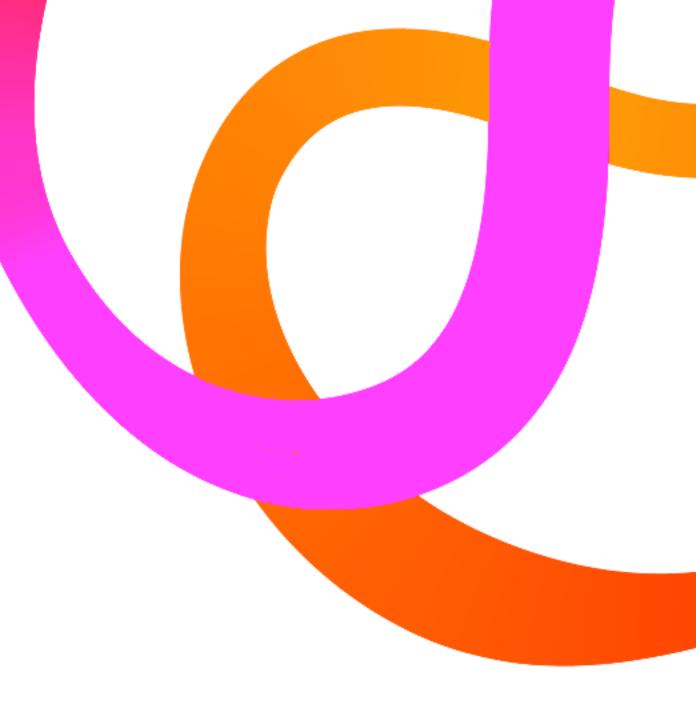


Company Presentation

November 2022







Foundations for success: people, technology and values



7 valuable and fast-growing business units



Our recent results

illimity - A new paradigm bank

Focused strategy

We were born to serve the most attractive segments of the Italian corporates market:

- SME with growth potential
- Distressed corporate credit



Unique business model



No legacy, no branches



Innovative IT architecture

Fully digital, fully modular, fully in-cloud

Incubator of tech ventures

illimitybank.com

illimity

Direct bank

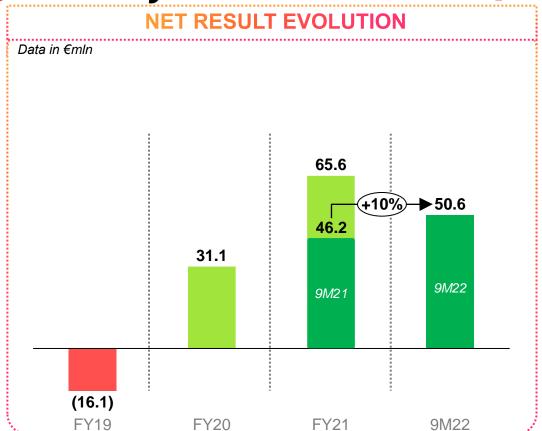


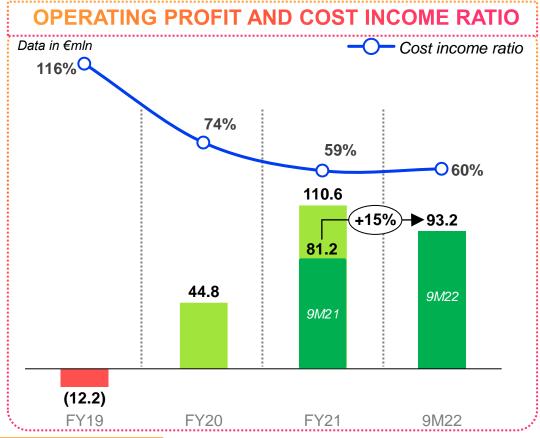


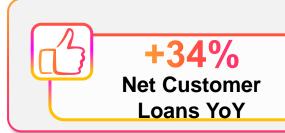




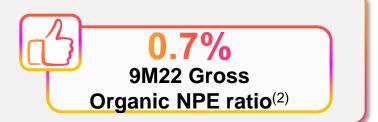
(illimity - From start-up to profitability in 3 years











illimity - We focus on immense and growing core markets

SME Performing loans

~€700bn(1)

Stock



GROWTH CREDIT DIVISION



INVESTMENT BANKING



SME Distressed Credit

~€180bn⁽²⁾

Expected cumulated transactions 2021-25 (GBV)



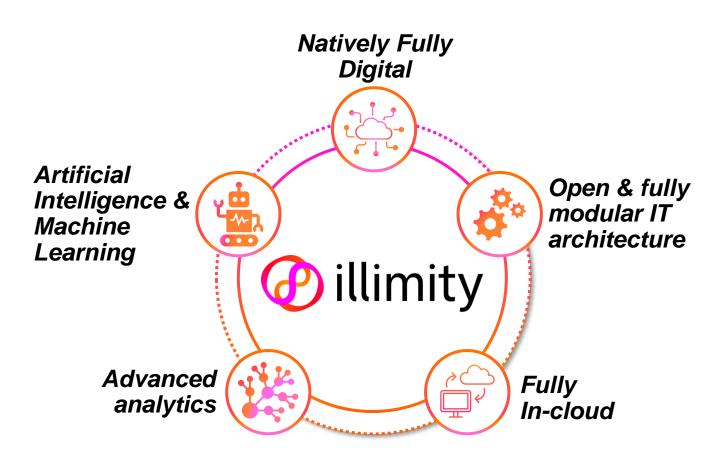








illimity - Exploiting shift from analogue to digital in financial services market: products, channels and processes



- Pervasive digitalisation in our products, processes and procedures with data-driven decision making
- Open architecture to foster innovation and increase efficiency
- Combination of digital & human

illimity one of only 19 Italian companies included in



(illimity - Experience and diversity to foster innovation and creativity

- Highly-experienced top management team
- Entrepreneurial attitude
- Strong diversity in illimiters by industry, gender and age



Balanced gender mix

36 y/o avg age

Significant generation mix

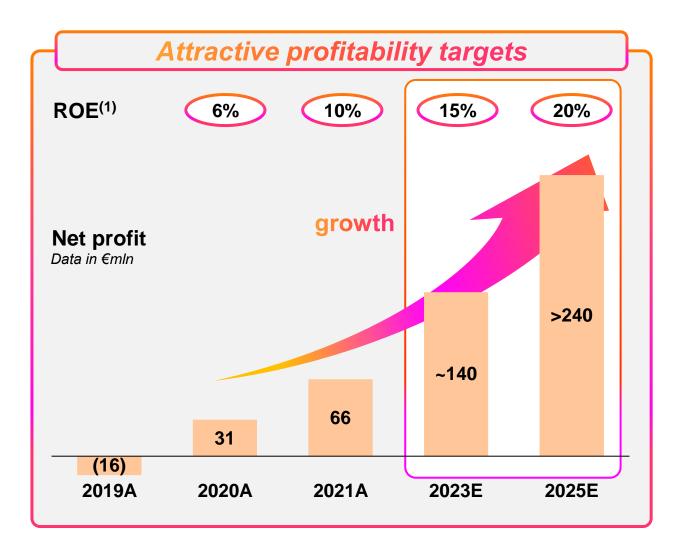
300+ different organisations From over 300 different organizations across more than 20 industries

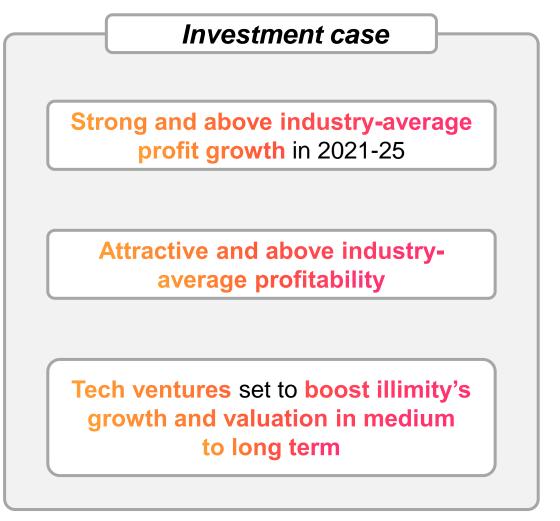
>850 illimiters

20+ different nationalities

Cultural diversity

(illimity - Our Business Plan embeds attractive profitability targets with further potential upside





illimity - We look ahead with confidence



Core businesses – Distressed Credit, Growth Credit and Investment Banking – are already successful businesses. We see strong growth opportunities in forthcoming years

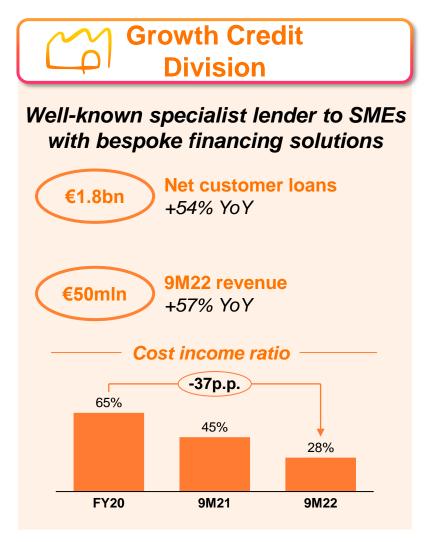


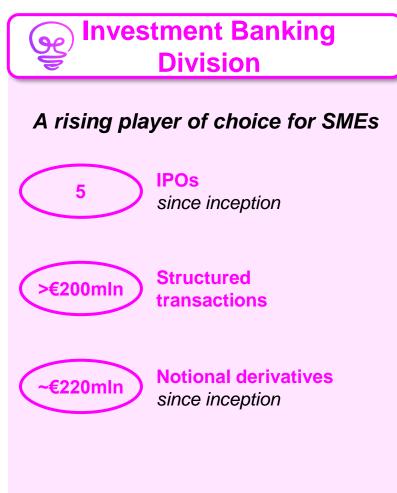
Operating leverage gains will become increasingly visible from 2023 onwards

