

4Q24 & FY24 Consolidated Results

11th February 2025

Key highlights

Corrado Passera, CEO

Pivotal year for future growth



Strategic shift towards **SME focused bank** is being completed, **supported by a lean and well aligned organisational structure.**



FY24 results reflect **extraordinary and non-recurring measures**, confirming **solid capital and liquidity** positions.



Our subsidiaries and strategic ventures hold hidden **value** that sets us apart, **driving strong growth and value creation.**



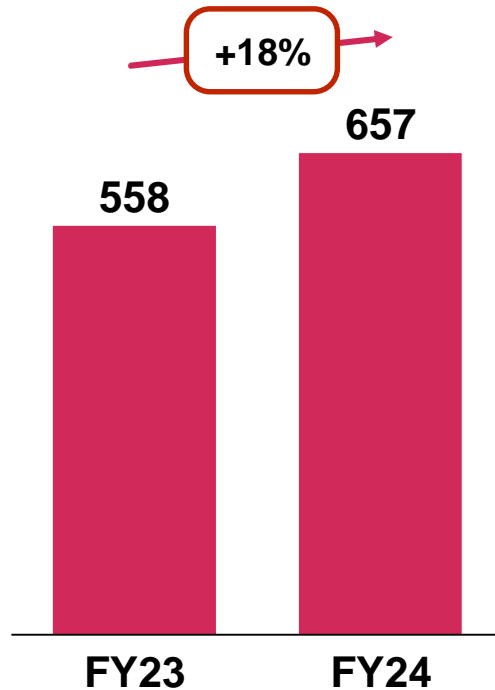
Following **unsolicited and not agreed** offer from Banca Ifis⁽¹⁾, BoDs, with support of advisors, is reviewing all **possible strategic options** in best interest of our shareholders and stakeholders

CIB division confirms strong performance

BUSINESS ORIENTATION SME LENDING

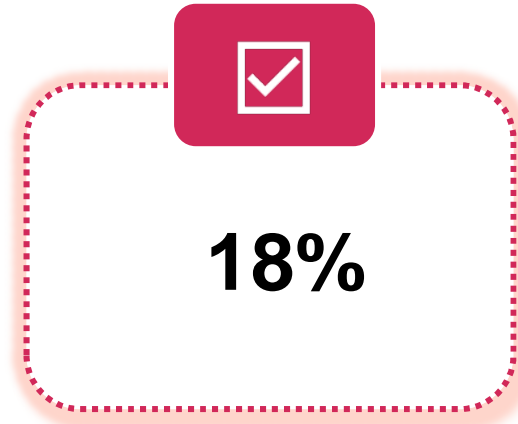
€bn

(Corporate Banking)



High demand for specialised SME lending

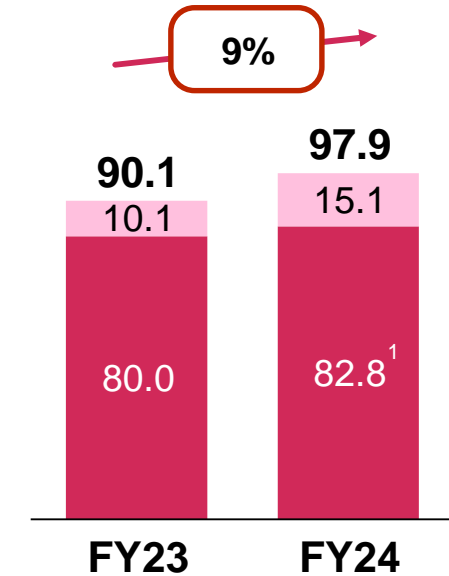
COST INCOME (CB+IB)



Excellent operating leverage

RESULT BEFORE TAX

€mln



Investment Banking Corporate Banking

Strong profitability confirmed

SPECIALISED BUSINESS



Structured Finance



Turnaround & Special Situation Finance



Investment Banking



Factoring



Asset Based Finance

UNIQUE SERVICE MODEL

Bank specialists

Strong banking expertise based on our team of specialists



Tutors in Turnaround & Structured finance

Tutors with financial and industries expertise

- **Multichannel Bank**
- **Tailor made services**
- **Highly specialised desks**
- **Operational agility**

