



illimity

BANCA OLTRE LA FORMA

Company presentation

June 2021

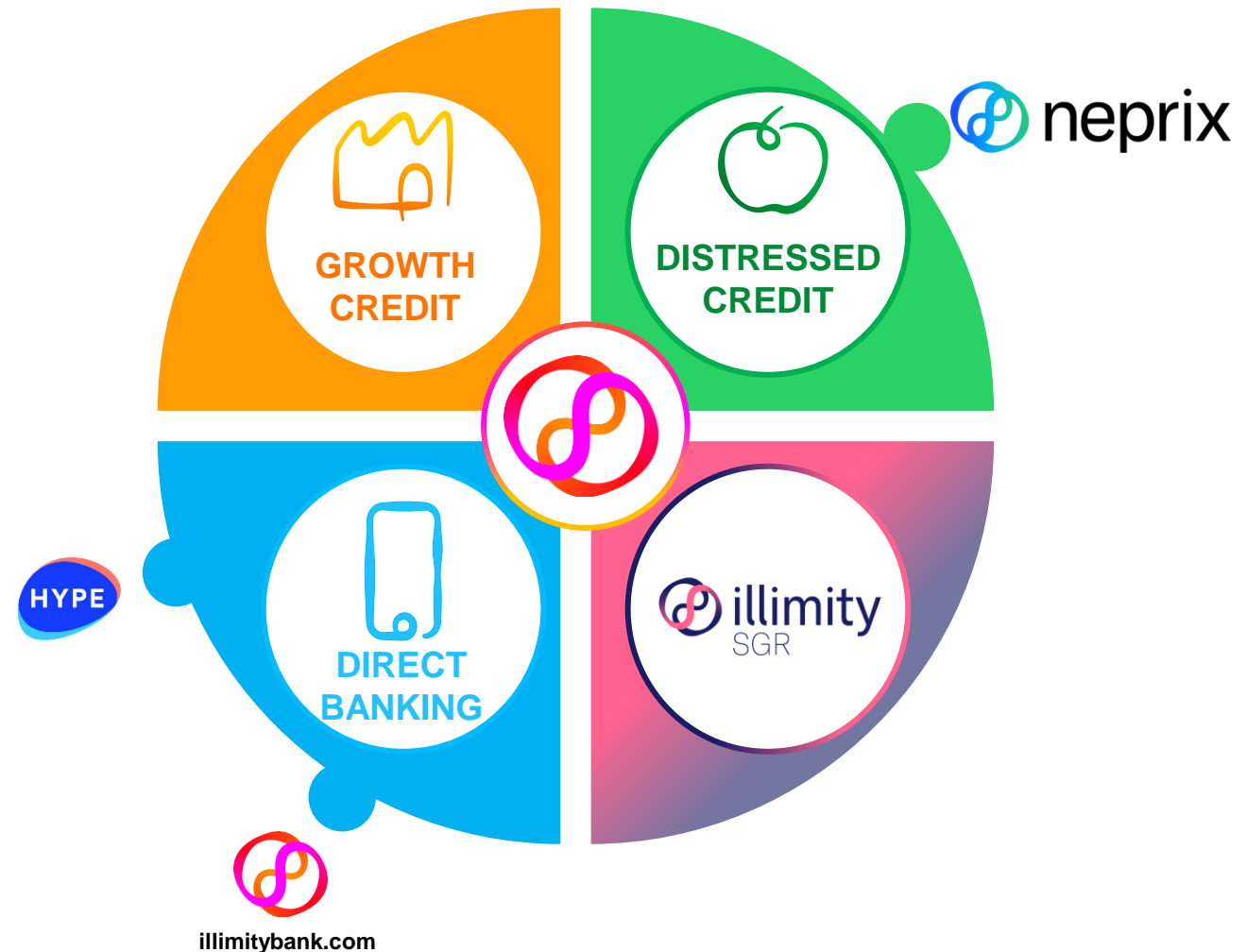
illimity - **Agenda**

-  **ILLIMITY AT A GLANCE**
-  **BUSINESS PROFILE
AND STRATEGY**
-  **FINANCIAL
PERFORMANCE**



illimity - **This is illimity: *banca oltre la forma***

A **high technological** bank
focused on **Italian SMEs** and
digital financial services
offering
with a **distinctive business**
model



illimity - A story of successful delivery

2018

- Establishment of **SPAXS**
- Approval of the **Business Combination** of SPAXS with Banca Interprovinciale and rise of the new bank: **illimity**

2019

- **Listing of illimity on the MTA** of the Italian stock exchange
- Launch of our direct digital bank **illimitybank.com**
- **Acquisition of IT Auction**, leading operator in online auction of real estate and capital goods, to strengthen Neprix's market positioning

2020

- **Joint Venture** between illimity and Fabrick (Sella Group) in **HYPE**, leading Italian fintech challenger
- **Listing to the STAR segment** of Borsa Italiana
- **Rating** by **Fitch** on illimity and neprix
- **First bond placement**

2021

- First voluntary **Non-Financial Disclosure**
- Closing of the **first alternative fund managed by illimity SGR**
- **Nomad qualification**



Our Awards



Milano Finanza – Best Banking Startup of the Year



EFMA – Best Bank in the Neobanks and Specialised Players category



Milano Finanza Innovation Award 2020



Leader in Sustainability 2021



Global Capital Awards - Best SPAC of the Year in Europe



Inhousecommunity awards 2019 – Best Practice Startup of the Year



One gold and two bronze “Financial Innovation – Italian Awards 2020” sponsored by AIFin



Best Workplace Italia 2021

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AND STRATEGY
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illimity - Foundations for success are in place



MARKET

We focus on **large attractive market segments** where we hold a **significant position** through **sustainable competitive advantages**



PEOPLE

Our **management team** is **strong** and cohesive and we have **attracted talent from over 200 different organisations**



TECHNOLOGY

We built a **unique IT strategy and architecture** which is proving to be a **key success factor**



VALUES

We are **ESG native** and take this responsibility very seriously



PROFITABILITY

Solid profitability with ROE⁽¹⁾ of ~8% in 1Q21

illimity - Significant market positions through sustainable competitive advantages



Growth Credit Division

€1.1bn
Originated
business

*A well-recognised
player in SME
market: lead
arranger on many
Acquisition Finance
deals*



Distressed Credit Division

€1.7bn
Originated
business

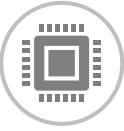
*Within top three
private investors in
the Italian distressed
credit market*



Full banking license enables **complete interaction with customers** and a **lower cost of funding** than non-bank operators



Proven credit skills + Tutors' industrial expertise



Unique IT architecture capable of continuous integration of **innovation**



End-to-end business model in distressed credit



illimity - Ready to lead in the Open platform services world

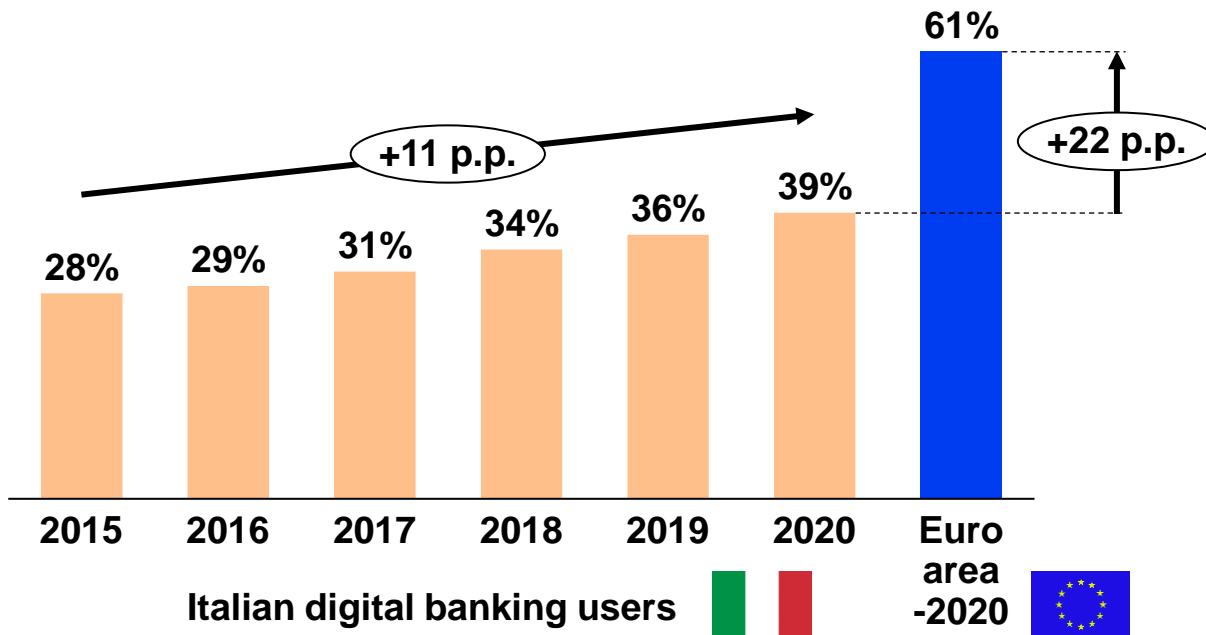


Through our direct bank, initially planned for collecting deposits only, we have been riding **the growing wave of Open banking** according to different customer needs



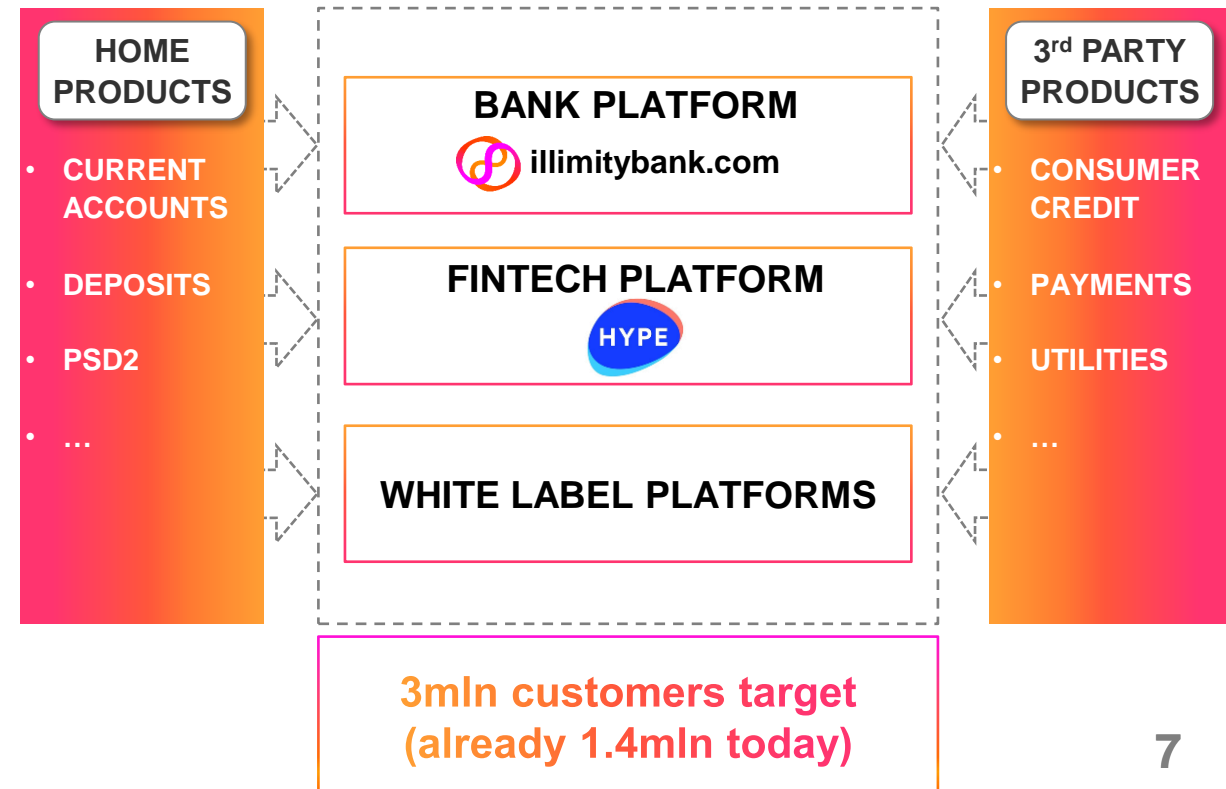
Steady growth of digital banking users in Italy with significant gap still to fill