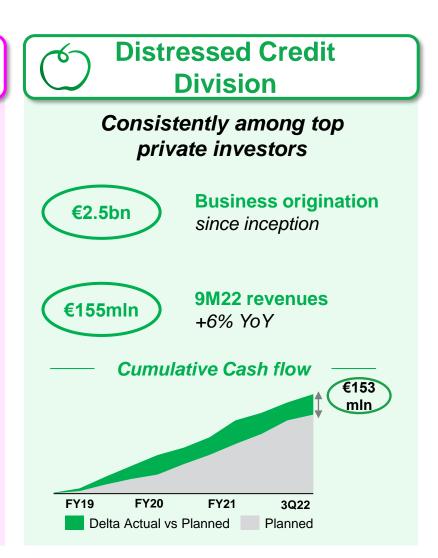


Our tech ventures – b-ilty, quimmo and yellow – will progressively approach breakeven and become profitable by 2024, and will generate significant value for our shareholders

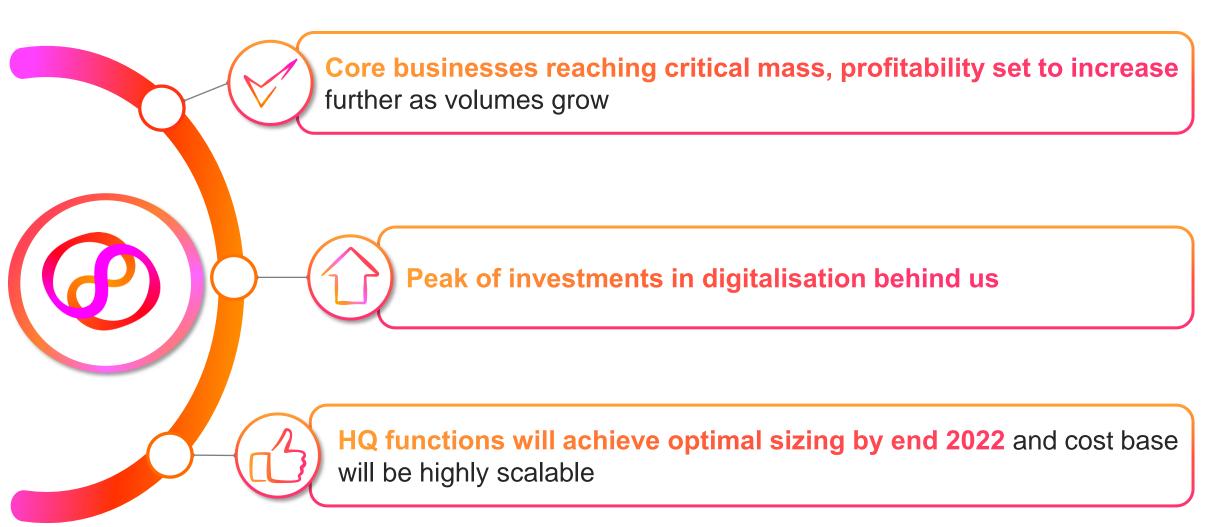
illimity - Successful and profitable core businesses







illimity - Optimal sizing by 2022, scalability visible from 2023



(illimity - Tech ventures set to create high value without diverting attention from core business



Each venture is already or has **potential to** become leader in their market segments





Potential scalability and value potential above traditional businesses suggesting higher valuation



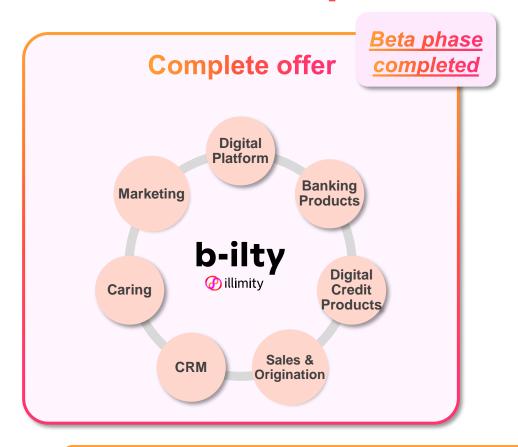


Open to explore options to exploit value



(Illimity)

b-ilty - Unique fully-fledged digital bank for small corporates

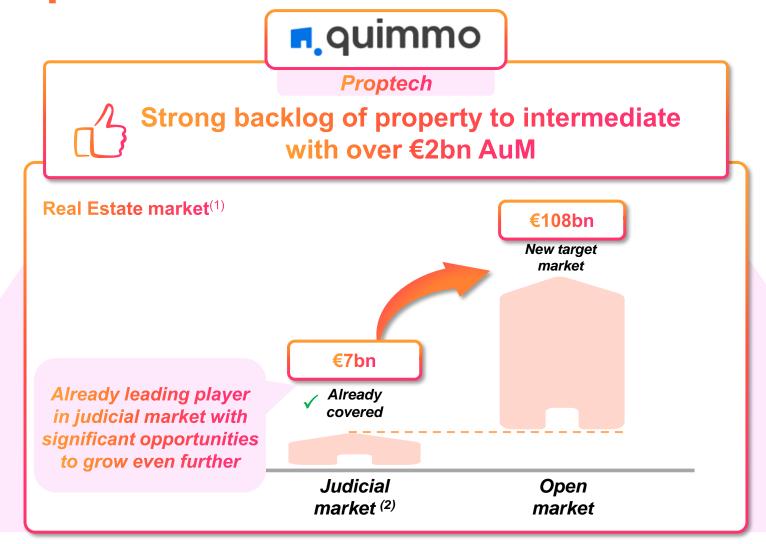






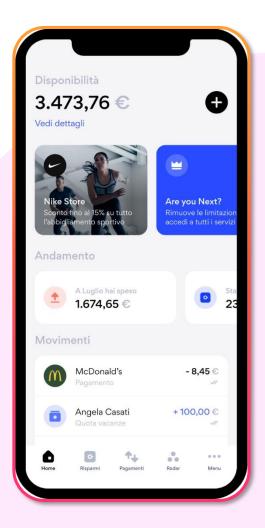
Ready to scale and close to breakeven in 2023

quimmo - Leading Real Estate digital brokerage platform on market

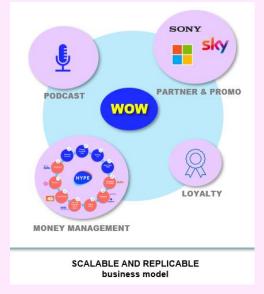




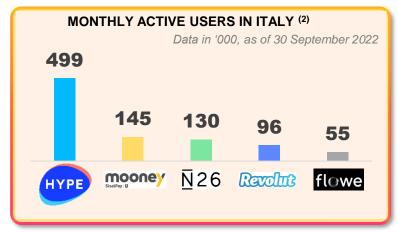
- Top fintech challenger in Italy⁽¹⁾



~1.7mIn CUSTOMERS



~499k MONTHLY ACTIVE USERS IN ITALY



+51% YoY
GROSS REVENUE YTD

illimity - ESG Investment case



ENVIRONMENT



SOCIAL



GOVERNANCE

 Carbon Neutrality on Scope 1 & Scope 2



- The lowest Scope 1 & 2
 emission intensity in sector at 0.7 tCO2e/FTE (sector avg. 1.9)¹
- Electricity used in illimity's main offices (Milan) produced by 100% from renewable energy
- Avoided GHG emissions through reactivation of photovoltaic plants
- €100mln investments in green plants and €66mln in transition finance

- Significant workforce diversity
- Top employer in Europe:
 Great Place to Work®
 award for 4 years



- One of the most flexible integrative welfare plans within the industry
- Negligible Gender Pay Gap (< 5%), among best in sector
- illimity Foundation

One-tier system





- Provision of Sustainable success principle included in illimity Bylaws
- Board Sustainability Committee
- ESG Goals in incentive plans (LTIP and MBO) for CEO and Management
- ESG principles in all corporate policies: Diversity, Equity and Inclusion; Sustainable Supply Chain; Ethics for Artificial Intelligence





Foundations for success: people, technology and values



7 valuable and fast-growing business units



Credit and services to SMEs





Lending to small corporates



NPE Investments, financing and servicing



Proptech



HYPE

Retail fintech

(illimity - Large and growing Italian SME market

Market Size

Large Corporates

Mid Corporates

Small **Corporates**

Micro & SOHO(1)

Retail

Turnaround

- Refinancing
- Restructuring
- New finance
- UTP portfolios

Cross-over & Acq. Finance

- Cross-over / Structured Finance
- Acquisition Financing

Factoring

- Supply Chain Financing
- With/Without recourse
- Reverse Factoring

Investment Banking

- Equity capital markets, Euronext Growth Advisor, **IPO**
- Risk mitigation solutions
- Debt capital markets, mini-bonds

>€35bn⁽²⁾

Expected cumulated UTP transactions 2021-25 (GBV)

€250-300bn⁽³⁾

Performing loans to non-financial companies with >€10mln turnover

~€250bn⁽⁴⁾

Total Turnover in Italy

~€490mIn⁽⁵⁾

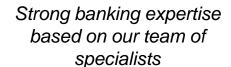
Total amount of capital raised for IPO on **Euronext Growth Milan in 2021**

