

ILLIMITY BANK S.P.A.

EXPLANATORY REPORT PREPARED BY THE BOARD OF DIRECTORS OF ILLIMITY BANK S.P.A. ON THE FOLLOWING ITEMS ON THE AGENDA OF THE EXTRAORDINARY SHAREHOLDERS' MEETING OF ILLIMITY BANK S.P.A. TO BE HELD IN SINGLE CALL ON 29 JULY 2021.

- 1) PROPOSAL TO INCREASE THE COMPANY'S SHARE CAPITAL, AGAINST PAYMENT, IN SEPARABLE AND DIVISIBLE FORM AND WITHOUT ENTITLEMENT TO THE OPTION RIGHT PURSUANT TO ARTICLE 2441, PAR. 4, SECOND PART, OF THE ITALIAN CIVIL CODE, FOR A MAXIMUM TOTAL AMOUNT OF EUR 57,535,660.00 (INCLUDING SHARE PREMIUM), THROUGH THE ISSUE OF MAXIMUM NO. 5,753,566 ILLIMITY ORDINARY SHARES, WITH NO PAR VALUE, TO BE SETTLED IN CASH AND RESERVED TO ION INVESTMENT CORPORATION S.À R.L. AND/OR TO ITS SUBSIDIARIES; AND**
- 2) PROPOSAL TO ISSUE WARRANTS TO BE ALLOCATED, FREE OF CHARGE, IN COMBINATION WITH THE SHARES UNDER POINT 1) ABOVE, AND TO INCREASE THE COMPANY'S SHARE CAPITAL FOR THE CONVERSION OF SUCH WARRANTS, AGAINST PAYMENT, IN SEPARABLE AND DIVISIBLE FORM AND WITHOUT ENTITLEMENT TO THE OPTION RIGHT PURSUANT TO ARTICLE 2441, PAR. 4, SECOND PART, OF THE ITALIAN CIVIL CODE, FOR A MAXIMUM AMOUNT OF EUR 30,114,900.00 (INCLUDING SHARE PREMIUM), THROUGH THE ISSUE OF MAXIMUM NO. 2,409,192 ILLIMITY ORDINARY SHARES, WITH NO PAR VALUE, TO BE SETTLED IN CASH FOLLOWING THE CONVERSION OF WARRANTS AND RESERVED TO ION INVESTMENT CORPORATION S.À R.L. AND/OR TO ITS SUBSIDIARIES.**
AMENDMENTS TO THE BYLAWS. RESOLUTIONS PERTAINING THERETO AND RESULTING THEREFROM.

Prepared pursuant to article 125-ter of Legislative Decree no. 58 of 24 February 1998 as amended, article 2441, paragraph 4, second part, of the Italian Civil Code and article 72 as well as annex 3A, schedule 2 of Consob Regulation no. 11071/1999 as amended

Approved by the Board of Directors on 21 June 2021

Available on the Bank's website www.illimity.com

To our Shareholders,

the board of Directors of illimity Bank S.p.A. (“**illimity**” or “**Bank**” or “**Company**” or “**Issuer**”) have called You in this Shareholders’ Meeting, in extraordinary session, on 29 July 2021, at 11:00 a.m., at the Company’s head office at Via Soperga 9, Milan, in single call, to discuss and adopt resolutions on the following agenda:

- 1) proposal to increase the company’s share capital, against payment, in separable and divisible form and without entitlement to the option right pursuant to article 2441, par. 4, second part, of the Italian Civil Code, for a maximum total amount of euro 57,535,660.00 (including share premium), through the issue of maximum no. 5,753,566 illimity ordinary shares, with no par value, to be settled in cash and reserved to ION Investment Corporation S.à r.l. and/or to its subsidiaries; and**
- 2) proposal to issue warrants to be allocated free of charge, in combination with the shares under point 1) above, and to increase the company’s share capital for the conversion of such warrants, against payment, in separable and divisible form and without entitlement to the option right pursuant to article 2441, par. 4, second part, of the Italian Civil Code, for a maximum amount of euro 30,114,900.00 (including share premium), through the issue of maximum no. 2,409,192 illimity ordinary shares, with no par value, to be settled in cash following the conversion of warrants and reserved to ION Investment Corporation S.à r.l. and/or to its subsidiaries; amendments to the bylaws. resolutions pertaining thereto and resulting therefrom.**

This Explanatory Report is therefore prepared pursuant to article 125-ter of Legislative Decree no. 58 of 24 February 1998 as amended (the “**TUF**”) and article 72 of Consob Regulation no. 11071/1999 as amended (the “**Issuers’ Regulation**”), as well as pursuant to article 2441, paragraph 4, second part, of the Italian Civil Code as well as in accordance with Annex 3A, Model 2, of the Issuers’ Regulation, and provides explanations about the proposals on the share capital increase as per the first item of the agenda of the Shareholders’ Meeting and to the share capital increase for the conversion of warrant as per the second item on the agenda of the Shareholders’ Meeting, as well as the relative draft resolutions that you are called to adopt (the “**Explanatory Report**” or “**Report**”).

1. REASONS UNDERLYING THE TRANSACTION AND CONSEQUENCES ON THE BANK’S OPERATING PLANS

The proposals of the share capital increases in this Report fits in the broader context of a transaction aimed at creating a long-term industrial partnership between the Bank and the group led by ION Investment Corporation S.à r.l. (“**ION**”), entailing the licensing of information and technological assets as well as know-how of illimity (the “**Agreement**”) and the development of further types of cooperation and of synergies in the development of software and systems in the sector where illimity operates, such as credit scoring systems and advanced data management tools (so called data analytics) and the development of synergies and cooperation in different fields with a common interest (the “**Industrial Partnership**”), as also illustrated in the Business Plan disclosed to the market on 22 June 2021.

In particular, ION and the Bank, on 21 June 2021, have entered into a license agreement (the “**Licence Agreement**”) where ION is entitled to use the information technology platform developed by illimity and made up of an open architecture divided into three levels, where digital touch points, different data layers and third parties services are organized and integrated via APIs (application programming interfaces), as well as the chance to implement any future developments the Bank should carry out within such solutions and use the know-how and experience illimity may share for the most effective implementation of the technological solutions it had developed. Together with that, it a further chance is envisaged to explore other cooperation territories and synergies within the software and systems development in the industry where illimity is active, such as credit scoring systems and advanced data management tools (cd. *data analytics*).

ION is a holding investment company with permanent capital, investing in three main areas: financial technology, software automation and data analytics.

In the context of the negotiations that have led to the finalization of the Licence Agreement, for the purpose of strengthening further the Industrial Partnership with a perspective of alignment in the long-term, the parties have deemed fit for ION to invest in the share capital of the Bank by way of subscribing a reserved share capital increase to be settled in cash and by way of allocation to ION of newly issued warrants including the right to subscribe further shares starting from 1° March 2022 and by 31 July 2022. For that aim, in light of ION’s undertaking to subscribe – both the share capital increase and the warrants – the Bank resolved to call the Shareholders’ Meeting in order to propose the approval of the share capital increases.

Following the Shareholders’ resolution, ION’s undertaking to subscribe the first share capital increase and the warrant would still be subject: (i) to the assessment by the Bank of Italy pursuant to article 56 of Legislative Decree no. 385 of 1993 (“**TUB**” or “**Consolidated Banking Law**”), with regard to the changes to the bylaws resulting from the share capital increases and (ii) with regard to the admission to trading of the shares resulting from the share capital increases, as also pointed out in Section 6 of this Report, to the application of the exemption under article 1, Section 5, par. 1, letter a) of Regulation (EU) 1129/2017, and therefore, to the Issuer not being required to publish a listing prospectus for the new ordinary shares.

As disclosed to the market, the signing of the agreements regarding the Industrial Partnership aims at setting out a cooperation with top-standing player at the international level in the field of software for the financial world and of data management, that allows to capitalize the investments carried out by illimity since its birth to develop software, know-how and technological solutions, opening to the possibility of new forms of cooperation in key sectors of the banking and financial services world.

