

***ACEPI Associates'
Primary Market 2023 Q2
Analysis***

- ❖ ACEPI (Italian Association of Certificates and Investment Products) was founded, following the example of other European countries such as Germany and Switzerland, in order to promote in Italy the interest and knowledge of certificates and investment products among investors, taking the necessary measures for fostering the development of efficient and transparent markets (primary and secondary) for these products.

- ❖ In order to achieve it, ACEPI:
 - ✓ Promotes the circulation of information concerning certificates and investment products among Associates, as well as financial intermediaries and retail investors, supporting and implementing activities such as studies, researches, market news and consultancy in the field of certificates and investment products
 - ✓ Works together with Italian and foreign Regulatory Authorities for the development of the domestic and European legislation
 - ✓ Cooperates with the exchanges (both regulated and not) on which certificates and investment products are listed for a sustainable development of the market
 - ✓ Protects the common interests of the Associates, representing them in Italy and abroad
 - ✓ Promotes any additional and useful initiative, to improve investors protection through transparent and efficient markets for certificates and investment products

ACEPI members are divided as follows:

❖ Ordinary Members

- ✓ Issuers of certificates and investment products.



❖ Adherent Members

- ✓ Companies performing commercial, distributional and promotional activities in the certificates industry



❖ Honorary Members

- ✓ Entities, institutions, organizations, associations, companies and individuals with economic and administrative expertise able to contribute and sustain ACEPI purposes.

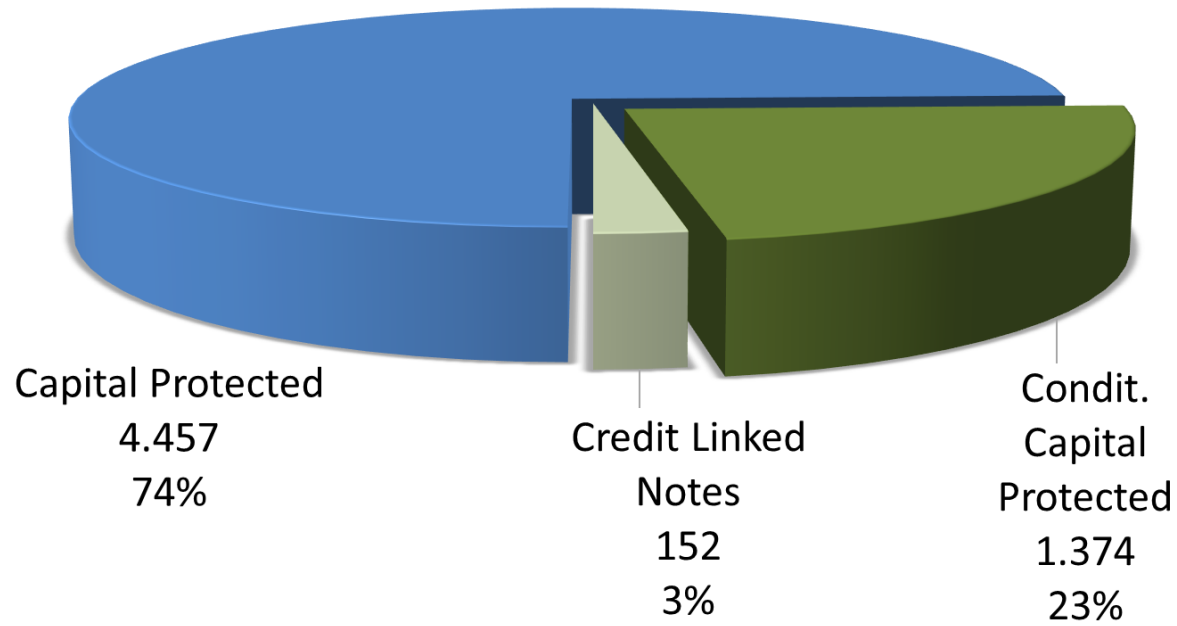


- ❖ The second quarter of 2023 shows:
 - ✓ the new absolute maximum of quarterly volumes placed by ACEPI issuers, equal to 5,984 million euros, an increase of 7% compared to the previous absolute record in Q1 2023 and 47% compared to the average of the quarters of 2022. The increase in Q2 2023 further reinforces the growth trend observed in the second half of 2022, which closed at 16,236 million euros, an increase of 71% compared to 2021. In a context of uncertainty about monetary policies, the search for protection, without penalising performance, is one of the factors that justifies this growing trend. The number of products offered, 328, is down by 13% compared to the record achieved in Q1, with 376 products, signaling an increase in the average cut in emissions.
 - ✓ In terms of breakdown into ACEPI macro-classes, in Q2 protected capital products (CPP) recorded a further increase, accounting for 74% of emissions on the primary market, compared to 23% of conditional capital products (CCPP), compared to 63% and 30% observed for CPP and CCPP respectively in Q1. The remaining 3% refers to the Credit Linked Notes, a type of product that in 2022 had shown a remarkable growth, with peaks of 11% and 10% of the total placed in Q3 and Q4 and fell to 7% in the first quarter of this year.
 - ✓ With reference to the types of products, within the CPP, Digital were preferred (77%) compared to Equity Protection (22%), substantially in line with Q1, whereas in Q4 2022 the two types of product divided the market in a substantially identical way. For CCPPs, Express (54%, compared to 26% of Cash Collect) were the most issued products, while the Bonus Cap dropped to 19%, after a 2022 that had reduced numbers on this type (1% in Q3 and 0% in Q4 and a jump to 25% in Q1 of 2023).