~€380mIn⁽⁶⁾

Corporates mini-bond issued in Italy in 2021

(illimity - Italian SMEs specialist partner











Tutors with financial and

industries expertise









Client data









REQUEST

EVALUATION

RESOLUTION

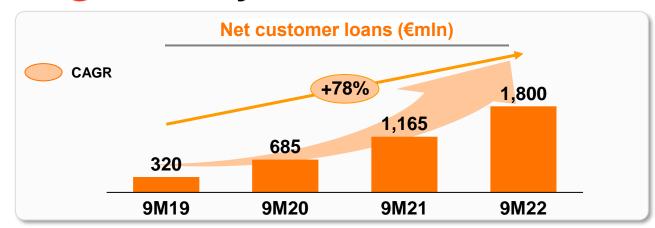
CLOSING

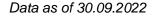
MONITORING

Tutors support the whole process from credit underwriting to monitoring



illimity - Outstanding growth





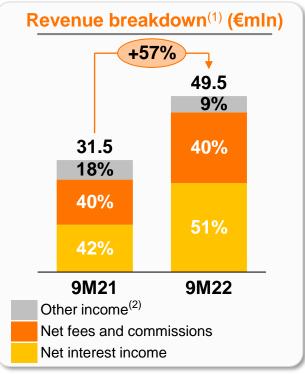


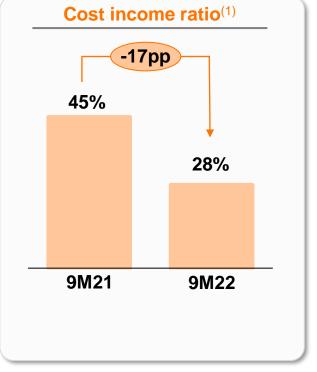
Business origination since inception

Well-recognised player in the market with a very selective approach



Well-diversified and growing revenue







Cost income ratio

Increasingly visible operating leverage gains



RWA density

Thanks to capital management solutions and public guarantees



Solid asset quality





Gross Organic NPE ratio⁽¹⁾

0.9%



Guaranteed/Insured loans

~54%

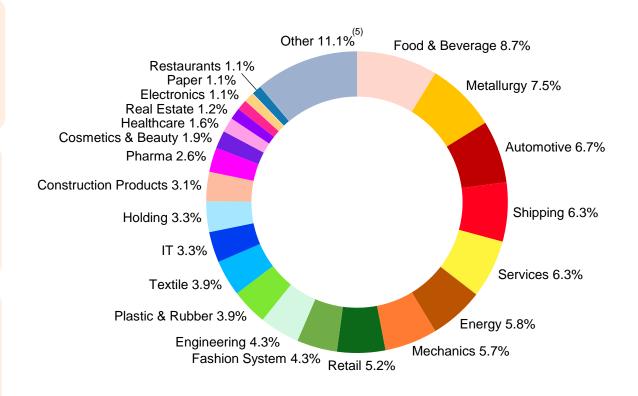
as % of total Growth Credit loans (2)



Stage 2 Loans

as % of total Growth Credit loans (2)(3)

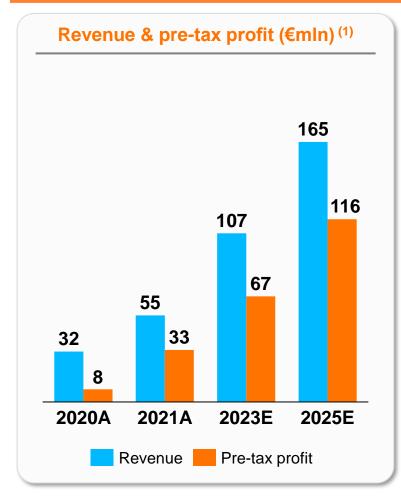
~3%

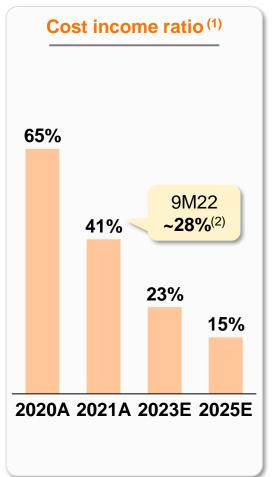


Data as of 30.09.2022

illimity - Operating leverage gains will drive profitability going forward

Growth Credit Division – Key targets







Strong business origination in 2021-25



Highly scalable organization with operating leverage to become increasingly visible as volumes grow



Profitability of Turnaround business in terms of profit from credit revaluation to significantly materialise towards end of Plan horizon



Asset quality to remain at excellent level





Foundations for success: people, technology and values



7 valuable and fast-growing business units



Credit and services to **SMEs**



Lending to small corporates

(i) illimity



NPE Investments. financing and servicing





Proptech

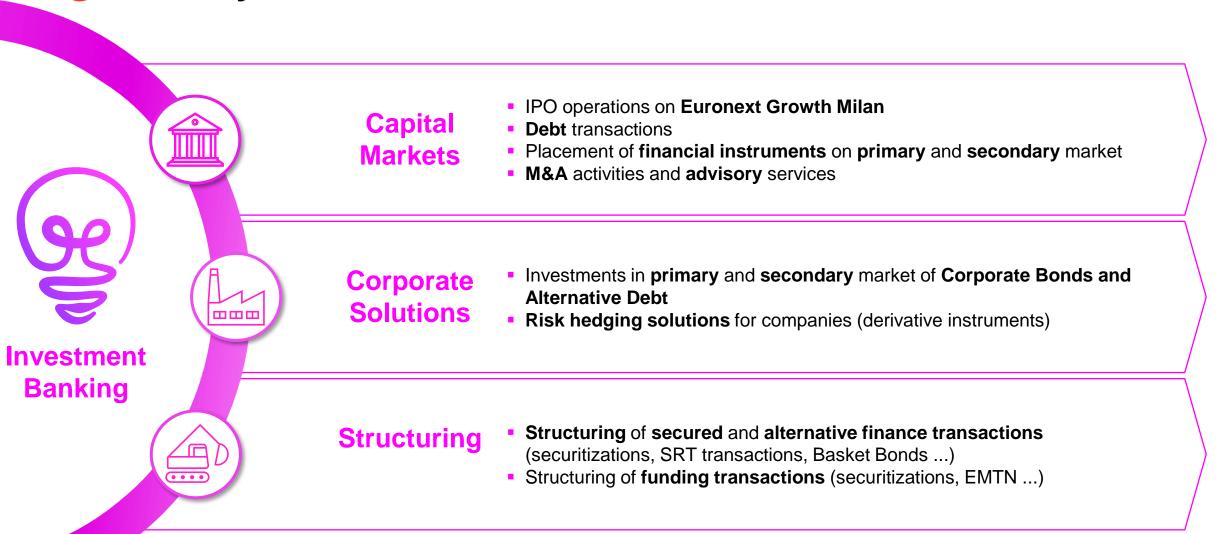




Retail fintech



illimity - Division Overview



(illimity - Investment Banking diversification supports growth despite market conditions

Capital Markets

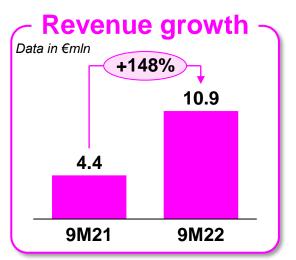
- Muted quarter given seasonality and market conditions
- Focus on advisory mandates that will produce further revenue in next quarters

Corporate Solutions

- ~€220mln notional derivatives to clients since inception
- Alternative Debt up to ~€128mln⁽¹⁾ from ~€20mln as of 30.06.22



- 3 mandates as Arranger closed in 3Q22; first two sustainable energy bonds structured within "Basket Bond Energia Sostenibile" programme
- Further additional mandates in place





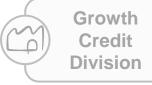




Foundations for success: people, technology and values



7 valuable and fast-growing business units



Credit and services to **SMEs**





Lending to small corporates



NPE Investments. financing and servicing



Proptech







Retail fintech



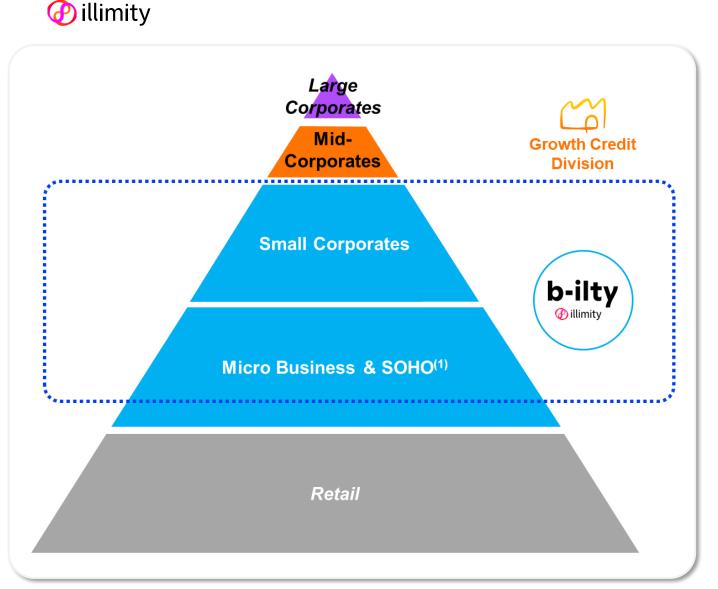
presents

b-ilty

the first digital business store for Small Corporates

b-ilty - New market, huge potential





 Market potential up to 1 million (SMEs with turnover in approx. €2-10mln range)

 Small Corporate segment is still underserved by both traditional players and newcomers

Note: (1) Small Office Home Office.

b-ilty - Unique offering





More than just lending: the first digital business store dedicated for small corporates



Complete product suite: financial and credit products dedicated for Small Corporates



Full digital experience: 100% paperless and easy to use



Digital but also human interface: contact centre 7 days a week and professional relationship managers



Advanced analytics to be in control of their financial state



Try & Buy subscription formula: one monthly fee, unlimited transactions. Free for the first 3 months.



b-ilty - Fast response time: Credit Engine

b-ilty digital credit platform **INDUSTRY EXTERNAL DATA** PSD2 RISK **SECTOR** DATA **ANALYTICS** DATA SOURCE **SOURCE** DATA **WEB BUREAU TRANSACTIONAL ESG** REPUTATION **REQUEST ALGORITHM-ANALYSIS BASED RESOLUTION CREDIT ENGINE** CLOSING @illimity.Al **MONITORING**