With specific reference to the consequences of the Share Capital Increases on the Bank’s operating plans, it is hereby noted that the Industrial Partnership – as stated above – will entail: (i) a benefit for the Bank from payment in its favour of the fees set forth under the Licence Agreement, equal to a total of Euro 90 million; (ii) a positive impact on illimity’s net assets and on its supervisory capital, upon execution of the Share Capital Increases, equal to c.a. Euro 87,65 million and, in particular, an increase in CET 1 Ratio equal to 290 bps and to 190 bps should the warrants not be exercised.

In light of the expected entrance of ION into the shareholders' structure of the Bank and also considering the long-term cooperation angle, the proposal for the share capital increases provide for the option rights to be excluded as the capital increases will be reserved to ION (and to its subsidiaries) for the specific purpose of satisfying the Company's interest to promote the Bank's stability and soundness, with the entry into its own capital structure of an important partner, with a long-term logic, in key sectors of the banking, finance and technological sectors. Within that context and the in the negotiation between the parties, it was agreed that, simultaneously with the subscription of the first share capital increase, ION would receive newly issued warrants, not traded on the market or on any multilateral trading facility, nor transferable, giving ION (and its subsidiaries) the right to subscribe further illimity newly issued ordinary shares, a right to be exercised starting from 1° March 2022 and by 31 July 2022, with completion of the related share capital increase within 30 November 2022. Such no. 2,409,192 warrants are regulated by the "ION Warrant Regulation" (hereby enclosed under **Annex A**), submitted to the approval of the Shareholders' Meeting as well.

2. INDICATION OF THE NUMBER, CLASS, DIVIDEND ENTITLEMENT DATE AND ISSUE PRICE OF THE SHARES FORMING PART OF THE SHARE CAPITAL INCREASES

The share capital increases consist of: (i) maximum no. 5,753,566 newly issued ordinary shares of illimity with regular dividend rights and the same features and rights as the ordinary shares of illimity outstanding at the date of issue, for a price (including share premium) of Euro 10.00 per each share (the "**New Ordinary Shares**"); and (ii) for the conversion of warrants, maximum no. 2,409,192 newly issued ordinary shares of illimity with regular dividend rights and the same features and rights as the ordinary shares of illimity outstanding at the date of issue, for a price (including share premium) of Euro 12.50 per each share (the "**New Conversion Shares**" and with the New Ordinary Shares, the "**New Shares**").

ISSUE PRICE OF THE NEW SHARES

At its meeting on 21 June 2021, where the proposal for the share capital increases was approved, the Board of Directors also proposed to allocate the price of each New Share to capital for EUR 0.6517, corresponding with the figure arising from the implied par value of illimity shares at the same date, resulting from the division of the value of the Company's share capital by the number of outstanding shares at the date of this Report, and the remainder of EUR 9.3483 for each New Ordinary Share and of EUR 11.8483 for each New Conversion Share to share premium.

The New Shares will be entitled to regular dividend rights and have the same features and rights as the ordinary shares of illimity outstanding at the date of issue.

The issue price of the New Shares has been set based on the analyses conducted as follows and in accordance with the requirements of article 2441, par. 4, second part, of the Italian Civil Code.

More specifically, in line with the best national and international assessment practices in the financial sector and with reference to the provisions of article 2441, par. 4, second part, of the Italian Civil Code, to set the intervals of illimity's economic value, the Board of Directors has made reference to the "Stock Market Price" assessment method, taking into consideration the Bank's own features and its type of

activity as well as the reference market where the Bank operates. This method, which determines the value of an issuer on the basis of the performance of stock market prices, was considered, for the case at hand, to be the most representative.

In applying the above method the Board of Directors has taken into consideration its features and inherent limits, on the basis of professional assessment practices usually followed in the financial services sector.

THE STOCK MARKET PRICE METHOD

The Stock Market Price method expresses the valuation of the company under assessment on the basis of the capitalization of the securities traded on regulated stock markets that are representative of the company being valued. In this respect Stock Market prices act as a synthesis of the market's perception of a company's growth prospects and of the value attributable to such on the basis of the information known to investors at a specific moment in time. This methodology is called a direct criterion, as it is based on prices expressed by the stock market, indicative of the market value of a business.

In the application of this method, the right balance must be found between the need to mitigate the effect of volatility in daily price movements, carried out by making observations over a sufficiently long timescale, and the need to use current data, indicative of the recent market value of the company under assessment.

The necessary assumptions underlying the proper application of the Stock Market Price method are as follows:

- efficient markets with regard to the systematic and timely consideration in prices of all publicly available information;
- sufficiently large floating capital with regard to the proportion of share capital traded on the markets;
- liquidity, with regard to the volume of daily trading in the securities of the company under assessment;
- research coverage, with regard to the number of brokers publishing analyses of the company under assessment.

In addition, Stock Market Prices are expressly referred to, for listed companies, by article 2441, par. 4, second part, of the Italian Civil Code, that allows the exclusion of option rights within 10% of the pre-existing financial instruments of the same class, where the issue price corresponds with the market value and that is confirmed in a dedicated report by the independent auditor.

In order to determine the value arising from the application of this method, the average of official prices of illimity shares (ILTY) for the previous six months, three months and thirty days was used, also taking into consideration the negotiations between the parties and the market trend before the Board of Directors resolution.

The use of the Stock Market Prices method, having regard to the official stock price and based on the above criteria, has therefore led to identify an economic value for illimity of EUR 705 million, as to say EUR 9,65 per share, considering the average for the previous six months up to 18 June 2021 (included), and EUR 744.6 million, as to say EUR 10,14 per share, considering the average for the previous three

months up to 18 June 2021 (included), excluding the average of the last thirty days of trading given the specific performance of the markets. In light of such values, the verification carried out by the Board of Directors considered the issue price for the New Shares compliant with the requirements of applicable laws.

CONSIDERATIONS CONCERNING THE SUITABILITY AND REASONABLENESS OF THE CRITERIA USED TO SET THE ISSUE PRICE OF THE NEW SHARES TO BE ISSUED AS PART OF THE SHARE CAPITAL INCREASES

The price of shares issued as part of a capital increase with the exclusion of option rights must be such as (i) to comply with the provisions of law, and in particular with those of article 2441, par 4, second part, of the Italian Civil Code, and (ii) on the one hand to protect the shareholders of the Company not having option rights in order to avoid an expropriation of the value of the shares they hold to the benefit of third parties, and on the other hand, to enable the Company to exploit the most attractive outstanding opportunities in the Company's interest, also under the industrial perspective.

Article 2441, par. 4 second part, of the Italian Civil Code establishes, in particular, for companies whose shares are listed on regulated markets, that the company bylaws may provide for the exclusion of option rights within 10% of the pre-existing share capital where the issue price corresponds with the market value of the shares and that is confirmed by a dedicated report issued by the independent auditor of the company.

In order to assess the issue price of the New Shares the Board of Directors has taken into account, *inter alia*: (i) conditions of the domestic and international securities markets and their efficiency in terms of timely and continuous assessment of publicly available information to determine prices; (ii) the share of the Bank's capital traded on the market; (iii) the daily trade volumes involving the shares of the Bank; (iv) the strategic importance of the Industrial Partnership, as well as its interest for the Bank and the group; and (v) the characteristics and the expected timing of completion of the whole transaction, both for the execution of the first capital increase, as per the subscription undertaking entered into by ION, and for the timeframe set forth for the possible conversion of warrants (between March 2022 and July 2022).

Therefore, the Board of Directors deemed, for the purposes of identifying and verify an issue price corresponding with the market value, the trading performance of the Bank's shares should be taken into account and, accordingly, it has analysed the stock market prices of the Bank's ordinary shares in the period before the approval of the proposal for the share capital increases, keeping into account the average of official stock market prices of the ordinary shares, making reference to a time period regarded as significant, within a maximum period of six months preceding the date of 18 June 2021 (included).

The subscription price proposed for the first share capital increase, equal to EUR 10.00 for each New Ordinary Share (including share premium) and, subsequently, the price to pay in case of exercise of warrants issued in combination with such increase, equal to EUR 12.50 for each New Conversion Share (including share premium) have been, therefore, considered in line and compliant with the provision of article 2441, par. 4, second part, of the Italian Civil Code.

