

**ILLIMITY ENTERS AN AGREEMENT FOR THE ACQUISITION OF IT AUCTION,  
LEADER IN ONLINE AUCTIONS OF CORPORATE ASSETS**

**IT AUCTION AND NEPIX, ILLIMITY'S NPL SERVICER, COMBINE STRENGTHS TO  
CREATE THE FIRST END-TO-END OPERATOR SPECIALIZING IN CORPORATE NPLS  
WITH 3.4 BILLION EUROS OF MANAGED ASSETS**

*Milan, 26 June 2019* – **illimity Bank S.p.A.** (“illimity” or the “Bank”) announces it entered yesterday an agreement for the acquisition of a majority interest in the share capital of IT Auction S.r.l (“**IT Auction**”), an operator specializing in the management and sale of real estate and business assets arising from insolvency proceedings and foreclosures through its network of online platforms/auctions and professionals located throughout Italy.

In addition to its SME loan business, illimity also operates in the Corporate NPL sector, where in just a few months since starting activities it has already purchased NPLs portfolios with a gross book value of approximately EUR 2 billion. More specifically, the Bank operates as an NPL investor and as lender to non-bank NPL players as well as a credit servicer through Neprix, the innovative specialist platform on which all illimity's servicing activities are already centered for NPLs purchased directly by the Bank and on behalf of third parties.

Neprix provides servicing activities according to a highly innovative business model which combines high vertical skills with the latest generation technologies applied to extensive data analysis. The Company has already commenced collaboration with IT Auction for the sale of business assets and through today's announced acquisition it consolidates this strategic alliance, which takes illimity to the stage where it now manages loans and other assets worth approximately EUR 3.4 billion.

With the acquisition of IT Auction, which will complement Neprix, illimity gives rise to the first operator specializing in Corporate NPLs with a distinctive end-to-end positioning thanks to its ability to cover the entire value chain in non-performing loan management, ranging from acquisition to management through to the best possible disposal on the market of the assets connected with those loans, thanks precisely to IT Auction's support.

Active since 2011, IT Auction currently works on a constant basis for over 110 Italian courts and collaborates with more than 1,500 professionals and numerous leasing companies, acting as the reference point for over 500,000 purchasers inside and outside Italy. Through its network of online platforms, it received over 16 million visits in 2018 and managed around 48,000 auctions, with total value of assets sold totaling more than EUR 200 million and earned gross consolidated revenues of approximately EUR 10 million, posting an EBITDA of EUR 2.1 million. The company, which currently manages assets worth EUR 1.4 billion, ended 2018 with net equity of approximately EUR 2 million and net income of EUR 1.2 million.

Headquartered in Faenza, IT Auction can count on a team of over 100 people including a sales network of 35 professionals spread throughout the country.

illimity will support the extension and further development of IT Auction's addressable market, which will continue to operate on the market with its own effective and transparent business model,

strengthened by the further visibility that the Bank and Neprix are able to provide.

The acquisition of IT Auction will allow the Bank to benefit from significant synergies. On the one hand it will be able to internalize part of the commission margins due as part of asset disposal activities, and on the other it will profit from lower facility management costs. In addition, illimity will be able to add additional skills and data on times and costs connected with the valuation of the various real estate assets and capital goods to its original and proprietary NPL pricing system.

In detail, the agreement envisages the purchase of 70% of the share capital of IT Auction at a price of EUR 10.5 million. The closing of the transaction, due to take place by the end of 2019, is subject among other things to obtaining prior authorization from the Supervisory Authority, as well as to the positive outcome of the other conditions precedent envisaged by the agreement, standard for this type of operation.

The remaining 30% of IT Auction will continue to be held by the present shareholders, amongst whom the company's current top management who will remain in the business to implement the business plan. illimity will be able to purchase the additional shareholding on the occurrence of certain specific events, in accordance with mechanisms agreed between the parties in the logic of aligning the goals of achieving the business plan's targets and maximizing the value.

**Andrea Clamer**, Head of illimity's NPL Investment & Servicing Division, commented: *"This transaction, whose aim is to create a leadership position in the non-performing loans market, will enable us to cover the entire value chain, from underwriting to loans servicing through to the enhancement of the value and remarketing of the underlying assets. We will be able to achieve considerable synergies and economies of scale, increasing the transparency and efficiency of the way in which loans are managed and maximizing the value of the real estate and business assets provided as collateral. This acquisition will therefore give rise to the first servicer in Italy specializing in corporate loans with end-to-end management of the position."*

**Renato Ciccarelli**, Founder of IT Auction, stated: *"In the space of just a few years IT Auction has grown rapidly and sustainably by implementing a business model that sets its sights on achieving a transparent enhancement of asset value through online auctions. Today's deal represents a new and important milestone in our history, and I am especially proud to accomplish it with a partner such as illimity, an innovative start-up that has already successfully established itself on the market. The collaboration born today will allow us to work together to achieve new major goals on the market."*

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**illimity Bank S.p.A.**

**illimity** is the banking start-up born in 2019 with a strongly innovative and high-tech business model, specialised in lending to SMEs and headed by Corrado Passera. **illimity** extends financing to high-potential SMEs that still have a low credit rating or are unrated, including the non-performing SME segment (Unlikely-To-Pay); in addition, it acquires unsecured and secured Corporate NPLs in order to service them through its platform. Finally, by the end of the first half of 2019, it will start providing cutting-edge direct digital banking services for retail and corporate clients. The story of **illimity** began in January 2018 with the launch of SPAXS S.p.A. —the first Italian SPAC (special purpose acquisition company) with the mission to acquire and capitalise an entity operating in the banking industry—which raised Euro 600 million. Only two months after its launch, SPAXS announced the acquisition of Banca Interprovinciale S.p.A., whose business combination was finalised in September 2018 after obtaining the approval of the Shareholders' Meeting of SPAXS held in August 2018. The merger between SPAX and the Bank gave rise to **illimity Bank S.p.A.**, which began trading on Borsa Italiana S.p.A.'s MTA market effective 5 March 2019 (*ticker "ILTY"*).