Data in % of individuals aged 16 to 74 using internet banking

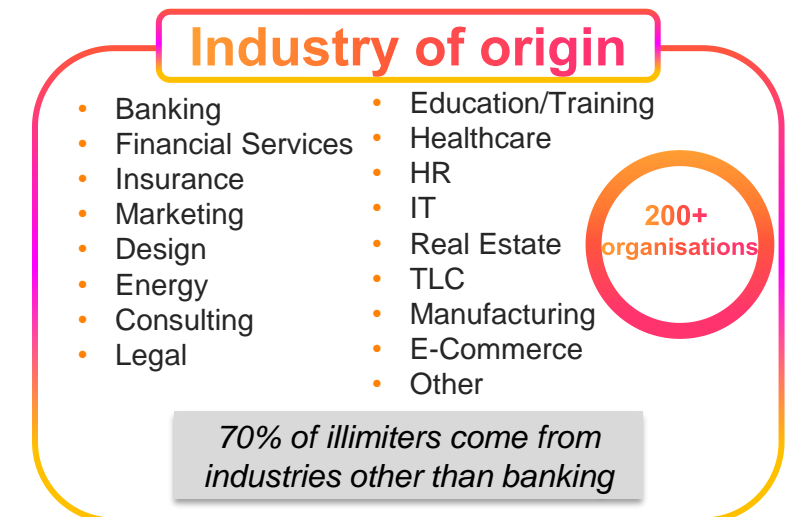
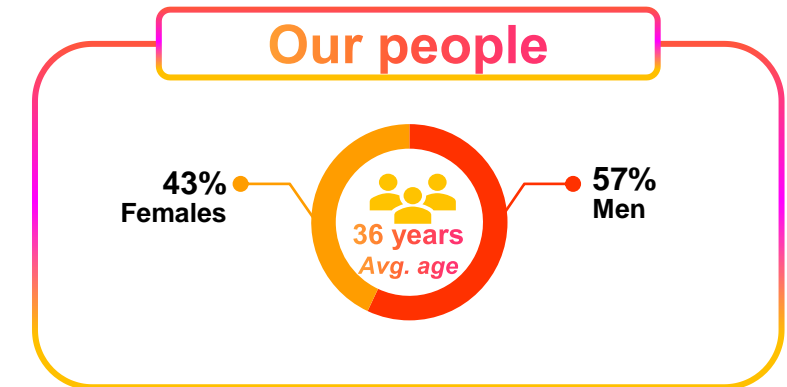
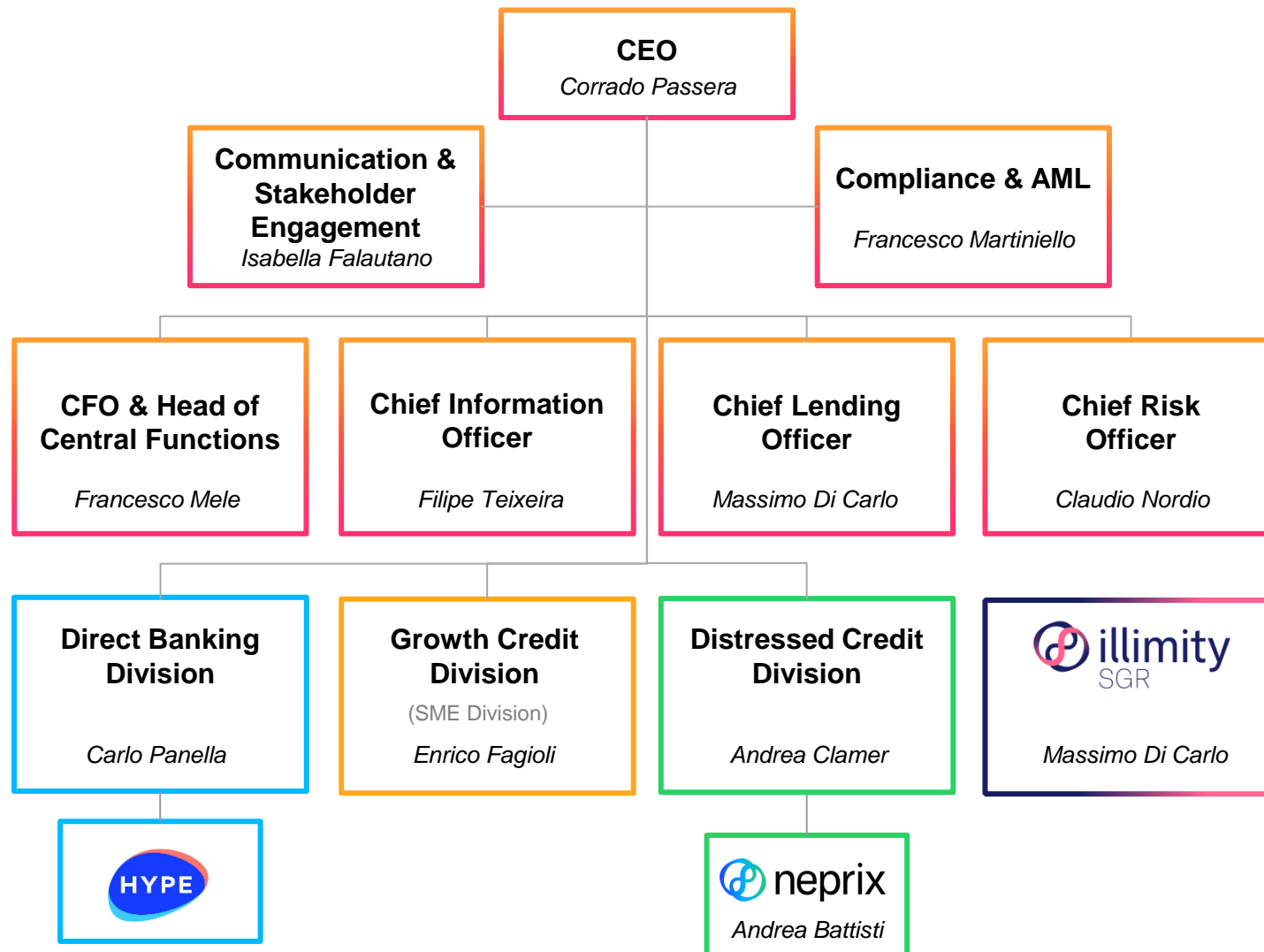


Source: Eurostat – Individuals using internet for banking services.

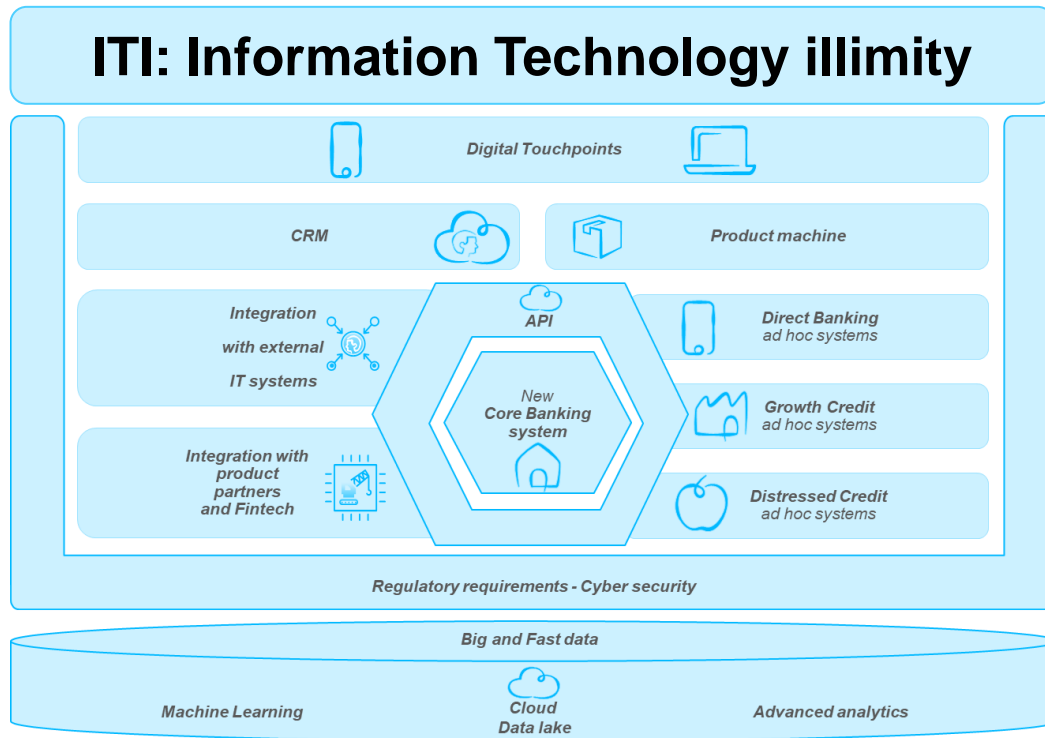
Already active on all three layers



illimity - Passionate and united team with key competences from other industries



illimity - Unique IT architecture – technology can replace scale



ITI key strengths

- **Fully scalable**: natively in-cloud, no dimensional constraints
- **Easily integrates third-party** systems and **applications**
- A **single data lake** of structured and unstructured data



Fully Digital



Fully Modular



Fully In-cloud



illimity - Strong ESG responsibility: our purpose is to unlock SME's and individuals' potential

Main achievements



Environment

- **Carbon Neutral** as of **2020**
- **100% renewable energy** for main office buildings
- **ESG Rating** for SME
- **Commitment to finance green projects**, circular economy projects etc



Social

- **Diversity & Inclusion** by **gender** (43% vs 57%), **age** (4 generations), **20 nationalities**, from over **200 organizations**
- Capable of up to **100%** smart working
- **100%** recipients of flexben and stock ownership plans
- **Gender Pay Gap** less than 4%
- Full **Gender Equity** in **talent pool** distribution
- **Great Place to Work®** and **Best Workplace**



Governance

- **44% Board Gender Equality** (45% vs 55%)
- **Sustainability Committee**
- **2020 Voluntary Consolidated Non-Financial Statements**
- **illimity way policy**

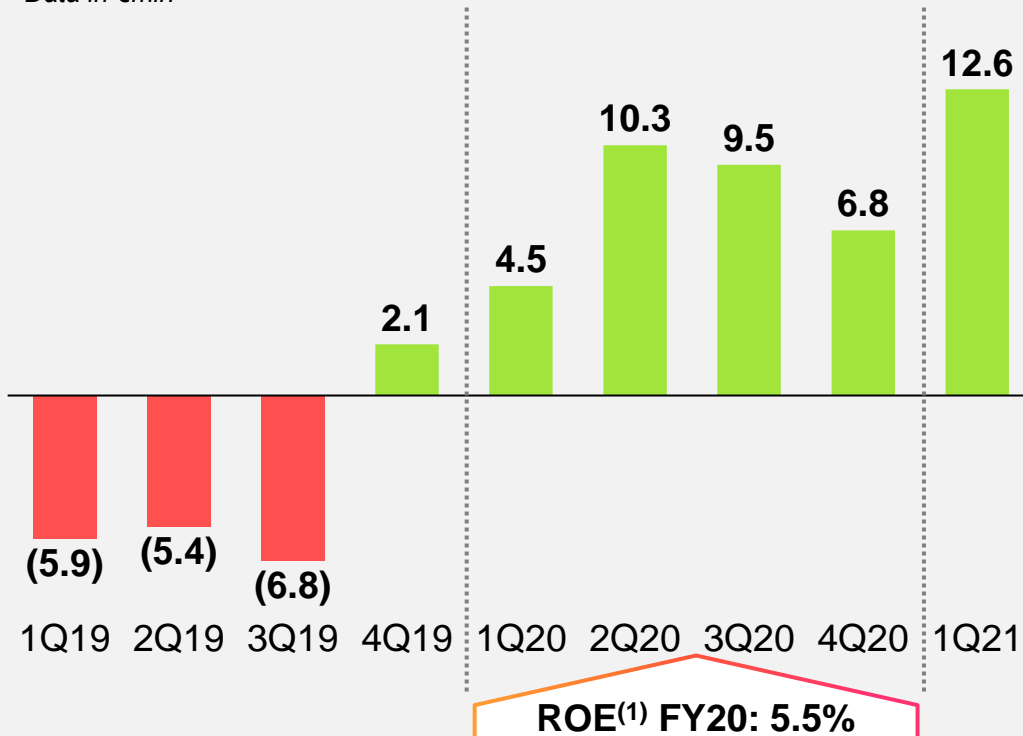


illimity - Solid profitability with ~8% ROE⁽¹⁾ in 1Q21



NET PROFIT EVOLUTION

Data in €mln



Q1 2021

~18%
CET1

~€1bn
Available
Liquidity⁽²⁾

~3%
Gross Organic
NPE Ratio⁽³⁾

Notes: (1) Return on average equity; (2) It includes cash, net adjusted interbank position and liquidity buffers; (3) Ratio of gross NPE to total gross loans to customers from Factoring, Cross-over, Acquisition Finance, High-yield bond, Turnaround performing (including UTP exposures returned to performing), BIP legacy book and Senior Financing to non-bank Distressed Credit investors - thus excluding UTP loans purchased or originated as part of the Turnaround and the investments in Distressed Credit portfolios. Any failure to reconcile the stated figures arise exclusively from rounding.

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1Q21 Financial review



illimity - **Positive 1Q21**



Good progression in interest income and more to come as most volume growth is concentrated in the last part of the quarter. Rise in interest expenses relates to bond issue completed in Dec-2020



Strong momentum in volume growth particularly in Growth Credit Division driving **net fees** to nearly **double the level reported in 1Q20**



Dynamic portfolio management generating **steady and recurring profit from closed positions in our Distressed Credit Division** and strong performance in cash flow



Operating leverage gains becoming visible as operations scalability unfolds, leading to **improvement in cost-income ratio**



Provisions in 1Q21 reflecting **strong asset quality** and **new origination backed by public guarantees**

illimity - Solid balance sheet

Data in €mln

	31.03 2020	30.06 2020	30.09 2020	31.12 2020	31.03 2021	Δ 31.03.2021 / 31.12.2020	Δ 31.03.2021 / 31.03.2020
Reclassified Balance sheet							
1 Cash and cash equivalent	219	311	543	945	733	(22)%	234%
Due from banks and other financial institutions	657	643	645	641	676	5%	3%
2 Customer loans	1,662	1,766	1,831	2,205	2,234	1%	34%
- Distressed Credit Division ¹ investments	674	724	733	972	973	0%	44%
- Distressed Credit Division ¹ senior financing	334	337	331	336	316	(6)%	(5)%
- Growth Credit Division ²	556	613	685	817	869	6%	56%
- Cross-over & Acq. Finance ²	278	315	366	412	450	9%	62%
- High yield bond	-	13	23	4	1	(66)%	n.s.
- Turnaround	154	156	173	243	260	7%	69%
- Factoring	123	129	123	158	157	(1)%	27%
- Non-core former Banca Interprovinciale	99	92	83	80	76	(6)%	(23)%
3 Financial assets Held To Collect & Sell (HTCS) ³	335	286	137	91	310	240%	(7)%
- Securities Portfolio	335	286	137	91	268	193%	(20)%
- Securities Portfolio high yield bond	-	-	-	-	43	n.s.	n.s.
Financial assets measured at FVTPL ⁴	8	12	17	19	50	173%	567%
Investments in associates and companies subject to joint control	0	0	0	0	86	n.s.	n.s.
Goodwill	36	36	36	36	36	--	--
Intangible assets	22	26	29	33	33	1%	55%
Other assets (Incl. Tangible and tax assets)	114	158	154	156	157	1%	39%
Total assets	3,052	3,238	3,392	4,126	4,316	5%	41%
Due to banks	468	583	541	534	627	17%	34%
4 Due to customers	1,901	1,913	2,123	2,552	2,568	1%	35%
Bond/Securities	10	2	2	301	302	0%	2,835%
Shareholders' Equity	537	563	575	583	665	14%	24%
Other liabilities	135	176	151	156	154	(1)%	14%
Total liabilities	3,052	3,238	3,392	4,126	4,316	5%	41%
5 Common Equity Tier 1 Capital	439	466	478	509	530	4%	21%
6 Risk Weighted Assets	2,347	2,548	2,497	2,851	3,018	6%	29%

1 **Robust liquidity profile:** over **€1bn** between cash, net adjusted interbank position and liquidity buffers

2 **Net customer loans** flat qoq – and +34% yoy - due to usual seasonality of Distressed Credit Division, while Growth Credit Division loan book posting 6% growth qoq

3 **Securities portfolio build-up** in application of our prudent investment strategy; **€43mln in high yield corporate bonds**

4 **Retail & corporate funding stable qoq to €2.4bn**

5 **CET1 capital up to around €530mln** mainly underpinned by profit generated in the quarter

6 **RWA up** due to growth in business, increase in securities portfolio and first time consolidation of HYPE

Notes: Rounded figures; IT Auction consolidated for the first time in 1Q20; (1) Distressed Credit Division (previously named NPL I&S); (2) This figure includes part of the net loans to existing customers of Banca Interprovinciale, which due to their features are considered consistent with illimity's Growth Credit Division segment; (3) HTCS: Financial assets measured at fair value through comprehensive income; (4) FVTPL: other financial assets at fair value through profit or loss. This item includes equity financial instruments purchased as part of a Turnaround transaction, junior tranches acquired as part of senior financing transactions and investments in distressed credits in the energy sector purchased via a joint venture, as part of the DC division's activities.

