



THE COLLECTION OF THE ILLIMITY REAL ESTATE CREDIT FUND (iREC) RISES TO 270 MILLION EURO OF CREDITS

A new closing has been finalised a few months after the start of the initiative thanks to which approximately 95 million euro of credits have been transferred to the fund

Milan, 26 January 2023 – **illimity SGR S.p.A.**, the illimity Group's asset management company, created to set up and manage alternative investment funds, has completed a new closing of its "illimity Real Estate Credit" (the "Fund" or "iREC"), a contribution Fund dedicated to investments in distressed credits - mainly UTPs - secured by real estate assets, under both the form of mortgage loans and lease agreements.

Thanks to the new closing, loans with a nominal value of approximately 95 million euro were added to the Fund, bringing the total to approximately 270 million euro. The portfolio currently includes loans to 86 different companies operating mainly in the real estate sector with highly diversified activities (residential, commercial, hospitality, energy, industrial, etc.).

The completion of a new closing, just a few months after the Fund's launch, confirms the goodness of the initiative and the validity of illimity SGR's business model. In this respect, iREC's structure presents a number of highly innovative features, including the possibility to acquire and manage fully operational short-term credit facilities and, through a securitisation structure, loans and lease agreements in continuity. These features enable the participating banks to fully transfer their exposure, regardless of the technical forms used, and fully derecognise the transferred loans, while at the same time benefiting from proactive loan management, thanks to the specialist expertise in the real estate industry made available by ARECneprix.

Paola Tondelli, Head of UTP & Turnaround Funds in **illimity SGR**, commented: *"The iREC Fund is the ideal solution for banks wishing to deconsolidate non-performing loans secured by highly diversified real estate assets while at the same time share in the creation of value that can be generated by the professional management of these loans. In this respect, thanks to the across-the-board skills of the illimity SGR team, which already manages the iCCT Fund (corporate UTPs), and the specialist support of ARECneprix, which together enable us to cover the whole value chain as part of the management of distressed loans secured by real estate assets, the Fund has assumed an active and effective role at the negotiating table".*

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illimity SGR is the illimity Group's asset management company created to set up and manage alternative investment funds specialising in corporate loans. In the spring of 2021, illimity SGR created its first fund, the "illimity Credit & Corporate Turnaround" fund, dedicated to investments in UTP loans to SMEs with revival and relaunch prospects operating in highly diversified sectors. This fund allows lending banks to benefit from a professional management of their loans without necessarily having to sell them, thereby enabling them to yield their maximum value following a company's industrial and financial turnaround. "illimity Real Estate Credit" is the second fund sponsored by illimity SGR.