HIGH MARKET POTENTIAL⁽¹⁾

Turnaround and special situation solutions

>300 € Mld

UTP, Past Due and Stage 2 Stock

Specialised lending for SMEs

230 € Mld

MLT lending to SMEs

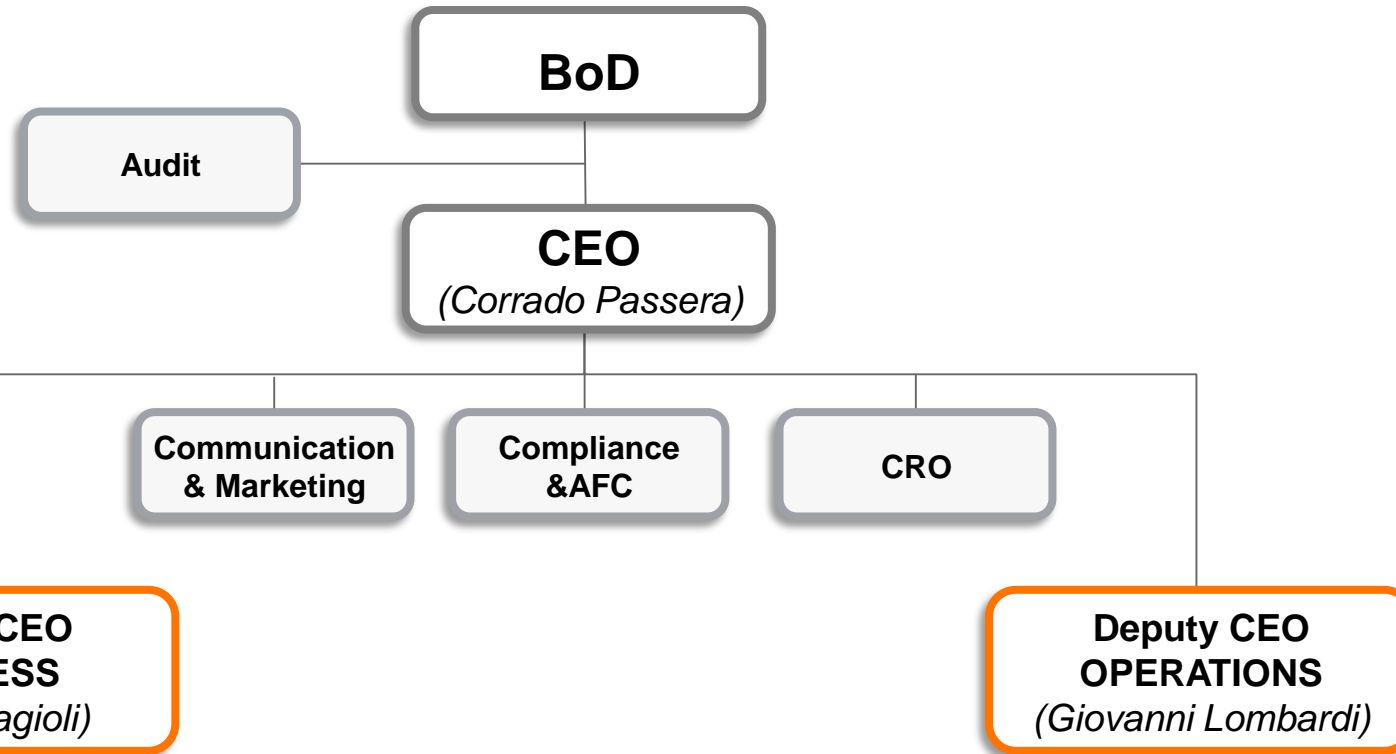
Specialised Asset Based financing

~20 € Mld

Real Estate Market

New organisational structure aligned with current business focus and efficiency improvement

New positions



- **New organisational structure** to strengthen key levels¹
- **Enrico Fagioli (already acting as Head of CB division and Chairman of illimity SGR):** Deputy CEO with responsibility for **business** activity of Group
- **Giovanni Lombardi (already acting as General Counsel and Secretary of BoD):** Deputy CEO with responsibility for overseeing **central functions** and **operations**

FY24 results reflects extraordinary items and solid capital & liquidity



Underlying operating result increased to €94mln (+21% Y/Y)
despite lower NPE business contribution



Strategic transaction completed as planned
unlocking our Tech assets value (€53mln gain) with capital benefit of 109bps



4Q results include extraordinary adjustments and impairments
with total negative impact of €118mln



FY24 net result before goodwill impairments at €39mln,
absorbed by goodwill impairments, bringing bottom line to breakeven