illimity - Resilient operating performance in a seasonally light quarter

Data in €mln

	1Q20	2Q20	3Q20	4Q20	1Q21	Δ 1Q21/ 4Q20 %	Δ 1Q1/ YoY %
Reclassified Profit & Loss							
Interest income	32.1	33.2	37.7	43.1	46.0	7%	43%
Interest expenses ¹	(10.7)	(9.3)	(10.4)	(12.3)	(14.8)	20%	38%
1 Net interest income	21.4	23.9	27.2	30.8	31.2	1%	46%
2 Net fees and commissions	2.7	2.4	3.2	6.5	4.9	(25%)	80%
Net result from trading	3.7	(0.0)	2.1	2.7	3.8	40%	4%
Net other income/expenses	0.0	0.2	0.5	4.1	2.0	(51%)	n.s.
3 Profit from closed purchased distressed credit positions²	9.1	7.9	11.6	14.0	11.4	(19%)	25%
4 Gain (loss) from disposal of investments	-	-	-	-	2.3	-	-
Operating income	37.0	34.4	44.5	58.2	55.7	(4%)	50%
Staff costs	(11.3)	(13.2)	(11.5)	(16.0)	(16.6)	4%	47%
5 Other operating expenses	(16.1)	(12.7)	(16.9)	(25.2)	(17.9)	(29%)	11%
Depreciation & Amortisation	(1.8)	(2.0)	(2.3)	(2.5)	(3.0)	21%	62%
Operating costs	(29.2)	(28.0)	(30.6)	(43.7)	(37.5)	(14%)	28%
Operating profit	7.8	6.4	13.9	14.5	18.1	25%	133%
6 Loan loss provision charges	(2.7)	(1.2)	(0.3)	(1.7)	0.8	n.m.	n.m.
Value adjustments on purchased distressed credit	2.9	4.4	(0.6)	(4.2)	3.9	n.m.	34%
Value adjustments on securities and loans to banks	(0.8)	0.4	0.3	0.2	(1.6)	n.m.	95%
Other net provisions for risks and charges	(0.0)	0.0	(0.0)	(0.4)	(0.0)	(94%)	(31%)
7 Other income from equity investments	-	-	-	-	(2.1)	-	-
Profit (loss) before tax	7.2	10.0	13.2	8.3	19.1	130%	167%
Income tax	(2.7)	0.3	(3.7)	(1.6)	(6.5)	320%	146%
Net result	4.5	10.3	9.5	6.8	12.6	86%	179%

1 Good growth in interest income despite seasonality and a large share of the business origination occurring at the end of the period. **Interest expenses** affected by the €300mln bond issue in Dec-2020

2 Net commissions reflect seasonality in business origination

3 Strong profit contribution from closed distressed credit positions either sold to third parties or agreed with debtors (DPO⁽³⁾) and from credit revaluation events in Turnaround

4 Capital gain from the sale of illimity's selected open banking operations to **HYPE** as part of the JV agreement

5 Operating expenses decline on a quarterly basis driven by seasonally slower business

6 Provisions in 1Q21 reflect stable asset quality, new origination in loans backed by public guarantees and release of provisions on closed positions

7 Pro-rata economic result of HYPE, in line with the Joint Venture business plan

Notes: Rounded figures (1) Interest expenses restated to exclude costs related to Debt for leasing, now reclassified as administrative costs, and to include commission expenses and stamp duty of European deposit platform (Raisin), previously classified as commission expenses and other operating expenses; (2) Gains from definitive closure of non-performing exposures either through disposal to third parties or through discounted payoff agreed with the debtor; (3) Discounted pay off recovery strategy (the so-called "saldo e stralcio").

illimity - Distressed Credit highly profitable, Growth Credit accelerates


**GROWTH
CREDIT
DIVISION**
(BIP included)


**DISTRESSED
CREDIT
DIVISION**


**DIRECT
BANKING
DIVISION**


SGR


**CORPORATE
CENTER**


TOTAL

Data in €mln

	GROWTH CREDIT DIVISION (BIP included)	DISTRESSED CREDIT DIVISION	DIRECT BANKING DIVISION	SGR	CORPORATE CENTER	TOTAL
Net interest income	3.8	26.6	0.7	-	0.1	31.2
Net fees and commission	3.0	2.1	-	-	(0.2)	4.9
Other income	2.9	13.9	2.3	-	0.4	19.5
Operating income	9.7	42.6	3.0	-	0.3	55.7
Staff costs	(2.7)	(5.9)	(1.5)	(0.5)	(6.0)	(16.6)
Other operating expenses and D&A	(2.6)	(8.1)	(2.9)	(0.1)	(7.2)	(20.9)
Operating costs	(5.3)	(14.0)	(4.4)	(0.6)	(13.2)	(37.5)
Operating profit	4.4	28.6	(1.4)	(0.6)	(12.9)	18.1
Provisions	0.3	2.8	-	-	-	3.1
Other income from equity investments	-	-	(2.1)	-	-	(2.1)
Profit (loss) before tax	4.7	31.4	(3.5)	(0.6)	(12.9)	19.1
Interest earning assets	1,085	1,510	-	-	1,409	4,003
Other assets	4	88	86	-	135	313
RWA	827	1,996	30	-	165	3,018

Contribution to profitability consistent with the nature of the business and expected speed of deployment of our businesses



Distressed Credit Division faster deployment as expected with strong performance in cash flow and profit from closed position, contributing 77% of total revenue. Cost income in the quarter below 35% also on lower costs related to business origination



Growth Credit Division more gradual deployment as expected, with momentum in volume driving pre-tax profit to €4.7mln for 1Q21 (a strong progress vs €5.5mln pre-tax profit reported for the FY20) also thanks to strong asset quality



Direct Banking Division on track with first time pro-rata consolidation of HYPE



Corporate Center absorbing €13mln in terms of negative result before tax and reflecting costs to build a scalable infrastructure

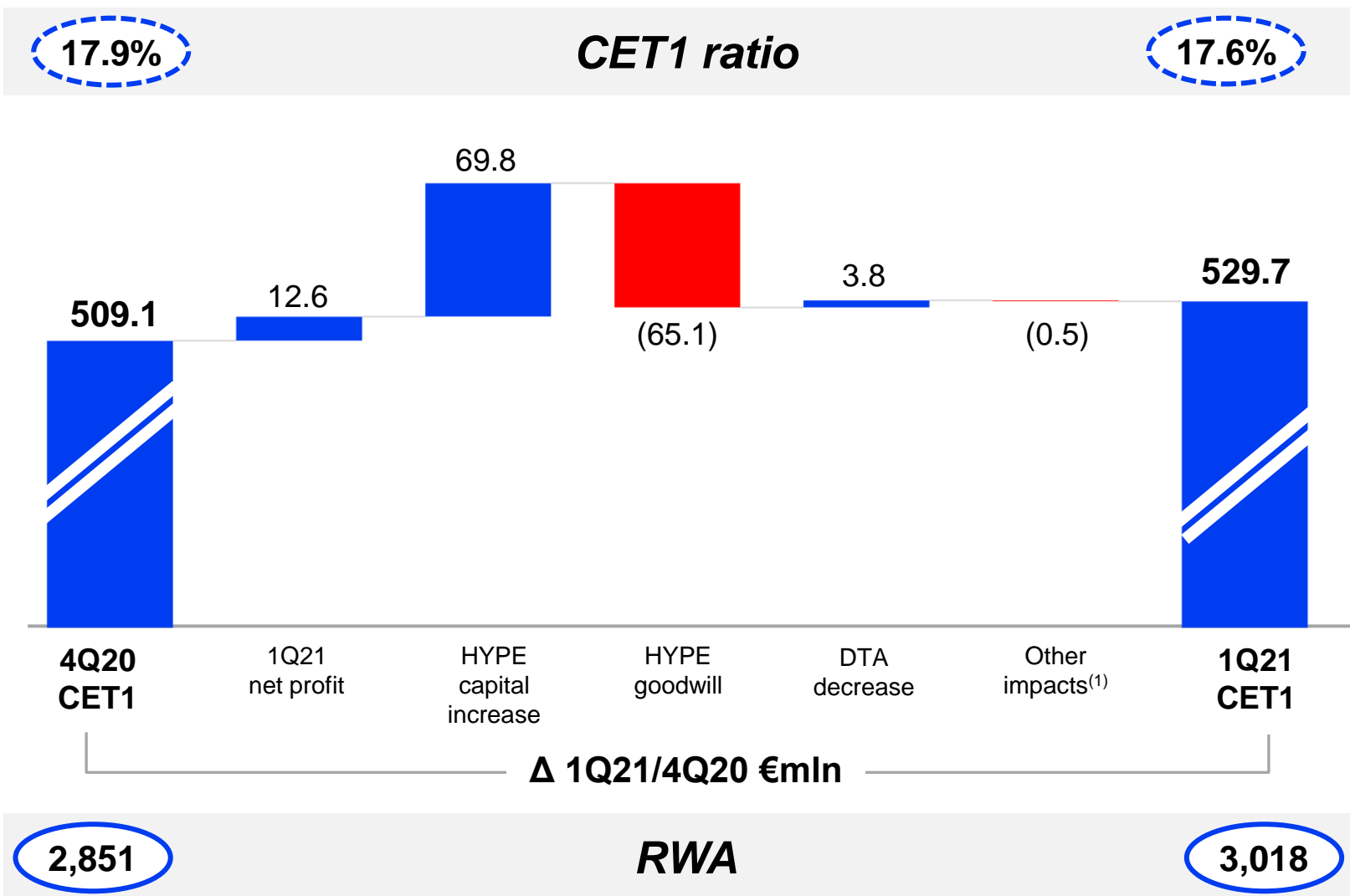
illimity - KPIs confirm strong asset quality and robust capital

	1Q20	2Q20	3Q20	4Q20	1Q21
Cost income	79%	82%	69%	75%	67%
Organic cost of risk (bps) annualised ⁽¹⁾	124bps	52bps	13bps	59bps	Net write-backs
Gross organic NPE ratio ⁽²⁾	4.2%	4.2%	3.8%	3.2%	3.0%
LCR	>1,000%	>1,000%	~700%	>700%	>1,000%
CET1 ratio	18.7%	18.3%	19.2%	17.9%	17.6%

- **Cost income ratio improving** by 8pp vs 4Q20 as benefits from operating leverage become visible
- **Net write-backs** of **€0.8m** due to release of provisions on closed positions and on refinancing of loans with public guarantees, more than offsetting provisions on new business
- **Organic NPE ratio further down to 3.0%**
- Ample liquidity buffer
- **NSFR** comfortably above minimum requirements
- **CET1 ratio still at 17.6% on strong business growth**

Notes: (1) Ratio of loan loss provisions to net loans to customers end of period (€1,158m as of 1Q21) from Factoring, Cross-over, Acquisition Finance, High-yield bond, BIP legacy book, Senior Financing to non-bank Distressed Credit investors and the performing exposures of the Turnaround business (amounting to around €157m as of end March 2021) - thus excluding UTP loans purchased or originated as part of the Turnaround business and the investments in Distressed Credit portfolios; (2) Ratio of gross NPE to total gross loans to customers from Factoring, Cross-over, Acquisition Finance, High-yield bond, Turnaround performing (including UTP exposures returned to performing), BIP legacy book and Senior Financing to non-bank Distressed Credit investors - thus excluding UTP loans purchased or originated as part of the Turnaround and the investments in Distressed Credit portfolios. Any failure to reconcile the stated figures arise exclusively from rounding.

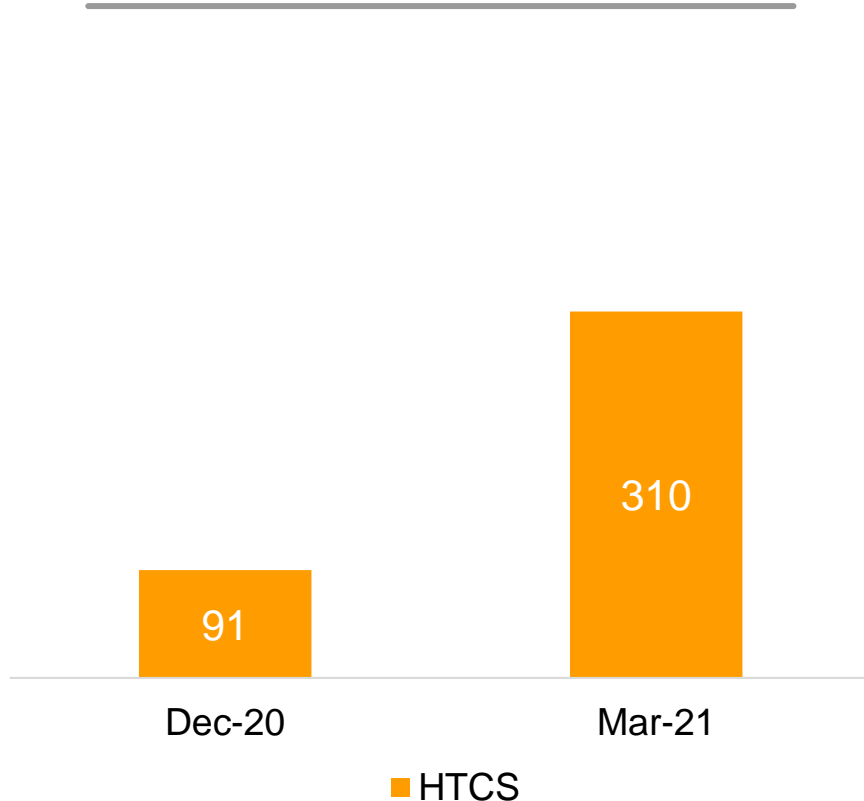
illimity - Robust CET1 Ratio at 17.6%



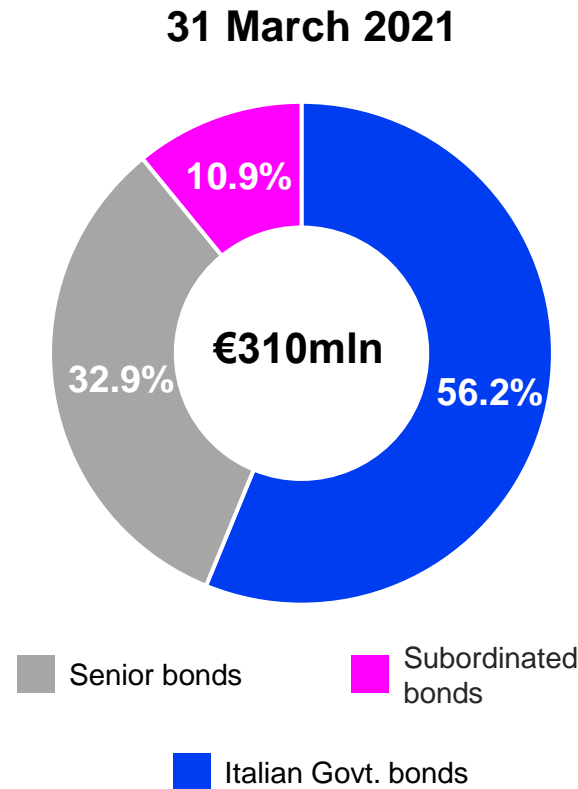
- **CET1 capital increased by 4% qoq**, mostly due to the net profit reported in the quarter and to a net positive contribution from the HYPE transaction of approximately €4.7mln
- **Increase in RWA (+6% qoq)** due to investments made during 1Q21 and HYPE pro-rata consolidation
- Including special shares, CET1 ratio would reach around **18.0% on a pro-forma basis**⁽²⁾

