



ILLIMITY SUPPORTS THE SUSTAINABLE GROWTH OF LB OFFICINE MECCANICHE, INTERNATIONAL LEADER IN TECHNOLOGICAL PLANTS FOR THE CERAMIC SECTOR:

A LOAN OF 6 MILLION EURO FOR THE GROUP'S INDUSTRIAL PLAN THAT AIMS TO GROW IN THE CIRCULAR ECONOMY AND TO INNOVATE AND FURTHER DIVERSIFY THE PRODUCT RANGE

Milan, 5 July 2021 – illimity Bank S.p.A. (“**illimity**” or the “**Bank**”) has granted a loan of 6 million euro (the “**Loan**”) to LB Officine Meccaniche S.p.A. (“**LB**,” the “**Company**” or the “**Group**”), a business specialising in the design and construction of hi-tech plant and machinery for the treatment of raw materials for industrial use, mostly in the ceramic sector.

The Loan, which has a 6-year term, is backed by SACE, the Italian Export Credit Agency, under the “Garanzia Italia” scheme.

The LB Group - consisting of Sermat, Sitec and three international branches (LB USA, LB Spain and LB India) – was set up in 1973 in Fiorano Modenese (in the province of Modena) as a manufacturer of plant and machinery for the ceramic sector, focusing on the production stages preceding pressing, an area where it currently still plays a role of primary importance in the Italian and international scenario. Over the years, thanks to continuous research and with an internal laboratory for production testing dedicated exclusively to Research & Development, LB has developed technologies that can also be used outside the ceramic industry, and is currently active in the production of premixed powders used in the building, mining, fertiliser and pet food industries and in the treatment and recycling of plastic waste and ash. Despite feeling the effects of the pandemic, in 2020 the Group reached a production level of around 30 million euro and continued investing in research and development.

With an approach strongly oriented towards sustainability, LB Officine Meccaniche was a pioneer in the development of dry processing technologies, which have made it possible to combine quality, efficiency and energy savings in the production of plant and machinery for processing ceramic mixes, positioning itself as an international reference point in this area.

Following the entry of a group of investors coordinated by the Astraco Club Deal (“**Astraco**”) into its capital, the Group completed a path of corporate and management reorganisation which culminated in the preparation of an industrial growth plan characterised by the particular emphasis given to environmental, social and economic sustainability.

Thanks to the completion of its business and organisational rearrangement, LB is now ready to face a new growth phase by following the strategic guidelines identified in the new business plan, which envisage an increase in the Group's presence in diversified sectors, the development of additional product ranges in the ceramic sector and an approach increasingly geared towards sustainability. In this respect specific emphasis will be placed on the circular economy and the implementation of waste recovery and treatment systems.



As well as strengthening the LB Group's financial position, the loan granted by illimity will also support the investments it needs to achieve its ambitious growth objectives, enabling it to fully express its potential.

Enrico Fagioli, Head of **illimity's** Growth Credit Division (previously named "SME Division"): "*LB Officine Meccaniche is a company that has always distinguished itself for its highly innovative expertise, succeeding in developing its business model from the viewpoint of ever-increasing sustainability. illimity's aim is to support businesses of this kind, those that want to grow and pursue sustainable ambitious growth plans*".

Corrado Fanti, Chief Executive Officer of the **LB Group**: "*I am pleased with the intense work carried out over the past few months and the confidence that illimity has placed in the whole management team. There's an air of recovery in the Fiorano district and also at an international level, and I'm convinced that the LB Group is now in the best position possible for grasping the challenges of the future, which will not only be played out from an economic sustainability standpoint but also and above all at an environmental and social level, key elements in our business plan.*". Words to which are added those of **Laura Della Chiara**, President of **LB Officine Meccaniche** and Partner of **Astraco**: "*The goals achieved by LB are the results of great teamwork. We are currently setting out on a growth path that sees us committed to realising the ambitious objective of creating value for the whole of the LB team, the Company's shareholders and the local community*".

Nino Dell'Arte, Chief Executive Officer of **Astraco** and director of **LB Officine Meccaniche**: "*The investment fostered in LB reflects all the features of Astraco's intervention strategy. Supporting Italian SMEs in the delicate process of the functional management review to encourage healthy generational change. Building environmental and social sustainability into the business strategy. Creating value through projects that maintain the wealth of business expertise to be found in Italy's industrial clusters. I am proud that illimity has decided to sustain LB. Laura Della Chiara, Gianni Dini (the Astraco Partner in charge of the strategy of sustainability) and the investors will all support LB to the greatest extent possible*".



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illimity Bank S.p.A.

illimity is the high-tech banking group founded and headed by Corrado Passera that was created with the aim of responding to specific market needs by way of an innovative and specialist business model. More specifically, illimity extends financing to high-potential SMEs, purchases distressed corporate loans and services these through its platform, neprix, and provides digital direct banking services through illimitybank.com. illimity SGR, which sets up and manages alternative investment funds, the first of which dedicated to UTP loans, is also a member of the illimity Group. The story of illimity began in January 2018 with the launch of the special purpose acquisition company SPAXS S.p.A., which ended with a record 600 million euro being raised on the market. SPAXS subsequently acquired Banca Interprovinciale S.p.A., with the resulting merger between the two giving rise to "illimity Bank S.p.A." which has been listed on the Italian Stock Exchange since 5 March 2019 (ticker "ILTY"), first on the MTA exchange and since September 2020 on the Star segment. The banking group, headquartered in Milan, can already count on over 600 employees and ended 2020 with assets exceeding 4 billion euro.

LB Officine Meccaniche S.p.A.

LB was formed in 1973 in the heart of the Sassuolo ceramic district of Italy. Thanks to constant research and advanced technical expertise, it has become a world leader over the years in the design and construction of plant and machinery for the production of mixes and porcelain stoneware for the ceramic industry and for the treatment of raw materials in various industrial sectors. It currently designs and produces innovative mixing, milling, granulating, colouring and recycling systems for transforming raw materials through efficient and sustainable processes and is active in the production of premixed powders used in the building, mining, fertiliser and pet food industries and in the treatment and recycling of waste.

Astraco Srl

Astraco Srl is an independent advisory firm that organises and coordinates club deal investments in high-potential Italian SMEs. Targets are companies active in their respective sectors of the Italian economy that require expertise and capital support to carry out growth projects and manage generational change. The investment strategy pursues value creation by way of a clear business project that includes a virtuous path in environmental and social sustainability.