In fact, as far as the subscription price of the New Ordinary Shares is concerned (and, subsequently, the price for exercise of the warrants), the Board of Directors, applying the chosen criterion, has made reference to the average of the official stock market prices of the last six months (EUR 9.65) of the ordinary

shares and to the correspondent *pro quota* implied value (EUR 0.48) of the warrants issued in combination with the first share capital increase, therefore considering the above mentioned correspondence with the market value as confirmed. Such *pro quota* implied value has been identified from the value of the warrants themselves, equal to c.a. EUR 1.14 (calculated as the current value of a call option based on the application of the *Black-Scholes-Merton* formula and according to best market practices), and comparing it to the maximum number of New Conversion Shares that may be subscribed with the exercise of the warrants with respect to the total number of New Ordinary Shares issued within the first share capital increase.

The managing body of the Bank has considered the whole transaction to be in the interest of the Bank, with regard to the Industrial Partnership, and that the stock market value of the shares is a functional criterion – for the purposes of the share capital increases – to assign the real value to the Bank, to the benefit of all shareholders, in compliance with the current applicable laws and regulations framework.

All that being said, in the opinion of the Board of Directors and based on what has been illustrated above, the price per share of the New Shares results to be consistent with the value of the Bank.

ASSESSMENT DIFFICULTIES AND UNCERTAINTY OF THE PRESENT MARKET SITUATION

Despite the most recent trend in the financial market performance, last months outlook has been characterized by uncertainty and volatility due to the timing and manner of getting out of the global health emergency arising from “COVID-19” and by the mid-long term impact on the economy and on the pace of the recovery. Although it is not possible to make any estimates at this time, it cannot be excluded that the continuation of this situation may have impacts on the recovery pace of the Italian and international economic system and in particular on the economic values of illimity. To deal with this difficulty, to the extent possible and on the basis of the information and data available at 21 June 2021, the Board of Directors has taken into consideration both updated market parameters and historical averages in order to include in its assessment the current market situation, on the one hand, and long-term objectives on the other.

3. PURPOSES OF THE SHARE CAPITAL INCREASES

Within the above mentioned long-term Industrial Partnership with ION, the Share Capital Increases will be functional to the development activities of the illimity Group business, as indicated in the business plan disclosed to the market on 22 June 2021.

4. CONSIDERATIONS FOR THE BANK ON THE OPERATION

The Operation is not expected to lead to any tax considerations worthy of attention.

5. INDICATION OF THE SHAREHOLDING STRUCTURE OF ILLIMITY FOLLOWING THE SHARE CAPITAL INCREASES AND THE EFFECTS OF THE TRANSACTION ON ANY RELEVANT SHAREHOLDERS’ AGREEMENTS PURSUANT TO ARTICLE 122 OF TUF ON BANK’S SHARES,

WHERE THESE EFFECTS HAVE BEEN COMMUNICATED BY THE PARTIES TO SUCH AGREEMENTS

Following the Share Capital Increases, the Bank will have an approved share capital of EUR 55,686,623.01 subscribed for EUR 54,189,951.67, consisting of 81,709,292 ordinary shares and 1,440,000 special shares, all with no par value.

The share capital increases will therefore lead to an increase in share capital of approximately 10.9% (after which ION shall hold a total share in the share capital with voting rights of the Bank equal to 9.99%) of the share capital, with a dilution effect of approximately 9.8% for illimity's other shareholders.

Based on the entries of the Shareholders' Register and taking into account communications received pursuant to applicable law and any other information available, as of 22 April 2021 (date of the previous Shareholders' Meeting), the shareholders that directly and/or indirectly hold shares in illimity's share capital are those set out in the following table.

MATERIAL HOLDINGS IN ILLIMITY'S SHARE CAPITAL	
Declarant	% of voting capital
Gruppo Sella ¹	10.00%
LR Trust ²	8.77%
Tensile Capital Management LLC ³	7.57%
Atlas Merchant Capital LLC ⁴	7.09%

The Bank is not aware of any other shareholders that directly and/or indirectly or in concert hold qualifying holdings in the Bank pursuant to article 19 of the Consolidated Law on Banking.

To the best of the Bank's knowledge, the execution of the share capital increases should not have any effect on shareholders with holdings equal to or exceeding 5%⁽⁵⁾ in illimity's share capital or on the "Shareholders' Agreement relating to illimity Bank S.p.A." to which AMC Metis S.à r.l., Metis S.p.A. and

¹ Maurizio Sella S.a.p.A. (Through Banca Sella Holding S.p.A. and Fabrick S.p.A.).

² Through FIDIM S.r.l.

³ Through Tensile-Metis Holdings S.à r.l.

⁴ Through AMC Metis S.à r.l.

⁵ It is reminded that the Issuer falls within the definition of Small-Medium Enterprise (*PMI*) and, therefore, pursuant to article 120, par. 2, of TUF, the relevant threshold for communication obligations regarding significant shareholdings is 5%.

illimity's Chief Executive Officer, Corrado Passera, are party. Information in this respect may be found on the Bank's website www.illimity.com under the section "Investor Relations".

ION is expected to have a holding in the Bank equal to 9.99% as a consequence of the subscription of the share capital increases.

6. AUTORIZZAZIONI DELLE AUTORITÀ COMPETENTI E PERIODO PER L'ESECUZIONE DEGLI AUMENTI DI CAPITALE

The execution of the resolution on the share capital increases is subject to the assessment by the Bank of Italy, pursuant to article 56 of the Consolidated Banking Law, that the changes to the bylaws resulting from the share capital increases comply with the principles of sound and prudent management of the Bank. At the date of this Report, the assessment procedure for the issue of the authorization is ongoing.

The share capital increases shall be subscribed and settled by way of payment in cash: (i) with regard to the New Ordinary Shares, by 31 December 2021; and (ii) with regard to the New Conversion Shares - after conversion of the issued warrants where exercised starting from 1° March 2022 and by 31 July 2022 - by 30 November 2022, as indicated in the draft resolution.

In light of the characteristics of the share capital increases described above, as well as of the other share capital increases resolved upon in the 12 months before the Shareholders' Meeting, it is the opinion of the Issuer that pursuant to article 1, Section 5, par. 1, lett. a), of Regulation (EU) 2017/1129, no publication of a listing prospectus is required. The application of such exemption is set as a condition precedent to the subscription undertaking assumed by ION.

7. CHANGES TO THE BYLAWS RESULTING FROM THE SHARE CAPITAL INCREASES

The share capital increases entail the need for changes to the bylaws regarding the amount of the Bank's share capital and the number of its outstanding ordinary shares, as per article 5 of such bylaws.

7.1 Presentation of article 5 of the current Bylaws highlighting the proposed amendments

The following table provides a comparison between the text of the Bank's Bylaws in the current version and in version including the proposed amendments.

<i>CURRENT BYLAWS</i> <i>(POST 10 JUNE 2021)</i>	<i>PROPOSED NEW BYLAWS</i> <i>(HIGHLIGHTING AMENDMENTS: ADDED IN RED</i> <i>WITH DELETIONS CROSSED-OUT)</i>
TITLE II	TITLE II

SHARE CAPITAL, SHARES, SHAREHOLDERS AND WITHDRAWAL	SHARE CAPITAL, SHARES, SHAREHOLDERS AND WITHDRAWAL
- Article 5 - Share Capital	- Article 5 - Share Capital
<i>[paragraphs 1 to 6]</i>	<i>[paragraphs 1 to 6]</i> <p>7. On [[29] July 2021] The extraordinary Shareholders' Meeting resolved: (i) to increase share capital by a maximum amount of EUR 57,535,660.00 (fifty-seven million five hundred and thirty-five thousand six hundred and sixty/00), by way of issue of maximum no. 5,753,566 (five million seven hundred and fifty-three thousand five hundred sixty-six) new ordinary shares having regular dividend rights and the same features as those outstanding at the date of issue, at a price (including share premium) of EUR 10.00 (ten/00) for each new share, to be allocated for EUR 0.6517 (zero/6517) to capital and for EUR 9.3483 (nine/3483) to share premium, to be settled by way of cash payment reserved, pursuant to article 2441, par. 4, second part of the Italian Civil Code, to ION Investment Corporation S.à r.l. and/or to its subsidiaries, in separable form and in divisible execution, by 31 December 2021; (ii) the issue of no. 2,409,192 warrants to be allocated entirely, free of charge, in combination with the shares under previous point (i) and a share capital increase, in separable form and divisible execution, for the conversion of such warrants for a maximum total amount of EUR 30,114,900.00 (thirty million one hundred fourteen thousand nine hundred/00), through issue of maximum no. 2,409,192 (two million four hundred nine thousand one hundred ninety-two) new ordinary shares with regular dividend rights and the same features as those outstanding at the date of issue, at a price (including share premium) of EUR 12.50 (twelve/00) for each new share, to be allocated for EUR 0.6517 (zero/6517) to capital and for EUR 11.8483</p>

