

### **Company Presentation**

February 2024





### illimity Bank overview



Core business drives profitability



Tech Initiatives to create high value

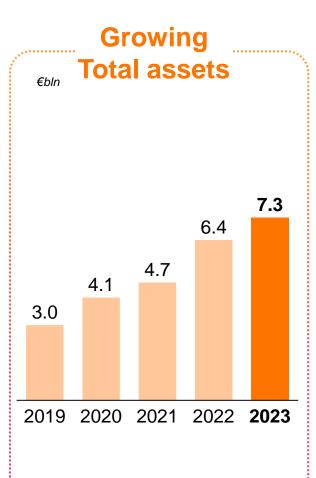


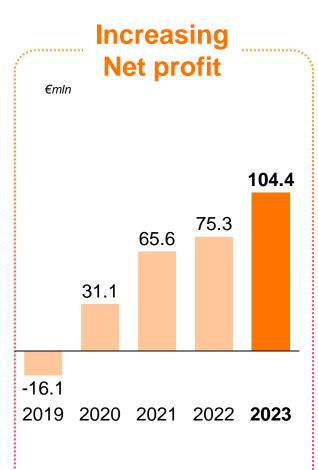
Our recent results: 4Q23&FY23

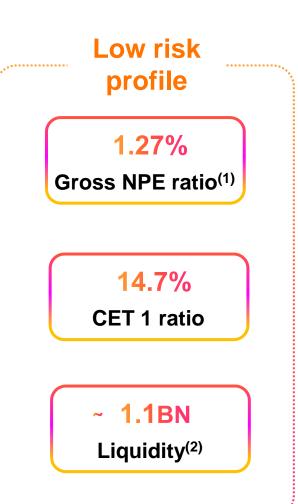
## illimity- New paradigm bank technology driven

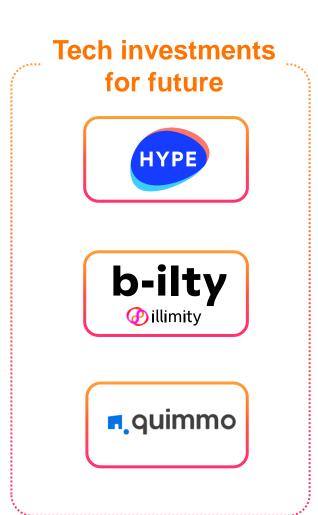
#### **CORE BUSINESS TECH VENTURES** TECHN Corporate Banking<sup>(1)</sup> **Leading Retail Fintech in** HYPE Italian market Digital Division Profit center thanks to. **Investment Banking** unique digital, modular and in-cloud architecture b-ilty First fully-fledged Lendtech boosted by **Specialised Credit** (P) illimity **Platform for Small** partnership with (Asset-based financing) **Corporates Engineering** AREC @ neprix (UTP management & servicing) quimmo il tuo immobile è qui Innovative Digital Real **Estate Brokerage Platform illimity SGR** (Proptech)

# illimity- Progression in volumes and profitability keeping low risk profile while investing for future

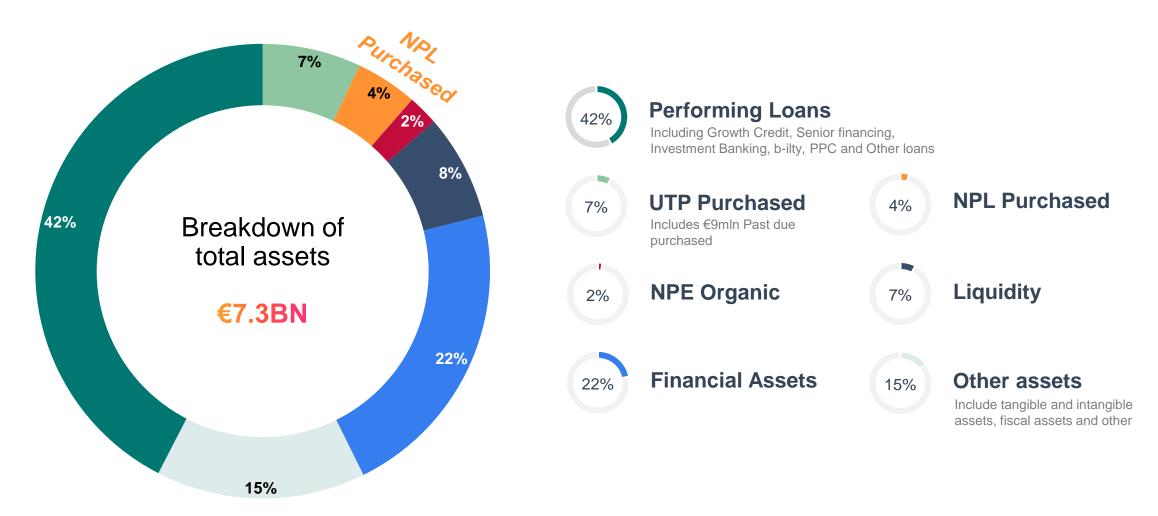




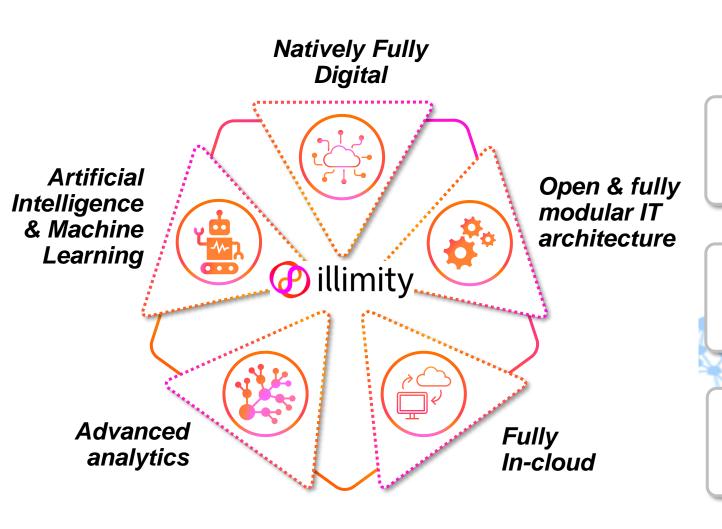




# illimity- Strong asset diversification to remain key strength to adapt to evolving scenario



# illimity- Unique IT architecture boosted by partnership with Engineering in 2023



## Partnership with Engineering on illimity IT platform

€55.5mln

Revenue booked in 2Q23

€4.5mln

in return for further platform upgrades over 2024-2032

Significant royalties expected over 10 years

State-of-art solutions, immediately available to market in proprietary, licensing or "as service" solutions



# illimity- Strong sustainability commitment drives ESG achievements

#### **Environmental**



Green, Social & Sustainability-linked Loans Framework embedded in the credit offer



Carbon Neutrality Scope 1&2 & disclosure of Scope 3 cat. 15 "Investments" according to PCAF & GHG Protocol



100% of electricity used from renewable sources at the Group's main locations



Art. 8 SFDR "Selective Credit Fund" launched by illimity SGR

#### Social



3 consecutive years in Europe and 5 in Italy, as a Great Place to Work



Adoption of an internal Anti-harassment Policy inspired by ILO & UN principles



Confirmation of Gender equality certification UNI PdR 125:2022



Doubled the number of women in managerial roles

#### Governance



"AA" by MSCI moving from "Average" to "Leader" in its industry



Signatory of

PRINCIPLES FOR RESPONSIBLE BANKING



Adoption of an ESG Investment Policy for corporate finance





by illimity SGR





### illimity Bank overview



### **Core business drives profitability**



## illimity - Focus on large and growing Italian SME market

**Market Size** 

Large Corporates

Mid Corporates

Small Corporates

Micro & SOHO(1)

Retail

**Turnaround** 

- Refinancing
- Restructuring
- New finance
- UTP portfolios

Structured Finance

- Cross-over / Structured Finance
- Acquisition Financing

**Factoring** 

- Supply Chain Financing
- With/Without recourse
- Reverse Factoring

Investment Banking

- Equity capital markets, Euronext Growth Advisor, IPO. M&A
- Risk mitigation solutions
- Debt capital markets, Structuring

~€33bn<sup>(2)</sup>

2022 UTP transactions (GBV) up 25% vs. 2021

€250-300bn<sup>(3)</sup>

Performing loans to non-financial companies with >€10mln turnover

>€141bn<sup>(4)</sup>

Total Turnover in Italy

~€900mln<sup>(5)</sup>

Total amount of capital raised for IPO on Euronext Growth Milan in 2022

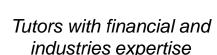
## (P) illimity - Italian SMEs specialist partner