(illimity

Beta phase completed READY TO SCALE

Key strengths











b-ilty - Working to build robust volumes and objection of solid pipeline for upcoming months

Beta Phase Achievements

- Credit engine trained on €310+ mln requests since inception
- ~€250 mln requests declined
- €11 mln with terms agreed and to be signed shortly
- €9 mln under evaluation in advanced status
- Other opportunities for additional €50+ mln

Robust and automated Evaluation tools



Highlights

- Highly selective credit approach to safeguard asset quality
- √ €52 mln disbursed betaphase to date⁽¹⁾
- ✓ Accelerating: robust pipeline ahead



Green Loan

b-ilty - Creating state-of-art Direct Bank for Small Corporates



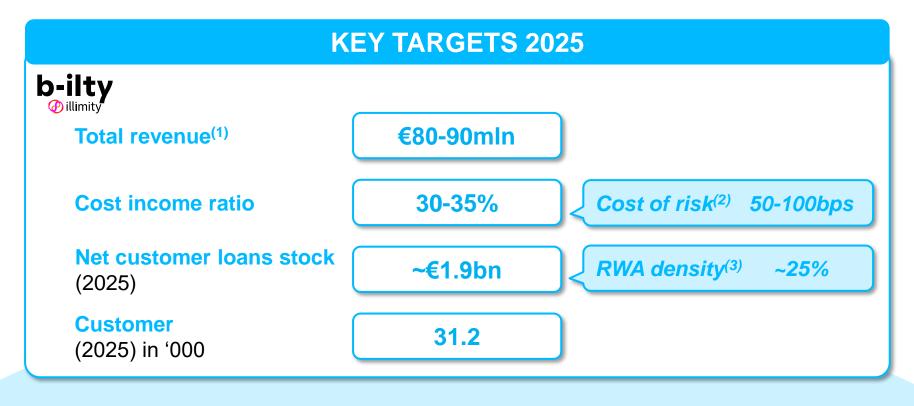


Innovating further



@illimity

b-ilty - Scalability drives strong profitability towards exponential growth after 2025



Potential boosters not included in Plan

Partnerships

Synergies with ION

Entry in foreign markets

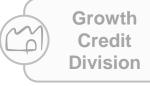




Foundations for success: people, technology and values



7 valuable and fast-growing business units



Credit and services to **SMEs**





corporates



NPE Investments. financing and servicing



Proptech



HYPE

Retail fintech

illimity - A national champion in Corporate distressed credit



Distressed Credit Division



Distressed Credit Investment

Specialist desks

- Corporate Portfolios: Secured, Unsecured & Leasing
- Special Situations Energy
- Special Situations Real Estate
- Unlikely-To-Pay Portfolios
- Public Procurement Claims



Senior Financing

- Financing solutions to non-bank NPE investors
- Structuring and financing credit disposals



Servicing

- Corporate Distressed Credit Management
- · Unlikely-To-Pay corporate loans
- Real Estate and Renewable Energy Advisory



Proptech

- Remarketing of capital goods & Real Estate properties
- Real estate brokerage on free market

Fully-integrated value chain



(illimity

Due Diligence

Pricing

Investment-

Bidding

Onboarding

Workout & Recovery

Servicing Remarketing



Remarketing of credit collaterals

Prop-tech



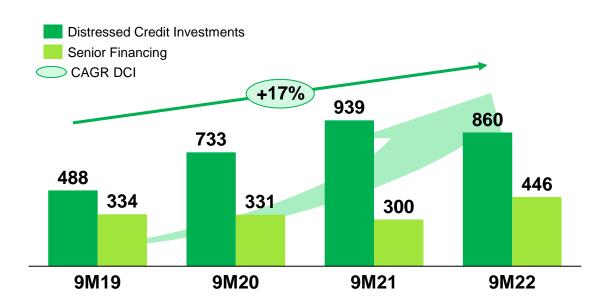
@ illimity







Net customer loans (€mln)



€2.5bn⁽¹⁾

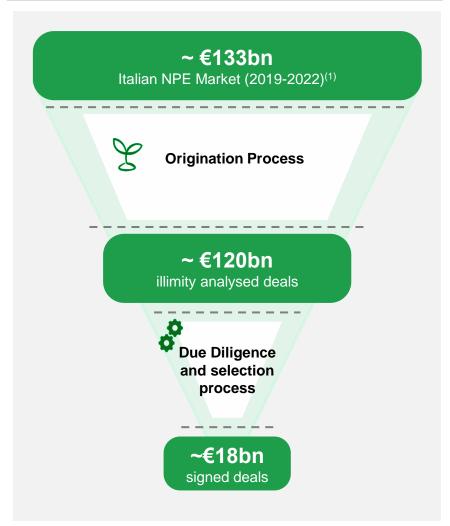
Business origination since inception Among **top investors in Europe** leveraging on highly-specialised market segments



Servicing & Remarketing GBV

Between credit and assets being already one of the largest special servicers in corporate NPEs

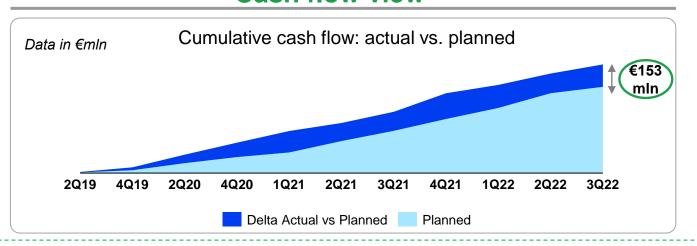
Selective approach



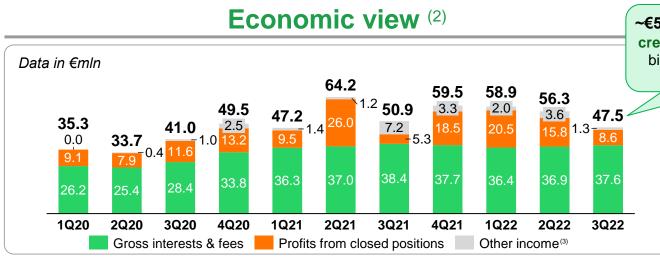


illimity - Sustained overperformance

Cash flow view (1)



>+€153mIn cumulated cash flow in excess of initial plan since inception



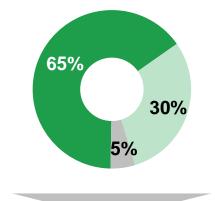
~€51mIn including ~€4mIn of credit revaluation backed by binding offers or advanced disposal processes

> Dynamic portfolio management support results backed by solid Real Estate values

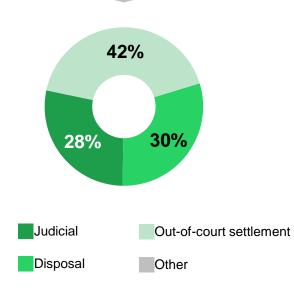
illimity - Proactive workout strategy backed by solid Real Estate values

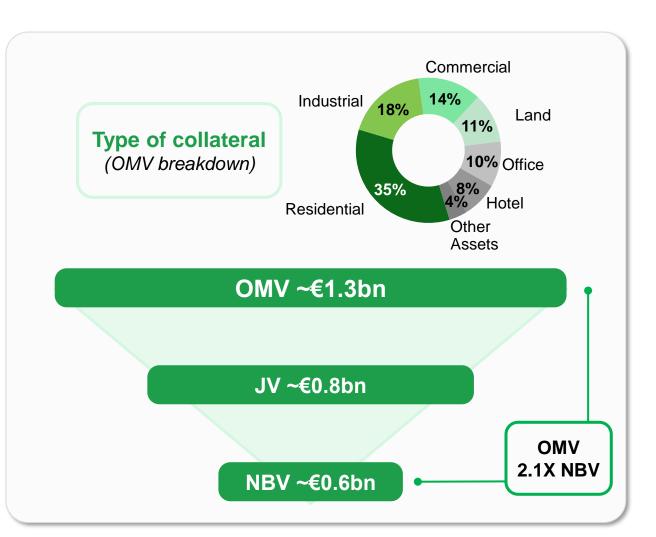
Data as of 30 September 2022

Workout strategy in pricing model (Cash flow breakdown)

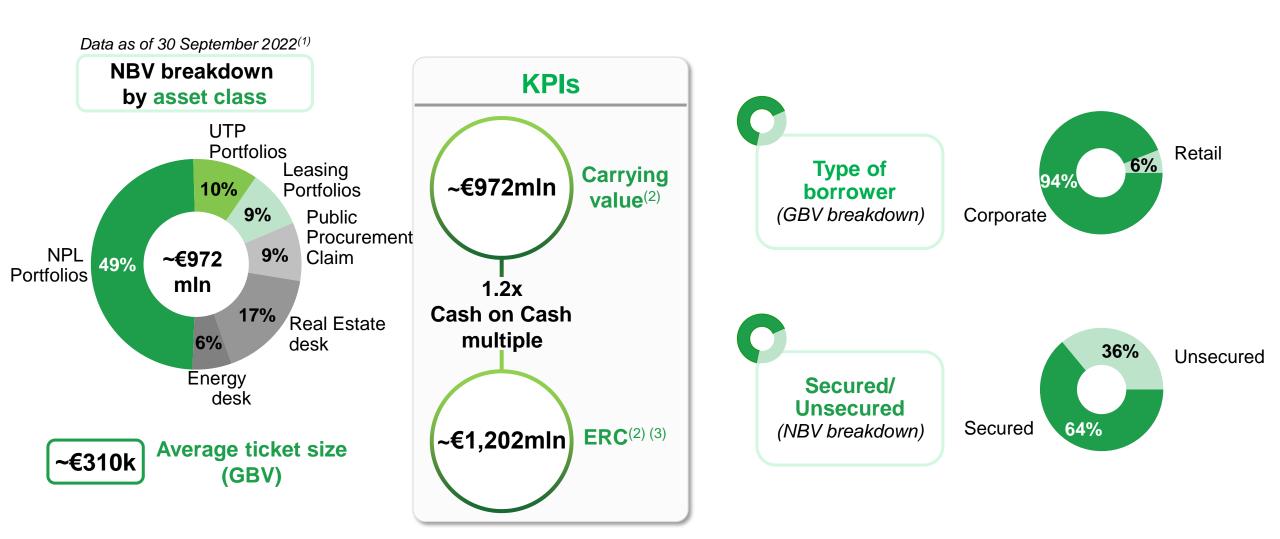


Actual workout strategy (Cash flow breakdown)