Asset quality in SME lending under control
with Gross NPE ratio¹ at 1.1%

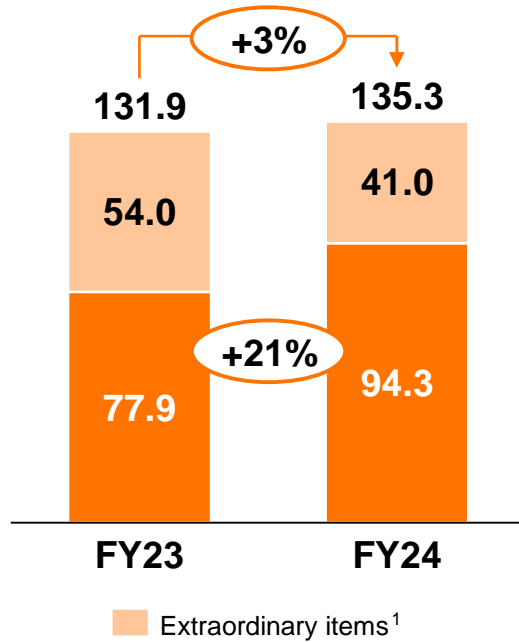


Solid capital and liquidity position
CET1 capital ratio at 14.3% substantially flat Q/Q and €1.2bln liquidity buffer²

Operating profitability up despite lower NPE contribution

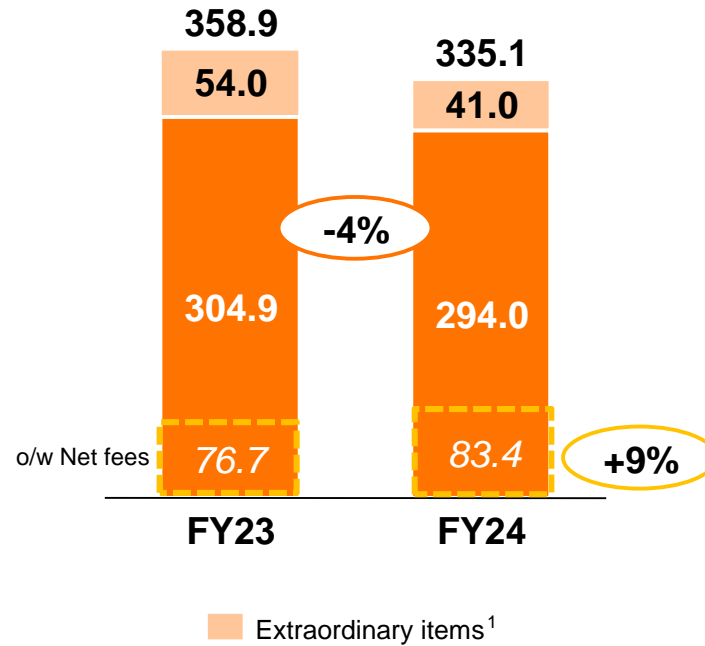
OPERATING RESULT

€mln



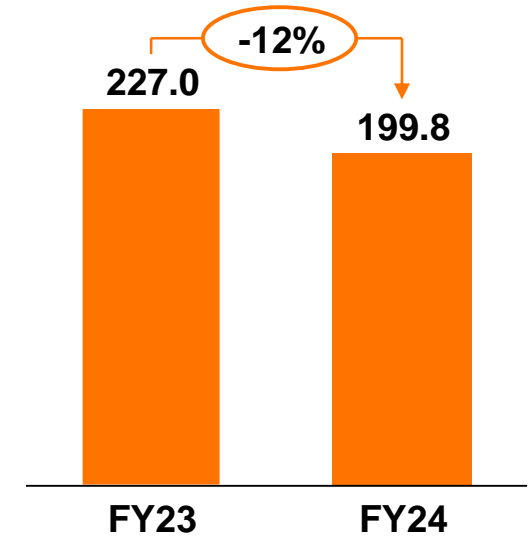
OPERATING INCOME

€mln



OPERATING COSTS

€mln



Notes: (1) 2Q23: Revenue from the IT Platform (€54mln) transaction; 4Q24: Revenues from the disposal of the NewCo "altermAlnd" (€53mln) and impairment on assets at FV (€11mln).

Key strategic transaction unlocking Tech asset value

TRANSACTION STRUCTURE⁽¹⁾



48%

52%⁽²⁾



(AI Tech Company)

Contribution of Tech assets and staff of the Digital Competence Line

AltermAInd will manage in **outsourcing all IT services of illimity**

RATIONAL AND BENEFITS

NET CAPITAL GAIN

€53MLN

CET1 RATIO IMPACT

+109BPS

Consolidation of Tech edge over competitors, also taking into account most recent market trends such as Artificial Intelligence