Strong banking expertise based on our team of specialists























**REQUEST** 

**EVALUATION** 

**RESOLUTION** 

**CLOSING** 

**MONITORING** 

Tutors support the whole process from credit underwriting to monitoring

# illimity - Corporate & Investment Banking business posted a record year in 2023



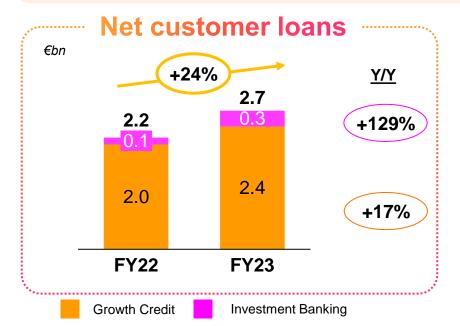
#### **GROWTH CREDIT DIVISION**

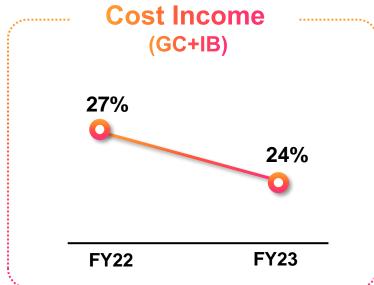
- Net customer loans up 17% YoY, despite early repayments
- Excellent operating leverage
- Strong profitability increase: profit before tax at €80mln up 49% Y/Y

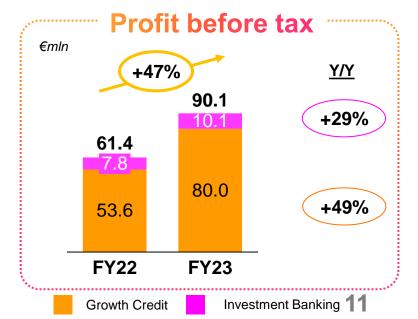


#### INVESTMENT BANKING DIVISION

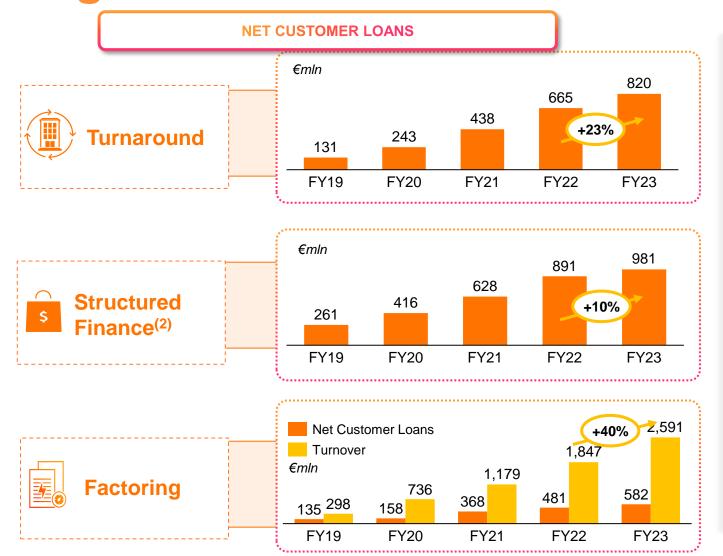
- Strong volumes acceleration: +129% Y/Y
- Upsurge in structuring and capital market activity
   (9 IPOs since inception, of which 4 completed in 2023)
- 4Q23 best quarter ever, with FY23 Profit before tax at €10.1mln up 29% Y/Y

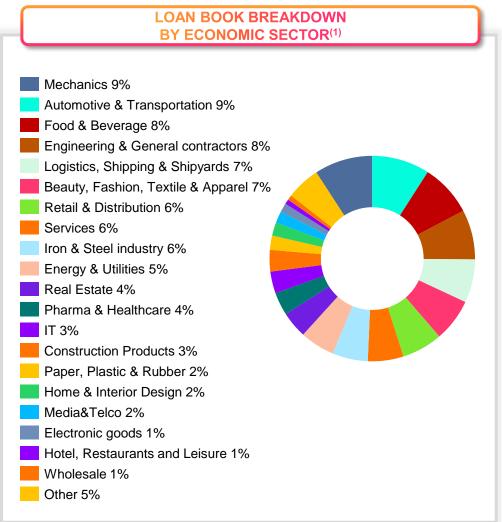






# (illimity - Significant volume progression with high diversification





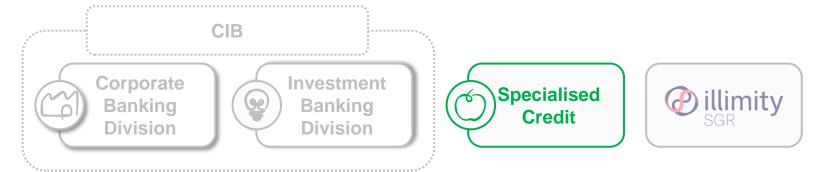




### illimity Bank overview



### Core business drives profitability



### (P) illimity - Specialised credit covering the entire value chain



#### **Specialised Credit**



#### **Asset Based Solutions** & Investments

#### **Asset Based Solutions**

- · Real Estate
- Energy

#### **Distressed Credit Investments**

- Unlikely-To-Pay loans
- Public Procurement claims
- Financig solutions to non-bank NPE investors
- Structuring and financing credit disposals
- · Credit & Asset Optimization



#### **Servicing, Asset Management & Advisory**

- Asset Management
- Unlikely-To-Pay corporate loans
- Structuring of complex financial operations
- Real Estate and Renewable Energy Advisory



#### **Proptech**

- Remarketing of capital goods & Real Estate properties
- Real estate brokerage on free market

Fully-integrated value chain



Investment



Origination

Due Diligence

**Pricing** 

**Biddina** 

Structuring

Onboarding

Credit Management

Real Estate **Asset Management**  Remarketing of RE assets

illimity AREC meprix

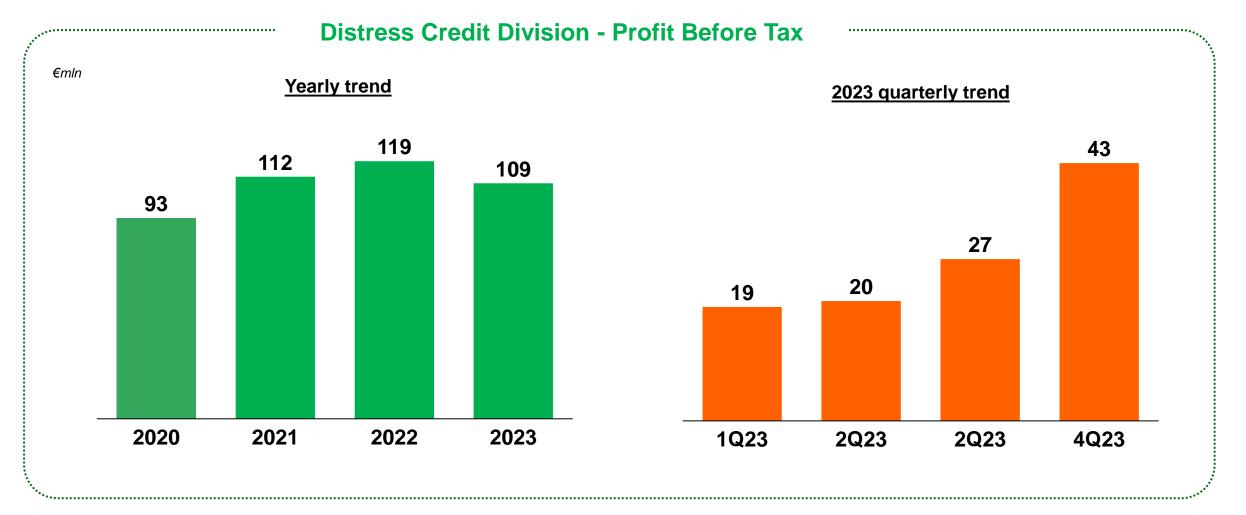
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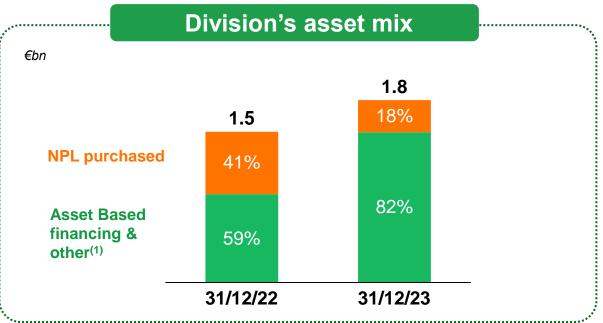
Prop-tech quimmo