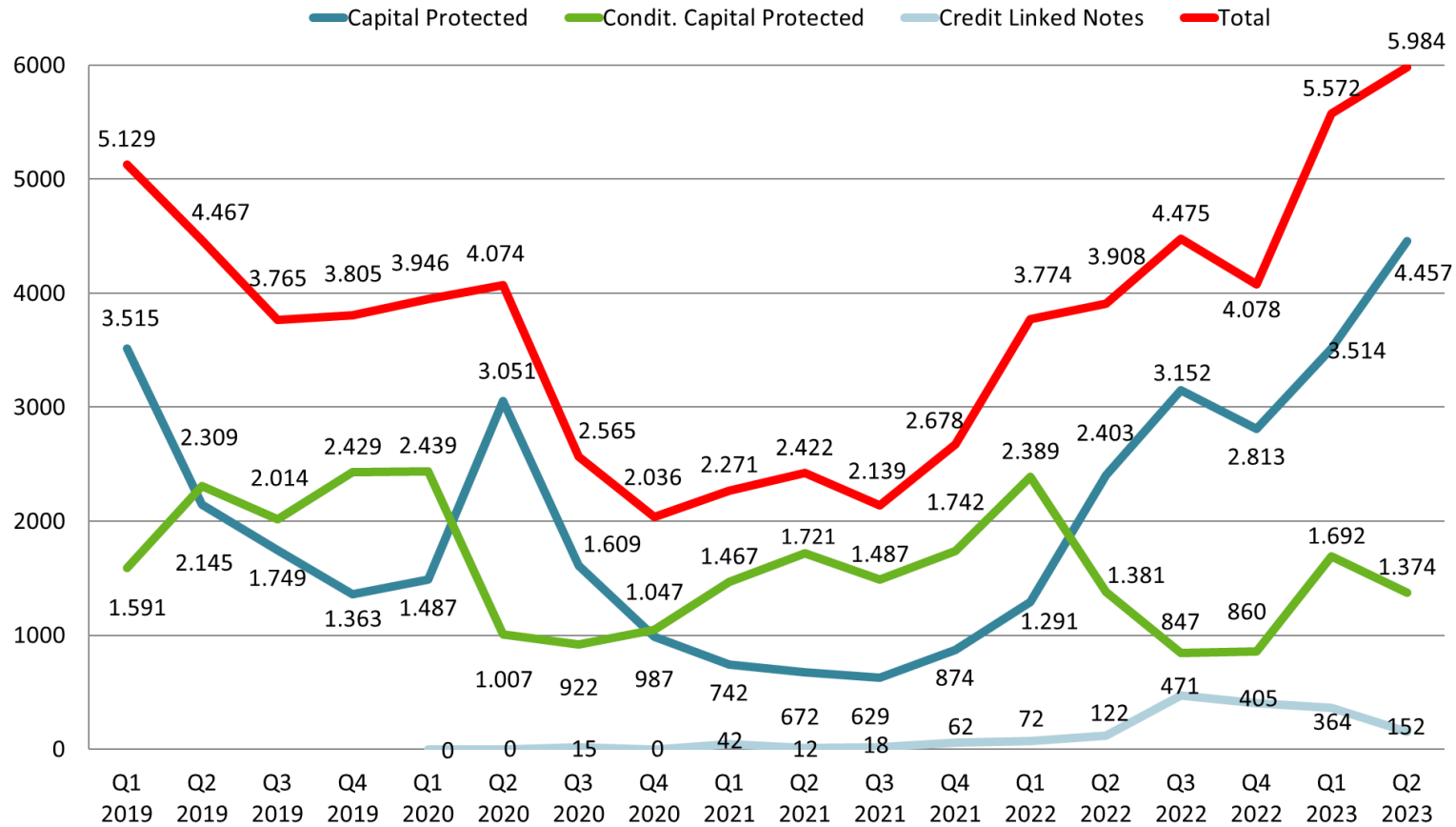
- As of this quarter, all capital products conditionally protected with autocallability are classified as Express. In previous statistics, Certificates with autocallability but with two different conditions (one for the payment of the coupon and one for the repayment of capital were classified as Cash Collect).
- Classification up to 2022
 - Express: products equipped with autocallability and with a condition that determines both the payment of the premium and the payment of the coupon
 - Cash Collect: products (with or without autocallability) with a condition for payment of the premium (or unconditional prizes) and a condition for repayment of the capital and a possible additional premium
- Classification from 2023 onwards
 - Express: all products with autocallability that determines the early repayment of capital and the presence of any premiums during the life of the product (paid according to a specific condition or unconditional)
 - Cash Collect : products without autocallability and intermediate premiums (conditional or unconditional)
- The reason for the reclassification is the alignment to the criteria also followed in the European Map (please see Eusipa’s website, www.eusipa.org).