	<p>(eleven/8483) to share premium, to be settled as an effect of the exercise of warrants starting from 1° March 2022 and by 31 July 2022, by way of cash payment reserved, pursuant to article 2441, par. 4, second part of the Italian Civil Code, to ION Investment Corporation S.à r.l. and/or to its subsidiaries, by 30 November 2022, all of the above, without prejudice to the possible amendments resulting from the application of the warrant regulation approved by the same Shareholders' Meeting. After completion of the share capital increases of this paragraph, the Chief Executive Officer, in his capacity as legal representative of the Bank, is delegated to make the changes to the Bylaws required as a results of such capital increases, with the amendment of article 1, par. 5 of the Bylaws and the cancellation or amendment, in whole or in part, of this paragraph.</p>
<p><i>It is proposed to amend the share capital resulting from the share capital increases (as per new paragraph 7) submitted to the Shareholders' Meeting and from the related issue of ordinary shares of the Bank for the execution of such increases. It is understood that in case the subscription of the first capital increase and its settlement by way of payment in cash were executed basically at the same time of the approval of the resolution by the Shareholders' Meeting, the Bylaws shall be amended with the update of the share capital approved and subscribed and of the number of ordinary shares issued in par. 1 of article 5 of the Bylaws as a consequence of the first capital increase, accordingly modifying and introducing the temporary clause above to reflect solely the capital increase for the conversion of warrants.</i></p>	

7.2 Information concerning withdrawal rights

The changes proposed to the text of the Bank's bylaws as per paragraph 7.1 above do not entitle shareholders to withdrawal rights pursuant to article 2437 of the Italian Civil Code.

8. **RESOLUTIONS PROPOSED TO THE SHAREHOLDERS' MEETING**

For the above-mentioned reasons we therefore invite you to adopt the following resolutions:

"The Extraordinary Shareholders' Meeting of illimity Bank S.p.A.,

– *acknowledging the current Bylaws, as filed with the competent Companies' Register on 9 June 2021;*

- having examined the Board of Directors' Explanatory Report drafted pursuant to article 2441, par. 4, second part, of the Italian Civil Code, and of article 125-ter of Legislative Decree no. 58/1998, as amended and of article 72 of Consob Regulation no. 11971/1999, as amended;
- acknowledging the opinion with regard to issue price by KPMG S.p.A. pursuant to article 2441, par. 4, second part, of the Italian Civil Code and of article 158 of the Legislative Decree no. 58/1998; and
- subject to the issuance by the Bank of Italy of the declaratory decision regarding the compliance of the changes to the bylaws resulting from the transaction with the sound and prudent management of the Bank, pursuant to article 56 of Legislative Decree no. 385 of 1 September 1993 as amended,

resolves:

1. to increase share capital, against payment, in separable form and divisible execution, for a total maximum amount of EUR 57,535,660.00 (fifty-seven million five hundred and thirty-five thousand six hundred and sixty/00), by way of issue of maximum no. 5.753.566 (five million seven hundred fifty-three thousands five-hundred sixty-six) new ordinary shares with no par value having regular dividend rights and the same features as those outstanding at the date of issue, at a price (including share premium) of EUR 10.00 (ten/00) for each new share, to be allocated for EUR 0.6517 (zero/6517) to capital and for EUR 9.3483 (nine/3483) to share premium, to be settled by 31 December 2021, by way of cash payment reserved to ION Investment Corporation S.à r.l. and/or to its subsidiaries with exclusion of the option rights pursuant to article 2441, par. 4, second part of the Italian Civil Code;
2. to issue, in combination with the shares resulting from the share capital increase of point 1. Above, no. 2,409,192 warrants to be allocated entirely to ION Investment Corporation S.à r.l. and/or to its subsidiaries that shall subscribe the share capital increase of point 1. above, and to approve the Warrant Regulation hereby attached under Annex 1;
3. to increase share capital, in separable form and divisible execution, for the conversion of such warrants for a maximum total amount of EUR 30,114,900.00 (thirty million one hundred fourteen thousand nine hundred/00), through issue of maximum no. 2,409,192 (two million four hundred nine thousand one hundred and ninety-two) new ordinary shares with regular dividend rights and the same features as those outstanding at the date of issue, at a price (including share premium) of EUR 12.50 (twelve/50) for each new share, to be allocated for EUR 0.6517 (zero/6517) to capital and for EUR 11.8483 (eleven/8483) to share premium, to be settled as an effect of the exercise of warrants starting from 1° March 2022 and by 31 July 2022, by way of cash payment, by 30 November 2022, reserved to the holders of the warrants, in compliance di the Warrant Regulation under Annex 1, all of the above, without prejudice to the possible amendments resulting from the application of the Warrant Regulation;
4. to amend article 5 of the Bylaws by the possible insertion of a new paragraph 7 as indicated below, as a temporary clause until execution of the share capital increase (as below delegated):

"7. On 29 July 2021 The extraordinary Shareholders' Meeting resolved: (i) to increase share capital by a maximum amount of EUR 57,535,660.00 (fifty-seven million five hundred and thirty-five thousand six hundred and sixty/00), by way of issue of maximum no. 5,753,566 (five million seven hundred and fifty-three thousand five hundred sixty-six) new ordinary shares having regular

dividend rights and the same features as those outstanding at the date of issue, at a price (including share premium) of EUR 10.00 (ten/00) for each new share, to be allocated for EUR 0.6517 (zero/6517) to capital and for EUR 9.3483 (nine/3483) to share premium, to be settled by way of cash payment reserved, pursuant to article 2441, par. 4, second part of the Italian Civil Code, to ION Investment Corporation S.à r.l. and/or to its subsidiaries, in separable form and in divisible execution, by 31 December 2021; (ii) the issue of no. 2,409,192 warrants to be allocated entirely, free of charge, in combination with the shares under previous point (i) and a share capital increase, in separable form and divisible execution, for the conversion of such warrants for a maximum total amount of EUR 30,114,900.00 (thirty million one hundred fourteen thousand nine hundred/00), through issue of maximum no. 2,409,192 (two million four hundred nine thousand one hundred ninety-two) new ordinary shares with regular dividend rights and the same features as those outstanding at the date of issue, at a price (including share premium) of EUR 12.50 (twelve/00) for each new share, to be allocated for EUR 0.6517 (zero/6517) to capital and for EUR 11.8483 (eleven/8483) to share premium, to be settled as an effect of the exercise of warrants starting from 1° March 2022 and by 31 July 2022, by way of cash payment reserved, pursuant to article 2441, par. 4, second part of the Italian Civil Code, to ION Investment Corporation S.à r.l. and/or to its subsidiaries, by 30 November 2022, all of the above, without prejudice to the possible amendments resulting from the application of the warrant regulation approved by the same Shareholders' Meeting. After completion of the share capital increases of this paragraph, the Chief Executive Officer, in his capacity as legal representative of the Bank, is delegated to make the changes to the Bylaws required as a results of such capital increases, with the amendment of article 1, par. 5 of the Bylaws and the cancellation or amendment, in whole or in part, of this paragraph.”,

it being understood that in case the subscription of the first capital increase and its settlement by way of payment in cash were executed basically at the same time of the approval of the resolution by the Shareholders' Meeting, the Bylaws shall be amended with the update of the share capital approved and subscribed and of the number of ordinary shares issued in par. 1 of article 5 of the Bylaws as a consequence of the first capital increase, accordingly modifying and introducing the temporary clause above to reflect solely the capital increase for the conversion of warrants;

5. *to grant the Board of Directors, and to the Chair and the Chief Executive Officer on its behalf, severally between them, as far as permitted under applicable law, any and all the widest possible powers to carry out what may be needed for the implementation and complete execution of this resolution, with each and every power needed and appropriate to that aim, none excluded or excepted, including the power to file and publish the declaration pursuant to article 2444 of the Italian Civil Code and the power to amend this resolution carrying out those changes, additions or cancellations of a non material nature that may be needed for the filing with Companies' Register, including any needed and/or appropriate change requested by competent Authorities, henceforth stating their actions to be valid and ratified.”.*

* * * * *

Annexes:

1. Warrant Regulation ION
2. Report by the mandated independent auditor KPMG S.p.A., pursuant to the provisions under article 2441, par. 4, second part, of the Italian Civil Code and article 158 of TUF.