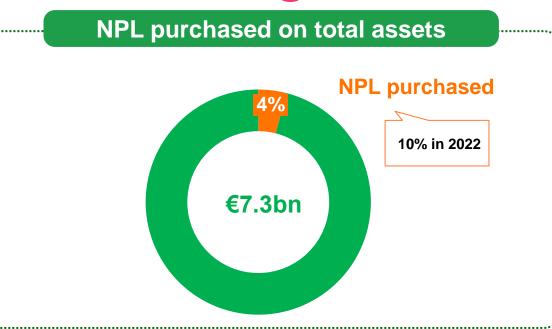


# (a) illimity - Distressed credit division delivered high profits also in 2023 despite very challenging market



# (illimity - From Distressed Credit to Specialised Credit focusing on asset-based financing





#### **Distressed Credit Division**



**GONE CONCERN** 



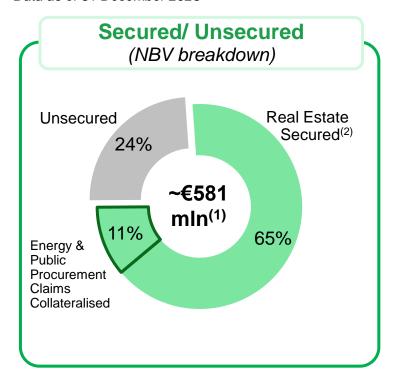
#### **Specialised Credit Division**

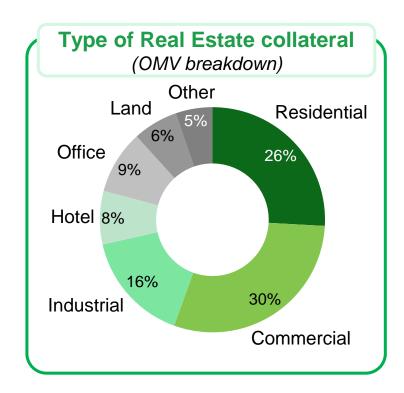


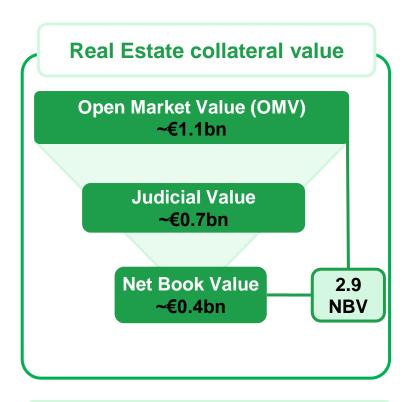
**GOING CONCERN** 

# (illimity - NPE investments backed by 2.9x buffer on collateral values with high diversification

Data as of 31 December 2023





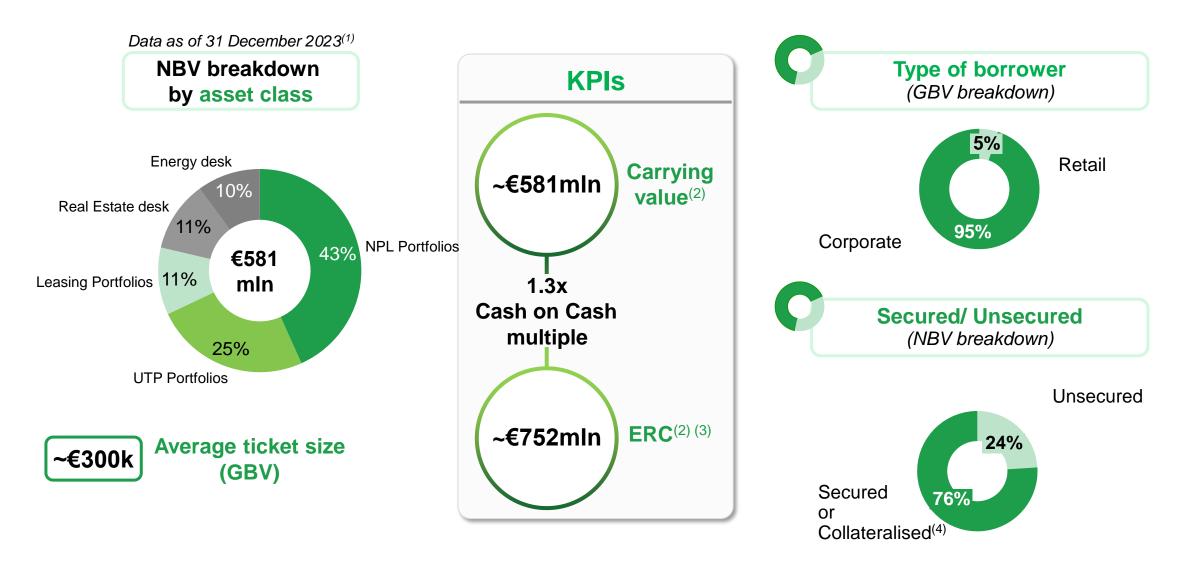


**76%** of portfolio Secured or Collateralised

Strong diversification in type of collateral

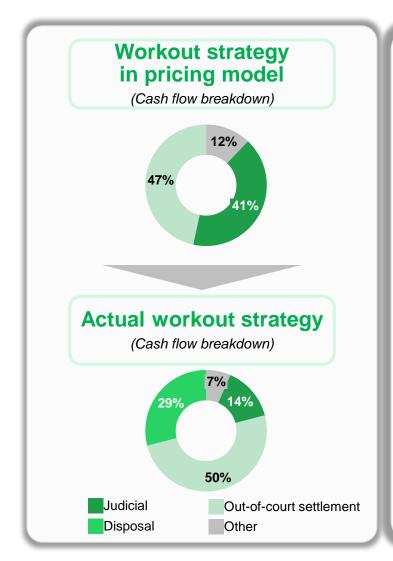
Solid real estate values, with high buffer vs. Open Market Value

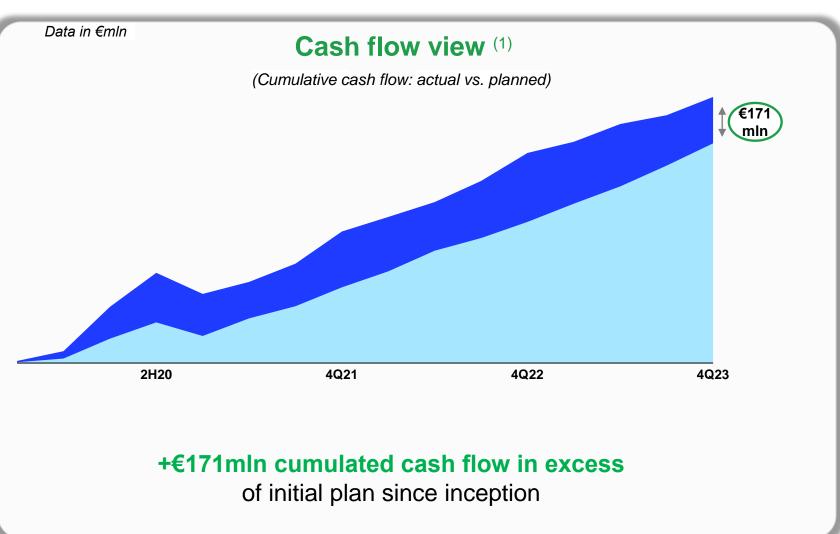
### illimity - Distressed Credit portfolio highlights





## illimity - Distressed Credit key data





## 



4Q23, EBITDA at 11€mIn (+521% Q/Q), driving full year results to ~16€mIn (+38% Y/Y), despite challenging serving market

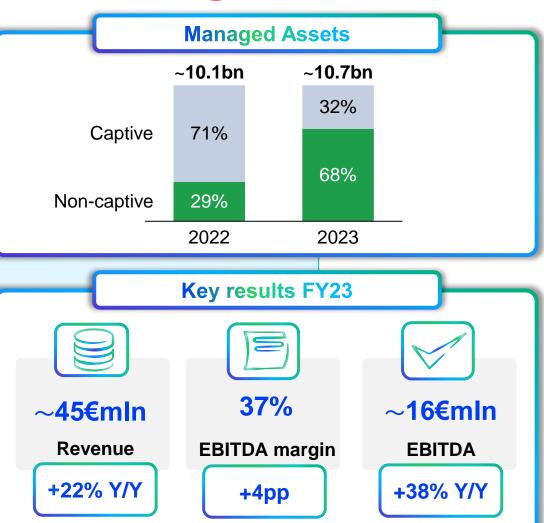


Consolidation of market position as 3<sup>rd</sup> largest market player in corporate UTP management (1) with almost €11bn of managed assets



Increase in third party mandates.