Placed (MLN€) Q2 2023

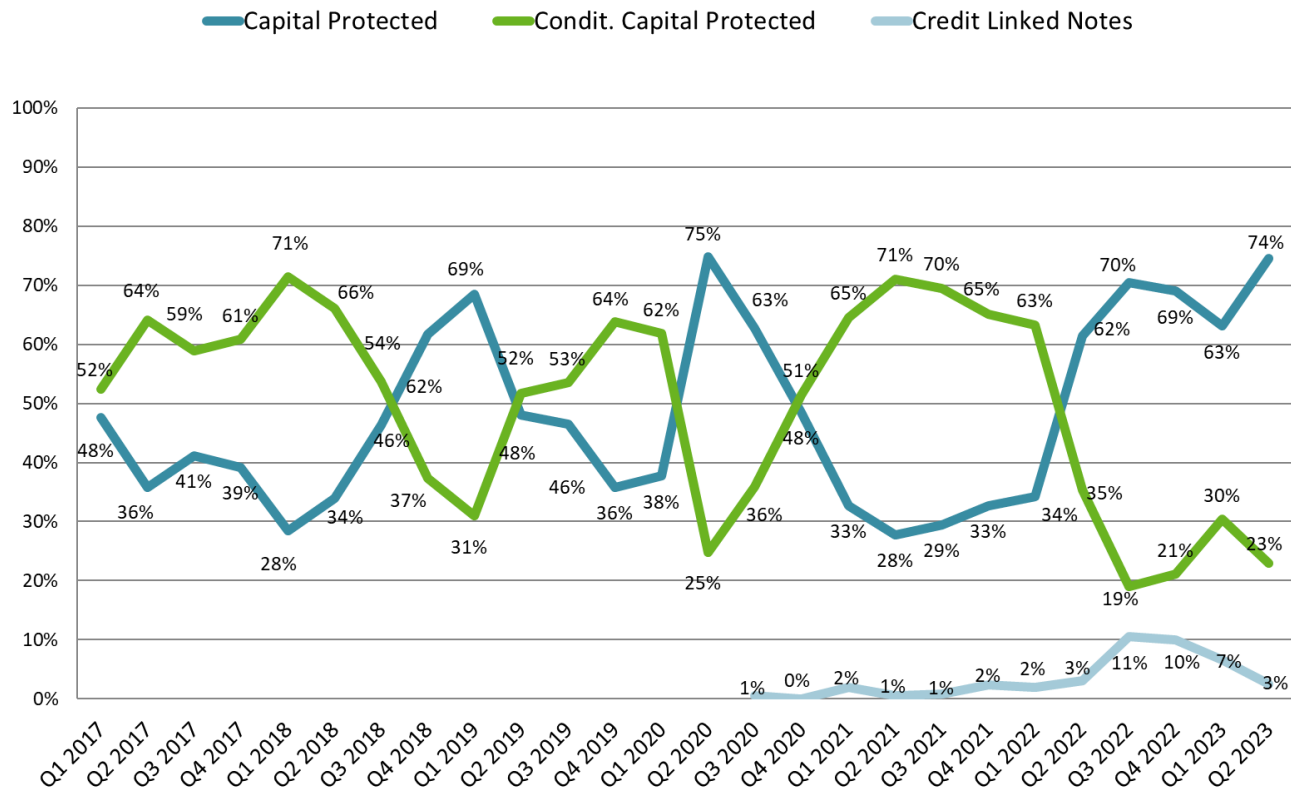
Total 5.984



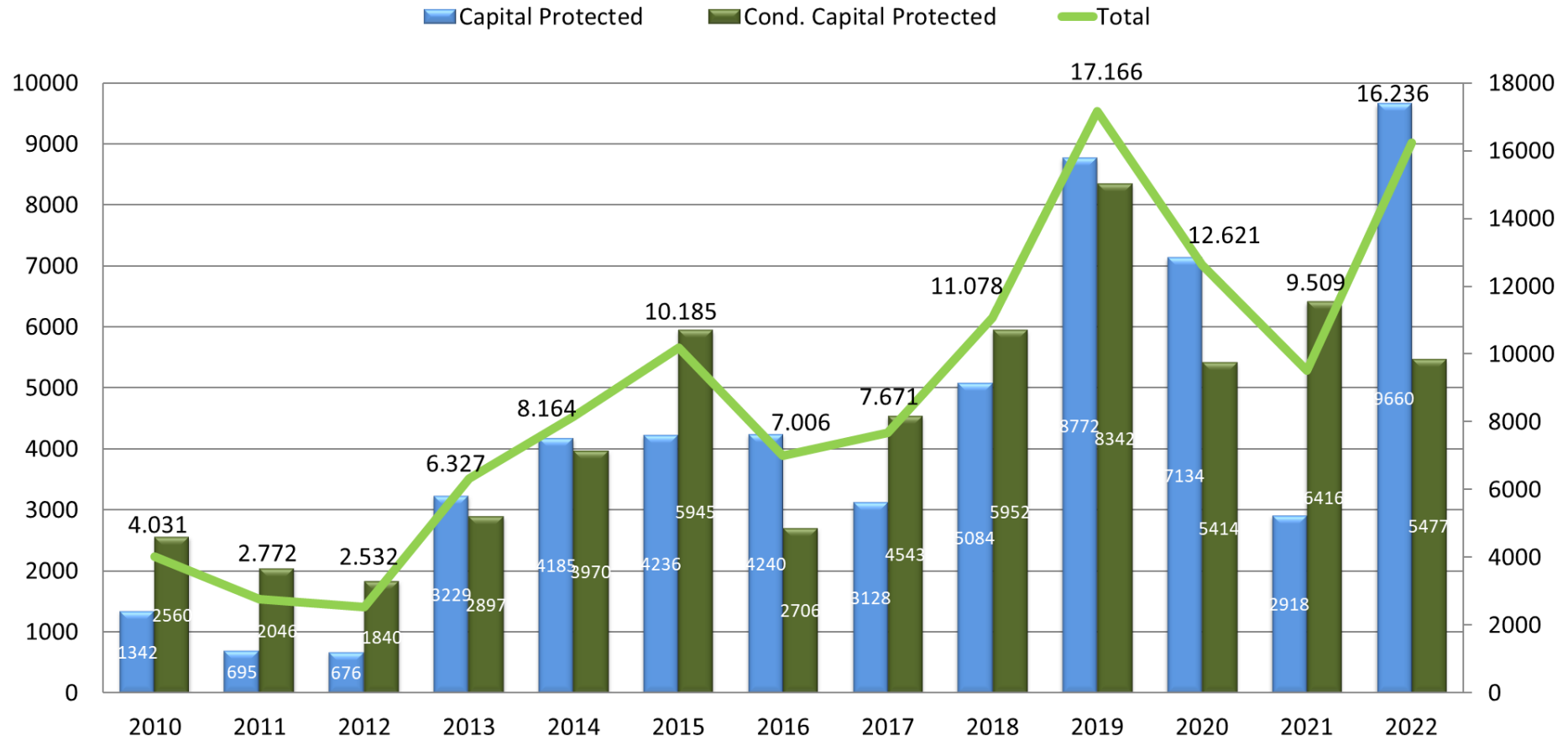
Placed (MLN€) Q1 2019 - Q2 2023



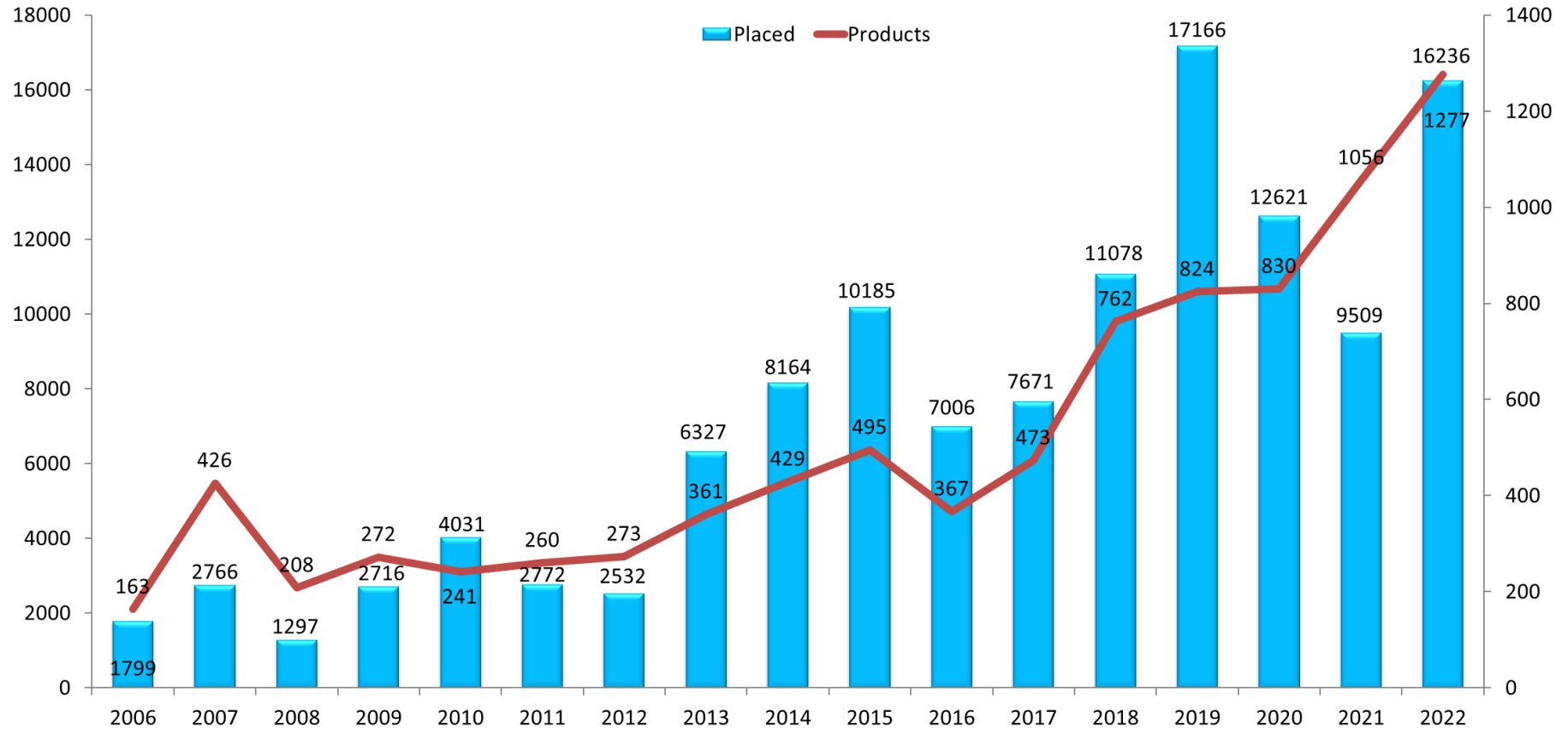
Placed (MLN€) Q1 2017 - Q2 2023



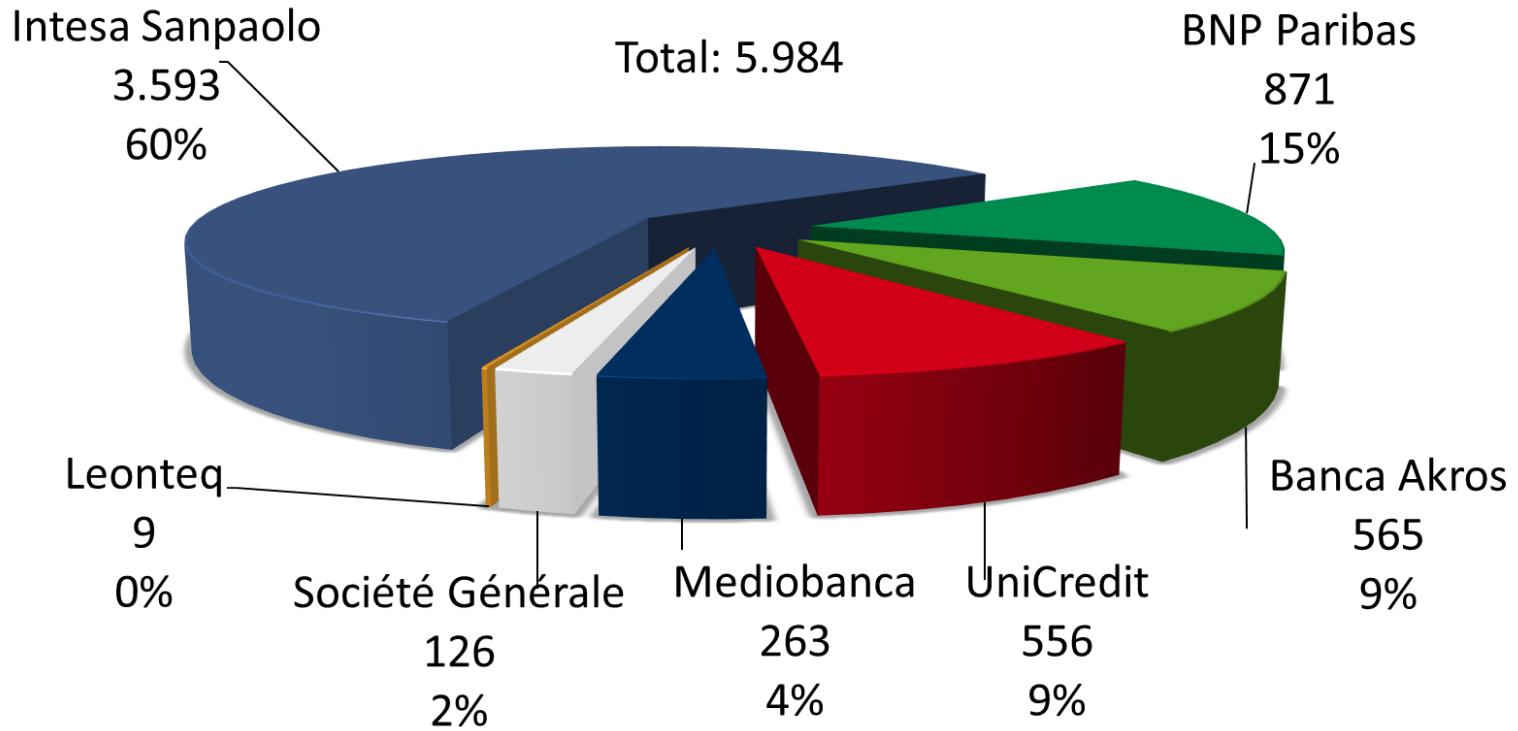