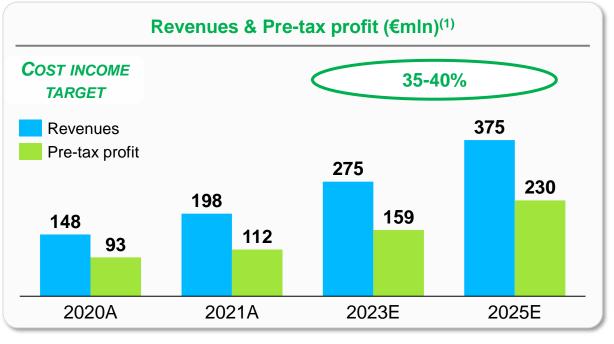
illimity - Diversified credit portfolio





illimity - Significant growth drives future profitability

Distressed Credit Division – Key targets







Strong and well diversified revenue growth underpinned by volume progression



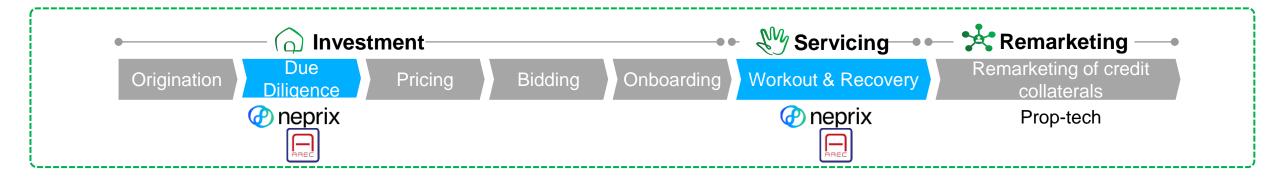
Strong operating efficiency across the Plan horizon



Investments in data-driven business model leading to successful performance

Senior Financing

neprix - The value chain and key metrics





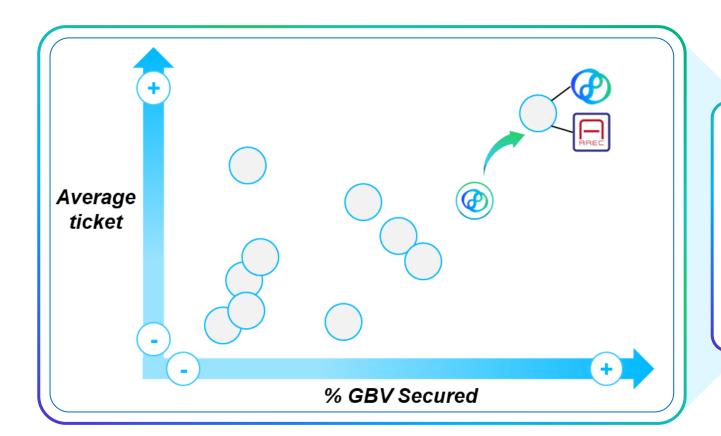
Servicing on specific asset classes

- Servicer for Corporate NPL, UTP, Leasing
- Deep know-how of Secured segment thanks to Real Estate skills along entire value chain
- Large / medium tickets (non-granular)



Highly skilled professionals supported by advanced data management

neprix - Unique business model yields higher value



- Tailored-made scalable approach
- Real Estate assets valorisation strategy
- Back to Bonis vocation



From credit servicing to asset solutions with ~€10bn AuM and €2.8bn⁽¹⁾ of Real Estate assets managed





Foundations for success: people, technology and values



7 valuable and fast-growing business units



Credit and services to **SMEs**







corporates



NPE Investments. financing and servicing







HYPE

Retail fintech



nquimmo - Quimmo is already a leading player in digital remarketing of real estate assets

Remarketing of credit collaterals
Main KPIs

>25mln

Web visits over the last 12 months

>1mln

Registered users

€2.2bn

>190

Employees

Data as of 30 September 2022

Digital-native business model



Developer teams for UX and Digital Marketing



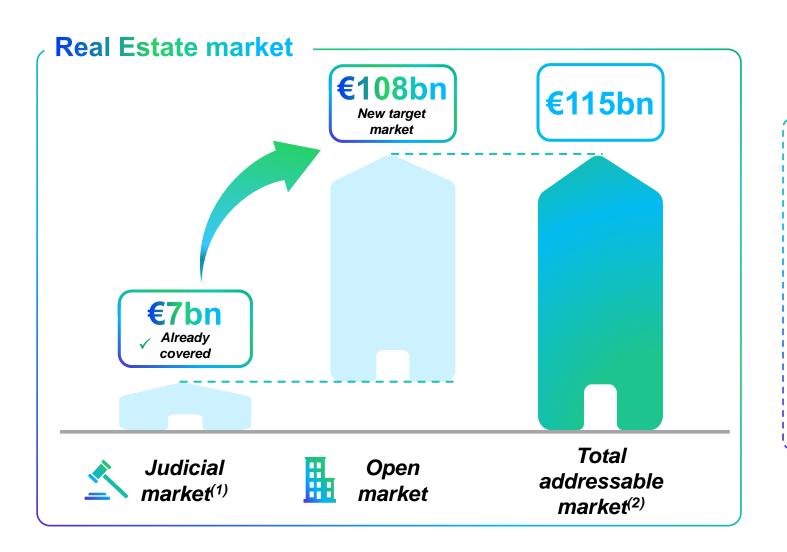
Specialised multichannel service across entire chain value

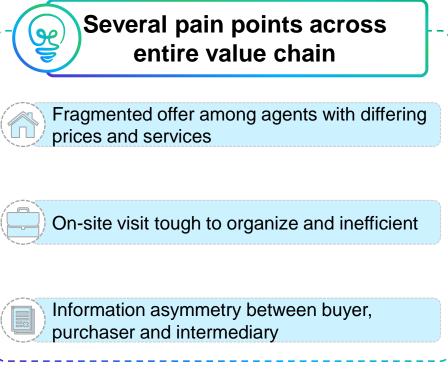


Digital and highly specialised processes



quimmo - Huge market with underserved needs







quimmo - Recognised player in open market





Quimmo app released June-2022



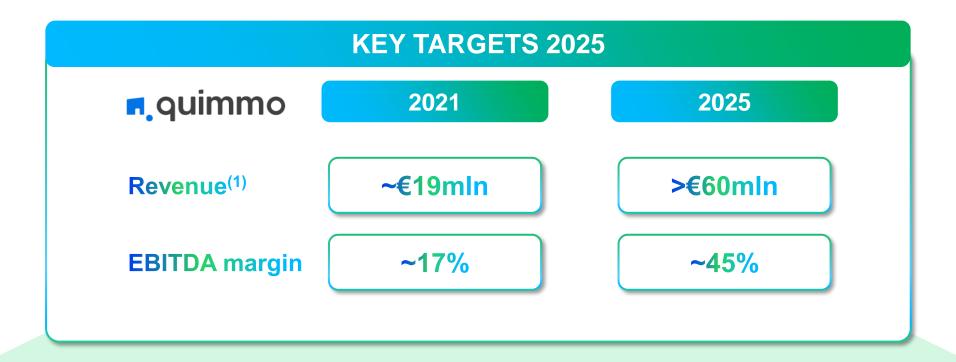
Marketing campaign successfully closed targeting sellers to secure new mandates



~€2.2bn of assets under management, almost 90% from non-captive business



quimmo - Ambitions for Quimmo



Potential boosters not included in Plan

Partnerships

Synergies with ION

Entry in foreign markets





Foundations for success: people, technology and values



7 valuable and fast-growing business units



Credit and services to SMEs



Lending to small corporates

(P) illimity

b-ilty



NPE Investments, financing and servicing



Proptech



HYPE

Retail fintech



illimity - Momentum accelerates in SGR

LAUNCHED



Credit & Corporate Turnaround Fund

- UTP contributed by originating banks
- AuM⁽¹⁾ of around €165mln as of 3Q22
- Fourth closing in October for additional €30mln contribution



Real Estate Credit Fund

- Secured NPE contributed by originating banks
- Prix role in real estate servicing
- First closing in 3Q22
- AuM⁽¹⁾ of almost €90mln

TO BE LAUNCHED



NPL Granular Fund

Granular NPL small medium tickets



Private Capital Fund

Performing corporate financial instruments (including sub-debt and private equity)

Synergies with illimity

Growth Credit Division

Turnaround

Growth Credit Division
Crossover & Acquisition
Finance

Distressed Credit Division & neprix

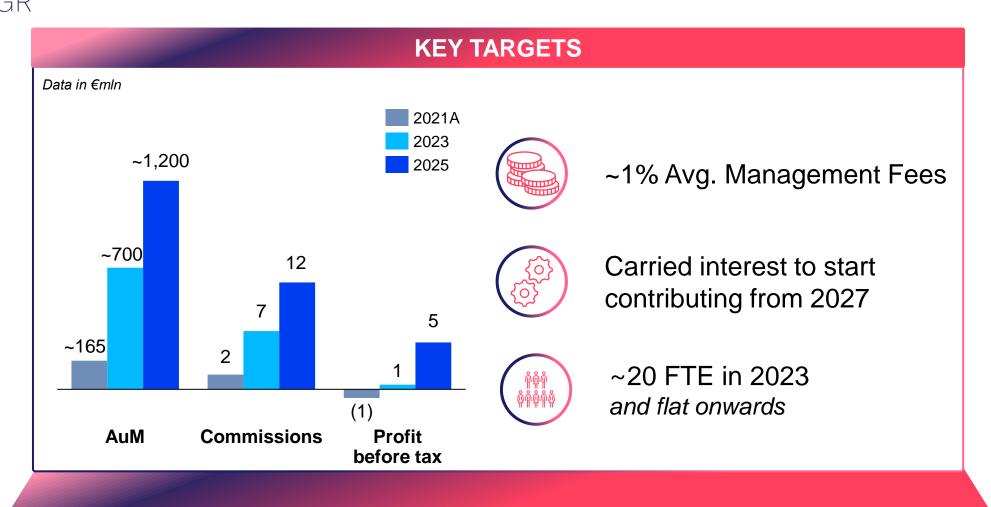
Capital light tool allowing illimity to generate fee-based revenue stream



