

ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING OF ILLIMITY BANK S.P.A.

Milan, 22 April 2020 – The Ordinary and Extraordinary Shareholders' Meeting of illimity Bank S.p.A. (“illimity” or “Bank”), has been held today with via the participation means pursuant to article 106, par. 4, of Law Decree no. 18/2020 of 17 March 2020 i.e. exclusively via the Bank Designated Representative pursuant to article 135 *undecies* of Legislative Decree no. 58/1998 (Unified Financial Act) through remote participation means via audio-video connection for directors, statutory auditors and other individuals allowed to attend.

Financial Statements 2019

In ordinary session, the Shareholders' Meeting approved substantially with unanimous vote of the participating shareholders the financial statements of illimity Bank S.p.A. as at 31 December 2019 and to carry forward the related loss of euro 16,840,115, and has taken notice of the consolidated financial statements of illimity as at 31 December 2019 and of the related loss (equal to Euro 16.14 millions), largely resulting from costs in connection with activities as provided for in the business plan, as already disclosed to the market upon approval by the Board of Directors of such results.

Replenishment of the Board of Directors: appointment of Mr. Luca Rovati

The Ordinary Shareholders' Meeting has also approved with a large majority of the participating shareholders the replenishment of the Board of Directors with the appointment of Mr. Luca Rovati as new independent member of illimity's Board of Directors, replacing the resigning director Sigieri Diaz della Vittoria Pallavicini, thereby replenishing the administrative body made of 9 members under the resolution adopted by the Bank's Shareholders' Meeting of 4 September 2018. Mr. Luca Rovati will remain in office for the remaining period of the board's term, and accordingly until the date of the shareholders' meeting approving the 2020 financial statements and will be entitled, on a *pro rata temporis* basis, to the remuneration set for members of the Board of Directors by the shareholders' meeting of 18 January 2019.

Mr. Luca Rovati's *curriculum vitae* is available on the Bank's website, together with the letter sent by the SDP Capital Management Ltd – *manager* of the alternative fund “SDP RAIF – Genesis”, which holds 9.88% of the share capital of the Bank – which proposed his appointment.

Remuneration policy 2020, compensation plans and treasury shares purchase

The Ordinary Shareholders' Meeting has also approved substantially with unanimous vote of the participating shareholders the remuneration and incentive Policy of illimity 2020, as illustrated in the “*Relazione sulla Politica di Remunerazione 2020 e sui compensi corrisposti 2019*”, pursuant to Article 123-*ter*, par. 6, of the Unified Financial Act, as well as the extension to other personnel of the increase of variable to fixed components of remuneration up to the maximum ratio of 2:1.

In line with the approval of the Remuneration Policy, the Shareholders' Meeting, in ordinary session, has also approved, pursuant to article 144-bis of the Unified Financial Act a compensation scheme (Long Term Incentive Plan o LTIP) in favour of the Chief Executive Officer and the Top Management of the Bank based, in part, on ordinary shares of the Bank, and the yearly incentive system for fiscal year 2020 “*management by objectives*” (c.d. MBO 2020).

In order to provide the LTIP with required shares supply, the Shareholders' Meeting has also approved, pursuant to article 132 of the Unified Financial Act and of articles 2357 and 2357-*ter* of the Italian Civil Code, following the authorization of the Bank of Italy in that regard, the

authorization to the Board of Directors to purchase and dispose of treasury shares for a maximum amount of euro 1 million.

Reserved share capital increase and contribution in kind of 30% of IT Auction S.r.l.

Finally, today's Shareholders' Meeting, in extraordinary session, has also approved substantially with unanimous vote of the participating shareholders and following the authorization released by the Bank of Italy, the corporate transaction aimed at the contribution in kind in illimity – by means of the vehicle Core S.r.l. – of the remaining 30% of the share capital of IT Auction S.r.l., of which illimity had completed the acquisition of 70% of the share capital on 9 January 2020. In particular, today's Shareholders' Meeting has approved a share capital increase, with the exclusion of the shareholders' option rights pursuant to article 2441, par. 4, first period of the Italian Civil Code, against payment, for a total amount of euro 7.719.415,13, via issuance of no. 771.656 ordinary shares for a price (inclusive of share premium) of euro 10.0037 for each new share, to be settled through contribution in kind of the shares representing the whole share capital of Core S.r.l., a vehicle holding the remaining 30% of IT Auction S.r.l.. The contribution in kind and the share capital increase are expected to be completed within next summer.

Details on the outcome of the vote for each item of the agenda is provided for in the summary report published today.

The documents with regard to the Shareholders' Meeting are available on the company website www.illimity.com, in the “*Investor Relations/Shareholders and BoD Meeting*” Section.

Today, upon the celebration of the “Earth Day”, the Bank has drawn attention, within the Shareholders' Meeting, to the establishment of a Sustainability Committee – as outlined in the Corporate governance and Company's ownership structure report presented to the Shareholders' Meeting – with the aim of promoting the culture of sustainability, making proposals for its integration in the activities of the Bank and Group, in line with corporate mission and with the aim of addressing all instances of illimity's stakeholders.

Pursuant to Article 154-bis, paragraph 2 of Legislative Decree no. 58/1998 (Unified Financial Act), the Financial Reporting Officer, Sergio Fagioli, declares that the accounting information contained in this press release corresponds to the documentary results, books and accounting records.

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illimity Bank S.p.A.

illimity is the high-tech bank specialising in lending to SMEs and headed by Corrado Passera. **illimity** extends financing to highpotential businesses even if they still have a low credit rating or are unrated, including the non-performing (Unlikely-to-Pay) SME segment; it also purchases secured and unsecured distressed corporate loans and services these through its platform, neprix. Finally, it provides innovative digital direct banking services for retail and



corporate customers through its digital direct bank, illimitybank.com. The story of **illimity** began in January 2018 with the launch of SPAXS S.p.A. - the first Italian entrepreneurial SPAC (special purpose acquisition company) set up to acquire and capitalise an entity operating in the banking industry - which raised 600 million euro. Just two months after its launch, SPAXS announced the acquisition of Banca Interprovinciale S.p.A., with the resulting business combination finalised in September 2018 after obtaining the approval of the shareholders of SPAXS 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 MTA exchange on 5 March 2019 (ticker “**ILTY**”).