Total placed (MLN€) 2010-2022



Placed (in MLN€) and products in 2006-2022



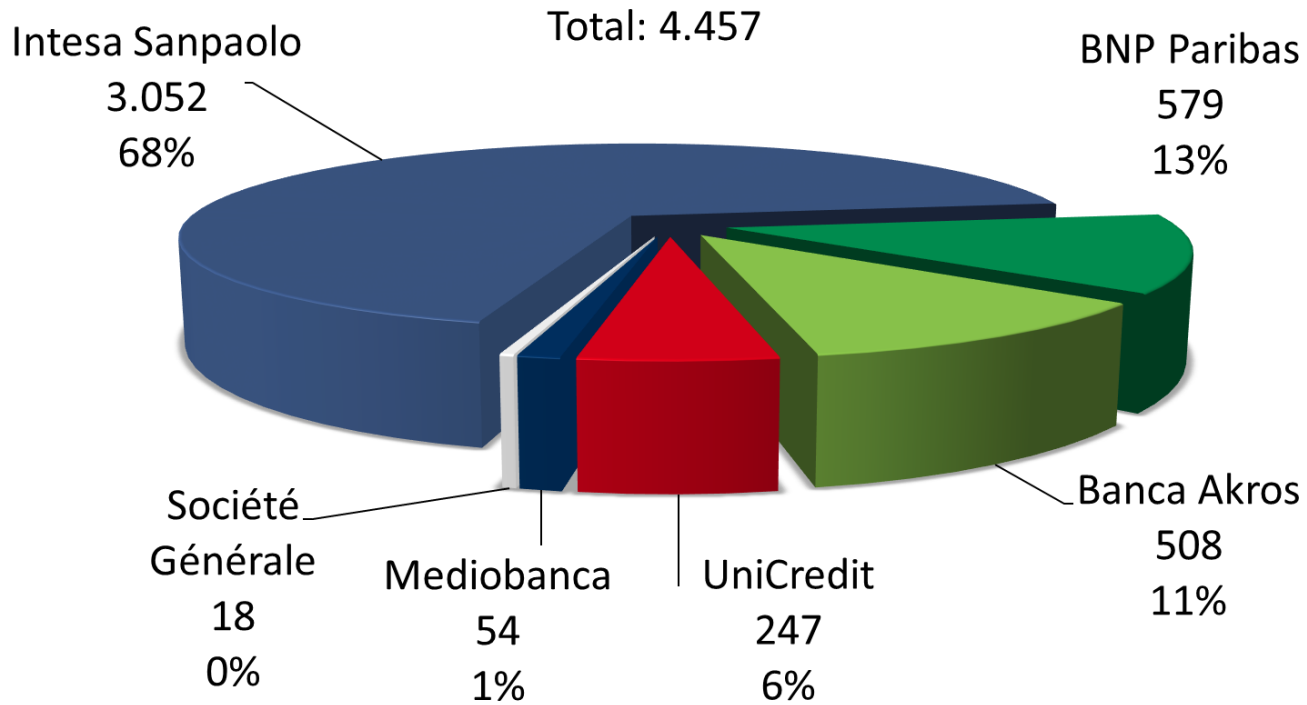
Placed (MLN€) Q2 2023



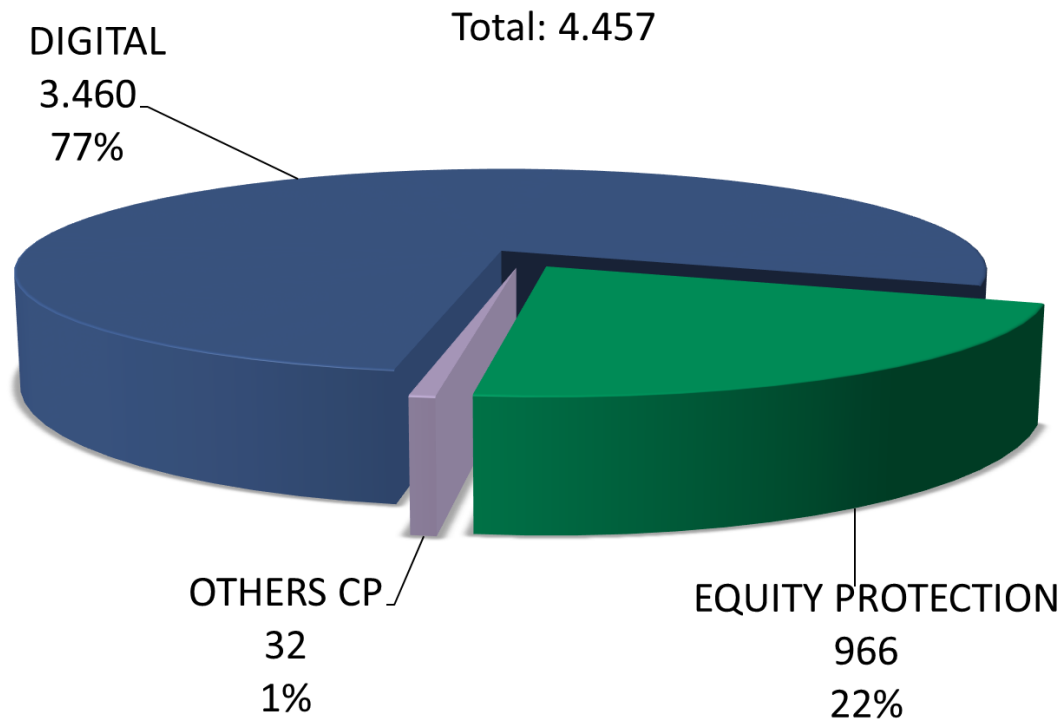
***ACEPI Associates'
Primary Market Q2 2023***