ESG metrics and **digital approach** in alternative fund management



illimity - Ambitions for illimity SGR



Potential upside not included in Plan

Additional funds under study

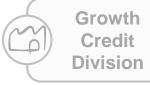




Foundations for success: people, technology and values



7 valuable and fast-growing business units



Credit and services to SMEs





Lending to small corporates



NPE Investments, financing and servicing



Proptech



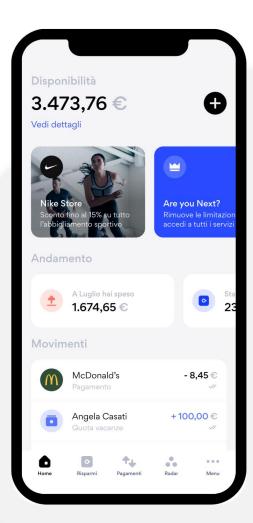
HYPE

Retail fintech



- HYPE, a story of continuous innovation



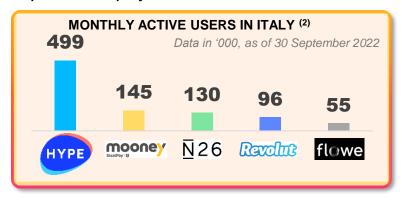


EXPERIENCE

Hype was founded in **2015** aiming at **simplifying payments services**, making the **daily financial routine easy and accessible** in a market still linked to queues in physical branches

MARKET LEADER

Hype, during the years, managed to become the **Italian Fintech Market Leader for number of customers**



La cabina di controllo del tuo denaro.

DO IT WITH YOUR HYPE

Paga, progetta, risparmia, investi e collega tutti i tuoi conti.

INNOVATION IN THE DNA

Over the years, Hype has been **innovating itself**, as demonstrated by the launch of the «New Hype» and the new initiatives developed in 2021 (DOTS, Hype Business)

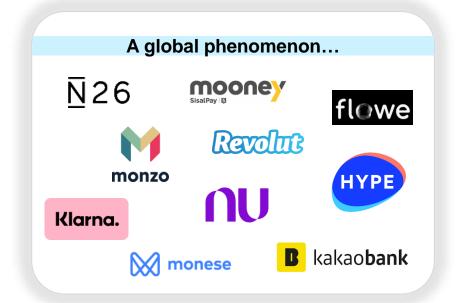
OPEN BY DESIGN

First Italian Joint Venture in the Open Banking market, live from January '21



- Fintech and Neobanks: great potential in a highly dynamic market





...with shared insights

- The value is the customer
- Business model operations must be scalable and replicable to reduce costs and enter new markets and countries
- Large mass of customers and transactions' volumes are critical to achieve sustainability
- A lean user experience is key to increase engagement

Market valuations and dynamism reflect an indisputable business potential



2021 2022 December 8, 2021 · 6:37 PM GMT+1 Last Updated 9 months ago Finance Monzo valuation jumps to \$4.5 billion after fresh funding round

Business

Enel e Intesa Sanpaolo acquistano Mooney: valutazione di 1,4 miliardi di euro

Digital bank Revolut valued at \$33 billion in funding round led by SoftBank and Tiger Global

PUBLISHED THU, JUL 15 2021-4:22 AM EDT

Nubank Goes Public at \$41.5B Valuation with LatAm Growth on Horizon

By PYMNTS 💆 🖼 Listen to Article

Challenger bank N26 raises \$900 million at \$9 billion valuation

Romain Dillet @romaindillet / 3:00 PM GMT+2 • October 18, 2021

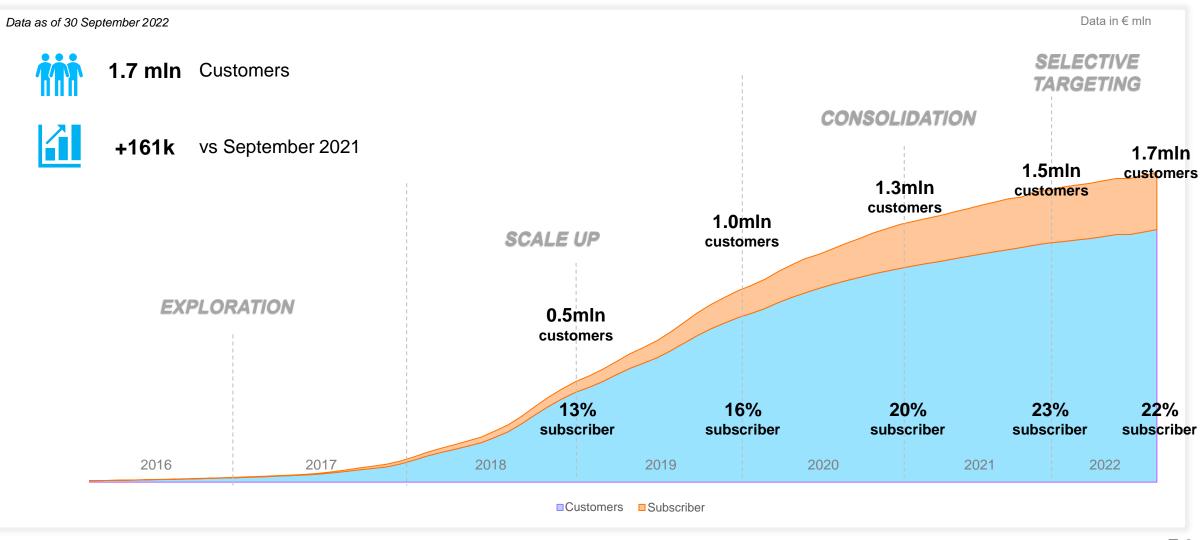
Klarna confirms \$800M raise as valuation drops 85% to \$6.7B



- Hype's story is one about growth, both in customers...