Asset manager and credit servicer for Olympus fund<sup>(2)</sup>, one of Italy's largest



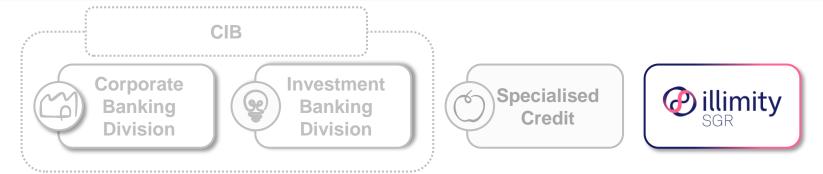




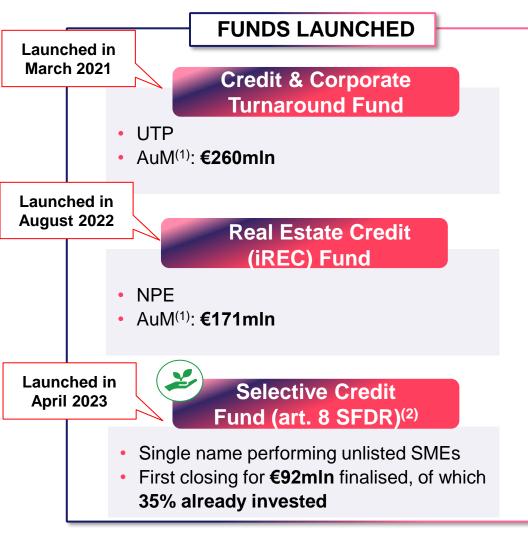
### illimity Bank overview

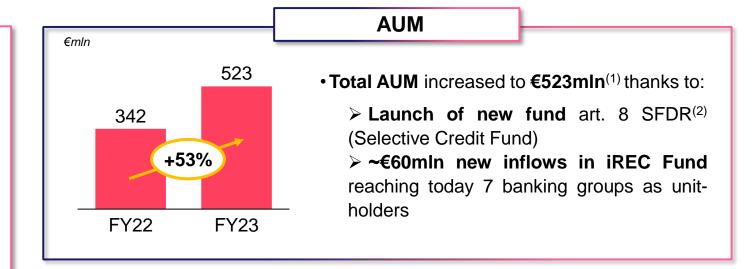


### Core business drives profitability



## illimity - Profits rise with +52% AUM growth







Revenue at €5.3mln up 39% YoY, driving **Profit before tax at** €1.7mln from €0.8mln in 2022



Two new funds to be launched in 2024: one of them being additional art. 8 SFDR Fund<sup>(2)</sup>, in line with development of Group's Sustainability Strategy

Note: Non accounting figures. (1) Net Asset Value, including invested assets and total underwritten commitments. (2) A financial product that "promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices)" as per Regulation (EU) 2019/2088 of the European Parliament and of the Council.





illimity Bank overview



Core business drives profitability



Tech Initiatives to create high value



Our recent results: 4Q23&FY23

# illimity - Leveraging tech for further core business growth



Already leading prop-tech in Italian RE brokerage market

Strategic partnership completed in free market



First Italian fully-fledged digital bank for small corporates

Operational from 1Q23



Italian fintech leader in retail world<sup>(1)</sup>

Moving towards breakeven

24

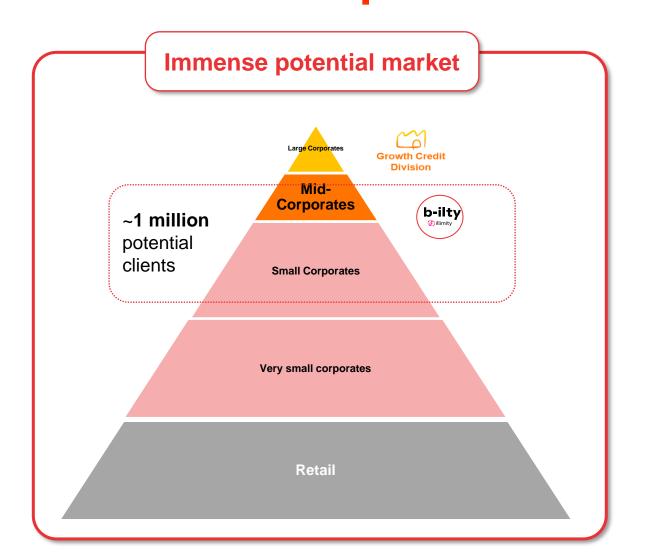


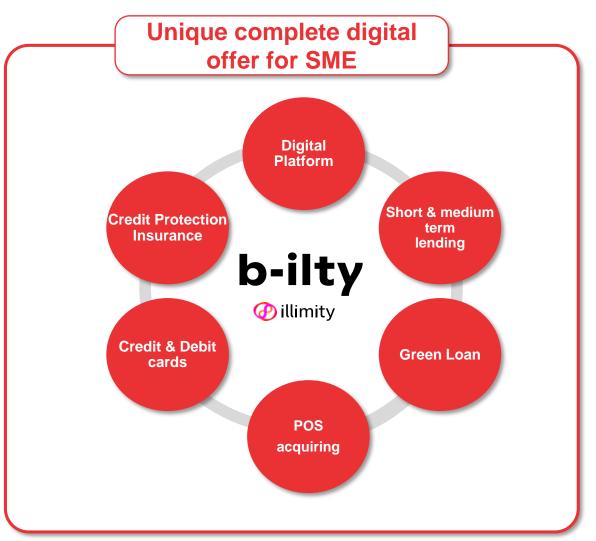
# b-ilty

the first digital business store for Small Corporates

### b-ilty

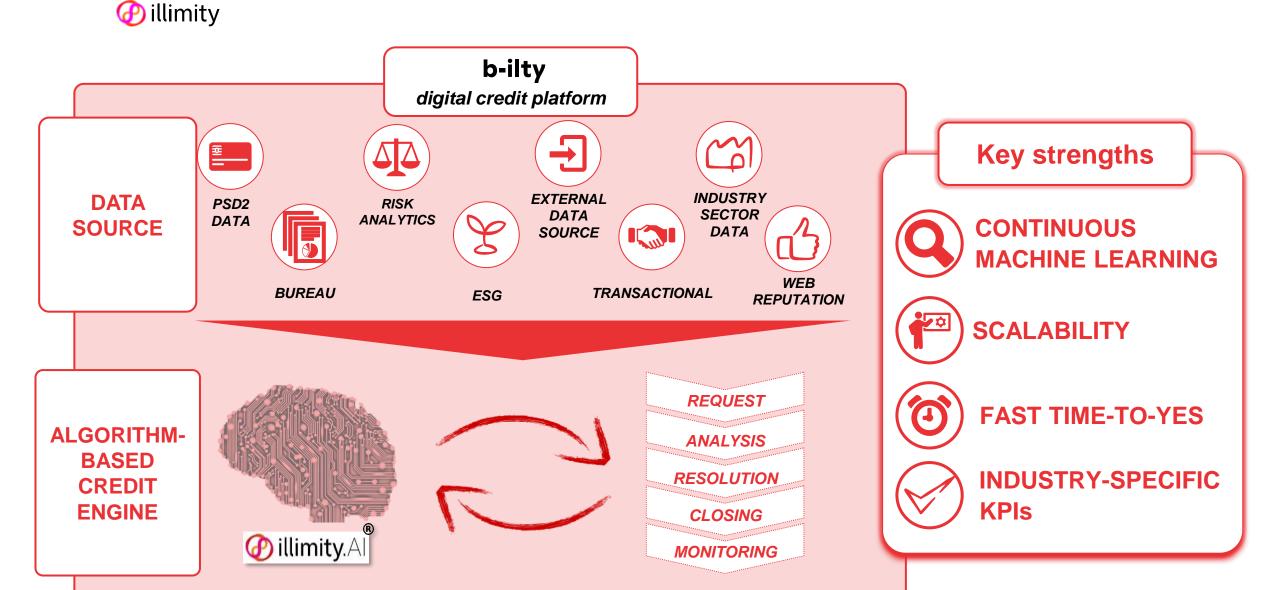
# **b-ilty**- First fully-fledged digital bank for small corporates