Capital Protected

Placed (MLN€) Q2 2023 - Capital Protected

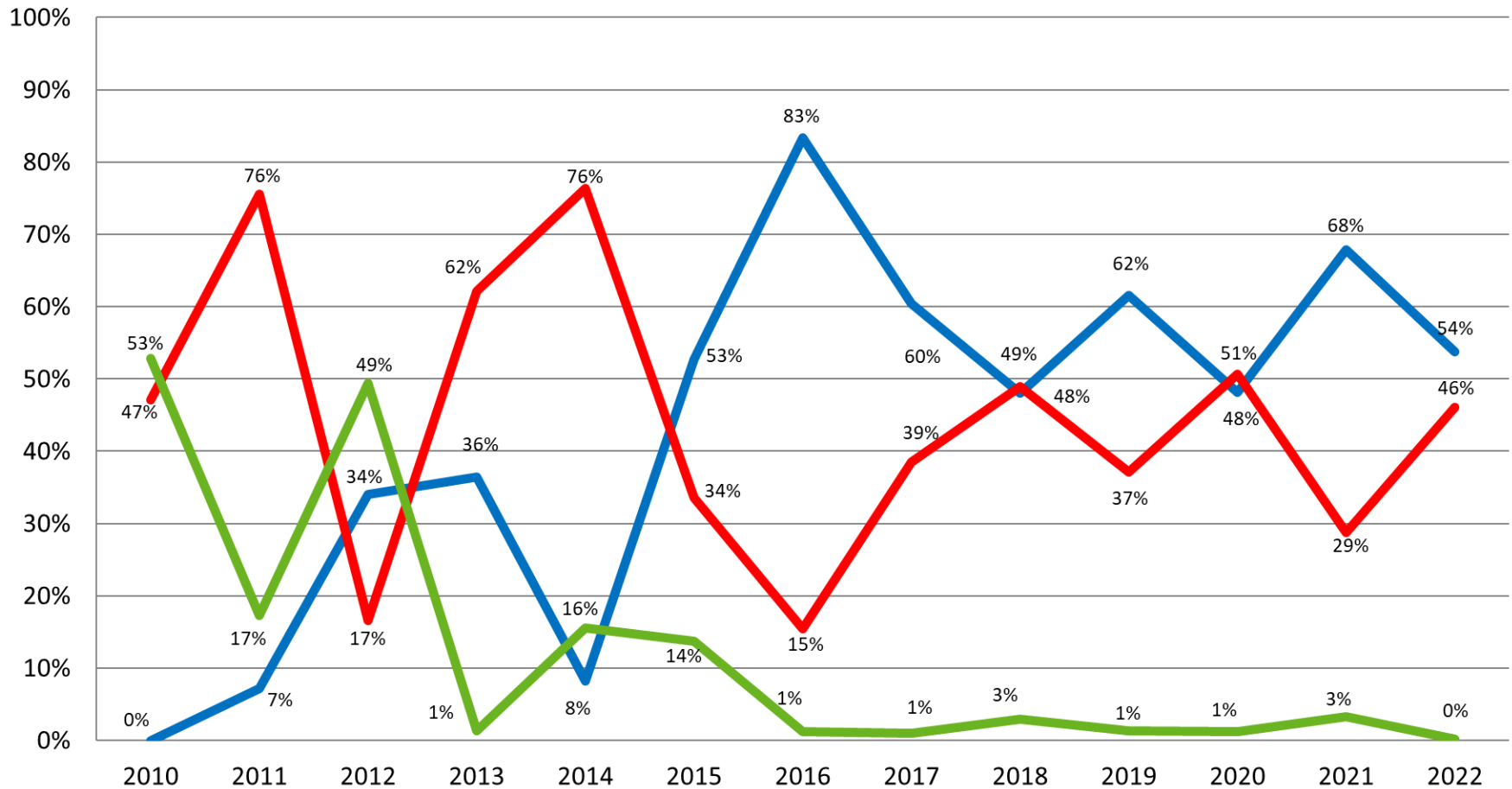


Placed (MLN€) Q2 2023 - Capital Protected

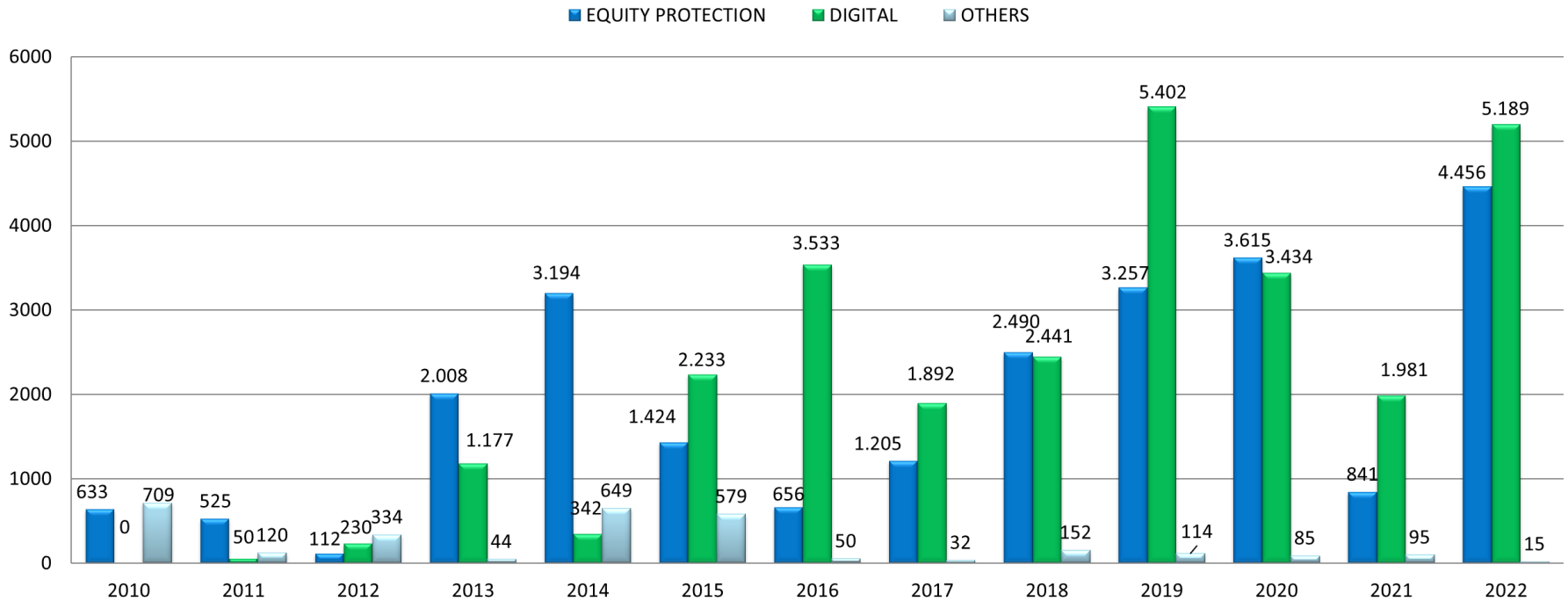


Placed (MLN€) 2010-2022 - Capital Protected Top 3 Payoffs

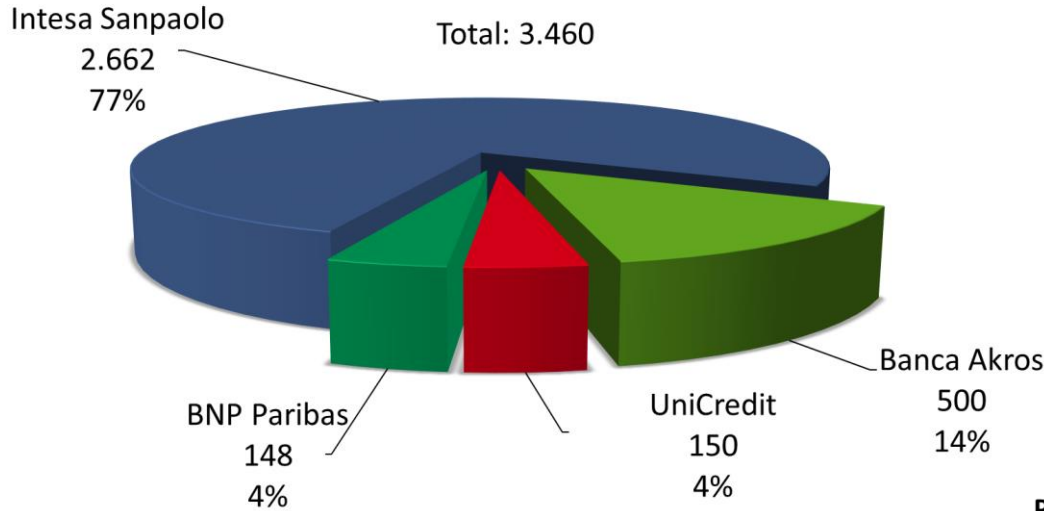