illimity - **Dynamic securities portfolio**

Securities portfolio



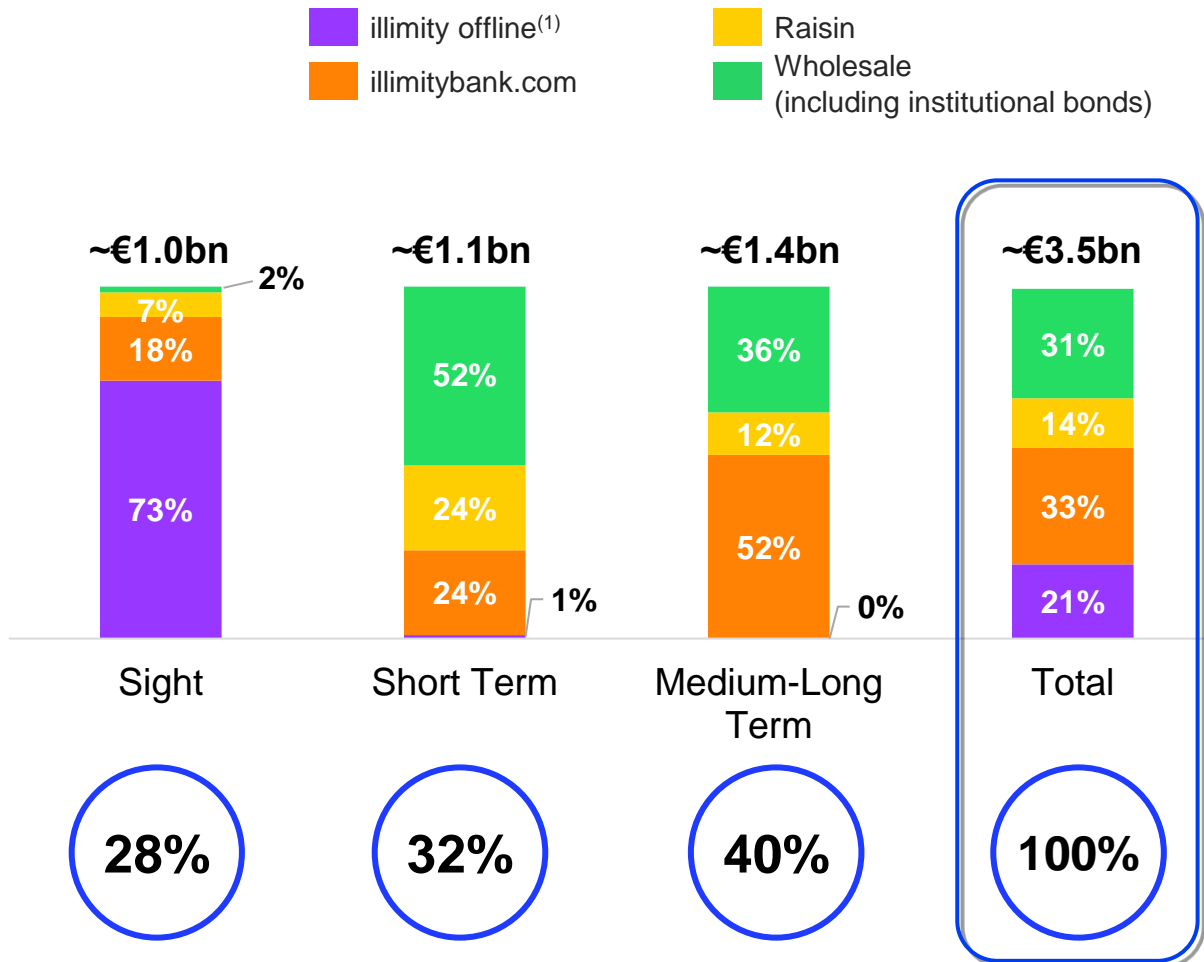
Portfolio composition



- **Securities portfolio build-up** in application of our investment strategy; 42% of senior bonds refer to **high yield corporate bonds**
- **Negative M-t-M⁽¹⁾** at approx. **€0.5m** on 31 March 2021
- Duration **5 years**
- Average yield approx. **1.6%**

illimity - Longer funding maturity due to senior bond issuance

Maturity mix



Medium-Long Term funding maturity **2.8 years**



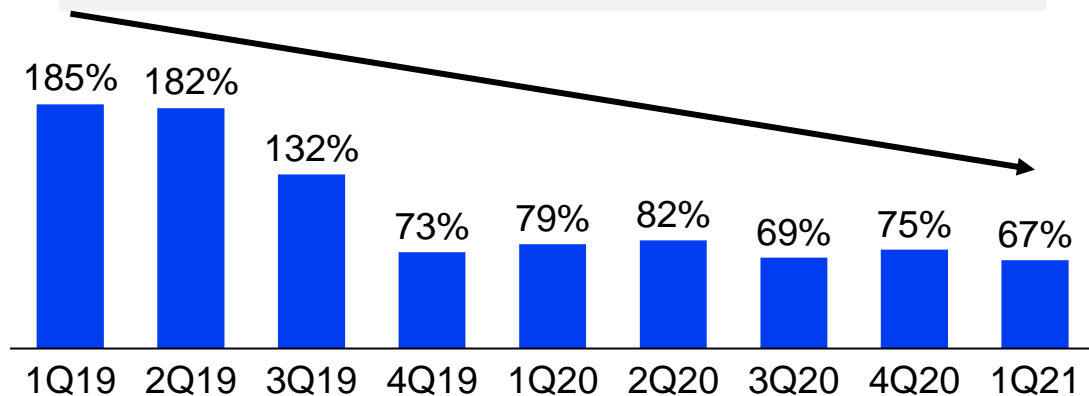
~**1.5%** blended average cost of funding



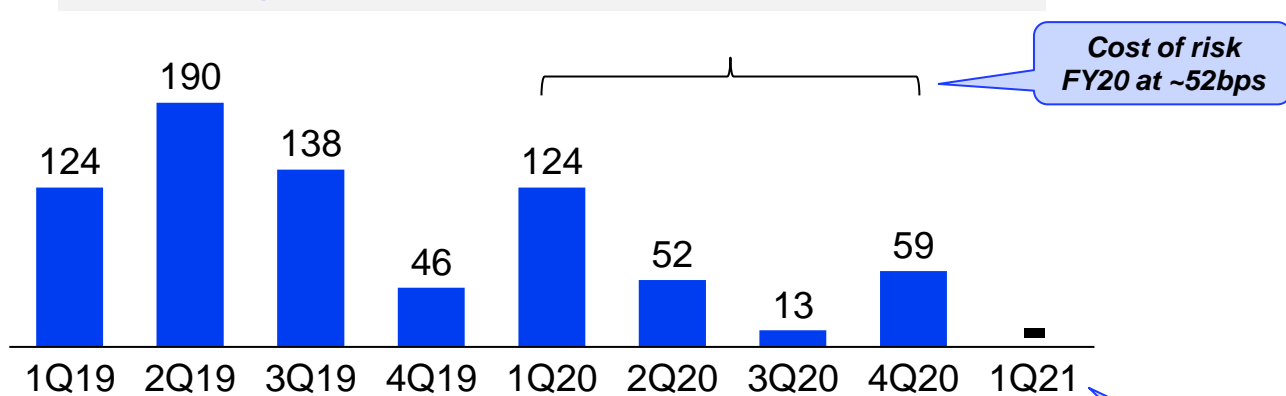
€300m senior preferred bond issued in Dec-2020

illimity - KPIs confirming strong asset quality and liquidity

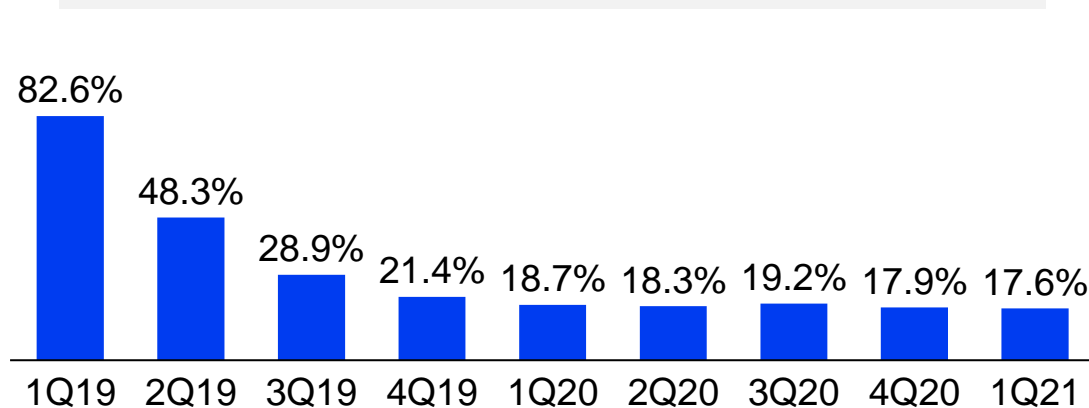
Cost/Income



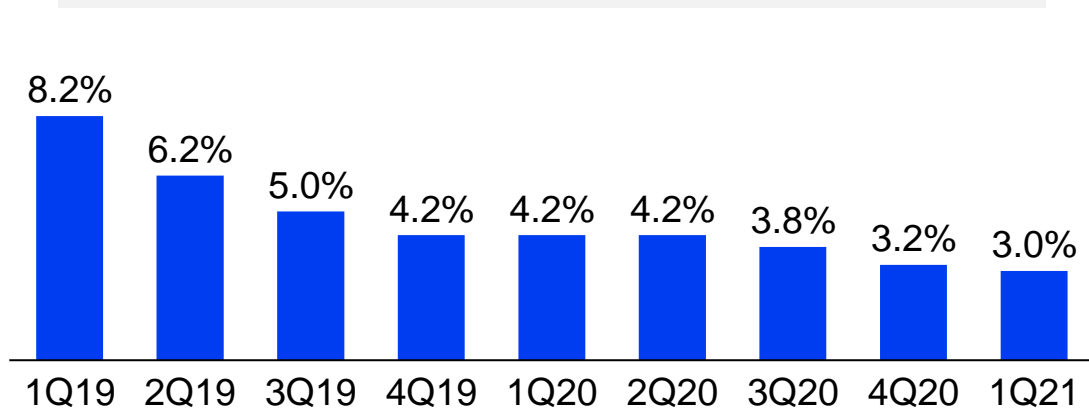
Organic cost of risk annualised (bps)⁽¹⁾



CET1 ratio



Gross organic NPE Ratio⁽²⁾

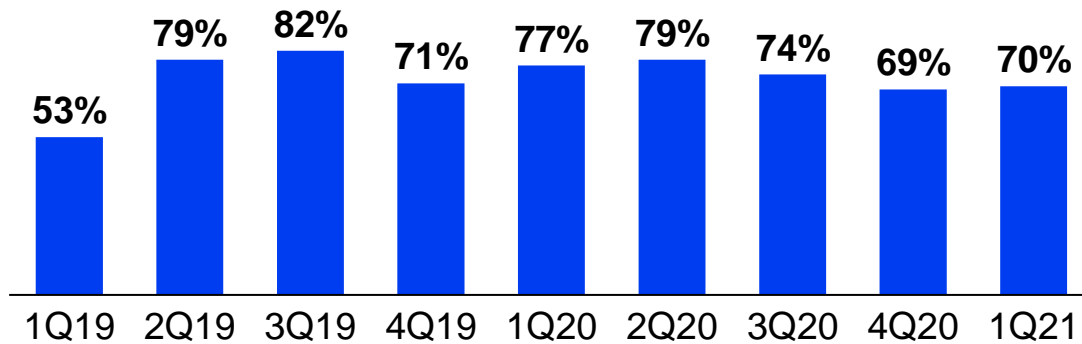


Net write-backs

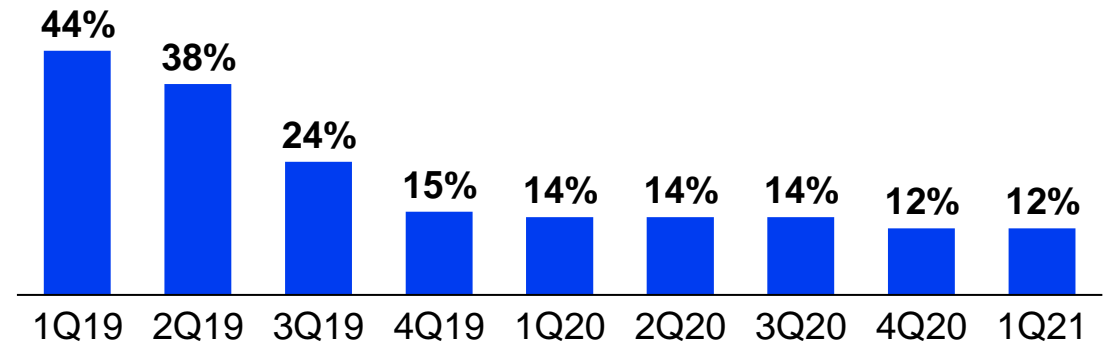
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illimity - Other Regulatory Ratios

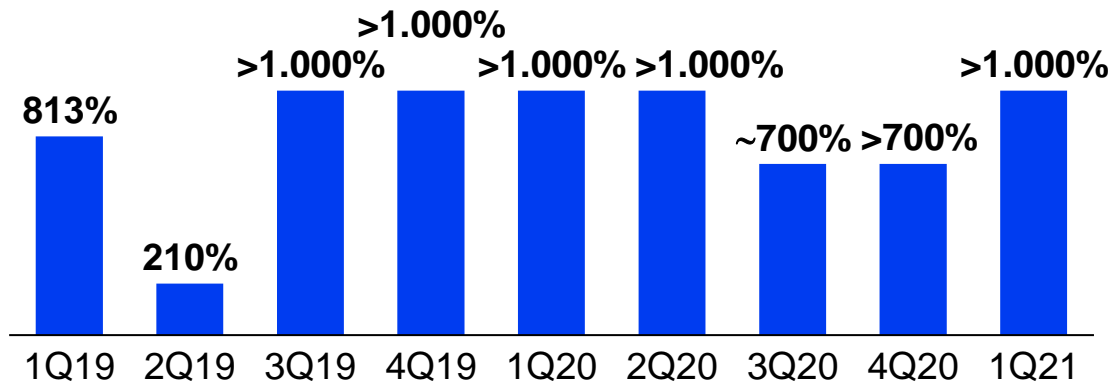
RWA Density⁽¹⁾



Leverage ratio



LCR



- LCR confirms a significant liquidity buffer
- Net Stable Funding Ratio above the minimum regulatory requirements