## b-ilty- Fast response time: Credit Engine





## b-ilty- Acceleration toward breakeven



@illimity



Net customer loans at €309mln up 43% QoQ and 524% YoY



Clear improvement in profitability

( FY23 PBT at -€5.8mln vs -€10.4mln in FY22)

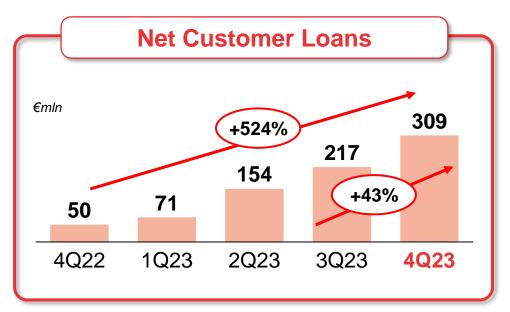


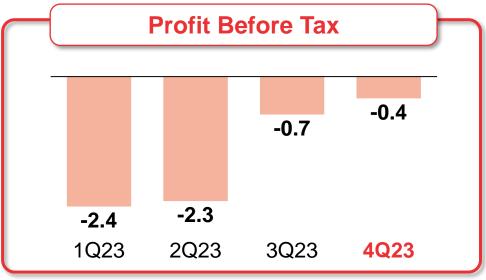
All customer loans are assisted by **public guarantees** 



**Counterparty numbers increased.** 

>2,000 from 325 at end of 2022







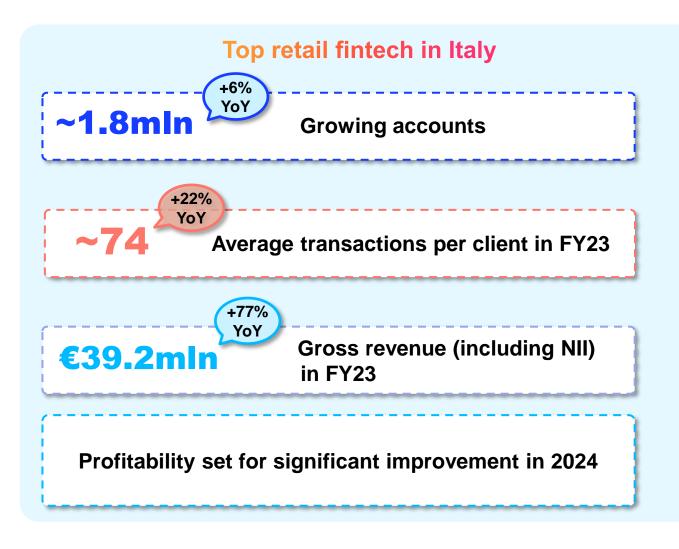


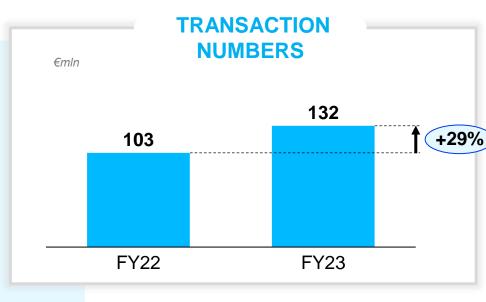
**Fintech Market Leader** 

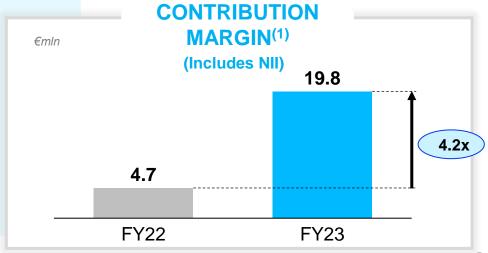




### - Steady profitability improvement











### quimmo - Leading brokerage proptech in Italy

Remarketing of credit collaterals
Main KPIs

>40K

Generated leads in FY23

**1.2mln** 

Registered users

203

**Employees** 

Data as of 31 December 2023

**Digital-native business model** 



Developer teams for UX and Digital Marketing



Specialised multichannel service across entire value chain



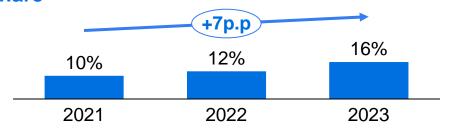
Digital and highly specialised processes



# quimmo-Proptech leader in judicial market sets pace for open market strategy

#### **JUDICIAL MARKET**

Leader in judicial market with growing market share



#### **OPEN MARKET**

- Signed partnership in open residential market brokerage with COIMA<sup>(1)</sup>
- Pipeline of €1bn, with impact on profitability starting from 2024



- Assets sold in FY23: €332mln
- Generated leads in FY 23: 46K



 AuM ~€1.9bn, of which 94% non-captive



 FY23 EBITDA at €-3.8m<sup>(2)</sup>, set to improve in 2024 following ongoing acceleration in judicial market (+16% Y/Y bankruptcies in 4Q23³)





### illimity Bank overview



Core business drives profitability



Tech Initiatives to create high value



Our recent results: 4Q23&FY23

## illimity - FY23: Very good numbers

#### **4Q23** net profit at €29mln (ca. +30% Q/Q)

bringing FY23 to €104mln (ca. +40% Y/Y) in line with guidance

#### Record year for our Corporate & Investment Banking business

in both profitability (PBT +47% Y/Y) and volumes (Net Customer loans +24% Y/Y)

#### Distressed credit division posted strong profitability

maximising value creation from NPE portfolio

#### Solid capital position to support future growth

CET 1 ratio at 14.7% (+510bps vs. SREP 2024)

#### Resilient asset quality with high share of public guarantees

Gross NPE ratio<sup>1</sup> at 1.3% and Cost of risk at 43bps

#### **Ongoing advancements in Tech Ventures**

toward breakeven, expected in 2024

## illimity - Key strategic advances

Digital Division from cost/investment center to profit center (+€54mln revenue)

Distressed Credit business to exit NPL direct investments and evolve into asset-based financing

Quimmo (proptech) entered non-judicial real estate brokerage market thanks to partnership with COIMA

## illimity - Loan mix refocusing on SME lending

Data in €mln							
Reclassified Balance sheet	31.12 2022	31.03 2023	30.06 2023	30.09. 2023	31.12. 2023	Δ 31.12.23/ 30.09.23	Δ 31.12.23/ 31.12.22
Cash and cash equivalent	681	340	536	321	432	34%	(37)%
Due from banks and other financial institutions	183	213	228	120	113	_(6)% _	(38)%
Customer loans	3,776	3,927	4,222	4,207	4,064	(3)%	8%
- Distressed Credit investments	1,021	991	1,054	911	554	(39)%	(46)%
- Distressed Credit senior financing	469	505	<i>4</i> 29	403	445	10%	(5)%
- Growth Credit	2,037	2,116	2,294	2,330	2,383	2%	17%
- Cross-over & Acq. Finance <sup>1</sup>	891	903	933	979	981	0%	10%
- Turnaround	665	<i>7</i> 25	833	8 <b>4</b> 8	820	(3)%	23%
- Factoring	<b>4</b> 81	488	528	503	582	16%	21%
- b-ilty	50	71	154	217	309	43%	524%
- Investment banking	133	178	223	278	305	10%	129%
- Non-core former Banca Interprovinciale	66	65	67	68	67	(1)%	2%
Financial assets Held To Collect (HTC) 2	428	403	428	485	585	21%	37%
Financial Assets Held To Collect & Sell (HTCS) <sup>3</sup>	392	384	451	454	457	1%	17%
Financial assets measured at FVTPL <sup>4</sup>	105	111	118	159	528	232%	402%
Investments in associates and companies subject to joint control	76	83	82	81	81		6%
Goodwill	65	65	70	70	70		7%
Intangible assets	70	72	75	75	84	11%	20%
Other assets (incl. Tangible and tax assets) <sup>5</sup>	579	500	514	858	846	(1)%	46%
Total assets	6,355	6,098	6,724	6,831	7,259	6%	14%
Due to banks	1,205	899	951	949	942	(1)%	(22)%
Due to customers	3,409	3,411	3,863	3,928	4,487	14%	32%
Bond/Securities	653	662	731	740	612	(17)%	(6)%
Shareholders' Equity <sup>6</sup>	841	857	899	923	956	4%	14%
Other liabilities	246	270	281	291	262	(10)%	6%
Total liabilities	6,355	6,098	6,724	6,831	7,259	6%	14%