REGULATION OF “ION” WARRANTs
illimity Bank S.p.A.

1. DEFINITIONS

Terms and expressions hereby indicated have the following meaning:

BoD	indicates the Board of Directors of illimity Bank S.p.A.
Company	indicates illimity Bank S.p.A.
Conversion Shares	indicates the maximum no. 2,409,192 newly issued ordinary shares of the Company, with no par value, for the conversion of the Warrants.
Exercise Deadline	indicates the term of 31 July 2022 (included).
Exercise Ratio	indicates the ratio of no. 1 (one) Conversion Share that may be subscribed against the exercise of no. 1 (one) Warrant.
Issue Shareholders' Meeting	indicate the extraordinary Shareholders' Meeting of the Company held on [29 July] 2021.
Market	indicates a regulated market or a multilateral trading facility.
Monte Titoli	indicates the central securities depository Monte Titoli S.p.A. with registered office in Milan, Piazza degli Affari, no. 6.
MTA	indicates the Mercato Telematico Azionario organized and managed by Borsa Italiana S.p.A.
Owner	indicates, depending on the entity that will subscribe, or will hold, from time to time, the Warrants, ION Investment Corporation S.à r.l. and/or its subsidiaries.
Regulation	indicates this Regulation.
Shares Subscription Price	indicates the price to subscribe the Conversion Shares, equal to EUR 12.50 (including share premium) for each Conversion Share.
Transfer	indicates any deed (<i>atto</i>) or action essentially having the

effect of selling or anyway dispose of or transfer of the Warrants in any way and on any basis (whether against payment or free of charge, *inter vivos* or for cause of death (*mortis causa*) even as a consequence of mergers, demergers, contribution in kind of comparable transactions), also by way of exchange with another asset (where applicable as a consequence of transactions of merger, demerge, contribution in kind, etc.), definitively or just temporary, even following enforced collection as a consequence of the enforcement of created on the transferred Warrants. The terms “**Transferor**”, “**Transferee**” and the verb “**Transfer**” shall have a meaning consistent with this definition of Transfer.

Warrants

indicates the securities regulated by this Regulation giving the Owner the right to subscribe the Conversion Shares against payment, according to the terms and modalities identified in this Regulation.

2. WARRANTS FEATURES

- 2.1. The Issue Shareholders’ Meeting resolved, inter alia, to issue no. 2,409,192 Warrants, to be issued in combination with the share capital for a maximum of EUR 57,535,660.00 approved by the same Shareholders’ Meeting and simultaneously with the subscription of such increase, and to increase the share capital of the Company for the conversion of the Warrants, in separable form and with divisible execution, for maximum total amount of EUR 30,114,900.00 (including share premium), by way of issue of no. 2,409,192 Conversion Shares, to be reserved to the exercise of the right to subscribe the Owner is entitled to. The Warrants will be allocated free of charge and automatically to the Owner that will subscribe the first share capital increase and will be exercisable by the relevant Owner against payment, pursuant to the terms and conditions of this Regulation and in compliance with the resolutions of the Issue Shareholders’ Meeting.
- 2.2. Without prejudice of the provisions of the Italian Civil Code, the Regulation does not limit the right of the Company and/or the BoD to increase and/or reduce the share capital of the Company and to approve and adopt stock option plans as well as other incentive plans based on share or to issue further categories of warrants, without prejudice of the provision set forth in article 5 below.
- 2.3. The Warrants are issued with reference to the name of the owner and are represented by depositary receipts.

3. WARRANTS MATURITY

The Owner will be able to exercise the Warrants starting from the 1° March 2022 and in any case no later than the Exercise Deadline. Where the Warrants were not exercised by the Exercise Deadline any and all rights attached to them will be forfeited making them null and void for any and all purposes.

4. EXERCISE OF THE WARRANTS

- 4.1. The exercise of the Warrant may take place, in whole or in part, in one or more tranches and shall be communicated in writing to the Company, attention of the BoD, by way of a dedicated exercise communication to be sent via registered electronic mail (*posta elettronica certificata*) to the address illimity@pec.illimity.com or by way of registered letter with return receipt (or any other registered postal shipment system) to the Company's registered office in Via Soperga 9, 20124 – Milan, Italy.
- 4.2. Once the communication has been sent within the required deadline and according to article 4.1 above, the Subscription Price shall be entirely paid, with no further fees or expenses to be borne by the Owner, by and no later than 30 November 2022 (the **"Term for Subscription"**), as set for the related share capital increase for the conversion of Warrants by the Issue Shareholders' Meeting.
- 4.3. To the Owner, as a consequence of the exercise of Warrants and of the payment of the Share Subscription Price, will be allocated a number a Conversion Shares to be determined in application of the Exercise Price.
- 4.4. The Conversion Shares, resulting from the exercise of the Warrants, will be made available for trading by the Company on the MTA, through Monte Titoli, the settlement day following the receipt by the Company of the Share Subscription Price. The Conversion Shares will be ordinary shares with regular dividend rights and the same features of the ordinary shares of the Company outstanding at the date the communication of the exercise of Warrants is sent.
- 4.5. At the time of submission of the subscription request, in addition to providing the required and usual information, the Owner: (i) will acknowledge the shares subscribed following the exercise of the Warrant have not been registered pursuant to the Securities Act of 1933 as amended, as applicable in the United States of America; (ii) will declare not to be a "U.S. Person" as defined pursuant to "Regulation S".

5. OWNER RIGHTS IN CASE OF TRANSACTIONS INVOLVING THE SHARE CAPITAL OF THE COMPANY

- 5.1. In case, before the Exercise Deadline, or, in case of exercise of the Warrants, before the date of receipt by the time the Company receives the Shares Subscription Price, the Company should resolve upon or implement:
 - (i) Share capital increases against payment, by way of issue of new share of the Company with option rights, including shares to be issued for conversion of other warrants giving right to subscribe them or convertible bonds or bonds with warrants, the Exercise Ratio will be increased accordingly in order for the Conversion Shares to represent the same percentage of the share capital they would have before the execution of such transaction. Furthermore,

the Shares Subscription Price will be reduced by the amount required for the total Share Subscription Price for all the Conversion Shares to represent, considered as whole, the same amount initially provided as maximum payment for the exercise of all the Warrants by this Regulation;

- (ii) Free share capital increases by way of allocation of new shares, the Exercise Ratio will be modified by increasing the number of Conversion Shares with regard to each Warrant, in proportion with the free allocation ratio. In such case, as a consequence of the free share capital increase, the Share Subscription Price shall be proportionally reduced for the total Share Subscription Price for all the Conversion Shares to represent the same amount initially provided as maximum payment for the exercise of all the Warrants by this Regulation;
 - (iii) Rearrangement and/or splitting transactions involving the ordinary shares of the Company, the Exercise Price will be reduced/increase by the Shares Subscription Price, both in proportion to the rearrangement/splitting ratio;
 - (iv) Payment of ordinary or extraordinary dividends, the Share Subscription Price will be reduced based on the adjustments of the ordinary shares value communicated by Borsa Italiana S.p.A. and, in particular, by way of application of the coefficient K for adjustments (*"Coefficiente K"*) communicated by Borsa Italiana upon such payment;
 - (v) Merger or demerger transaction where the Company is not, respectively, the absorbing or transferee company, the Exercise Ratio and the Share Subscription Price shall be modified accordingly based on the relevant exchange or allocation ratios, as the case may be.
- 5.2. In case another transaction is implemented, other than those in paragraph 5.1 but having the potential to determine similar effects, or where the execution of a transaction over the share capital of the Company (including, by way of mere examples, those under paragraph 5.1) could have a material impact on the terms and conditions for the exercise of the Warrants, the Board of Directors of the Company shall amend this Regulation in order to maintain unaffected, as much as possible, the essential contents and purposes of the Regulation, including the adjustment of the Exercise Ratio and/or of the Share Subscription Price using generally accepted methods.
- 5.3. In any case, no amendment to the Exercise Ratio and/or to the Share Subscription Price shall be required following: (i) the possible conversion of the 1,440,000 special share of the Company in newly issued ordinary shares, or (ii) the execution of the delegated share capital increase for the Employee Stock Ownership Plan of illimity, for the year 2022, based in the Extraordinary Shareholders' Meeting resolution of 18 January 2019, for a maximum amount of EUR 498,890.45 (of which EUR 293,670.11 remaining at the date of the Regulation) and maximum no. 700,000 share (of which no. 389,136 remaining at the date of the Regulation), as of article 5, par. 4, of the illimity Bylaws in force at the date of approval of this Regulation.

