following table shows the information required by art. 2427 no. 16 of the Italian Civil Code, pointing out that there were no advances or loans and no commitments were undertaken on behalf of the Board of Directors because of any kind of guarantee that might have been given to them.

	Directors
Remuneration	19,709

Audit fees

The following table shows the fees due to the auditors, broken down by type of service.

	Legal audit of the annual accounts	Total fees due to the legal auditor or audit firm
Amount	16,508	16,508

Categories of shares issued by the company

This section of the notes is irrelevant because the quota capital is not represented by shares.

Securities issued by the Company

With reference to the Company's operations, it has not issued securities or anything similar that would be governed by art. 2427 no. 18 of the Italian Civil Code.

Details on other financial instruments issued by the Company

With reference to the Company's operations, it has not issued other financial instruments pursuant to article 2346, paragraph 6, of the Italian Civil Code.

Commitments, guarantees and contingent liabilities not shown on the balance sheet

With reference to the Company's operations, there are no commitments, guarantees or contingent liabilities not shown on the balance sheet.

Assets and loans to be used for a specific deal

The specific purpose of the Company is to carry out securitisations which, as mentioned in the introduction to the notes, are shown in accordance with the previous provisions issued specifically by the Bank of Italy, as explained in the attachment to these notes, to which reference should be made; they are listed here:

Attachment 1

Note that the attachment is to be considered an integral part of these financial statements.

Related party transactions

With reference to the Company's operations, for the purposes of current legislation, no transactions were carried out with related parties during the year.

With reference to the securitisation, please refer to paragraph B.2 of Attachment 1 of the Notes, where there is a complete list of the entities involved.

Agreements not shown in the balance sheet

With reference to the Company's operations, there are no agreements entered into during the year that are not shown in the balance sheet.

Significant subsequent events

With reference to point 22-quater of art. 2427 of the Italian Civil Code, no significant events relating to the Company's operations, which could have had a material impact on the balance sheet or income statement, took place after the end of the year.

Derivatives pursuant to art. 2427-bis of the Italian Civil Code

No derivatives have been taken out in connection with the Company's operations.

Summarised financial statements of the company that exercises management control and coordination activities

Please note that the Company belongs to the BANCO DESIO VAT Group and is subject to management control and coordination by Banco di Desio e della Brianza S.p.A.

The following summary tables provide the key figures of the latest approved financial statements of the company that exercises management control and coordination.

Summarised balance sheet of the company that exercises management control and coordination

Attivo

Voci dell'attivo	31.12.2020
10. Cassa e disponibilità liquide	56.525
20. Attività finanziarie valutate al fair value con impatto a conto economico	56.702
a) Attività finanziarie detenute per la negoziazione	6.239
c) Altre attività finanziarie obbligatoriamente valutate al fair value	50.463
30. Attività finanziarie valutate al fair value con impatto sulla redditività complessiva	662.646
40. Attività finanziarie valutate al costo ammortizzato	14.332.345
a) Crediti verso banche	1.365.759
b) Crediti verso clientela	12.966.586
60. Adeguamento di valore delle attività finanziarie oggetto di copertura generica (+/-)	563
90. Attività materiali	222.483
100. Attività immateriali	18.513
di cui:	
- avviamento	15.322
110. Attività fiscali	205.131
a) correnti	18.306
b) anticipate	186.825
130. Altre attività	108.614
Totale dell'attivo	15.663.522

Passivo

Voci del passivo e del patrimonio netto	31.12.2020
10. Passività finanziarie valutate al costo ammortizzato	14.276.954
a) Debiti verso banche	2.412.244
b) Debiti verso clientela	10.255.783
c) Titoli in circolazione	1.608.927
20. Passività finanziarie di negoziazione	7.527
40. Derivati di copertura	1.540
60. Passività fiscali	13.491
b) differite	13.491
80. Altre passività	297.233
90. Trattamento di fine rapporto del personale	24.740
100. Fondi per rischi e oneri	46.962
a) impegni e garanzie rilasciate	4.947
c) altri fondi per rischi e oneri	42.015
120. Riserve da valutazione	66.096
150. Riserve	818.447
160. Sovraprezzi di emissione	16.145
170. Capitale	70.693
190. Patrimonio di pertinenza di terzi (+/-)	4
200. Utile (Perdita) d'esercizio (+/-)	23.690
Totale del passivo e del patrimonio netto	15.663.522

Summarised income statement of the company that exercises management control and coordination