- Net customer loans trend in Q4 affected by strategy to reduce distressed credit direct investments. Excluding this component, loans are up +6% Q/Q (+27% Y/Y) thanks to SME lending growth driven by all business lines
- Financial assets at FV reflect investments in Olympus fund and other fund units (illimity SGR)
- Funding increased driven by retail deposits

Notes: Rounded figures; (1) This figure includes part of the net loans to existing customers of Banca Interprovinciale, which due to their features are considered consistent with illimity's Growth Credit Division segment; it also includes corporate high yield bonds classified as HTC; (2) This figure includes the Bank's securities portfolio classified at amortised cost; (3) HTCS: financial assets measured at fair value through comprehensive income; (4)This item includes equity financial instruments purchased as part of a Turnaround transaction, junior tranches acquired as part of Senior Financing transactions and investments in distressed credits, as part of the Distressed Credit Division's activities; (5) It includes assets arising from the purchasing of tax assets (the so-called "Ecobonus") for €119mln and Assets held for sale for €364mln; (6) Includes 0.6€mln of minority interests.

## illimity - Strong profitability growth

#### Data in €mIn

					Δ			Δ
Reclassified Profit & Loss	1Q23	2Q23	3Q23	4Q23	Q/Q%	FY22	FY23	Y/Y%
Interest income	86.3	94.6	106.3	110.1	4%	238.7	397.3	66%
Interest expenses <sup>1</sup>	(37.9)	(45.2)	(56.3)	(65.3)	16%	(76.5)	(204.8)	168%
Net interest income	48.4	49.4	50.0	44.8	(10)%	162.2	192.5	19%
Net fees and commissions	15.1	17.1	18.7	25.8	38%	61.6	76.7	25%
Net result from trading and Fair Value assets	(0.1)	(0.9)	1.5	(1.0)	n.s.	13.2	(0.5)	n.s.
Net other income/expenses	1.0	55.3	2.3	1.3	(44)%	23.8	59.9	151%
Profit from closed purchased distressed credit positions <sup>2</sup>	7.8	11.1	5.3	6.1	14%	63.8	30.3	(52)%
Operating income	72.1	132.1	77.8	77.0	(1)%	324.6	358.9	11%
Staff costs	(23.1)	(27.2)	(22.2)	(32.8)	48%	(86.1)	(105.4)	22%
Other operating expenses	(21.6)	(23.2)	(23.3)	(30.8)	32%	(90.7)	(99.0)	9%
Depreciation & Amortisation	(5.2)	(5.2)	(5.3)	(6.8)	27%	(16.8)	(22.6)	35%
Operating costs		(55.7)	(50.8)	(70.4)	39%	(193.6)	(227.0)	17%
Operating profit	22.1	76.4	26.9	6.5	(76)%	131.0	131.9	1%
Loan loss provision charges	(2.8)	(3.1)	(1.7)	(6.4)	>100%	(7.4)	(14.0)	90%
Value adjustments on purchased distressed credit	8.0	(4.4)	13.3	40.7	>100%	(6.9)	50.5	n.s.
Value adjustments on securities and loans to banks and off-balance	(0.7)	(0.1)	0.2	(0.1)	n.s.	(1.5)	(0.7)	(53)%
Other net provisions for risks and charges	(0.2)	0.4	-	(0.5)	n.s.	(0.0)	(0.3)	n.s.
Other income from equity investments	(1.2)	(1.3)	(8.0)	(0.2)	(74)%	(7.6)	(3.5)	(54)%
Contribution to banking sector schemes and other non-recurring charges	(6.0)	(0.2)	(3.6)	(2.3)	(35)%	(6.7)	(12.1)	81%
Profit (loss) before tax	12.1	67.7	34.3	37.7	10%	100.9	151.7	50%
Income tax	(4.3)	(23.3)	(11.7)	(8.6)	(26)%	(25.5)	(47.9)	88%
Minority Interest	-	0.0	0.2	0.3	36%	_	0.6	n.s.
Net result	7.8	44.4	22.8	29.4	29%	75.3	104.4	39%

- Net interest income -10% Q/Q mainly due to increasing cost of funding and reduction of NPL investments. FY23 +19% Y/Y benefitting of higher volumes and repricing of our performing SME business.
- Net fees and commissions up +38% Q/Q thanks to increase in Investment Banking activity and new third-party mandates in servicing. FY23 +25% Y/Y mainly driven increase in volumes of SME lending business.
- Other income in FY23 benefited from partnership on our IT platform, with profits recorded in 2Q.
- Operating costs +39% Q/Q driven by quarterly seasonality both in staff costs and business operations. FY23 +17% Y/Y mainly due increase in staff costs following rightsizing of central functions completed in late 2022, IT investments and change in perimeter.
- Organic loan loss provisions up Q/Q on some analytical adjustments and generic provisions
- Positive value adjustments on purchased distressed credit

# illimity - Core business and technology boost profitability

	GROWTH CREDIT (BIP included)		EDIT INVESTMENT		DISTRESSED CREDIT		illimity SGR		DIGITAL DIVISION		HQ FUNCTIONS		b-ilty @illimity		НҮРЕ		TOTAL	
Data in €mln	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23
Net interest income	38.9	72.8	5.0	8.3	113.2	100.5	-	-	4.5	6.3	-	-	0.6	4.6	-	-	162.2	192.5
Net fees and commissions	27.4	27.2	8.8	9.8	21.8	32.0	3.7	4.9	(0.9)	(1.1)	-	-	0.8	3.9	-	-	61.6	76.7
Other income	7.4	3.9	1.3	(0.4)	75.0	31.3	0.1	0.4	17.0	54.5	-	-	-	-	-	-	100.8	89.7
Operating income	73.7	103.9	15.1	17.7	210.0	163.8	3.8	5.3	20.6	59.7	-	-	1.4	8.5	-	-	324.6	358.9
Operating costs <sup>1</sup>	(17.9)	(21.8)	(5.7)	(7.1)	(79.4)	(97.0)	(3.0)	(3.6)	(33.6)	(41.9)	(42.8)	(45.5)	(11.3)	(10.1)	-	-	(193.6)	(227.0)
Operating profit	55.8	82.1	9.4	10.6	130.6	66.8	0.8	1.7	(13.0)	17.8	(42.8)	(45.5)	(9.9)	(1.6)	-	-	131.0	131.9
Provisions & value adjustements	(2.2)	(1.4)	(1.6)	(0.5)	(11.5)	41.8	-	-	-	-	-	-	(0.5)	(4.2)	-	-	(15.8)	35.7
Contribution to banking sector schemes & other non-recurring charges	-	(0.7)	-	-	(0.3)	-	-	-	-	(4.3)	(6.7)	(7.8)	-	-	(7.3)	(3.1)	(14.3)	(15.9)
Profit (loss) before tax	53.6	80.0	7.8	10.1	118.8	108.6	0.8	1.7	(13.0)	13.5	(49.5)	(53.3)	(10.4)	(5.8)	(7.3)	(3.1)	100.9	151.7
Cost income ratio	24%	21%	38%	40%	38%	59%	79%	68%	n.s.	70%	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	60%	63%

## illimity - Asset quality in SME lending under control



**43**BPS

**Cost of Risk** 



~54%

Guaranteed/Insured loans

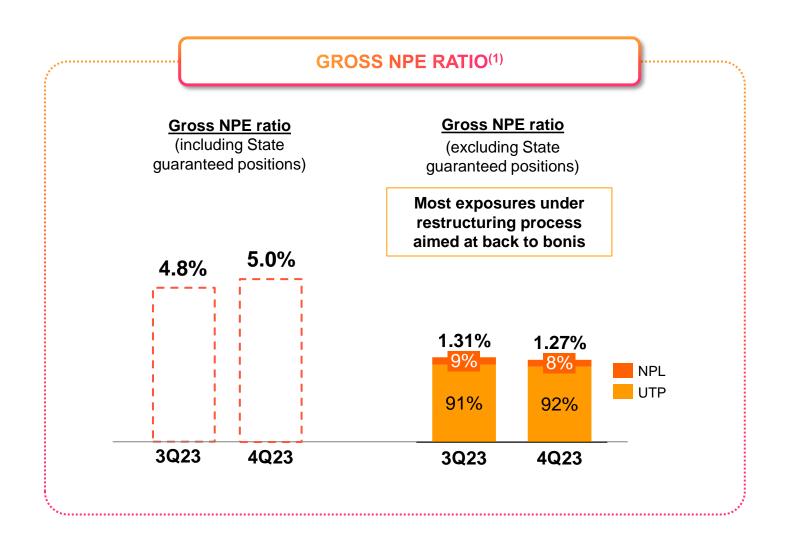
as % of total gross loans (2)