Capital strengthening

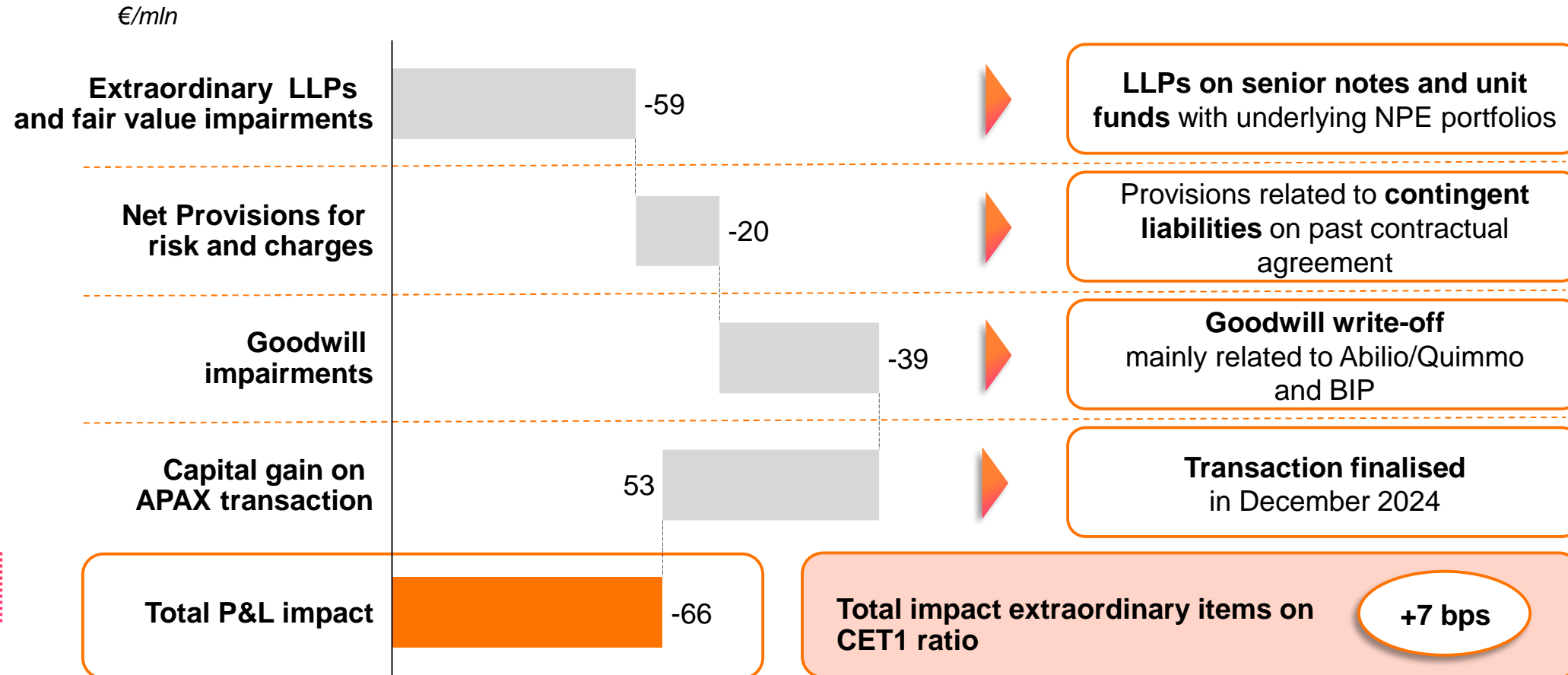
Structural IT costs savings resulting in efficiency improvement