DIGITAL EQUITY PROTECTION OTHERS CP



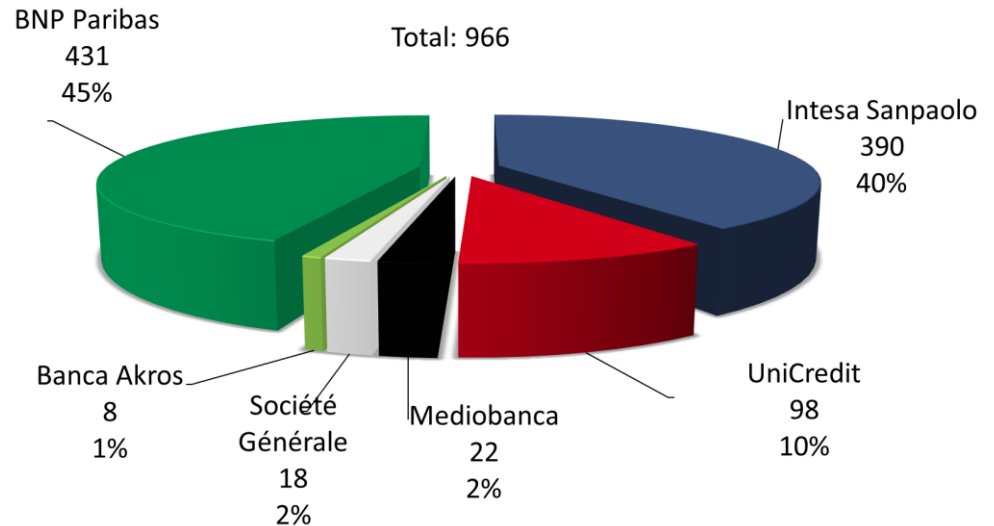
**Placed (MLN€) 2010-2022 - Capital Protected
Top 3 payoffs**



Placed (MLN€) Q2 2023 - Digital



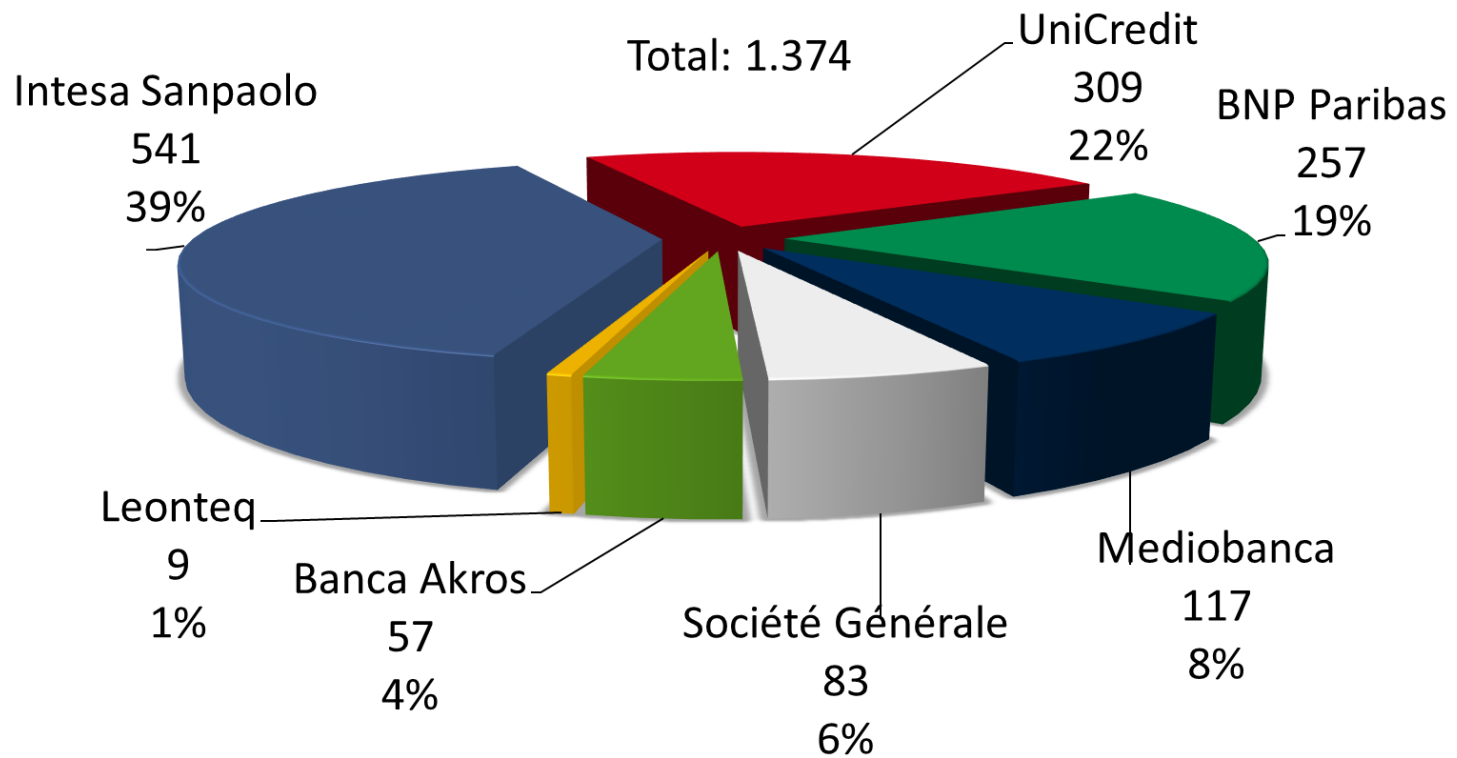
Placed (MLN€) Q2 2023 - Equity Protection