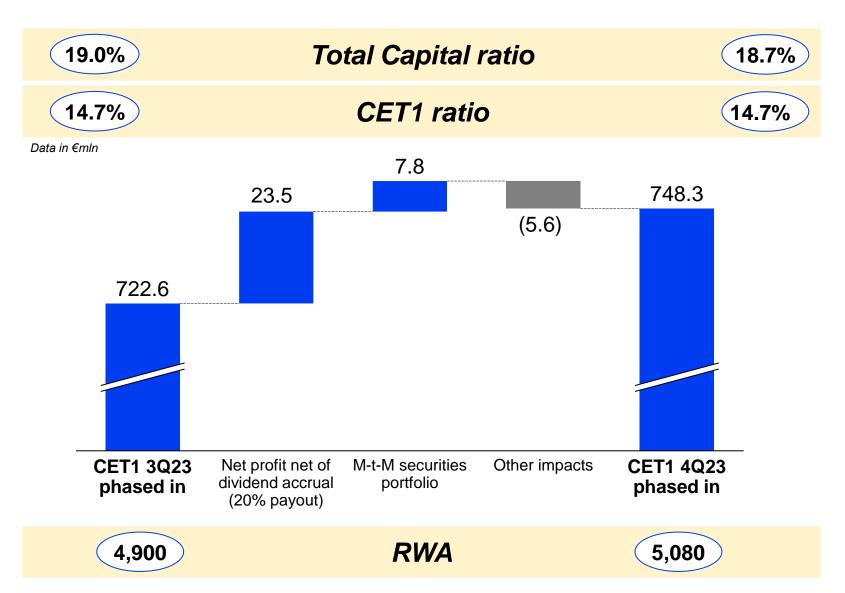
~3.8%

Stage 2 Loans

as % of total gross loans(2)(3)



## illimity - Solid CET1 ratio at 14.7%



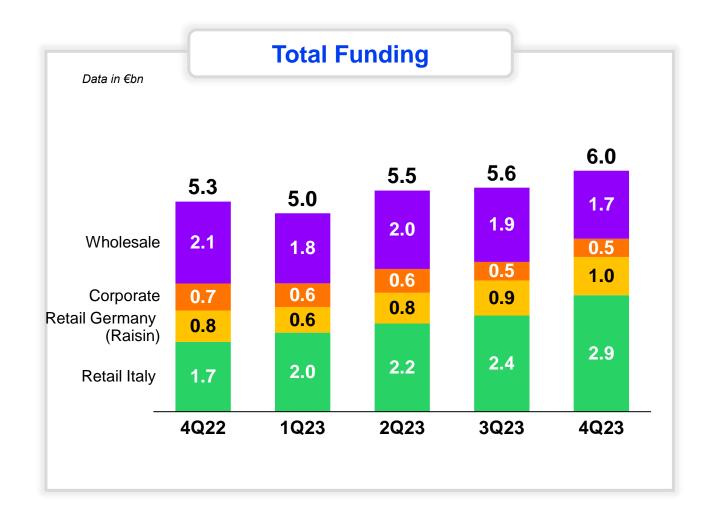
- CET1 ratio phased-in to 14.7% (14.7% fully loaded) flat Q/Q
- CET1 Capital<sup>(1)</sup> in 4Q23 increased by about €25mln, driven by profit generation in quarter
- RWA slightly up in 4Q23 following increase in customer loans

Notes: Rounded figures; (1) Phased-in definition;

## illimity - Sound liquidity profile



## illimity - Direct banking leads funding advance





Retail deposits totalled €3.9bn, up 18% QoQ with strong contribution from our proprietary retail platform illimitybank.com



Wholesale funding is slightly down QoQ, mainly due to institutional bond maturity



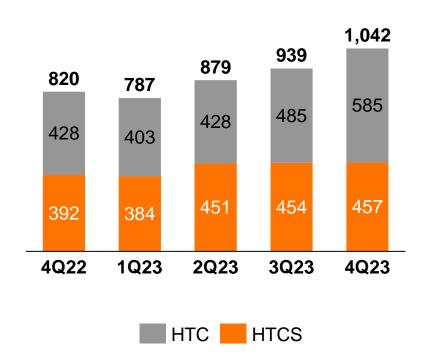
Well-diversified funding mix with balanced contribution from all sources

Notes: Rounded figures; Non accounting figures

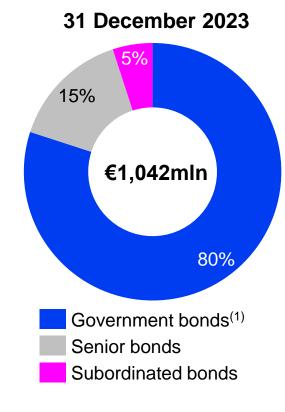
### illimity - Prudent strategy on securities portfolio

#### **Securities portfolio**

#### Data in €mIn



## Portfolio composition HTCS / HTC



- Prudent strategy with
   government bonds representing
   80% of total securities portfolio
- Negligible unrealised losses on HTC securities, hedge accounting strategy in place on a large part of HTCS securities to mitigate impact from further interest rates volatility
- Duration ~2.8 years
- Average yield approx. 3.3%

## Appendix



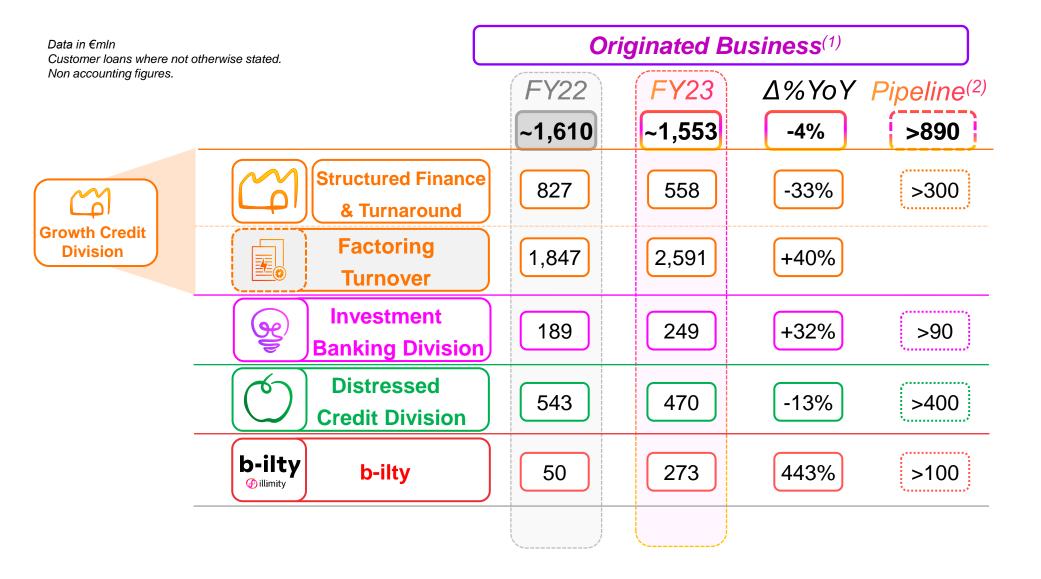
## illimity - KPIs trend

	3Q23	4Q23	FY22	FY23
ET1 Ratio <sup>(1)</sup>	14.7%	14.7%	15.8%	14.7%
otal Capital Ratio	19.0%	18.7%	20.4%	18.7%
.CR	235%	298%	317%	298%
NSFR	114%	120%	116%	120%
Cost income ratio <sup>(2)</sup>	65%	92%	60%	63%
ross organic NPE ratio excluding BIP) <sup>(3)</sup>	4.8%	5.0%	1.4%	5.0%
Gross organic NPE ratio <sup>(4)</sup>	5.6%	5.8%	2.6%	5.8%
rganic cost of risk (bps) nnualised <sup>(5)</sup>	22bps	79bps	30bps	43bps