Keeping high quality digital services to clients

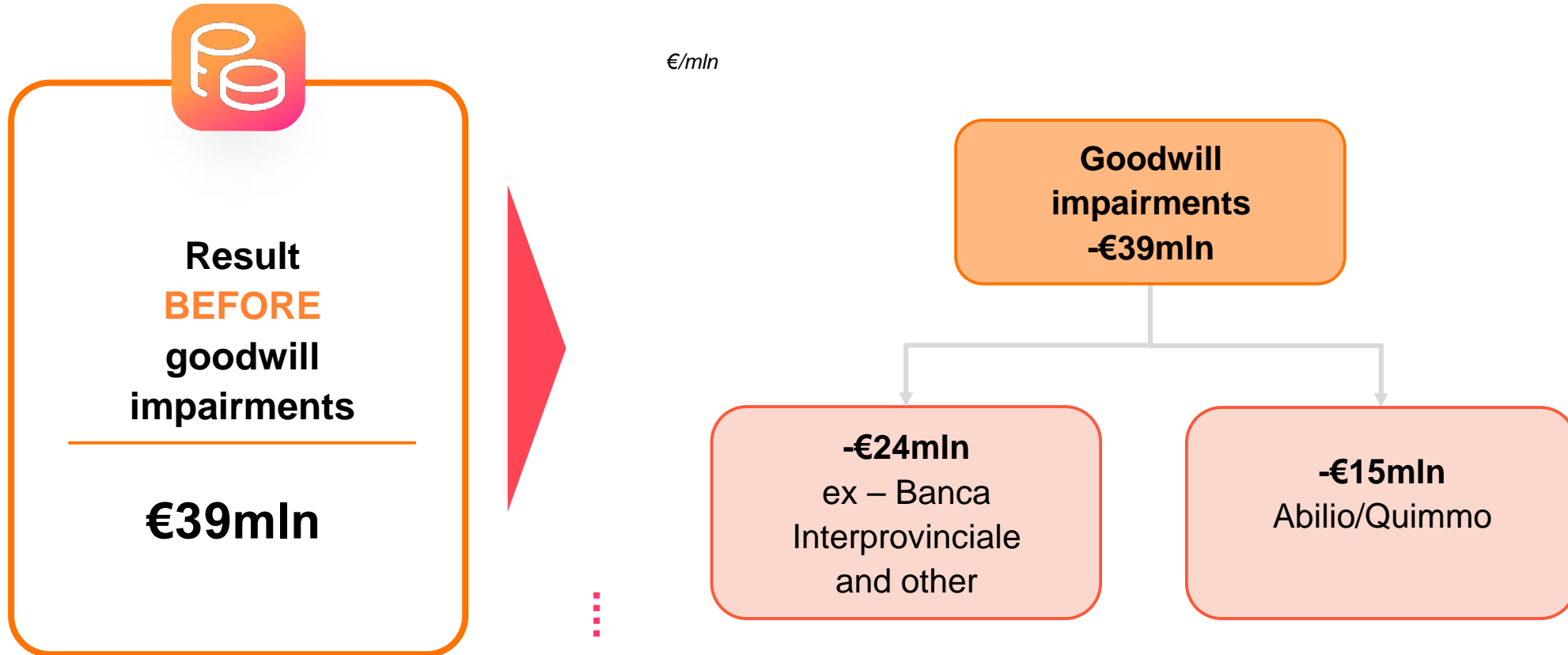
Participation in revenue generated by AltermAInd

4Q24 marked by extraordinary items with capital impact slightly positive

DETAIL OF EXTRAORDINARY ITEMS BOOKED IN 4Q24



Result before goodwill impairments at €39mIn



Lending asset quality under control



~59%

Guaranteed/Insured loans

as % of total gross loans⁽²⁾



78BPS

Ordinary Cost of Risk

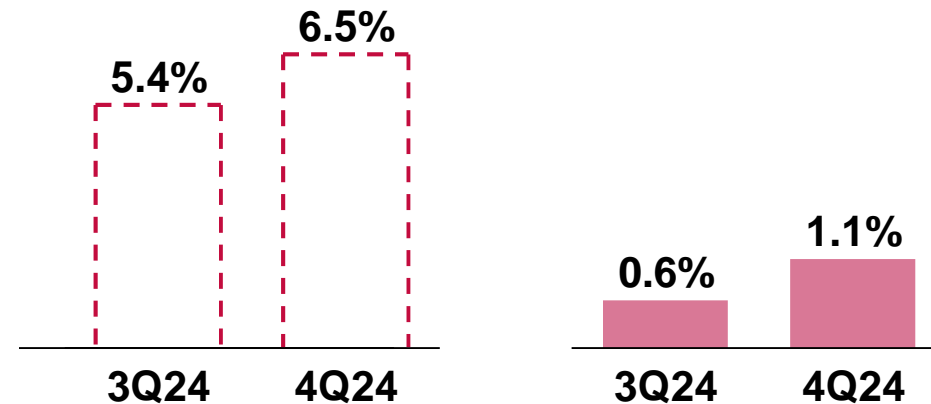
Mostly tied to some positions undergoing restructuring and disposals

GROSS NPE RATIO⁽¹⁾

Gross NPE ratio
(including Public guaranteed positions)

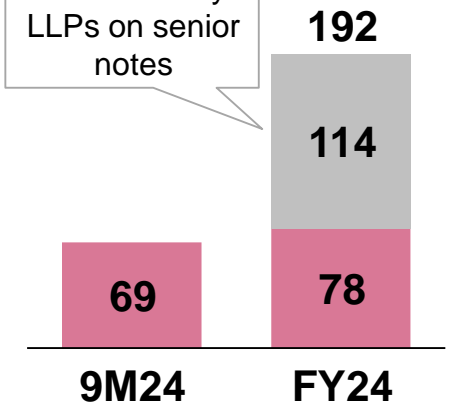
Gross NPE ratio
(excluding Public guaranteed positions)

