



PRESS RELEASE

IDEA CCR II, FUND MANAGED BY DEA CAPITAL ALTERNATIVE FUNDS SGR, SIGNS A DEAL WITH THE CALVI HOLDING GROUP. ILLIMITY PROVIDES FINANCIAL SUPPORT TO THE TRANSACTION

Milan, 6 March 2019 - **IDeA Corporate Credit Recovery II** (“**IDeA CCR II**”), Italy's second-largest DIP (*Debtor-in-Possession*) *Financing* fund, managed by DeA Capital Alternative Funds SGR (a DeA Capital Group company), after acquiring €63 million worth of receivables (72% of the overall exposure) due from the **Calvi Holding Group** (“**Calvi Group**”) on 28 December 2017, has finalised an agreement with the latter.

The **Calvi Group**, owned by the Chini family and based in Merate, is a technological and market leader in custom-designed cold-formed, hot-drawn and hot-rolled special steel sections as well as the manufacturing of lift trucks, with approximately €350 million in sales and €28 million in EBITDA. Consisting of 12 companies with a long history and extensive experience in the metallurgical and mechanical fields, the Calvi Group operates in key international industrial clusters and its special steel sections have applications in major cutting-edge industries including automation, material handling, aerospace, biomedical engineering, and architecture.

As for its development efforts, the Group has participated in high-profile international projects including, among others, ITER, the largest physics experiment ever attempted to reproduce nuclear fusion with the goal of generating unlimited, secure and clean energy. This project, backed by Europe, the US, China, India, Japan, and Korea, has a global cost of approximately €25 billion. For this project, the Group provided the special steel sections for the *cover plates*.

As part of the transaction, **IDeA CCR II** will acquire a 26% stake in the **Calvi Group**, the **IDeA CCR II** fund and **illimity** will provide €13.5 million in financial resources to continue the development project, and **illimity** will refinance €34 million of the outstanding exposure.

“The agreement signed with the Chini family allows to further strengthen the Calvi Group's growth. Approximately €13 million in new financial resources will support the business plan and go towards investments, allowing the company to consolidate its leadership and remain on the steady growth path charted in recent years by management,” said **Vincenzo Manganelli, Managing Director**, and **Federico Giribaldi, Investment Director of the IDeA CCR II Fund**.

Riccardo Chini, CEO and majority shareholder in Calvi Holding, commented: “Calvi Holding is a true pocket-sized multinational company with production operations in Europe as well as North America and Asia, generating over 80% of its turnover outside Italy. The partnership with IDeA CCR II, supported by illimity, will allow to bolster its financial position and further drive technological, productive and commercial synergies with the goal of expanding



the product ranges as well as maintaining the high quality standards of the various companies of the group, which is currently the leading global provider of custom-designed solutions for the manufacturing of special sections in all types of steel, hard metals, and titanium—as well as industrial and automation applications”.

Enrico Fagioli, Head of illimity's SME Division, said: “With this transaction, in which illimity participates by contributing nearly €40 million, our bank closes its first deal under an arrangement that involves both purchasing existing receivables as well as extending new financing. We are happy to work once again with such a high-profile partner as DeA Capital Alternative Funds in a transaction that is aligned with one of the purposes illimity was created for: supporting the relaunch of high-potential businesses— and we are certain that the Calvi Group will be able to realise its full potential”.

Mediobanca, Studio Molinari e Associati and Orrick Herrington & Sutcliffe LLP were the advisors to the transaction.

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DeA Capital Alternative Funds SGR S.p.A.

DeA Capital Alternative Funds SGR S.p.A. (formerly IDeA Capital Funds SGR S.p.A.), founded in December 2006, is 100% controlled by DeA Capital S.p.A., a company of the De Agostini Group. DeA Capital Alternative Funds SGR is one of the main Italian independent Asset managers in the private equity sector, with approximately 2.5 billion euros of assets managed, invested either in global funds of funds or in direct funds that mainly invest in Italian companies. DeA Capital Alternative Funds SGR manages four funds of funds, five direct funds (including the recently launched IDeA Agro) and two Italian Financing DIP (Debtor-in-Possession) funds (IDeA Corporate Credit Recovery I and II).

www.deacapitalaf.com

illimity Bank S.p.A.

illimity is the banking start-up born in 2019 with a strongly innovative and high-tech business model, specialised in lending to SMEs and headed by Corrado Passera. illimity extends financing to high-potential SMEs that still have a low or no rating at all, including in the non-performing SME segment (Unlikely-To-Pay); in addition, it acquires unsecured and secured Corporate NPLs in order to service them through its platform. Finally, by the end of the first half of 2019, it will start providing cutting-edge direct digital banking services for retail and corporate clients. The story of illimity began in January 2018 with the launch of SPAXS S.p.A. —the first Italian SPAC (special purpose acquisition company) with the mission to acquire and capitalise an entity operating in the banking industry—which raised Euro 600 million. Only two months after its launch, SPAXS announced the acquisition of Banca Interprovinciale S.p.A., whose business combination was finalised in September 2018 after obtaining the approval of the Shareholders' Meeting of SPAXS held in August 2018. The merger between SPAXS and the Bank gave rise to illimity Bank S.p.A., which began trading on Borsa Italiana S.p.A.'s MTA market effective 5 March 2019.

www.illimity.com

Calvi Group

Calvi Holding S.p.A., led by its Chairman Riccardo Chini, is an industrial group that controls and coordinates twelve companies operating in the manufacturing field, in particular in metallurgy and mechanics, with headquarters in Italy and around the world, highly specialised in metal deformation (steel, alloys, titanium) and in the supply of lifting units for forklifts. As a result, Calvi Holding S.p.A. established its position as a recognised global leader in the metallurgical and mechanical industries over a short period of time, continuing to develop the synergistic network-based model that forms the basis for all its projects. Innovation, interaction and competitive cooperation between industrial businesses, supported by extensive know-how in second-tier manufacturing technologies, currently represent the strategic assets that underpin Calvi Holding S.r.l.'s mission and success.

www.calviholding.it

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