- Solid capital position with robust CET1 Ratio
- LCR and NSFR comfortably above minimum requirements
- Cost income at 63% reflecting IT platform agreement. C/I core business at 45%.
- Organic NPE ratio on portfolio originated by illimity at 5.0% (5.8% including former BIP portfolio) but 1.3% excluding State guarantees
- Organic cost of risk down contained at 43bps, reflecting high share of guaranteed loans

Notes: (1) Phased-in definition; (2) Cost income ratio restated due to contribution to banking sector schemes reclassified out of Operating costs; (3) Excluding BIP legacy portfolio, see 'Gross organic NPE ratio' in the Glossary at the end of this document for further details; (4) See 'Gross organic NPE ratio' in the Glossary at the end of this document. Any failure to reconcile the stated figures arises exclusively from rounding; (5) Calculated as the ratio between loan loss provisions and net organic loans at 31 December 2023 (€3,237 million) for the segments Factoring, Cross-over, Acquisition Finance, Turnaround, b-ilty, Alternative Debt and receivables purchased as part of distressed loan portfolios that have undergone a change of credit quality classification subsequent to the time of purchase or disbursement (excluding credits acquired as bad loans), the loan portfolio of the former Banca Interprovinciale and Senior Financing to non-financial investors in distressed loans;

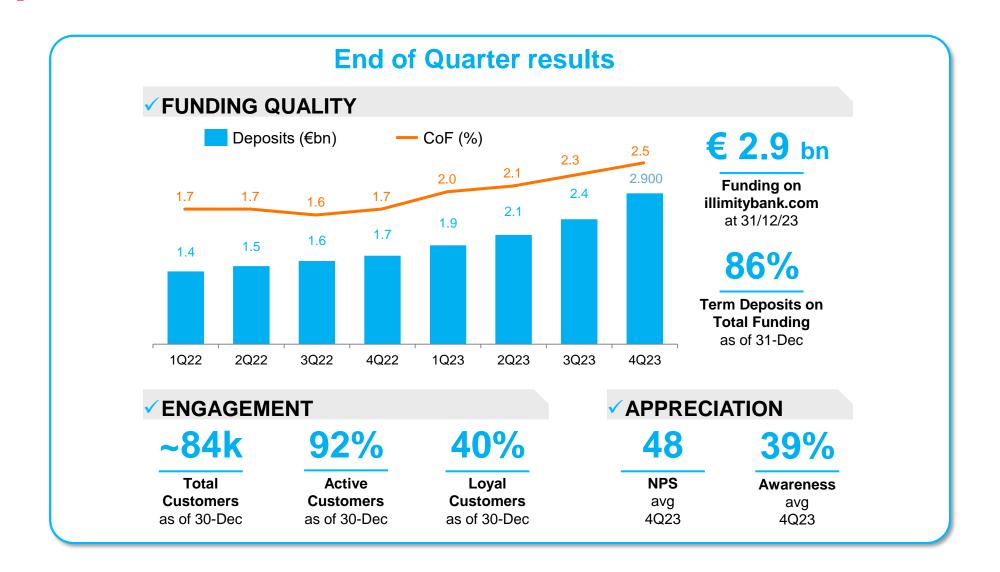
## illimity - Originated volumes



## <sup>48</sup> illimity - Strong SME and technology contribution

	CR	ROWTH EDIT Pincluded)	INVE BANI	STMENT KING		TRESSED Willimity		DIGITAL DIVISION		HQ FUNCTIONS		b-ilty  @illimity		HYPE		<b>(1)</b> TO	OTAL	
Data in €mln	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23
Net interest income	38.9	72.8	5.0	8.3	113.2	100.5	-	-	4.5	6.3	-	-	0.6	4.6	-	-	162.2	192.5
Net fees and commissions	27.4	27.2	8.8	9.8	21.8	32.0	3.7	4.9	(0.9)	(1.1)	-	-	0.8	3.9	-	-	61.6	76.7
Other income	7.4	3.9	1.3	(0.4)	75.0	31.3	0.1	0.4	17.0	54.5	-	-	-	-	-	-	100.8	89.7
Operating income	73.7	103.9	15.1	17.7	210.0	163.8	3.8	5.3	20.6	59.7	-	-	1.4	8.5	-	-	324.6	358.9
Staff costs	(11.4)	(14.6)	(3.8)	(4.6)	(33.7)	(43.4)	(2.5)	(2.9)	(7.4)	(10.1)	(23.1)	(24.6)	(4.2)	(5.2)	-	-	(86.1)	(105.4)
Other operating expenses and D&A	(6.5)	(7.2)	(1.9)	(2.5)	(45.7)	(53.6)	(0.5)	(0.7)	(26.2)	(31.8)	(19.7)	(20.9)	(7.1)	(4.9)	-	-	(107.5)	(121.6)
Operating costs	(17.9)	(21.8)	(5.7)	(7.1)	(79.4)	(97.0)	(3.0)	(3.6)	(33.6)	(41.9)	(42.8)	(45.5)	(11.3)	(10.1)	-	-	(193.6)	(227.0)
Operating profit	55.8	82.1	9.4	10.6	130.6	66.8	0.8	1.7	(13.0)	17.8	(42.8)	(45.5)	(9.9)	(1.6)	-	-	131.0	131.9
Provisions & value adjustments	(2.2)	(1.4)	(1.6)	(0.5)	(11.5)	41.8	-	-	-	-	-	-	(0.5)	(4.2)	-	-	(15.8)	35.7
Other net provisions and contribution to banking sector schemes	-	(0.7)	-	-	-	0.4	-	-	-	(4.3)	(6.7)	(7.8)	-	-	-	-	(6.7)	(12.4)
Other income from equity investments	-	-	-	-	(0.3)	(0.4)	-	-	-	-	-	-	-	-	(7.3)	(3.1)	(7.6)	(3.5)
Profit (loss) before tax	53.6	80.0	7.8	10.1	118.8	108.6	0.8	1.7	(13.0)	13.5	(49.5)	(53.3)	(10.4)	(5.8)	(7.3)	(3.1)	100.9	151.7
Cost income ratio	24%	21%	38%	40%	38%	59%	79%	68%	163%	70%	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	60%	63%
Interest earning assets	2.497	2.996	265	523	1.872	2.127	-	1	-	-	864	544	67	350	-	-	5.564	6.542
Other assets	161	163	0	2	226	177	-	0	87	130	241	164	1	1	76	81	791	717
RWA	1,532	1,813	169	230	2,100	2,429	5	7	89	130	376	330	14	96	44	45	4,330	5,080

# illimity - illimitybank.com: fulfilling funding needs of Group



## illimity - Glossary

- Servicing & Remarketing GBV: it equals to the Asset Under Management of the servicing unit - ARECneprix - and Quimmo initiative. It includes the gross book value of distressed credit and the value of property managed by neprix also on behalf of third-parties including a portion of portfolios related to Senior Financing transactions - and the real estate and capital goods assets managed within the remarketing activity
- ERC: Estimated Remaining Collections. It is the Bank's estimated remaining gross cash flows on purchased distressed loans
- Gross organic NPE ratio: Ratio of gross organic NPE to total gross loans to customers from Factoring, Cross-over, Acquisition Finance, Turnaround, b-ilty and receivables purchased as part of distressed loan portfolios that have undergone a change of credit quality classification subsequent to the time of purchase or disbursement (excluding credits acquired as bad loans), the loan portfolio of the former Banca Interprovinciale and Senior Financing to non-financial investors in distressed loans
- Originated business: This aggregate includes Growth Credit Division loans granted/purchased (for factoring only the difference of carrying amount of the period with the historical peak, if positive), Distressed Credit Investments booked, Senior Financing, Alternative Debt and bilty loans granted in the period and the value of the deals signed but yet booked in the period, owing to a settlement structure based on multiple tranches or to a time lag between the signing of the master agreement and the date of loan disbursement/onboarding.
- Profit from closed purchased distressed credit positions: Gains from definitive closure of non-performing exposures either through disposal to third parties or through discounted payoff ("DPO") agreed with the debtor

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Fabio Pelati
Head of Investor Relations & Sustainability

Mobile: +39 335 7853370

Email: fabio.pelati@illimity.com