~90% exposures are UTPs in restructuring to performing



COST OF RISK - BPS

Impact of extraordinary LLPs on senior notes



Solid capital and liquidity

CAPITAL



14.3%
CET 1 Ratio

18.2%
Total Capital ratio

LIQUIDITY



~ 1.2bn
Liquidity⁽¹⁾


~ 252%
LCR

~ 116%
NSFR

Hidden value beyond our SME business

SUBSIDIARIES

AREC  neprix
Asset Management
Company

 illimity

(100%)

UTP and Stage 2
management

 illimity
SGR

 illimity

(100%)

AM company in
credit positions

IT PARTNERSHIP

**alter
mand**

 illimity
(48%)

Apax
(52%)

AI Tech
Company

 illimity




ENGINEERING
THE DIGITAL TRANSFORMATION COMPANY

Partnership on
IT Platform

TECH VENTURES

HYPE

 illimity
(50%)

Sella

(50%)

JV Retail Fintech

b-ilty
 illimity

**Business
Division**

Lend-Tech for small
corporates

 **pehi**
 illimity

**Business
Service**

New proximity
channel

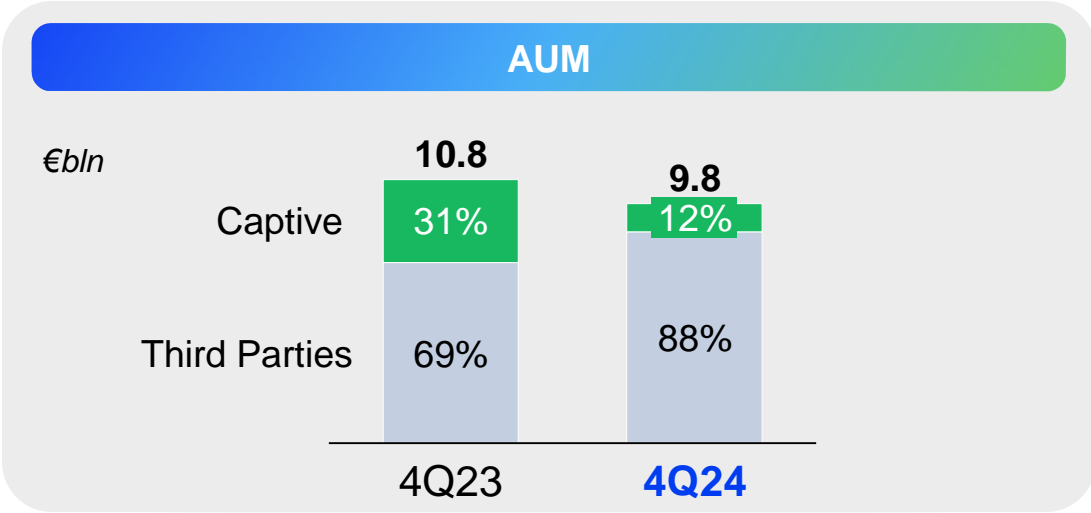
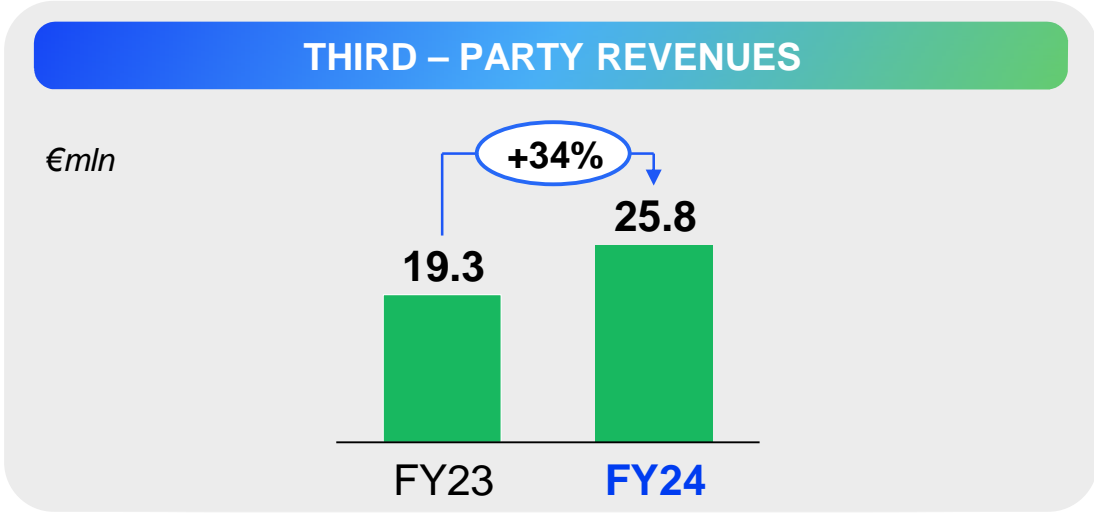
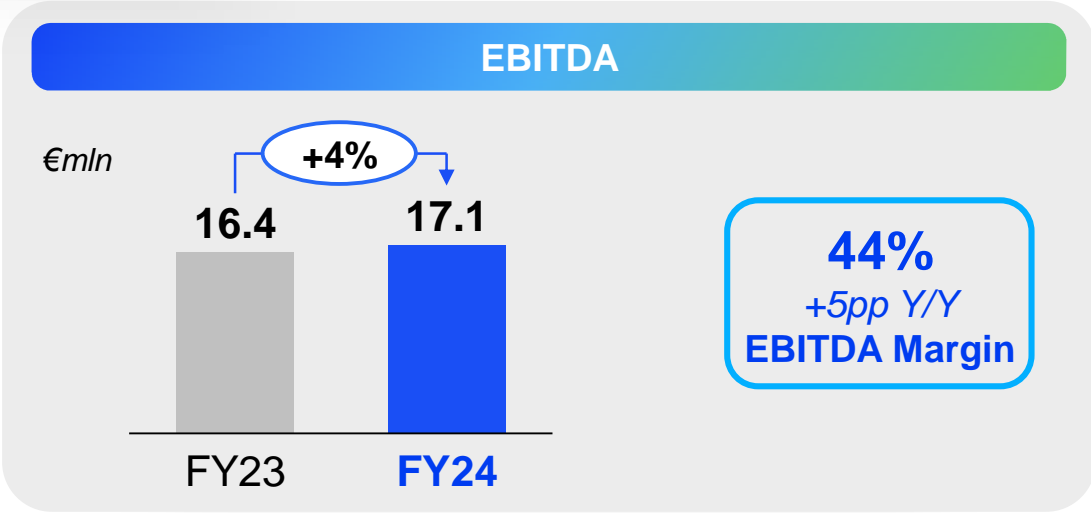
 **quimmo**
il tuo immobile è qui