6. TRANSFER OF THE WARRANTS

The Warrants may not be transferred by the Owner until the Exercise Deadline, save for transfers in favor of entities controlling and/or controlled, directly or indirectly, by the Owner, it being understood that for “controlling” and “controlled” reference is made to the control notion of article 2359, par. 1, numbers 1 and 2, and par. 2 of the Italian Civil Code. Any Transfer in breach of this Regulation shall be null and void for all effects and purposes.

Where the Warrants were Transferred in compliance with provisions of this article and, before the Exercise Deadline, the Transferee shall cease to be controlled by, or to exercise control over, the Owner, the initial Transfer shall be considered in breach of this Regulation, and therefore it shall be considered null and void retroactively (*risolto con efficacia retroattiva*) with a subsequent obligation of the Transferee to Transfer back the Warrants to the Owner, subject to forfeiture of any and all rights of such Warrants, making them null and void for any and all purposes.

7. ADMISSION TO TRADING

The Warrants are not and will be not listed on MTA, nor an admission to listing will be requested for another Market (or another Market segment).

8. TAX FRAMEWORK

The allocation, purchase, possession, transfer and exercise of Warrants by the Owner are subject to the tax framework in force and applicable to the relevant Owner.

9. MISCELLANEA

9.1. Any communication concerning this Regulation shall be carried out in writing and delivered by hand or by registered mail (*raccomandata A/R*) or by certified electronic mail (*PEC*) and addressed as follows:

(a) to the Company:

illimity Bank S.p.A.

attention of Chief Financial Officer and General Counsel

via Soperga n. 9, 20124 Milano, Italy

PEC: illimity@pec.illimity.com

(b) to the Owner:

ION Investment Corporation S.à r.l.

Attention of General Counsel

Minerva House, Simmonscourt Road, Dublin 4, Ireland

e-mail: [omissis]

9.2. Possession of the Warrants entails full acceptance of all terms and conditions set out in this Regulation.

9.3. This Regulation may be amended subject to approval in writing by the Owner.

10. APPLICABLE LAW AND JURISDICTION

- 10.1. This Regulation is regulated by Italian law, excluding the application of conflict-of-law rules.
- 10.2. For any claim concerning the Warrants and the provisions of this Regulation the Courts of Milan shall have exclusive jurisdiction.



KPMG S.p.A.
Revisione e organizzazione contabile
Via Vittor Pisani, 25
20124 MILANO MI
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Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

Relazione della società di revisione sulla corrispondenza al valore di mercato del prezzo di emissione delle azioni relative all'aumento di capitale sociale con esclusione del diritto di opzione ai sensi dell'art. 2441, quarto comma, secondo periodo, del Codice Civile e dell'art. 158, primo comma, D.Lgs. 58/98

*Agli Azionisti di
illimity Bank S.p.A.*

1 Motivo ed oggetto dell'incarico

In relazione alla proposta di aumento di capitale sociale con esclusione del diritto di opzione ai sensi dell'art. 2441, quarto comma, secondo periodo, del Codice Civile, abbiamo ricevuto da illimity Bank S.p.A. (nel seguito anche "illimity" o la "Banca"), banca quotata capogruppo del gruppo bancario illimity Bank (di seguito anche il "Gruppo illimity" o il "Gruppo"), la relazione del Consiglio di Amministrazione datata 21 giugno 2021 che illustra e motiva la suddetta proposta di aumento di capitale con esclusione del diritto d'opzione, indicando i criteri adottati dal Consiglio di Amministrazione per la determinazione del prezzo delle azioni di nuova emissione (di seguito anche la "Relazione degli Amministratori" o la "Relazione").

La proposta del Consiglio di Amministrazione, così come descritta nella Relazione, ha per oggetto:

- l'aumento del capitale sociale a pagamento, in via scindibile e con esclusione del diritto di opzione ai sensi dell'art. 2441, quarto comma, secondo periodo, del Codice Civile, per un importo massimo pari a Euro 57.535.660,00 (comprensivo del sovrapprezzo), mediante emissione di massime n. 5.753.566 azioni ordinarie illimity, prive di valore nominale, da liberarsi in denaro e riservata a ION Investment Corporation S.a.r.l. (di seguito anche "ION"); e

- l'assegnazione di warrant, a titolo gratuito, da emettersi in abbinamento alle azioni di cui al punto precedente e un aumento del capitale sociale a servizio di tali warrant, a pagamento, in via scindibile e con esclusione del diritto di opzione ai sensi dell'art. 2441, quarto comma, secondo periodo, del Codice Civile, per un importo massimo pari a Euro 30.114.900,00 (comprensivo del sovrapprezzo), mediante emissione di massime n. 2.409.192 azioni ordinarie illimity, prive di valore nominale, da liberarsi in denaro a seguito dell'esercizio dei warrant e riservata a ION.

La suddetta proposta di aumento di capitale e assegnazione di warrant sarà sottoposta all'approvazione dell'Assemblea Straordinaria della Banca convocata per il giorno 29 luglio 2021 in unica convocazione.

In riferimento all'operazione descritta il Consiglio di Amministrazione della Banca ci ha conferito l'incarico di esprimere il parere sulla corrispondenza del prezzo di emissione delle nuove azioni illimity al loro valore di mercato, ovvero, nelle circostanze sull'adeguatezza del criterio proposto dagli Amministratori ai sensi degli artt. 2441, quarto comma, secondo periodo, del Codice Civile e 158, primo comma, TUIF.

2 Sintesi dell'operazione

Secondo quanto riportato nella Relazione degli Amministratori, la proposta di aumento di capitale e l'assegnazione di warrant oggetto della Relazione si inserisce nel più ampio contesto della complessiva operazione volta alla creazione di una *partnership* industriale di lungo periodo tra la Banca e il gruppo facente capo a ION, avente ad oggetto il *licensing* degli asset informativi, tecnologici e di *know-how* della piattaforma di *information technology* della Banca e lo sviluppo di ulteriori forme di collaborazione e di sinergie nello sviluppo di *software* e sistemi nel settore in cui illimity opera quali, ad esempio, sistemi di *scoring* creditizio e strumenti di gestione avanzata dei dati, lo sviluppo di sinergie e cooperazione in diversi ambiti di comune interesse ("Operazione").

In particolare, come indicato nella Relazione, ION e la Banca hanno sottoscritto un contratto di licenza ai sensi del quale ION avrà la possibilità di utilizzare la piattaforma di *information technology* sviluppata da illimity, costituita da un'architettura aperta suddivisa in tre diversi livelli, nei quali *touch point* digitali, diversi livelli di dati e servizi di terze parti, sono organizzati ed integrati tramite API (*application programming interface*), nonché la possibilità di implementare in tali soluzioni eventuali ulteriori sviluppi che la Banca dovesse realizzare e utilizzare il *know-how* e le esperienze che la stessa Banca può mettere a disposizione per la più efficiente delle soluzioni tecnologiche che la stessa ha sviluppato.