Costumers

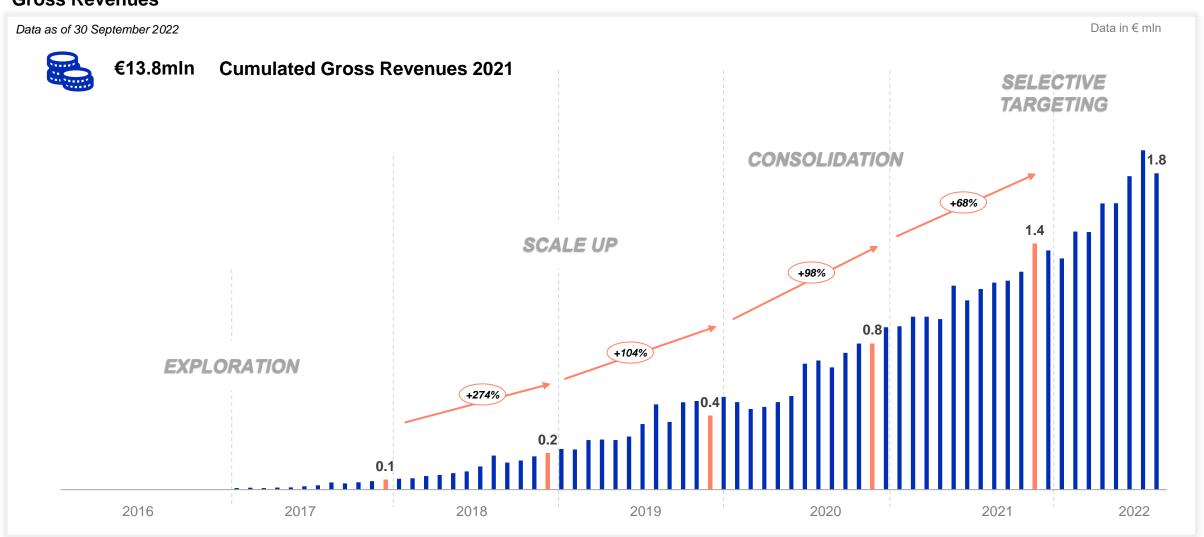




- ... and in Revenues



Gross Revenues

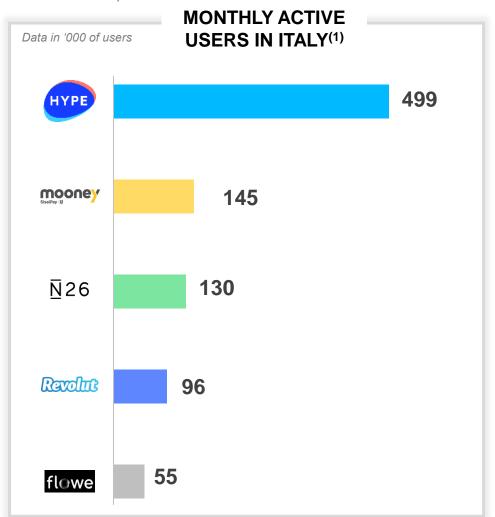


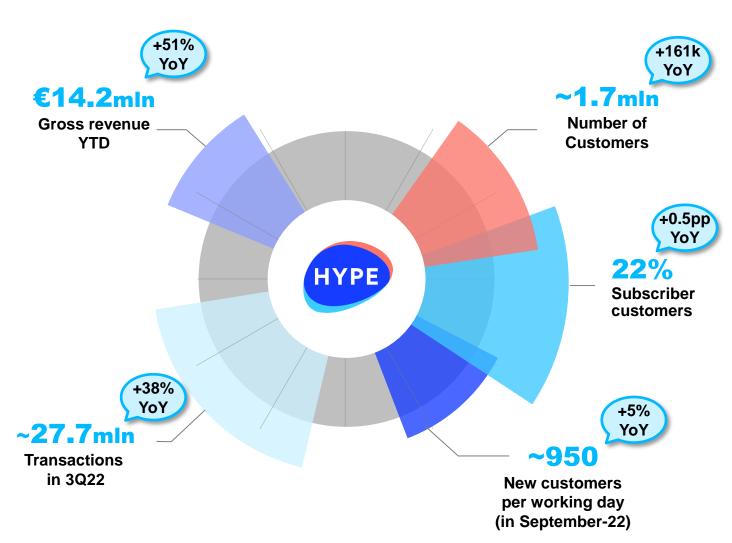


- Recognised Market Leader



Data as of 30 September 2022



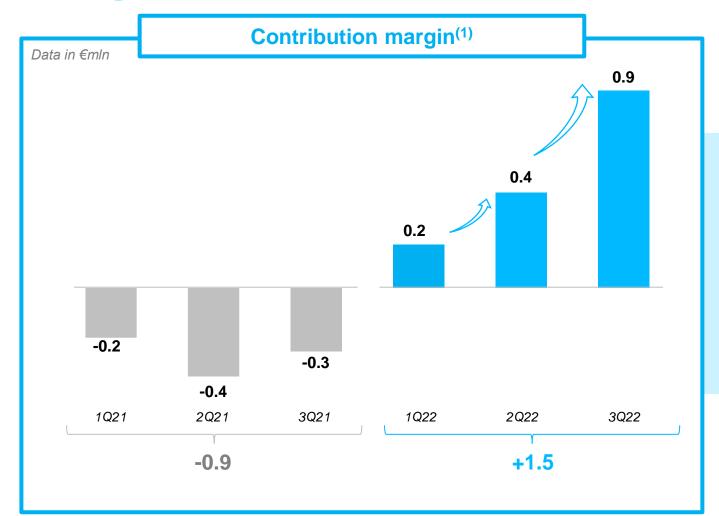




Accelerating growth-path



Data as of 30 September 2022



Outstanding increase of Contribution
Margin, as shown by September figures,
more than doubled compared to
previous quarter



HYPE - Ambitions for HYPE



KEY TARGETS 2025 Pro-rata HYPE profit ~8mIn >3 million **Customers**

Potential boosters not included in Plan

Partnerships

New channels & products

Entry in foreign markets





Foundations for success: people, technology and values



7 valuable and fast-growing business units



Our recent results

illimity - Solid 9M22 results heading for FY22 profit guidance



Good volumes growth in 3Q in spite of sizeable loans repayments and disposals. Several deals signed right after quarter-end, strong pipeline ahead



Revenue in 3Q22 grew by 12% versus the same period last year. Comparison with 2Q reflects some seasonality pattern, especially in net fees and profit from closed position



Very strong asset quality supports low organic cost of risk



4Q22 set to benefit from further revenue progression thus driving **net profit for FY22 to at least €75mln**

illimity - Further growth in interest-earning assets

	Data in €mln Reclassified Balance sheet	30.09 2021	31.12 2021	31.03 2022	30.06 2022	30.09 2022	Δ 30.09.2022 / 30.06.2022	
	Cash and cash equivalent	774	508	695	397	364	(8)%	(53)%
	Due from banks and other financial institutions	543	468	215	191	184	(4)%	(66)%
2	Customer loans	2,473	2,762	2,832	3,194	3,318	4%	34%
	- Distressed Credit investments	939	923	938	921	860	(7)%	(8)%
	- Distressed Credit senior financing	300	336	402	<i>4</i> 36	446	2%	49%
	- Growth Credit	1,165	1,434	1, 4 21	1,733	1,800	4%	54%
	- Cross-over & Acq. Finance ¹	566	628	643	731	809	11%	43%
	- Turnaround	389	438	488	630	612	(3)%	57%
	- Factoring	211	368	289	372	379	2%	80%
	- b-ilty	-	3	7	24	38	59%	n.m.
	- Investment Banking	-	-	-	16	108	587%	n.m.
	- Non-core former Banca Interprovinciale	69	66	64	64	64	(0)%	(7)%
	Financial assets Hold To Collect (HTC)	-	-	108	161	215	34%	n.s.
	Financial assets Hold To Collect & Sell (HTCS) ²	280	300	424	416	396	(5)%	41%
	Financial assets measured at FVTPL ³	88	77	82	118	150	27%	72%
	Investments in associates and companies subject to joint control	82	80	78	76	78	3%	(4)%
	Goodwill	36	36	36	71	65	(8)%	80%
	Intangible assets	40	49	52	56	65	15%	65%
	Other assets (Incl. Tangible and tax assets)4	330	382	400	446	455	2%	38%
	Total assets	4,646	4,661	4,922	5,127	5,291	3%	14%
	Due to banks	546	411	412	539	581	8%	6%
4	Due to customers	2,714	2,818	3,065	3,107	3,186	3%	17%
	Bond/Securities	507	500	505	510	515	1%	1%
	Shareholders' Equity	756	773	777	802	813	1%	8%
	Other liabilities	123	159	163	169	196	16%	59%
	Total liabilities	4,646	4,661	4,922	5,127	5,291	3%	14%
	Common Equity Tier 1 Capital	625	642	646	642	660	3%	6%
6	Risk Weighted Assets	3,111	3,411	3,662	3,974	3,678	(7)%	18%

- Very comfortable liquidity position at €0.6bn between cash, net adjusted interbank position and liquidity buffers
- Net customer loans growing further mostly underpinned by Cross-over & Acquisition Finance and Investment Banking activity
- Securities portfolio increase driven by HTC investments
- Retail funding platform illimitybank.com and wholesale collateralised funding contributing most to financing sources expansion in quarter
- 5 CET1 Capital up to €660mIn due to quarterly profit and inclusion of former special shares following conversion into ordinary shares
- 6 RWA down to €3.7bn with reduction QoQ driven by entry into force of amendment to art. 127 CRR

Notes: Rounded figures; (1) 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; it also includes corporate high yield bonds classified as HTC; (2) This item includes ~€20mln of Investment Banking Division Alternative Debt classified HTCS; (3) 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, as part of the Distressed Credit Division's activities; (4) It includes assets arising from the purchasing of tax assets (the so-called "Ecobonus") for ~€92mln.

illimity - Continual profit progression

Data in €mln									
Reclassified Profit & Loss	3Q21	1Q22	2Q22	3Q22	Δ Q/Q%	Δ Y/Y%	9M21	9M22	Δ 9M Y/Y%
Interest income	50.6	51.7	54.4	59.1	9%	17%	144.1	165.2	15%
Interest expenses ¹	(16.4)	(15.7)	(16.4)	(17.0)	4%	4%	(45.5)	(49.1)	8%
Net interest income	34.2	36.0	38.0	42.0	11%	23%	98.6	116.1	18%
Net fees and commissions	10.3	12.8	14.8	14.1	(4)%	38%	23.9	41.8	75%
Net result from trading and Fair Value assets	7.5	2.8	5.9	4.6	(21)%	(38)%	12.4	13.3	7%
Net other income/expenses	7.4	6.3	5.7	5.2	(9)%	(31)%	11.6	17.1	48%
Profit from closed purchased distressed credit positions ²	7.1	20.6	16.2	8.6	(47)%	21%	44.5	45.3	2%
Gain (loss) from disposal of investments	-	-	-	-	-	-	2.3	-	(100%)
Operating income	66.6	78.5	80.6	74.5	(8)%	12%	193.4	233.6	21%
Staff costs	(15.9)	(20.7)	(22.8)	(20.9)	(8)%	32%	(51.5)	(64.4)	25%
Other operating expenses	(17.1)	(20.8)	(21.9)	(21.4)	(2)%	25%	(52.9)	(64.1)	21%
Depreciation & Amortisation	(2.6)	(3.4)	(3.9)	(4.6)	17%	73%	(7.8)	(11.9)	52%
Operating costs	(35.6)	(44.9)	(48.5)	(46.9)	(3)%	32%	(112.2)	(140.4)	25%
Operating profit	31.0	33.5	32.1	27.6	(14)%	(11)%	81.2	93.2	15%
Loan loss provision charges	(0.4)	(0.5)	(2.5)	(0.6)	(74)%	55%	(1.3)	(3.7)	192%
Value adjustments on purchased distressed credit	(0.1)	(4.6)	(3.2)	7.3	n.m.	n.m.	(0.8)	(0.5)	(31%)
Value adjustments on securities and loans to banks	0.5	(0.5)	(0.2)	(0.2)	2%	(149)%	(0.8)	(1.0)	27%
Other net provisions for risks and charges	-	(0.0)	(0.0)	-	n.m.	-	-	(0.0)	n.m.
Other income from equity investments	(2.0)	(1.8)	(2.0)	(1.8)	(10)%	(9)%	(6.0)	(5.7)	(5%)
Contribution to banking sector schemes	(1.8)	(2.0)	(0.1)	(2.6)	>100%	49%	(3.7)	(4.7)	26%
Profit (loss) before tax	27.2	24.1	24.0	29.6	23%	9%	68.7	77.7	13%
Income tax	(8.5)	(8.4)	(8.2)	(10.4)	27%	24%	(22.5)	(27.1)	20%
Net result	18.8	15.7	15.8	19.1	21%	2%	46.2	50.6	10%