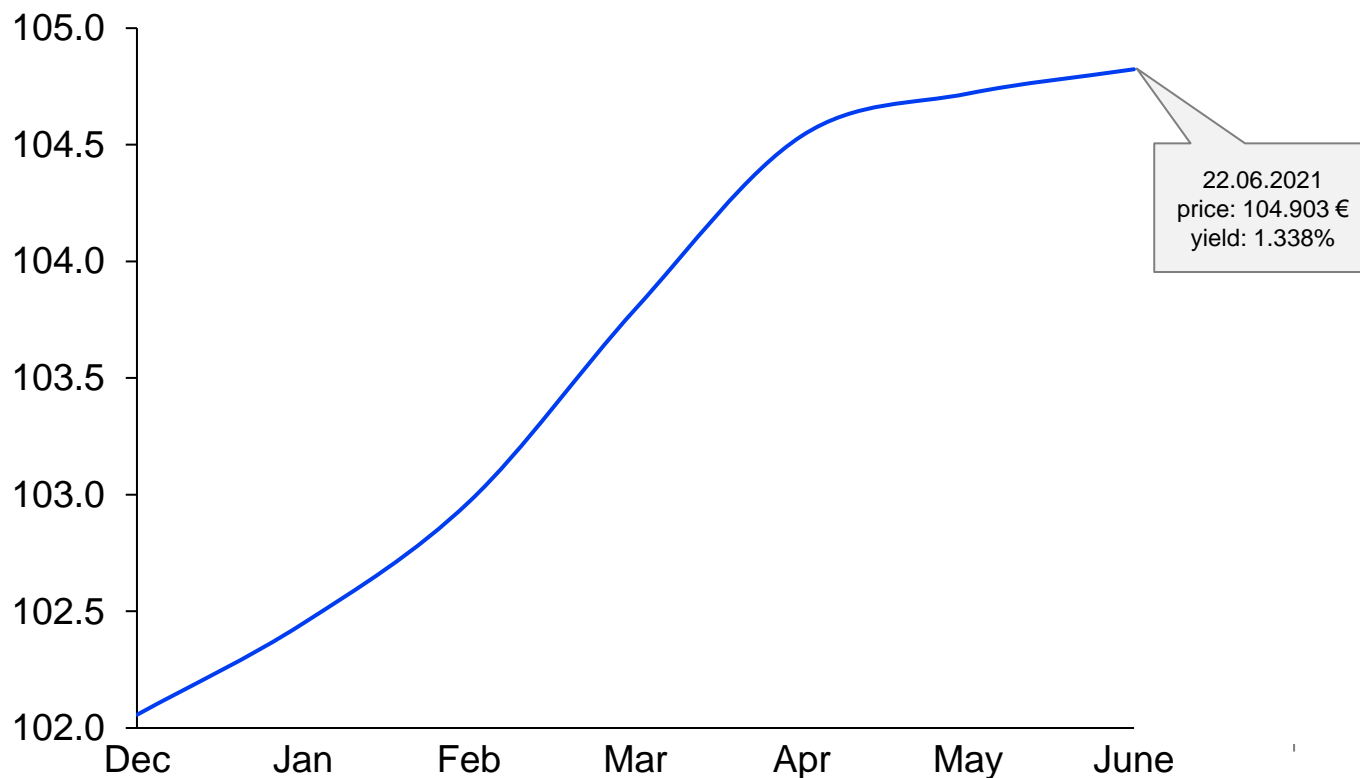
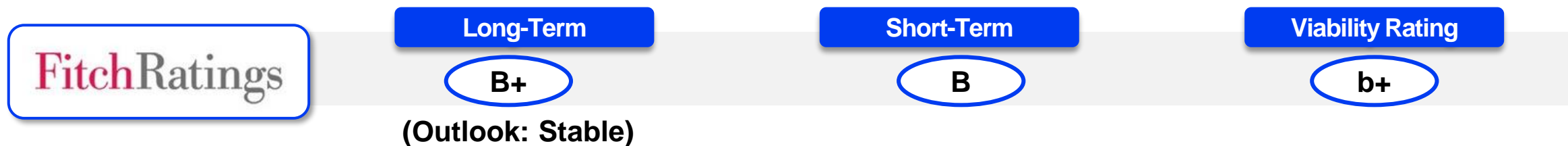
Encumbrance Ratio
1Q21

~13%

Cash and high-quality
liquid assets
1Q21

>€1bn

illimity - Successful placement of first bond



€300mIn bond senior preferred with **3-year maturity set at 3.375%**



Robust demand for issuance touching **one billion euro from 160 investors** well distributed between domestic and foreign institutions

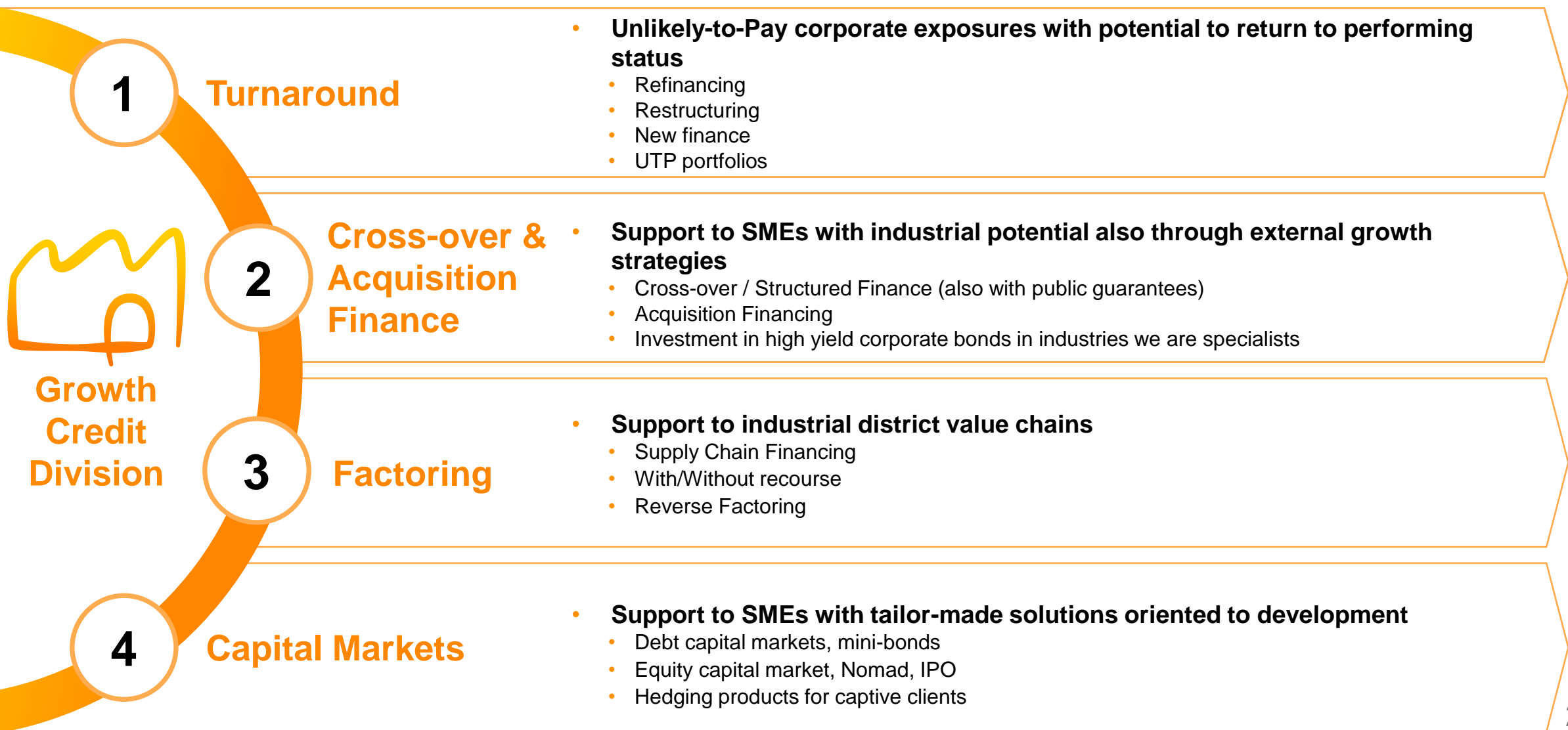


Further diversification of funding sources

Growth Credit Division



illimity - Italian SMEs specialist partner



illimity - Strong origination capabilities with highly selective approach



Illimity has become well-recognised player in the market **with more than €1bn originated business and very selective approach**



Significant and rapid **growth in factoring**



Primary **role** played in lending activities **with public guarantees**

Key underwriting highlights

~500 Cross-over & Turnaround deals analysed since inception **worth ~€5bn** in nominal value



~100 deals signed

Net customer loans at 1Q21

€260mIn

Turnaround

€451mIn

**Crossover &
Acq. Finance**

€157mIn

Factoring

**T/O ⁽¹⁾
€199mIn**

illimity - Asset quality very good notwithstanding difficult market conditions

Credit revaluation events



Tangible **evidence of profit from credit revaluation** events in **Turnaround** business



€6mIn

FY2020

€3mIn

1Q2021



Strong asset quality reflecting selective approach



0.8%

Gross Organic NPE ratio
Growth Credit Division Core Business⁽¹⁾



Fast approach to take market opportunities to **maximise the risk-adjusted profile** with good share of **public guarantees**



44%

% Performing stock with
Public Guarantees⁽²⁾



Strong development **of factoring business volumes** with **high insurance coverage** and near to zero defaults



59%

% factoring stock insured⁽³⁾

illimity - Solid business origination in Cross-over & Acq. Finance and Turnaround

Originated business

Data in €mln

 Booked⁽¹⁾
 Signed but not booked⁽²⁾

Total
542

Pipeline⁽³⁾
~100



Loans under **moratorium down** vs 4Q20 to **€49mln**

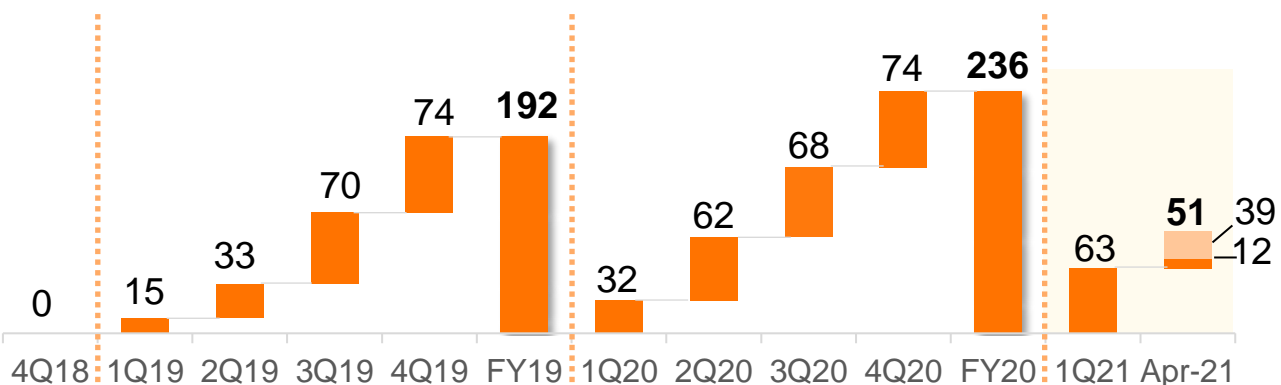


Momentum in business origination continued in 1Q21 notwithstanding very selective approach

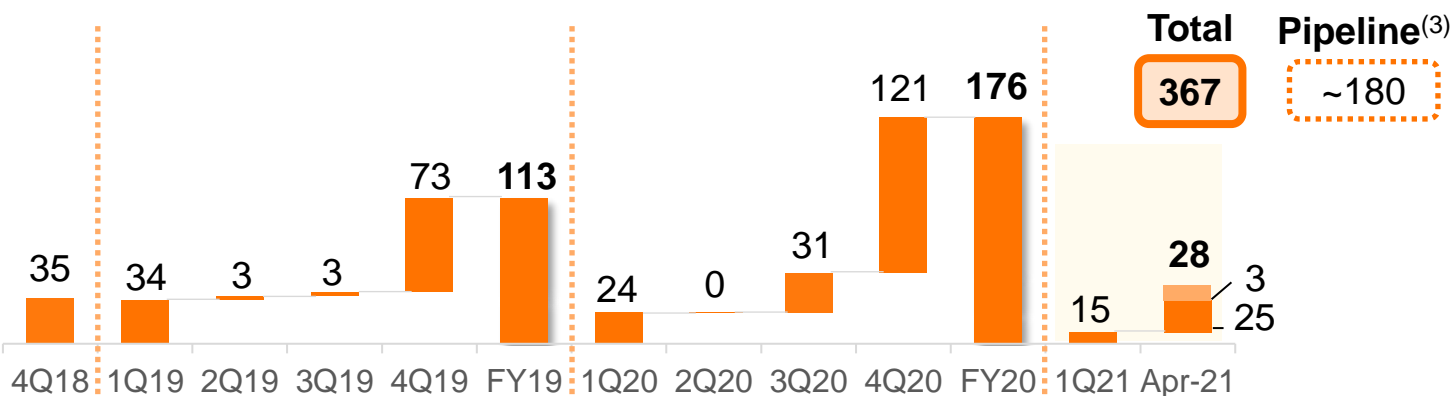


More than 75% of 1Q21 business origination in **lending with public guarantees**

Cross-over & Acq. Finance



Turnaround



Notes: Rounded figures not including €42mln investments in corporate high yield bonds (1) Income-producing loans; (2) Deals signed but not yet booked, due to a time lag between the signing of the master agreement and the date of loan disbursement, in place at the end of the month; (3) It includes both items 'Agreed to be signed' and 'Advanced Pipeline'.