Secondo quanto riportato nella Relazione degli Amministratori, nell'ambito delle negoziazioni che hanno portato alla definizione del contratto di licenza, anche in ottica di consolidamento della *partnership* industriale nel lungo periodo, è emersa l'opportunità che ION investisse direttamente nel capitale della Banca mediante la sottoscrizione di un aumento di capitale riservato da liberarsi in denaro e mediante l'assegnazione alla stessa di warrant di nuova emissione a titolo gratuito, che

incorporano il diritto a sottoscrivere ulteriori azioni a decorrere dal 1° marzo 2022 e fino al 31 luglio 2022.

Come segnalato dagli Amministratori, l'esecuzione dell'Operazione è subordinata anche all'ottenimento di talune autorizzazioni e al compimento di attività regolamentari, tipiche per soggetti vigilati come illimity, da parte di Banca d'Italia.

Nel contesto sopra delineato che prevede l'ingresso nella compagine azionaria di un *partner* di rilievo, in una logica di lungo periodo, in ambiti chiave del settore bancario, finanziario e tecnologico, gli Amministratori hanno ritenuto di avvalersi della facoltà riconosciuta alle sole società con azioni quotate in mercati regolamentati dall'art. 2441, quarto comma, secondo periodo del Codice Civile e recepita dalla Statuto della Banca. Gli Amministratori hanno quindi ritenuto di sottoporre all'approvazione dell'Assemblea straordinaria degli Azionisti di illimity una proposta di:

- aumento del capitale sociale a pagamento, in via scindibile e con esclusione del diritto di opzione ai sensi dell'art. 2441, quarto comma, secondo periodo, del Codice Civile, per un importo massimo pari a Euro 57.535.660,00 (comprensivo del sovrapprezzo), mediante emissione di massime n. 5.753.566 azioni ordinarie illimity, prive di valore nominale, da liberarsi in denaro e riservata a ION; e
- assegnazione di *warrant*, a titolo gratuito, da emettersi in abbinamento alle azioni di cui al punto precedente e un aumento del capitale sociale a servizio di tali *warrant*, a pagamento, in via scindibile e con esclusione del diritto di opzione ai sensi dell'art. 2441, quarto comma, secondo periodo, del Codice Civile, per un importo massimo pari a Euro 30.114.900,00 (comprensivo del sovrapprezzo), mediante emissione di massime n. 2.409.192 azioni ordinarie illimity, prive di valore nominale, da liberarsi in denaro a seguito dell'esercizio dei *warrant* e riservata a ION.

3 Natura e portata della presente relazione

Ai sensi dell'art. 2441, quarto comma, secondo periodo, del Codice Civile, il prezzo di emissione delle azioni nell'ambito dell'aumento di capitale con esclusione del diritto di opzione nei limiti del 10% del capitale preesistente della Banca deve corrispondere al valore di mercato delle azioni stesse e ciò deve essere confermato in apposita relazione da un revisore legale o da una società di revisione legale.

A tale riguardo il Consiglio di Amministrazione ha ritenuto, nelle circostanze, di proporre all'Assemblea la determinazione di un prezzo puntuale di emissione delle azioni determinato con criteri tali da consentire la corrispondenza con il valore di mercato, tenendo conto delle condizioni complessive dell'Operazione, che include anche l'assegnazione dei *warrant* gratuiti.

La presente relazione ha la finalità di rafforzare l'informativa a favore degli Azionisti esclusi dal diritto di opzione in ordine alla proposta di aumento di capitale in esame, esclusivamente in relazione all'adeguatezza del criterio utilizzato dagli Amministratori per individuare un prezzo di emissione delle azioni che corrisponda al valore di mercato delle stesse e alla sua corretta applicazione.

La presente relazione indica pertanto il criterio proposto dagli Amministratori per la determinazione del prezzo di emissione delle nuove azioni e le eventuali difficoltà di valutazione dagli stessi incontrate ed è costituita dalle nostre considerazioni sull'adeguatezza, sotto il profilo della ragionevolezza e non arbitrarietà, nelle circostanze, di tale criterio, nonché sulla sua corretta applicazione.

Nell'esecuzione del presente incarico non abbiamo effettuato una valutazione economica della Banca, che esula dalle finalità dell'attività a noi richiesta.

4 Documentazione utilizzata

Nello svolgimento del nostro lavoro abbiamo ottenuto direttamente dalla Banca i documenti e le informazioni ritenuti utili nella fattispecie. Più in particolare abbiamo ottenuto e analizzato la seguente documentazione:

- Relazione illustrativa del Consiglio di Amministrazione del 21 giugno 2021 per la proposta di aumento di capitale sociale della Banca;
- verbale del Consiglio di Amministrazione del 21 giugno 2021 che ha approvato la Relazione di cui sopra;
- Statuto della Banca;
- documentazione di dettaglio relativa alla valutazione predisposta dagli Amministratori, ai criteri ed alle modalità di determinazione del prezzo di emissione delle nuove azioni illimity proposto per l'Operazione;
- bilancio di esercizio di illimity e bilancio consolidato del Gruppo illimity al 31 dicembre 2020, da noi assoggettati a revisione legale, le cui relazioni di revisione sono state emesse in data 23 marzo 2021;
- resoconto intermedio consolidato del Gruppo illimity al 31 marzo 2021;
- andamento dei prezzi di mercato delle azioni illimity registrati nei 6 mesi precedenti alla data della Relazione degli Amministratori;
- regolamento dei *warrant* (nel seguito anche "Regolamento") emessi in abbinamento alle azioni emesse nell'ambito dell'Operazione ed assegnati a ION e relativa documentazione a supporto della stima del loro valore di mercato.

Abbiamo inoltre ottenuto specifica ed espressa attestazione, mediante lettera rilasciata dalla Banca in data 28 giugno 2021, che, per quanto a conoscenza del Legale Rappresentante della Banca, non sono intervenute modifiche significative ai dati e alle informazioni presi in considerazione nello svolgimento delle nostre analisi.

5 Metodi di valutazione adottati dagli Amministratori per la determinazione del prezzo di emissione delle azioni

L'art. 2441, quarto comma, secondo periodo, del Codice Civile prevede che, nelle società con azioni quotate in mercati regolamentati, lo statuto possa escludere il diritto

di opzione nei limiti del dieci per cento del capitale sociale preesistente, *"a condizione che il prezzo di emissione delle nuove azioni corrisponda al valore di mercato"*.

Al fine di rispettare il disposto sopra indicato, gli Amministratori hanno adottato, per la determinazione del prezzo di emissione, un criterio generale che consente di tenere conto della struttura e delle condizioni complessive dell'Operazione, la quale include, oltre alla proposta di sottoscrizione delle nuove azioni, l'assegnazione in abbinamento dei *warrant* gratuiti.

Per quanto riguarda il valore delle azioni, come indicato nella Relazione, gli Amministratori hanno fatto riferimento al metodo delle quotazioni di borsa. A questo riguardo gli Amministratori rilevano che le quotazioni rappresentano una indicazione di valore diretta che sintetizza la percezione del mercato rispetto alle prospettive di crescita dell'emittente e al valore attribuibile ai suoi titoli sulla base di tutte le informazioni note agli investitori.

In sede di applicazione del metodo delle quotazioni di borsa, gli Amministratori hanno considerato i prezzi ufficiali del titolo illimity sul Mercato Telematico della Borsa Italiana negli ultimi sei mesi antecedenti la data di approvazione della Relazione, analizzando i prezzi medi su diversi orizzonti temporali.

Per quanto riguarda i *warrant* da assegnare in abbinamento alle azioni, gli Amministratori ne hanno stimato il valore mediante applicazione della formula Black-Scholes-Merton, come il valore attuale di opzioni *call* aventi per sottostante azioni illimity ed esercitabili alle condizioni indicate nel Regolamento.

In conclusione, per determinare il prezzo di emissione gli Amministratori, come indicato nella loro Relazione, hanno fatto riferimento : i) al valore delle azioni ordinarie illimity determinato con il metodo delle quotazioni di borsa, ed in particolare alla media dei prezzi ufficiali di Borsa degli ultimi sei mesi, che risulta pari a Euro 9,65; e ii) al valore dei *warrant* gratuiti da assegnare in abbinamento alle azioni di cui al punto precedente, stimato con il metodo sopra richiamato che risulta, pro-quota per ciascuna azione, pari a Euro 0,48.

