

FITCH CONFIRMS ILLIMITY'S RATINGS

Milan, October 23, 2023 - illimity Bank S.p.A. ("illimity" or the "Bank"), announces that today the agency **Fitch Ratings** confirmed all ratings assigned to the Bank. In particular, the **Long-Term Issuer Default Rating (IDR)** was maintained at **"BB-" with Stable Outlook** and the **Long-Term deposits Rating** at **"BB."**

The rating agency points out the high specialisation of the Bank's business model focused on the SMEs sector, with a competitive advantage given by the presence of cyclical and anti-cyclical businesses that could support a through-the-cycle profitability.

Asset quality benefits from a high presence of public guarantees, with a gross NPE ratio that, excluding the latter, stands at 1.3%¹ The collections performance remains consistent thanks to a very prudent NPL pricing model.

Operating profitability is considered satisfactory and expected to increase in 2024 and 2025 benefiting from the increase in loans volumes and related economies of scale.

The liquidity profile is considered adequate in light of the diversification of funding sources between wholesale and retail, and with domestic funding based mainly on retail term deposits whose remuneration remains price sensitive to the interest rate trend.

With reference to the capital position, the latter is considered adequate in light of the large buffer compared to the regulatory minimum requirements.

Below the full list of rating assigned by Fitch:

- *LT IDR:* BB-
- *ST IDR:* B
- *Viability:* bb-
- *Long-Term deposits:* BB
- *Short-Term deposits:* B
- *Senior preferred LT:* BB-
- *Subordinated LT:* B

The full text of the Fitch Ratings press release is available on the rating agency's website (www.fitchratings.com).

For further information:

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¹ Data as of 30 June 2023.

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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 ARECneprix and provides digital direct banking services through *illimitybank.com*. illimity SGR, which sets up and manages alternative investment funds, is also a member of the Group. The story of the illimity Group 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 the MTA exchange and since September 2020 on the STAR segment. The banking group, headquartered in Milan, can already count on over 885 employees and ended the first half of 2023 with assets of around 6.7 billion euro.