- Net interest income advancing further YoY and QoQ backed by solid growth to date in interest earning assets
- Net fees and commissions in 3Q22 affected by seasonal slowdown in Quimmo and Capital Markets activity. 4Q22 is off to good start
- Profit from Distressed Credit closed position grew on a year earlier. Some sale processes were still in progress at quarter-end thus related incomes were booked as value adjustments
- 4 Operating costs under control despite new investments owing also to seasonal savings on staff costs
- Loan loss provisions driven by generic provisions on new business originated in the quarter
- Positive value adjustments reflect increase in collaterals value also on back of binding offers on portfolios under sale process and return to performing of some UTP portfolios

illimity - Core business profitability accelerating further

	CR	RESSED REDIT VISION	GRO CRE DIVI	WTH EDIT SION acluded)	INVES	TMENT KING	BAN	ECT KING SION	@ illi SGF		CORPO		тот	P TAL
Data in €mln	9M21	9M22	9M21	9M22	9M21	9M22	9M21	9M22	9M21	9M22	9M21	9M22	9M21	9M22
Net interest income	81.2	84.6	13.3	25.0	1.0	2.7	3.1	3.8	-	-	-	-	98.6	116.1
Net fees and commission	7.6	13.1	12.7	19.9	3.0	6.7	(0.2)	-	0.8	2.1	-	-	23.9	41.8
Other income	57.3	56.8	5.5	4.6	0.4	1.5	7.2	10.5	-	-	0.5	2.3	70.9	75.7
Operating income	146.1	154.5	31.5	49.5	4.4	10.9	10.1	14.3	8.0	2.1	0.5	2.3	193.4	233.6
Staff costs	(18.7)	(24.1)	(7.4)	(8.6)	(1.5)	(2.6)	(5.7)	(5.7)	(1.6)	(1.7)	(16.7)	(21.7)	(51.6)	(64.4)
Other operating expenses and D&A	(28.1)	(35.2)	(6.7)	(5.3)	(0.9)	(1.3)	(8.5)	(13.2)	(0.3)	(0.4)	(16.2)	(20.5)	(60.5)	(75.9)
Operating costs	(46.8)	(59.3)	(14.1)	(13.9)	(2.3)	(3.9)	(14.2)	(18.9)	(1.9)	(2.1)	(32.8)	(42.2)	(112.2)	(140.4)
Operating profit	99.3	95.2	17.4	35.6	2.1	7.0	(4.1)	(4.6)	(1.1)	-	(32.4)	(39.9)	81.1	93.2
Provisions	(3.2)	(1.6)	0.9	(2.7)	(0.5)	(8.0)	-	(0.1)	-	-	-	-	(2.8)	(5.2)
Other income from equity investments	(0.1)	(0.2)	-	-	-	-	(5.9)	(5.5)	-	-	-	-	(6.0)	(5.7)
Contribution to banking sector schemes	(0.5)	(0.7)	(0.8)	(0.8)	-		(0.6)	(1.0)	-	-	(1.9)	(2.2)	(3.7)	(4.7)
Profit (loss) before tax	95.5	92.7	17.5	32.1	1.6	6.2	(10.6)	(11.2)	(1.1)	-	(34.2)	(42.1)	68.6	77.7
				·	•	:								
			Combined 9M22 ~ +101% Yo				mln							
Interest earning assets	1,547	1,615	1,326	2,177	30	247	0	41	0	0	1,317	548	4,220	4,627
Other assets	107	190	66	151	0	1	87	95	-	-	166	226	426	664
RWA	1,998	1,869	782	1,265	23	139	34	81	0	3	274	319	3,111	3,678



Distressed Credit major profit contributor with ~66% of Group's 9M22 revenue (up 6% YoY). Operating profit broadly stable despite investments in new initiatives. Good prospects in 4Q22.



Growth Credit contribution to Group Operating profit continues to increase in 9M22 driven by net interest income, with expected increasing benefit from interest rates rise. Cost income ratio further down from 45% in 9M21 to 28% in 9M22



Investment Banking continues to grow with increasing contribution on group net interest income and trading results



Direct Banking operating costs still reflect investments in b-ilty and Hype operational build-up



Corporate centre set-up substantially completed; target sizing reached by end-2022

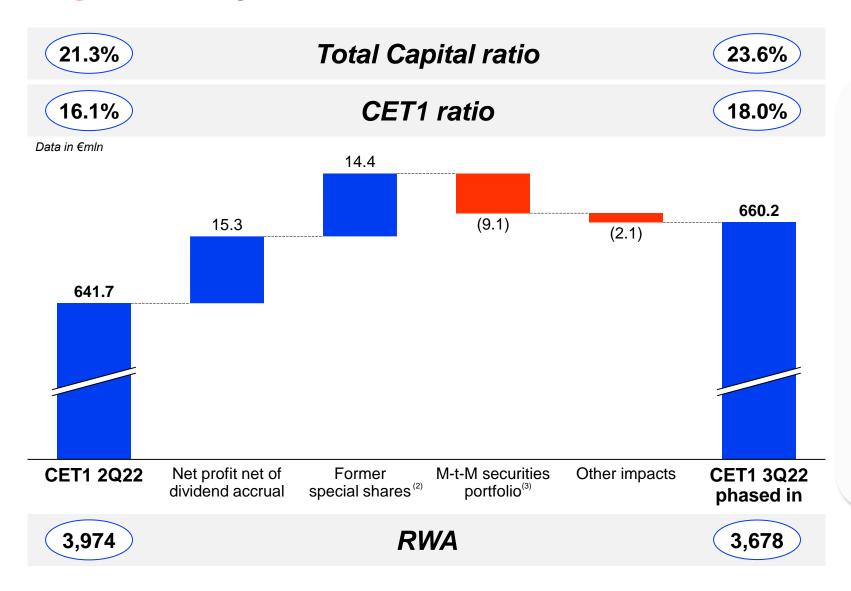
Note: Rounded figures. 9M21 restated for a like-for-like comparison with 9M22. Operating costs restated for reclassification of contribution to banking sector schemes to a specific item in the Group's income statement.

illimity - Solid KPIs

	3Q21	1Q22	2Q22	3Q22	9M21	9M22
Cost income ratio(1)	53%	57%	60%	63%	58%	60%
Organic cost of risk (bps) annualised(2)	12bps	13bps	49bps	11bps	12bps	22bps
Gross organic NPE ratio (excluding BIP)(3)	0.5%	0.7%	0.9%	0.7%	0.5%	0.7%
Gross organic NPE ratio(4)	2.5%	2.3%	2.2%	2.0%	2.5%	2.0%
LCR	~310%	~220%	~365%	~307%	~310%	~307%
CET1 Ratio ⁽⁵⁾	20.1%	17.7%	16.1%	18.0%	20.1%	18.0%
Total Capital Ratio ⁽⁵⁾	26.5%	23.2%	21.3%	23.6%	26.5%	23.6%

- Cost income ratio affected by investments in new initiatives
- Organic cost of risk remains
 low backed by strong asset quality
 and relates to generic provisions
 on new business
- Organic NPE ratio on book originated by illimity down to 0.7%; 2.0% including former BIP portfolio
- Stable liquidity buffer and NSFR comfortably above minimum requirements
- CET1 Ratio⁽⁵⁾ robust and increasing to 18.0%

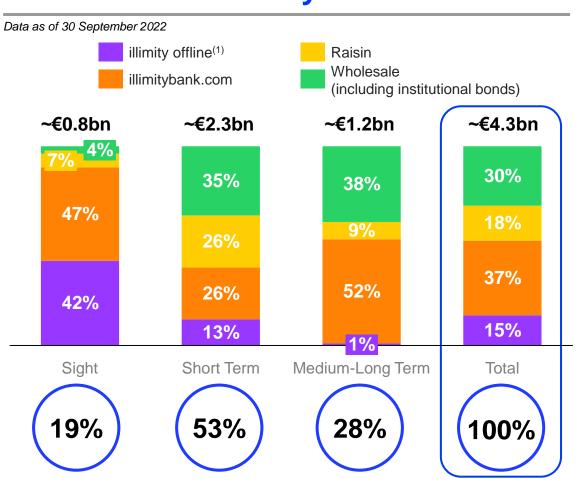
illimity - Robust CET1 ratio at 18.0%



- CET1 Capital⁽¹⁾ in 3Q22 increase thanks to quarter profit and former special shares conversion into ordinary shares
- RWA down 7% QoQ despite business growth due to entry into effect of amendments to art. 127 CRR
- CET1 ratio phased-in at 18.0% and 17.5% fully loaded
- Total Capital ratio phased-in at 23.6% and fully loaded at 23.1%

illimity - Funding cost stable and well diversified funding mix

Maturity mix





Blended average cost of funding broadly stable at ~1.6%



Growth in funding **balanced** across all sources



Term retail funding represents ~45% of total funding



Medium-Long Term funding maturity around **2.6 years**

illimity - Glossary

- Servicing & Remarketing GBV: it equals to the Asset Under Management of the servicing unit - including Arec - and Quimmo initiative. It includes the gross book value of distressed credit and the value of property managed by neprix also on behalf of third-parties including a portion of portfolios related to Senior Financing transactions - and the real estate and capital goods assets managed within the remarketing activity
- ERC: Estimated Remaining Collections. It is the Bank's estimated remaining gross cash flows on purchased distressed loans
- Gross organic NPE ratio: Ratio of gross organic NPE to total gross loans to customers from Factoring, Cross-over, Acquisition Finance, Turnaround, b-ilty and receivables purchased as part of distressed loan portfolios that have undergone a change of credit quality classification subsequent to the time of purchase or disbursement (excluding credits acquired as bad loans), the loan portfolio of the former Banca Interprovinciale and Senior Financing to non-financial investors in distressed loans
- Originated business: This aggregate includes Growth Credit Division loans granted/purchased (for factoring only the difference of carrying amount of the period with the historical peak, if positive), Distressed Credit Investments booked, Senior Financing loans granted in the period and the value of the deals signed but yet booked in the period, owing to a settlement structure based on multiple tranches or to a time lag between the signing of the master agreement and the date of loan disbursement/onboarding.
- Profit from closed purchased distressed credit positions: Gains from definitive closure of non-performing exposures either through disposal to third parties or through discounted payoff ("DPO") agreed with the debtor

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