

PHINANCE PARTNERS AND SOREC COMPLETE THE PURCHASE FROM ILLIMITY OF A GRANULAR NPL PORTFOLIO OF 129 MILLION EURO OF GROSS BOOK VALUE

Milan, 5 January – **illimity Bank S.p.A.** (“illimity” or the “Bank”) announces to have finalized a sale transaction to **Phinance Partners S.p.a.** (“Phinance Partners”) and **SOREC S.r.l.** (“SOREC”) involving non-performing loans (“NPL”) for a total nominal value of 129 million euro (“Gross Book Value”) and related to around 4,500 debtors.

Specifically, the portfolio sold by illimity consists of unsecured loans, related to granular exposures and mainly retail, acquired by illimity during 2019 as part of an investment transaction in a large portfolio on the primary market.

The companies Phinance Partners and SOREC, which acted respectively as Arranger and Special Servicer, and jointly as Advisors of LEX S.r.l. (“LEX”), the securitization vehicle that purchased the credits from illimity, strengthen their partnership in the NPL small tickets unsecured credit segment. The collaboration between Phinance Partners and SOREC started with the first operation carried out with illimity in February 2020 and through this operation the total value of the loan receivables purchased by LEX has exceeded 310 million euros. The notes issued by LEX were underwritten by institutional and professional investors and by the advisors Phinance and SOREC.

The operation represents for illimity the third significant sale of non-core credits with respect to the strategic positioning of the Bank, which focuses on corporate distressed credits, and confirms a dynamic portfolio management approach that allows to seize the opportunities of the market.

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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, provides digital direct banking services through **illimitybank.com** and, with illimity SGR, over the next few months will set up and manage the first Alternative Investment Fund for corporate loans. 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 MTA exchange and since September 2020 on the Star Segment. The banking group, headquartered in Milan, can already count on over 600 employees and closed its first year of activity with assets of 3 billion euro.

Phinance Partners S.p.A.

Phinance is an independent company of financial and strategic advisory aimed at institutional investors and financial institutions, focused on identifying alternative investment opportunities in the ABS market. Specifically, Phinance structures securitisations, develops efficient and innovative financing strategies and identifies niche asset classes by leveraging its structured finance skills and in-depth experience and knowledge of the Italian and European capital markets, with particular attention to performing and non-performing assets in retail and corporate consumer credit, receivables and loans sectors. Phinance operates as principal or co-investor in some selected transactions and through the subsidiary NPR Management S.r.l, it is responsible for optimizing the collection activities of the portfolios it has acquired or structured.

SOREC S.r.l.

Sorec Srl is an Independent Servicer specialized in the out-of-court and judicial management of non-performing loans operating throughout the national territory with a license under art 115 TULP. The company, active since 1991, provides high quality services in the credit management sector both on behalf of third parties, for all the most important national and foreign Financial Operators and NPLs, and for the Securitization Vehicles in which it invests or co-invests directly and of which he is Special Servicer. The operating platform has over 135 professionals specialized in out-of-court and judicial credit recovery that guarantee a processing capacity of over 250,000 cases per year.