	31.12.2020
Voci	
10. Interessi attivi e proventi assimilati	259.999
<i>di cui: interessi attivi calcolati con il metodo dell'interesse effettivo</i>	199.173
20. Interessi passivi e oneri assimilati	(37.620)
30. Margine di interesse	222.379
40. Commissioni attive	182.496
50. Commissioni passive	(16.409)
60. Commissioni nette	166.087
70. Dividendi e proventi simili	1.765
80. Risultato netto dell'attività di negoziazione	2.290
90. Risultato netto dell'attività di copertura	
100. Utili (perdite) da cessione o riacquisto di:	6.454
<i>a) attività finanziarie valutate al costo ammortizzato</i>	(1.747)
<i>b) attività finanziarie valutate al fair value con impatto sulla redditività complessiva</i>	8.218
<i>c) passività finanziarie</i>	(17)
110. Risultato netto delle altre attività e passività finanziarie valutate al fair value con impatto a conto economico	(3.734)
<i>b) altre attività finanziarie obbligatoriamente valutate al fair value</i>	(3.734)
120. Margine di intermediazione	395.241
130. Rettifiche/Riprese di valore nette per rischio di credito relativo a:	(71.532)
<i>a) attività finanziarie valutate al costo ammortizzato</i>	(71.723)
<i>b) attività finanziarie valutate al fair value con impatto sulla redditività complessiva</i>	191
140. Utili/perdite da modifiche contrattuali senza cancellazioni	267
150. Risultato netto della gestione finanziaria	323.976
180. Risultato netto della gestione finanziaria e assicurativa	323.976
190. Spese amministrative:	(302.239)
<i>a) spese per il personale</i>	(181.662)
<i>b) altre spese amministrative</i>	(120.577)
200. Accantonamenti netti ai fondi per rischi e oneri	(6.454)
<i>a) impegni per garanzie rilasciate</i>	(2.234)
<i>b) altri accantonamenti netti</i>	(4.220)
210. Rettifiche/Riprese di valore nette su attività materiali	(17.109)
220. Rettifiche/Riprese di valore nette su attività immateriali	(1.359)
230. Altri oneri/proventi di gestione	34.729
240. Costi operativi	(292.432)
260. Risultato netto della valutazione al fair value delle attività materiali e immateriali	-
290. Utile (Perdita) della operatività corrente al lordo delle imposte	31.544
300. Imposte sul reddito dell'esercizio dell'operatività corrente	(7.854)
310. Utile (Perdita) della operatività corrente al netto delle imposte	23.690
330. Utile (Perdita) d'esercizio	23.690
350. Utile (Perdita) d'esercizio di pertinenza della capogruppo	23.690
	31.12.2020
Utile base per azione (euro)	0,17
Utile diluito per azione (euro)	0,17

Proposal to allocate profits or to cover losses

Quotaholders,

The financial statements closed at break-even, so there is no allocation of profits to be made.

Explanatory notes - conclusion

Quotaholders, We can confirm that these financial statements, consisting of the balance sheet, income statement, cash flow statement and explanatory notes, give a true and fair view of the Company's financial position and result for the year and that they agree with the accounting records. We therefore invite you to approve the draft financial statements at 31/12/2021, together with the proposal for allocation of the result of the year, as prepared by the Board of Directors.

The financial statements give a true and fair view and agree with the accounting records

Conegliano, 08/02/2022

DESIO OBG S.R.L.

Società unipersonale

Carlo Maria Rebay, Chairman



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010

*To the quotaholders of
Desio OBG S.r.l.*

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Desio OBG S.r.l. (the "company"), which comprise the balance sheet as at 31 December 2021, the profit and loss account and cash flow statement for the year then ended and notes thereto.

In our opinion, the financial statements give a true and fair view of the financial position of Desio OBG S.r.l. as at 31 December 2021 and of its financial performance and cash flows for the year then ended in accordance with the Italian regulations governing their preparation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to the "Initial part" section the notes to the financial statements, where the directors state that the company's sole business object is the acquisition of loans and securities which it funds through third party financing as part of transactions to issue covered bonds in accordance with Law no. 130 of 30 April 1999. As described by the directors, the company has disclosed the acquired



financial assets and other transactions carried out as part of the above-mentioned transactions in the notes to the financial statements in accordance with the provisions of Law no. 130 of 30 April 1999, under which the loans and securities relating to each transaction constitute segregated assets from those of the company and those relating to other transactions for all intents and purposes. Our opinion is not qualified in this respect.

Other matters

Comparative figures

The company's 2020 financial statements were audited by other auditors, who expressed their unqualified opinion thereon on 5 March 2021.

Management and coordination

As required by the law, the company disclosed the key figures from the latest financial statements of the company that manages and coordinates it in the notes to its own financial statements. Our opinion on the financial statements of Desio OBG S.r.l. does not extend to such data.

Responsibilities of the company's directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the Italian regulations governing their preparation and, in accordance with the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve



collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10

The company's directors are responsible for the preparation of a directors' report at 31 December 2021 and for the consistency of such report with the related financial statements and its compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the directors' report with the company's financial statements at 31 December 2021 and its compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report is consistent with the company's financial statements at 31 December 2021 and has been prepared in compliance with the applicable law.



Desio OBG S.r.l.
Independent auditors' report
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With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Treviso, 14 March 2022

KPMG S.p.A.

(signed on the original)

Alessandro Nespoli
Director of Audit