illimity - Factoring: robust trends continued in 1Q21

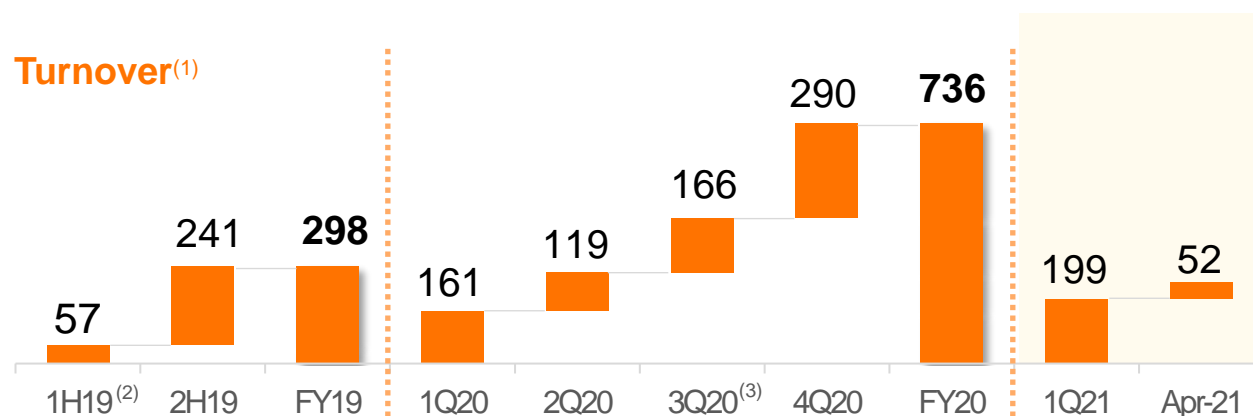
Originated business

Data in €mln

Net Customer loans



Turnover⁽¹⁾



Turnover **positive trend** continues into 1Q21



Around **130 clients⁽⁴⁾** and **over 650 debtors**

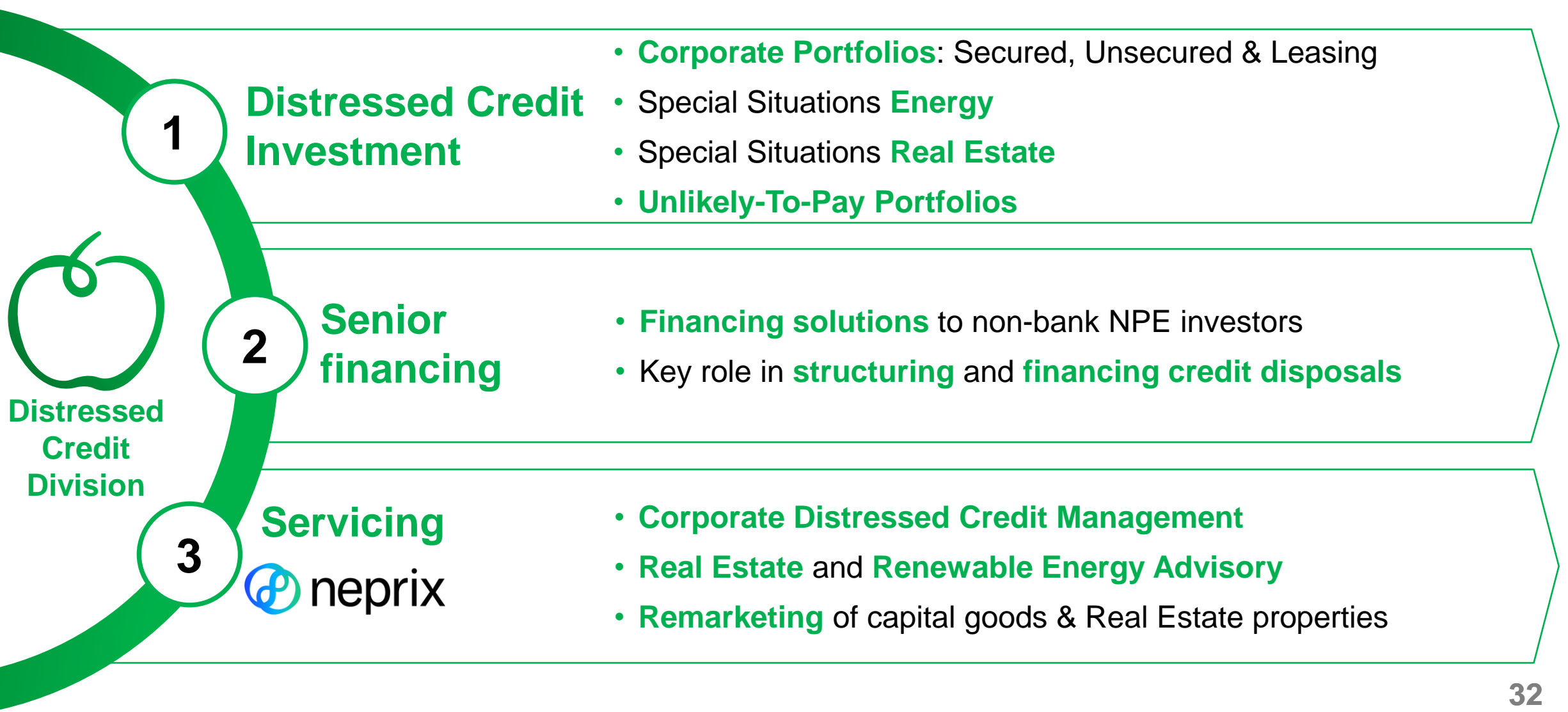


Usage of public **guarantees** made possible also in factoring in 2021

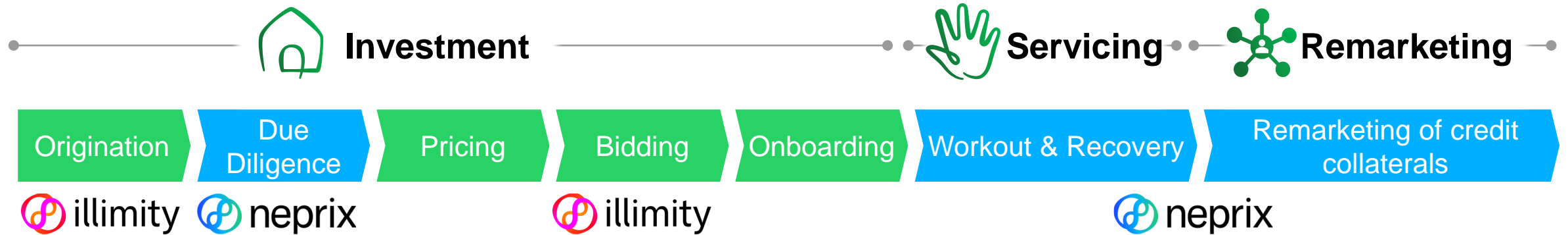
Distressed Credit Division



illimity - Specialised player in Corporate Distressed Credit



illimity - Fully-integrated value chain



Key success factors



Cross-fertilisation of different competencies across value chain



Data-driven business for a dynamic streamline of origination, pricing, recovery and asset management strategies by leveraging the information gathered through the circular value chain

illimity - Major investor in the Italian market



Among **top three private investors in the Italian market** with ~€8bn GBV purchased as of 1Q21



Corporate Distressed Credit across all credit classes, from NPL to UTP



Senior Financing focused on **high-yield opportunities** and cross competences on **structuring of credit disposals**



Proprietary servicing platform with **specific expertise as key success factor**

Business volumes as of 1Q21

	Distressed Credit Investments	Senior Financing	Distressed Credit Division Total
Originated Business ⁽¹⁾	~€1.2bn	~€0.5bn	~€1.7bn
	Loans	Properties	Servicing Total
Servicing AuM ⁽²⁾	~€6.6bn	~€2.4bn	~€9.0bn

Notes: (1) This aggregate includes Distressed Credit investments booked, Senior Financing loans cumulatively granted until the end of the period, and deals signed but yet to be booked, owing to a settlement structure in multiple tranches or to a time lag between the signing of the master agreement and the date of loan disbursement/onboarding; (2) The AuM of the Servicing unit includes the gross book value of distressed credit, net of cash flow and portfolio disposals, and the value of property and capital goods managed by neprix sales.

illimity - **Very strong track record**



Outperformance in gross cash flows vs. initial plan



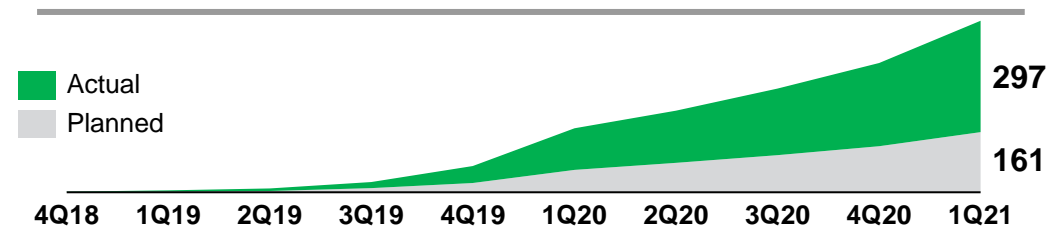
Strong **profit generation** from **dynamic portfolio management** approach...

- Gains from exit strategy anticipation (DPO)
- Gains from credit disposal

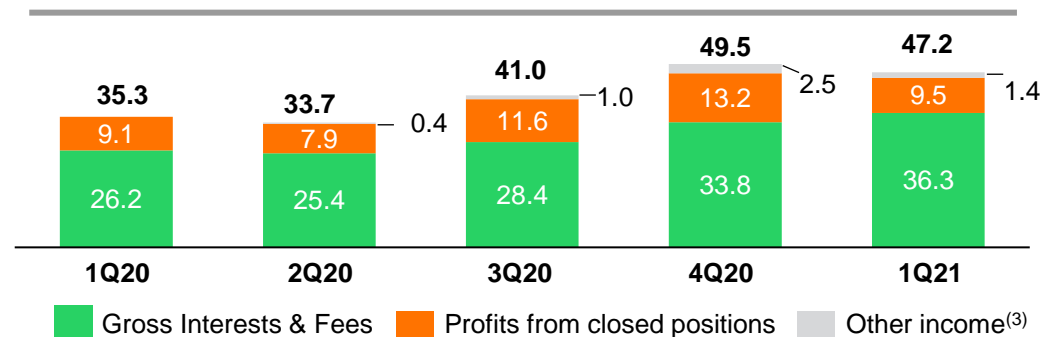
... **facilitated** by very conservative pricing ...

... and our workout approach based on **Accelerated value creation** on credits' **underlying assets and businesses**

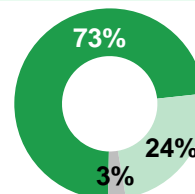
Cumulative cash flow⁽¹⁾: actual vs. planned (€mIn)



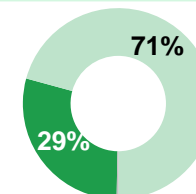
Economic view by quarter⁽²⁾ (€mIn)



Workout strategy in pricing model (NBV breakdown)



Actual workout strategy (Cash flow breakdown)



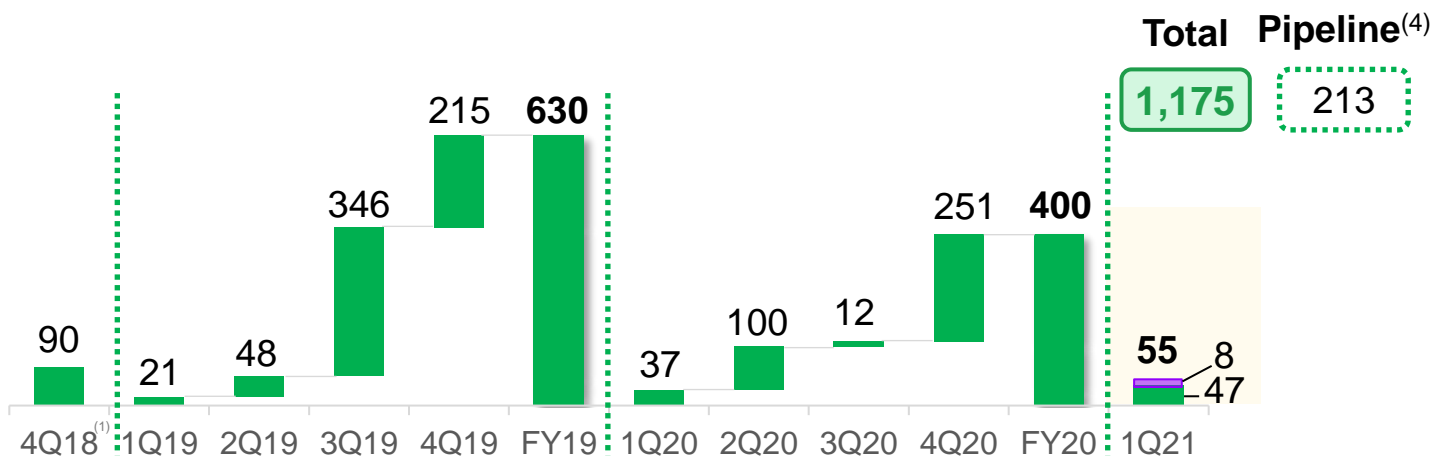
■ Judicial⁽⁴⁾
■ Out-of-court settlement

illimity - Business origination reflects seasonality

Originated business

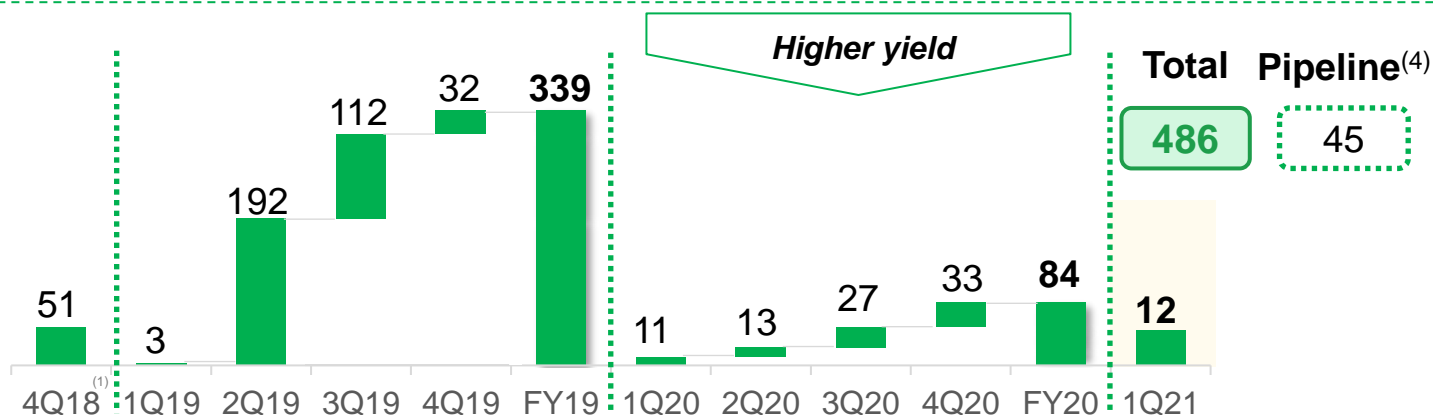
Data in €mln


**Distressed
Credit
Investment**



Seasonally soft start in 1Q21, portfolio investments to **accelerate throughout the year** based on robust pipeline


**Senior
Financing**



Senior financing **further focus on returns**

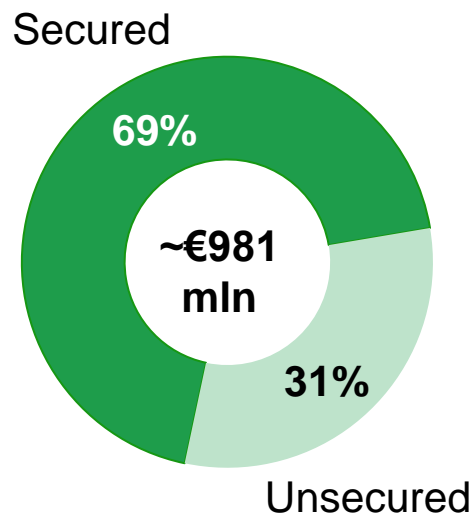
■ Booked⁽²⁾ ■ Signed but not booked⁽³⁾

Notes: Rounded figures; (1) Including September 2018; (2) Distressed credit investments booked, and senior financing loans granted in the period; (3) Deals signed but not yet booked, owing to a settlement structure in multiple tranches or to a time lag between the signing of the master agreement and the date of loan disbursement/purchase, in place at the end of the month; (4) It includes both item 'Agreed to be signed' and 'Advanced Pipeline'.