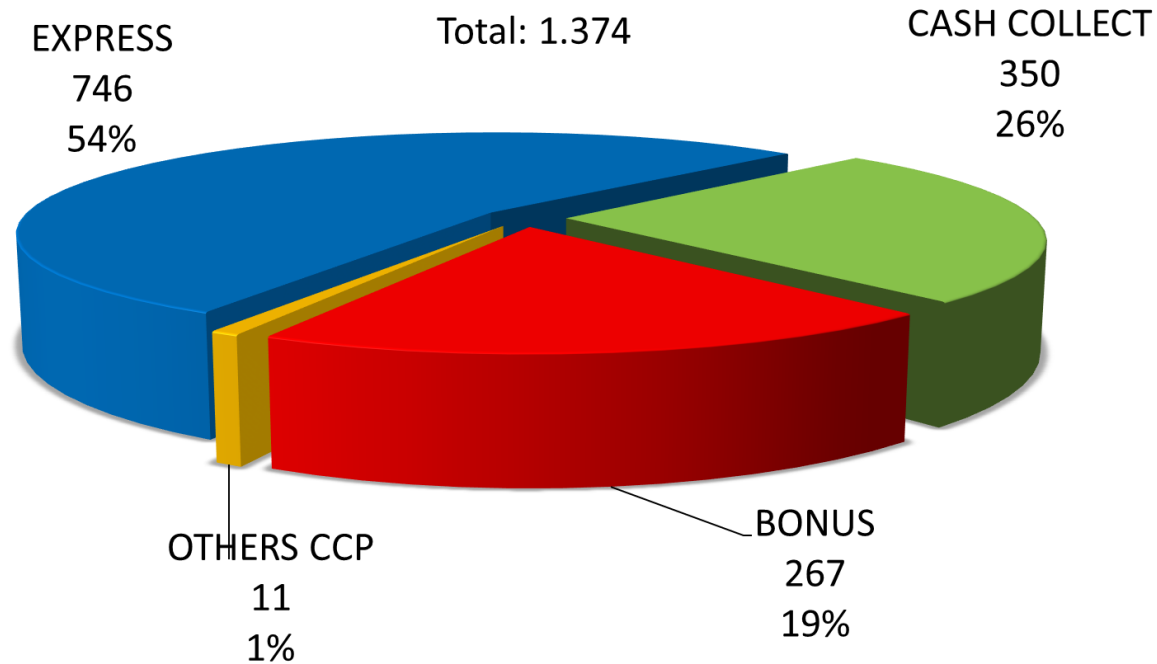
***ACEPI Associates'
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Conditional Capital Protected

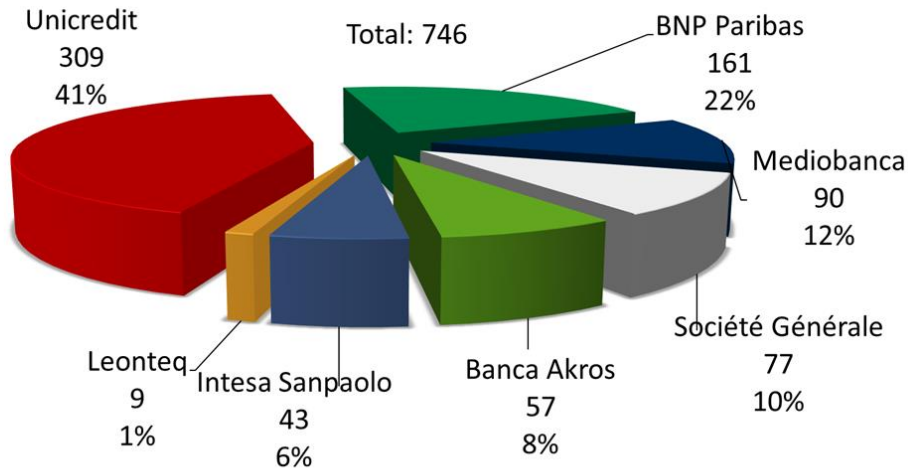
Condit. Capital Protected (MLN€) Q2 2023



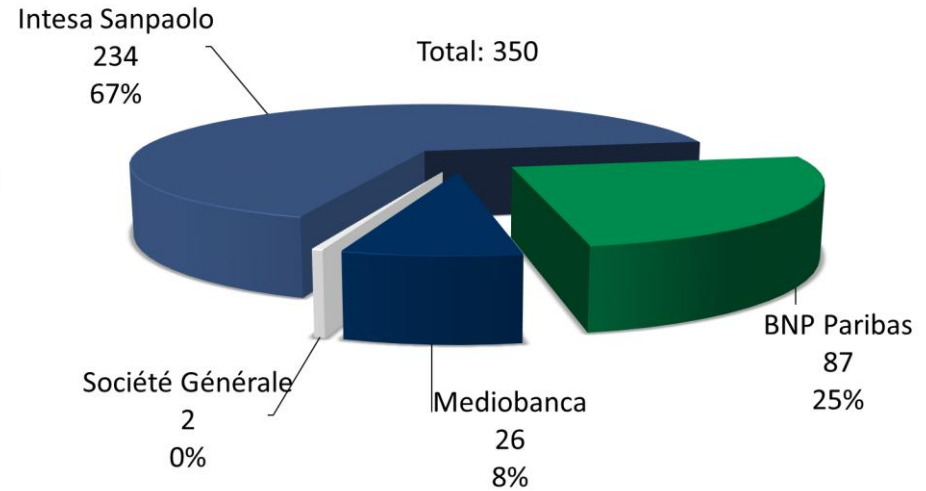
Placed (MLN€) Q2 2023 - Condit. Capital Protected