Sulla base di quanto sopra gli Amministratori hanno determinato il prezzo di emissione delle nuove azioni nell'ambito dell'Operazione pari a Euro 10,00.

Nella Relazione gli Amministratori confermano di ritenere che il prezzo di emissione determinato secondo il processo sopra esposto sia espressivo del valore di mercato delle azioni emesse, tenendo conto anche del valore di mercato dei *warrant* assegnati in abbinamento.

6 Difficoltà di valutazione riscontrate dal Consiglio di Amministrazione

Nella Relazione gli Amministratori evidenziano le difficoltà di valutazione connesse all'andamento recente dei mercati azionari e alle condizioni di incertezza e volatilità causate dall'emergenza sanitaria mondiale.

Gli Amministratori sottolineano, in particolare, l'impatto a medio e lungo termine dell'emergenza sanitaria sull'economia e sulla velocità della ripresa. Nonostante non possano fornire al momento alcuna stima, gli Amministratori non escludono che il perdurare dell'emergenza possa incidere sui tempi di recupero del sistema economico italiano e internazionale e, in particolare, sui valori delle azioni illimity.

Per far fronte a tale difficoltà, gli Amministratori rilevano di aver preso in considerazione, per quanto possibile e sulla base delle informazioni e dei dati disponibili, sia parametri di mercato aggiornati sia le medie storiche, al fine di riflettere nelle loro valutazioni del titolo l'attuale contesto di mercato, da un lato, nonché gli obiettivi di lungo periodo dall'altro.

7 Lavoro svolto

Ai fini dell'espletamento del nostro incarico abbiamo svolto le seguenti principali attività:

- analizzato i documenti e le informazioni elencate alla precedente sezione 4;
- analizzato e discusso con gli Amministratori circa il criterio adottato per la determinazione del prezzo di emissione delle nuove azioni onde riscontrarne il contenuto, nelle circostanze, ragionevole, motivato e non arbitrario;
- riscontrato la completezza e non contraddittorietà delle motivazioni del Consiglio di Amministrazione in merito alla scelta del predetto criterio;
- considerato gli elementi necessari ad accertare che tale criterio fosse tecnicamente idoneo, nelle specifiche circostanze, sotto un profilo di ragionevolezza e non arbitrarietà, a determinare il prezzo di emissione delle nuove azioni corrispondente al loro valore di mercato secondo le previsioni del codice civile;
- riscontrato, mediante accesso a fonti informative di mercato, i dati inerenti le quotazioni di borsa delle azioni illimity nell'orizzonte temporale indicato dagli Amministratori e rilevato altre informazioni quali periodo temporale di riferimento, tipologia di media utilizzata, caratteristiche del flottante, volatilità del titolo e volumi medi giornalieri;
- svolto analisi di sensibilità sull'andamento delle quotazioni di borsa delle azioni della Banca nei dodici mesi precedenti la data della Relazione;
- riscontrato la metodologia utilizzata dagli Amministratori per la stima del valore di mercato attribuibile ai *warrant* da assegnare in abbinamento alle azioni;
- controllato i calcoli effettuati dagli Amministratori in sede di applicazione di tale metodologia e svolto analisi di sensibilità dei risultati al variare di alcuni dei parametri di base;
- verificato la corrispondenza tra la documentazione ricevuta nel corso dell'incarico e le versioni finali dei documenti fatti propri dal Consiglio di Amministrazione;

— ottenuto un'attestazione dal legale rappresentante della Banca che evidenzia la circostanza che alla data della presente relazione non sono maturate circostanze modificative dei dati e dei contenuti della documentazione analizzata, né si sono verificati eventi tali da modificare le conclusioni raggiunte dal Consiglio di Amministrazione con riferimento al valore e al numero delle azioni da emettere al servizio degli aumenti di capitale.

8 Commenti sull'adeguatezza dei metodi di valutazione adottati dagli Amministratori per la determinazione del prezzo di emissione delle azioni

Il criterio generale utilizzato dagli Amministratori per la determinazione del prezzo di emissione risulta a nostro modo di vedere adeguato al fine di tenere conto delle condizioni complessive dell'Operazione, che include, oltre alla proposta di sottoscrizione delle nuove azioni, l'assegnazione in abbinamento dei *warrant* gratuiti.

Riguardo al valore delle azioni, il riferimento ai corsi di borsa del titolo illimity appare coerente con la necessità di individuare un prezzo di emissione corrispondente al valore di mercato, trattandosi di società con azioni quotate sul mercato regolamentato.

In particolare, la scelta degli Amministratori di utilizzare quotazioni medie storiche consente di minimizzare i rischi derivanti da significative oscillazioni di breve periodo delle quotazioni di borsa e appare conforme alle indicazioni fornite dalla dottrina sin qui espressasi sul tema.

Con riguardo all'orizzonte temporale dei prezzi di borsa da utilizzare come base per il calcolo della media, la scelta degli Amministratori di un periodo di tempo di sei mesi di borsa aperta sino all'ultima data utile prima della data di approvazione della Relazione (18 giugno 2021, cosiddetto periodo "*unaffected* o "*undisturbed*"), può ritenersi, nelle circostanze, ragionevole e non arbitraria al fine di rappresentare il valore di mercato delle azioni ante annuncio dell'Operazione.

A questo riguardo si tiene anche in considerazione il peculiare momento storico, che ha visto nell'ultimo anno una particolare volatilità dei mercati finanziari a seguito, tra l'altro, dell'emergenza epidemiologica connessa alla diffusione del Covid-19.

Riguardo al valore dei *warrant* abbinati alle nuove azioni, la metodologia di stima utilizzata dagli Amministratori al fine di tenere conto delle condizioni di questi strumenti (periodo, prezzo e rapporto di esercizio, come indicati nel Regolamento) risulta in linea con le *market practice*.

Il prezzo di emissione delle azioni determinato dagli Amministratori si colloca all'interno dell'intervallo di ragionevolezza da noi identificato mediante alcune analisi di sensibilità svolte sui parametri di rilevazione e di calcolo delle due componenti sopra indicate (valori delle quotazioni medie del titolo negli orizzonti temporali indicati al precedente paragrafo 7 e stima del valore di mercato dei *warrant*).

9 Limiti specifici incontrati dal revisore ed eventuali altri aspetti di rilievo emersi nell'espletamento del presente incarico

Relativamente alle principali difficoltà e ai limiti incontrati nello svolgimento del presente incarico, si segnala quanto segue:

- riguardo al valore delle azioni, le quantificazioni basate sulle quotazioni di borsa sono soggette all'andamento generale dei mercati finanziari: esse possono pertanto evidenziare, specie nel breve periodo, oscillazioni sensibili in relazione all'incertezza del quadro economico nazionale ed internazionale, come avvenuto recentemente a causa dell'emergenza sanitaria mondiale; inoltre, ad influenzare l'andamento dei titoli possono anche intervenire fenomeni speculativi o legati a fattori esogeni di carattere straordinario ed imprevedibile, indipendenti dalle prospettive economiche e finanziarie delle singole società;
- riguardo ai *warrant* da assegnare in abbinamento alle azioni, la valutazione fornita dagli Amministratori costituisce una stima basata su un modello di *fair value* teorico, non inclusivo dei reali effetti di liquidità legati al mercato, commissioni ed eventuali costi di *unwinding*. Tale prezzo pertanto non è da intendersi alla stregua di una quotazione operativa.

Degli elementi sopra indicati si è tenuto debitamente conto ai fini della predisposizione della presente relazione.

10 Conclusioni

Tutto ciò premesso, sulla base della documentazione esaminata e delle procedure sopra descritte, tenuto conto della natura e portata del nostro lavoro indicate nella presente relazione, fermo restando quanto segnalato al precedente paragrafo 9, riteniamo che i criteri adottati dagli Amministratori siano adeguati, in quanto nelle circostanze ragionevoli e non arbitrari, ai fini della determinazione del prezzo di emissione delle nuove azioni illimity nell'ambito dell'Operazione e che tale prezzo corrisponda al loro valore di mercato come stabilito dall'art. 2441, quarto comma, secondo periodo, del Codice Civile.

Milano, 28 giugno 2021

KPMG S.p.A.



Bruno Verona
Socio