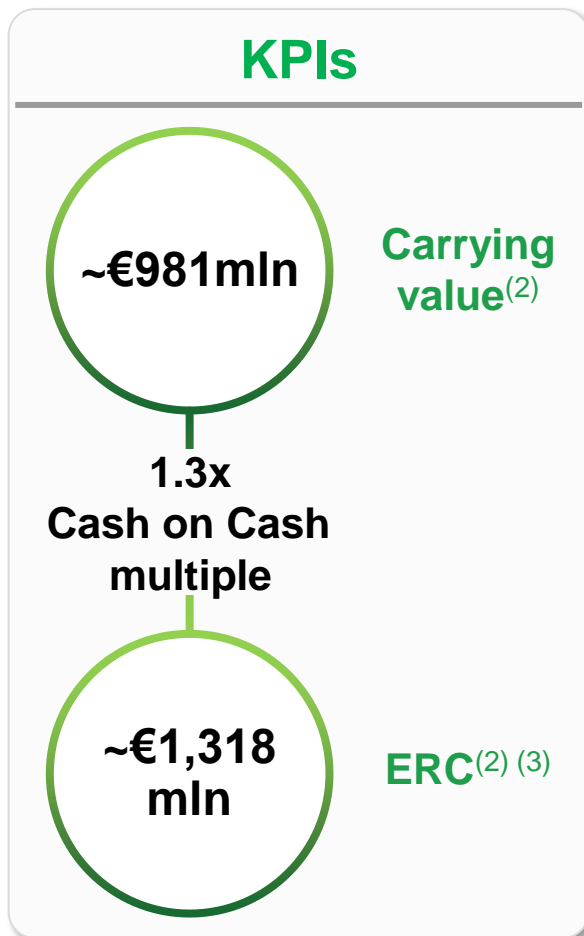
illimity - High quality portfolio inline with targets

Data as of 31 March 2021⁽¹⁾

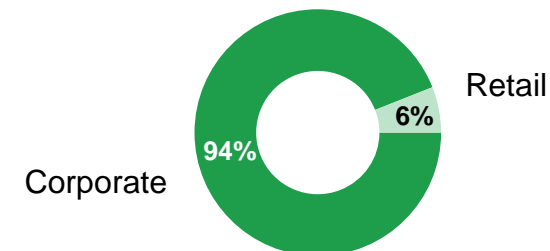
NBV breakdown by type of guarantee



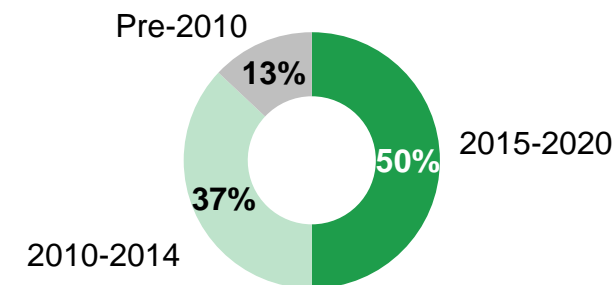
KPIs



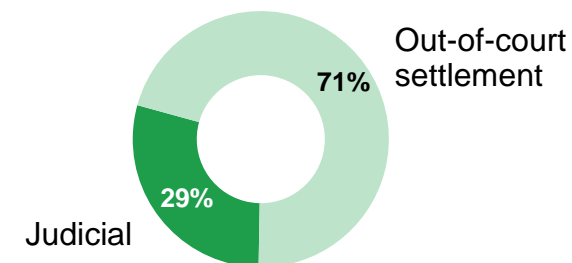
Type of borrower (GBV breakdown)



Vintage (GBV breakdown)



Actual workout strategy (Cash flow breakdown)



Notes: Rounded figures; (1) Data does not include assets repossession (through ReoCo and *datio in solutum*); (2) This includes distressed credits purchased by the Energy desk, which for accounting purposes are recognised at Fair Value (item 120 c); (3) Estimated Remaining Collections on booked investments.

neprix - Data-centric approach and technology enable specialisation and scale

neprix Distressed Credit Management



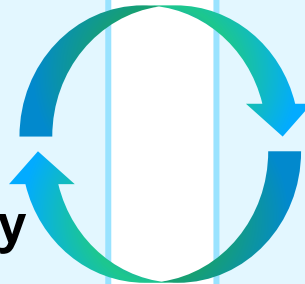
Due Diligence

- RE & Legal Due Diligence
- Business plans valuation
- Technical appraisals



Workout & Recovery

- Loans Asset Management
- Leasing Asset Management
- UTP Management
- Special Situations



neprix Sales



Remarketing of credit collaterals

- Asset remarketing and property management
- Brokerage activities
- Auction facilitation
- Web Marketing throughout proprietary Real Estate platform
- Market research and data analysis

illimity & neprix **strategic partner of choice of** APOLLO

 illimity
 neprix



APOLLO

~\$461bn AuM
(o/w ~\$323bn in Credit
Business)⁽¹⁾




Joint Venture with APOLLO to pursue up to
**€500mIn of co-investments in Italian Real
Estate Single Name NPEs**



Opportunity to tackle, together with APOLLO,
**more diversified and profitable pipeline of
Special Situations**



 neprix will act as **sole** and **fully-integrated
servicer** of acquired loans, **opening its services
also to the market**

neprix Sales – Already leading player in digital remarketing

Digital-native business model



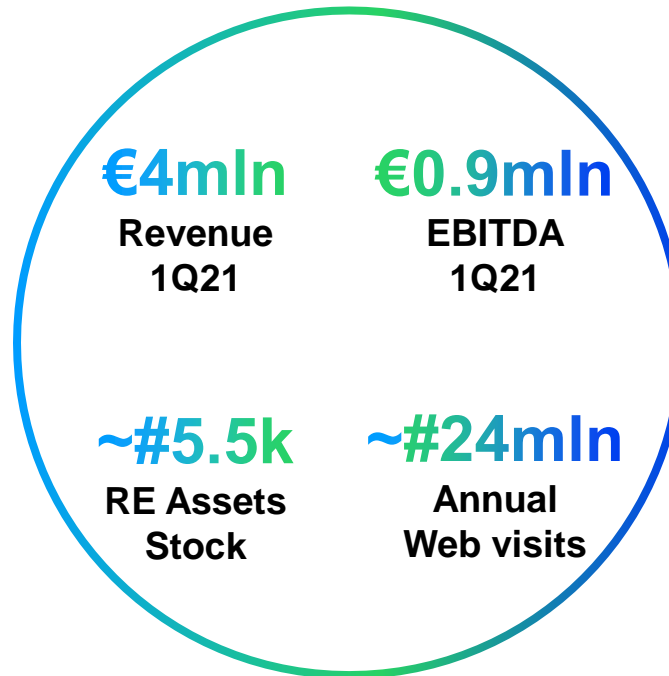
- **6 multi-sector sales web portals**
- **~24 million visits** per year



- **Developer teams** for UX and Digital Marketing



- **Proprietary database** with **700k+** registered **clients**



Operations best-in-class



- **Specialised multichannel service** across entire chain value



- **National presidium**
- **Internal Agency** for clients and high value assets

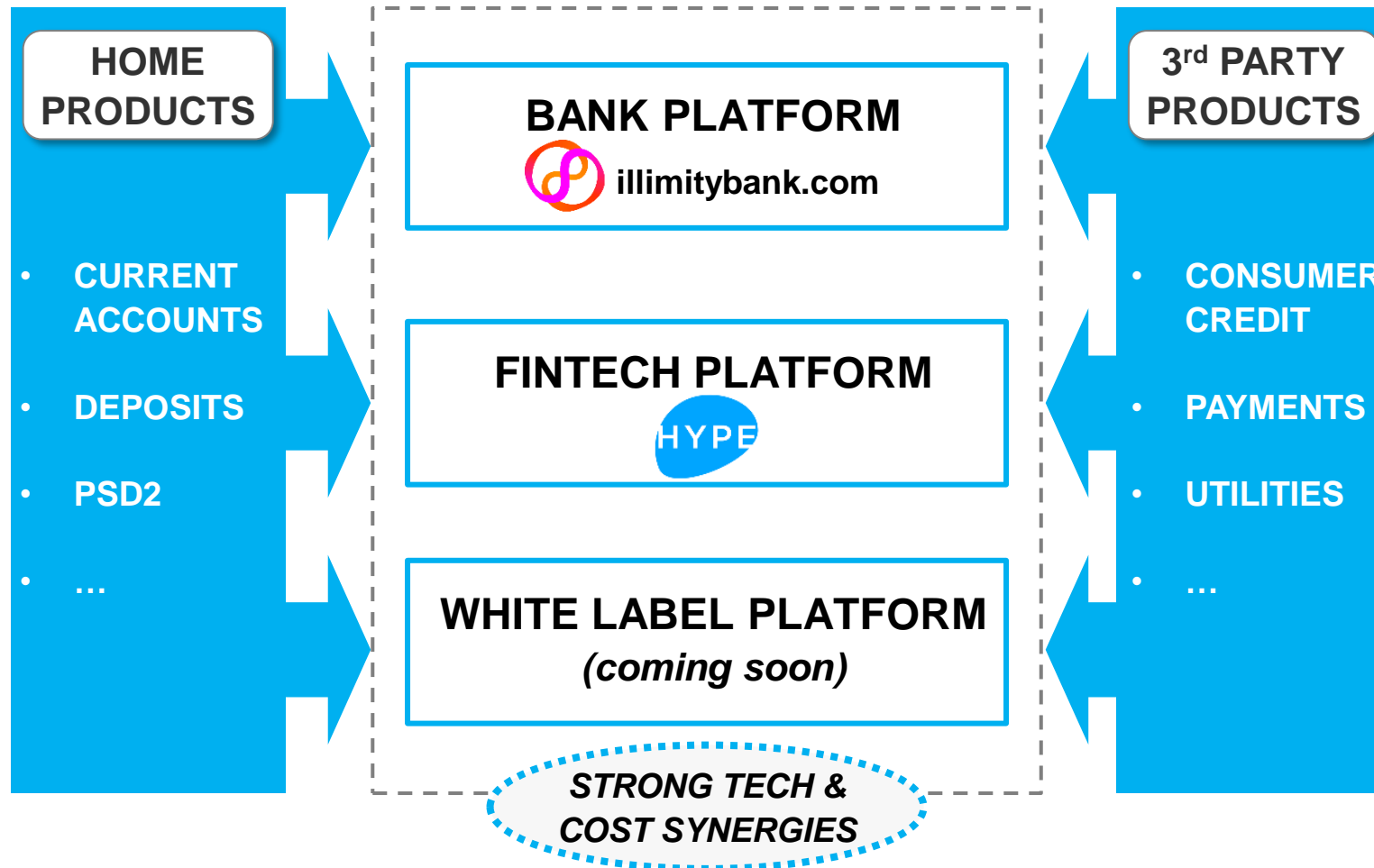


- **Asset inspection**
- **Certified documentation** (appraisals, cadastral information, ...)

Direct Banking Division



illimity - Our positioning in the Retail banking landscape



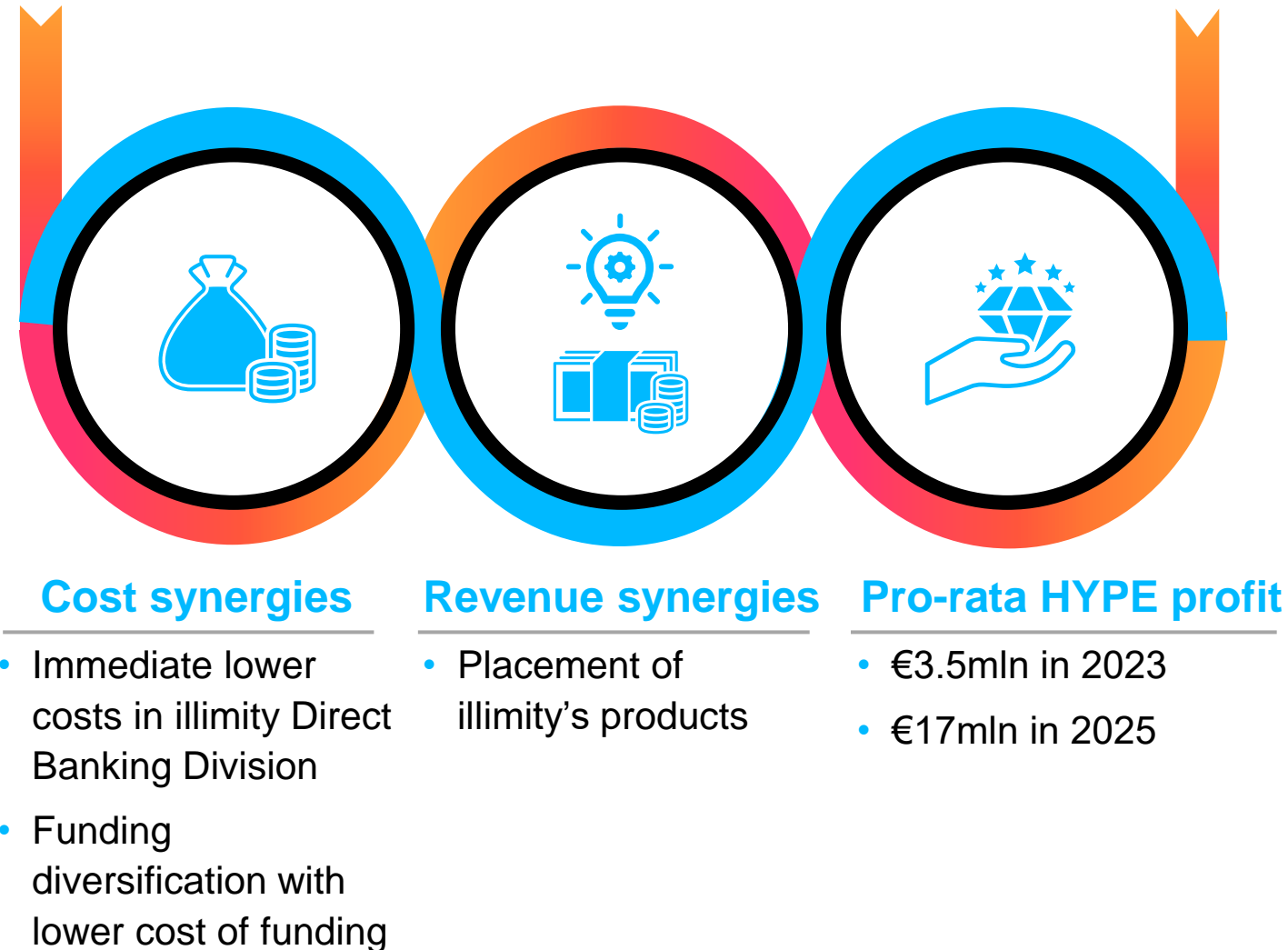
Fully-fledged and PSD2 driven **bank platform**, to address the banking needs of our customers with an end-to-end digital experience

Fintech platform as accelerator of illimity's growth ambitions in the retail and open banking arena

White Label platform under construction to address new uncovered market needs: hired a dedicated team to develop this new revenues stream

Generating value via synergies and positioning illimity at the frontier of innovation in retail banking

illimity - **HYPE** will create substantial value for illimity



Positive contribution to illimity's net results already in the first year and due to grow to:

€10mIn in 2023

€20mIn in 2025



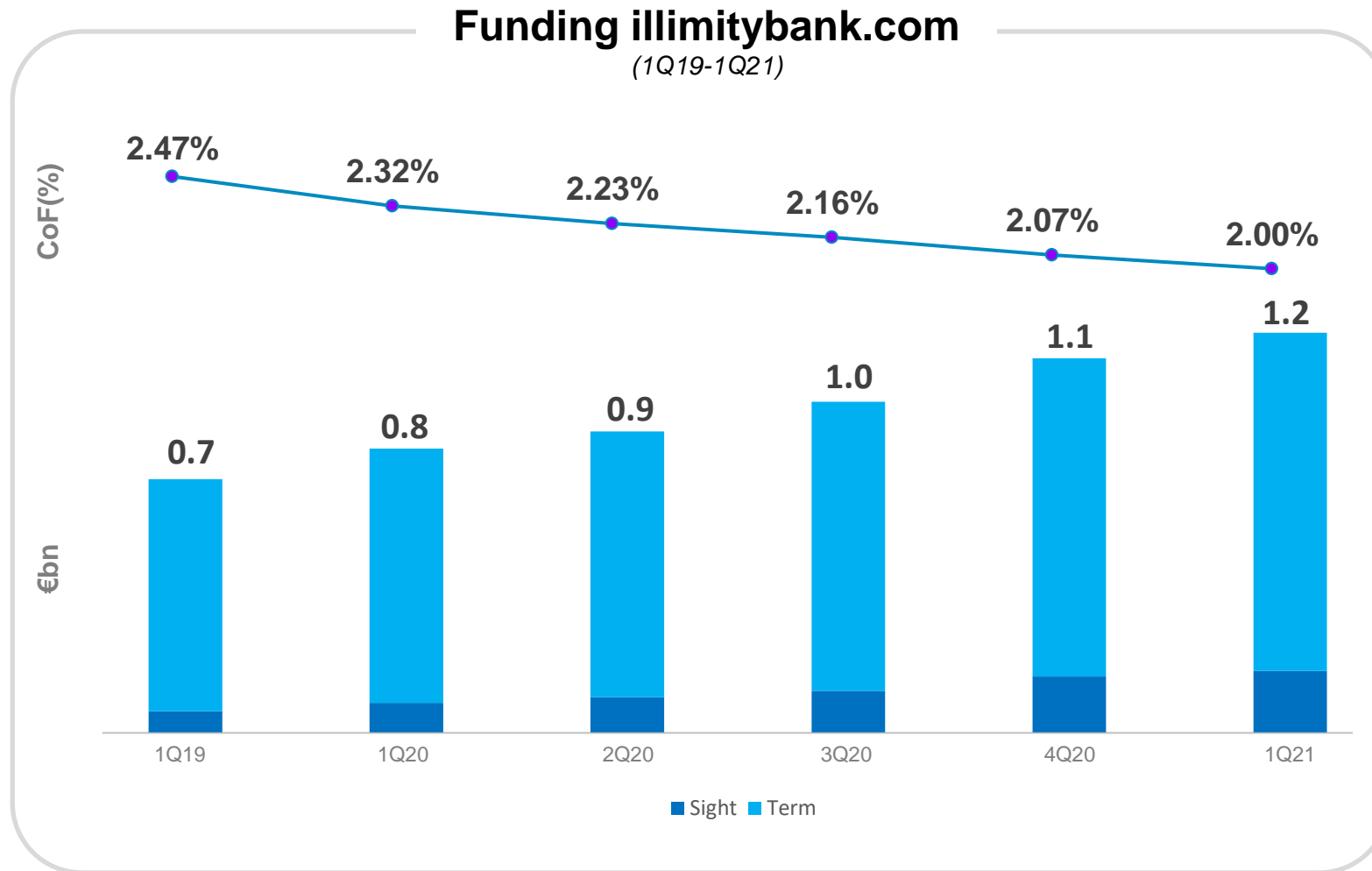
EPS including synergy **substantially neutral**



~20bps positive impact on CET1 ratio at closing and increasing in following years

illimity - illimitybank.com: securing funding goals with decreasing cost of funding

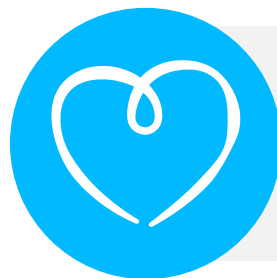
Data as of 31 March 2021



- illimitybank.com: providing stable funding of **€1.2bn**
- **Decreasing Cost of Funding Year on Year** (-32bps March 2021 vs March 2020)
- Average maturities (including both term and sight deposits): **2 years**

illimity - illimitybank.com keeps fulfilling its primary mission...

Data as of 31 March 2021



Building a long-term relation with our customers...

~48k Customers
as of 30/04/21

87% Active
Customers



...growing on the main engagement KPIs

+77% Conveyed **payrolls**
(vs Mar'20)

+111% **Sepa Direct Debit**
(vs Mar'20)

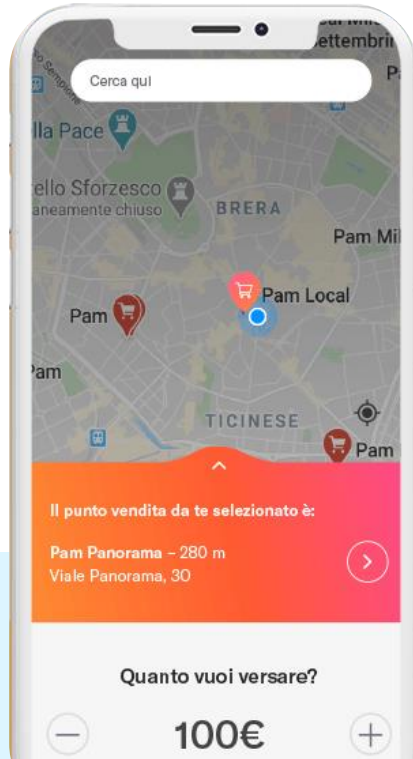


Confirming relevant and valuable for both
customers and the market

31% Brand Awareness
(avg Q1)

44 Net Promoter Score
(avg Q1)

illimity - ...while consistently working to enrich the product offering



Partnership with **ViaFintech** to allow illimity customers to **deposit cash** in a smart and efficient way, while doing groceries

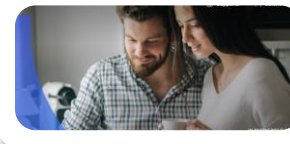
NEW
Life Insurance
(covering death occurrency)



Travel
Insurance



Personal
Insurance



in partnership
with

AON

helvetia

flee

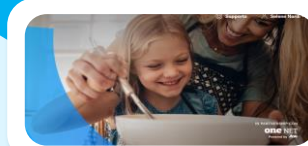
NEW
Mobility
Services



Pet
Insurance

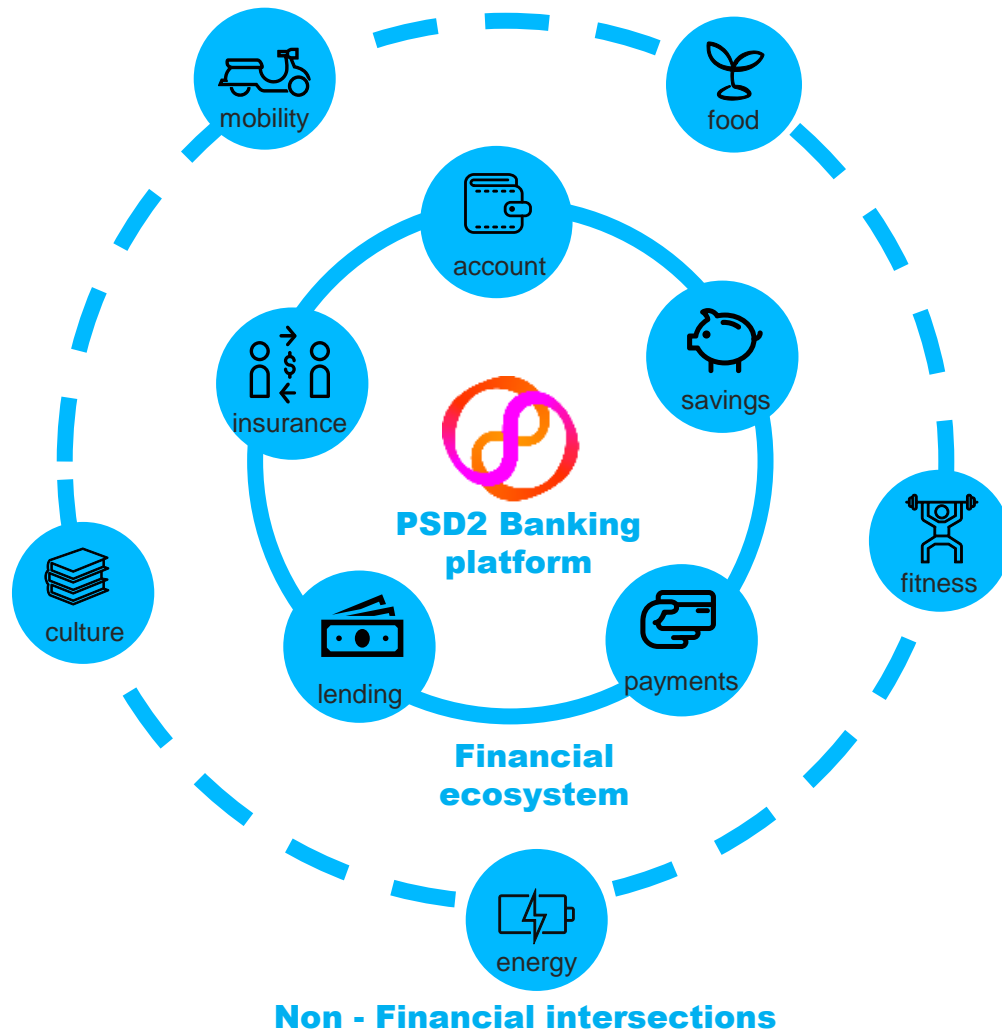


Medical Centers
agreement



«**Proteggi il tuo Benessere**»
a comprehensive offer, to cover all the main
customer's protection needs

illimity - the new “ABC” of Open Banking



Capitalising illimity’s technological **Assets** to enable partner **Brands** to better address their **Customer base** needs

With three possible offers:



API “micro processes”



API “embedded” in third parties applications



API “all in” with both financial and non financial layers



illimity - HYPE: entering 2021 with good progression

Data as of 31 March 2021



Growth in customer numbers

+26%
YoY

1.4mln
Customer
numbers

+4pp
YoY

20.6%
Customers with
subscription



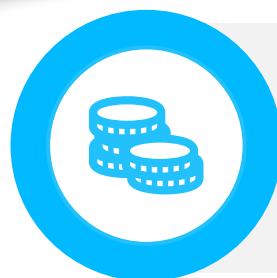
Growth in transaction numbers

+74%
YoY

~5.1mln
Transaction
numbers

+38%
YoY

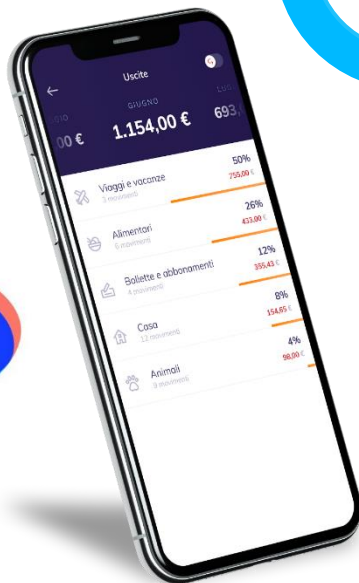
3.6
Avg. transactions
per customers



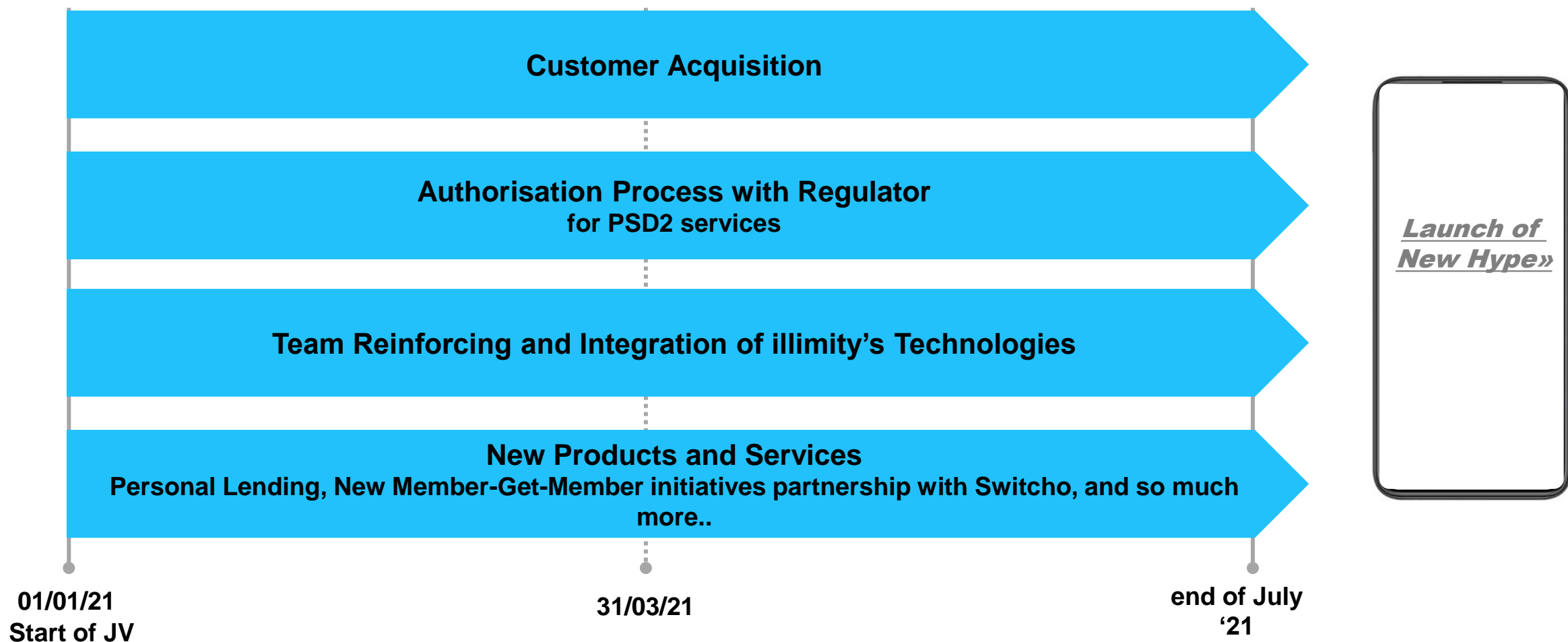
Net results impacted by set-up and growth-related investments

€2.8mln
Gross
Revenues

+91%
YoY



illimity - “New Hype” to be presented by end of July





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Email: silvia.benzi@illimity.com

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- Pursuant to Article 154-bis, paragraph 2, of the Legislative Decree no. 58/1998 (Unified Financial Act), the Financial Reporting Officer, Mr. Sergio Fagioli, declares that the accounting information contained in this Document corresponds to the document results, books and accounting records.**