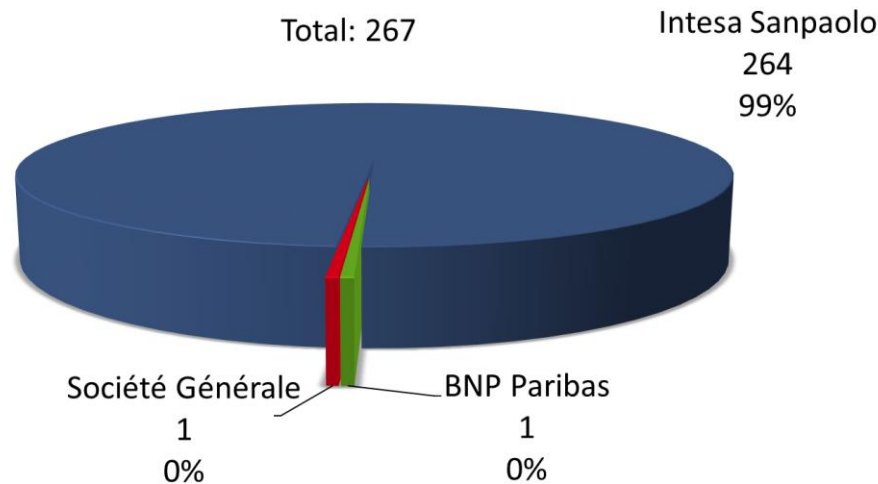
Placed (MLN€) Q2 2023 - Express



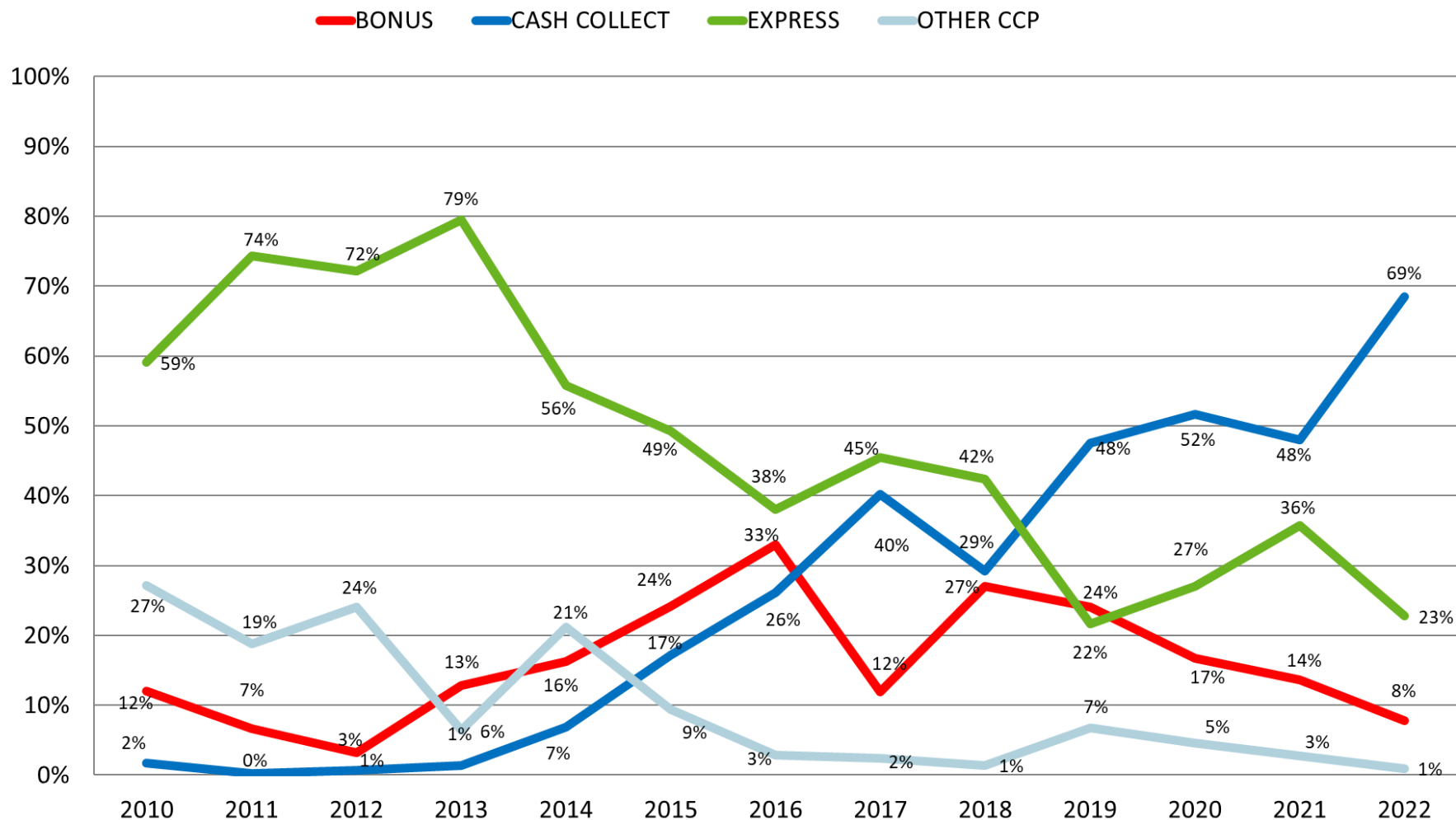
Placed (MLN€) Q2 2023 - Cash Collect



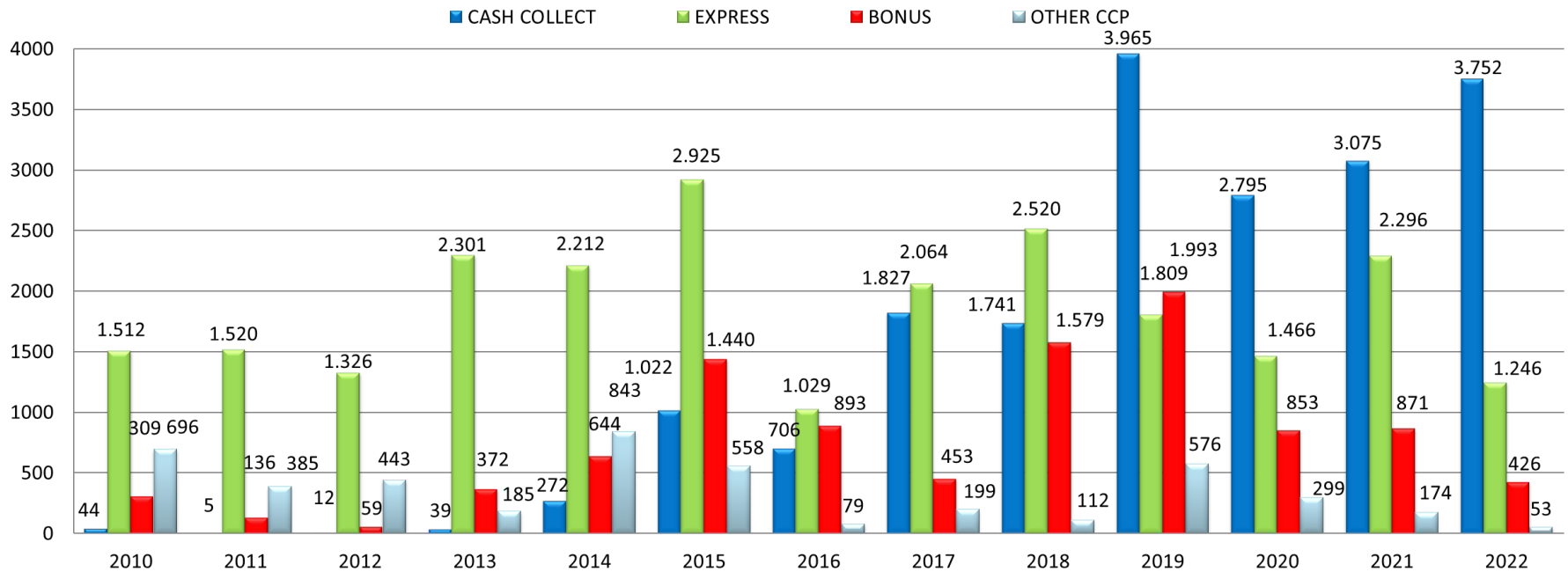
Placed (MLN€) Q2 2023 - Bonus



Placed (MLN€) 2010-2022 - Cond. Capital Protected Top 3 Payoffs



**Placed (MLN€) 2010-2022 - Cond. Capital Protected
Top 3 payoffs**



***ACEPI Associates’
Primary Market Q2 2023***

Credit Linked Notes

Placed (MLN€) Q2 2023 - Credit Linked Notes