 illimity

(82%)

RE brokerage
on-line platform

Strong profitability increase driven by third-party mandates



ARECneprix consolidated its positioning as **total asset management company**, specialised in large UTP/Stage 2 exposures and real estate asset manager



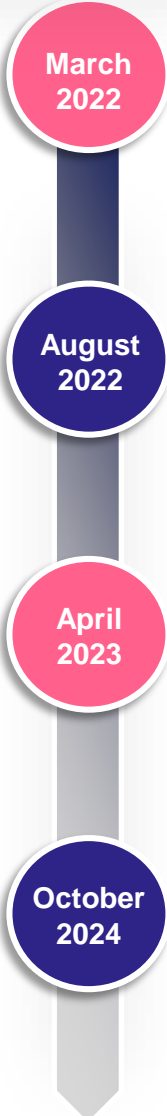
Significant EBITDA progression, driven by **increase in third-party mandates**, structuring and advisory fees



Revenue is expected to benefit from growing demand for Stage 2 exposure management, where ARECneprix has strong distinctive expertise

AUM increase drives profitability growth

Funds launched



Credit & Corporate Turnaround Fund (iCCT)

- UTP
- AuM⁽¹⁾: **€293mIn**

Real Estate Credit Fund (iREC)

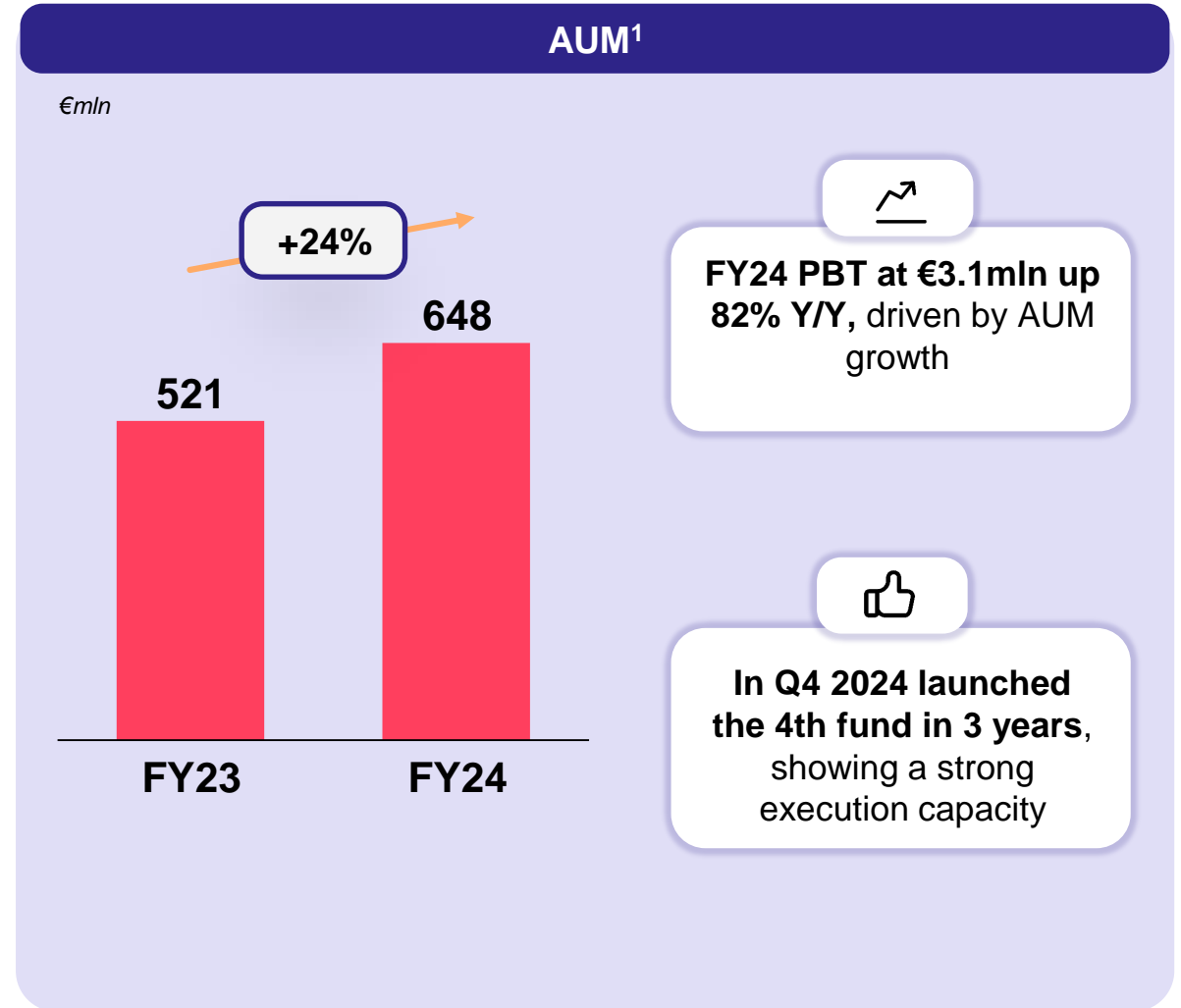
- NPE
- AuM⁽¹⁾: **€225mIn**

Selective Credit Fund (iSC) art. 8 SFDR⁽²⁾

- Single name performing unlisted SMEs
- AuM⁽¹⁾: **€112mIn**

NPL Granular Fund (FGNPL)

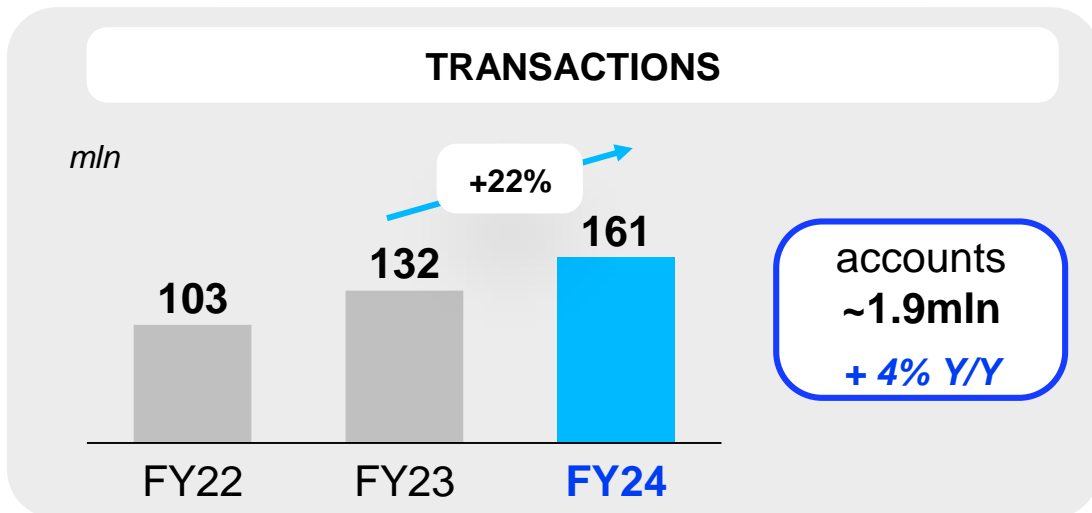
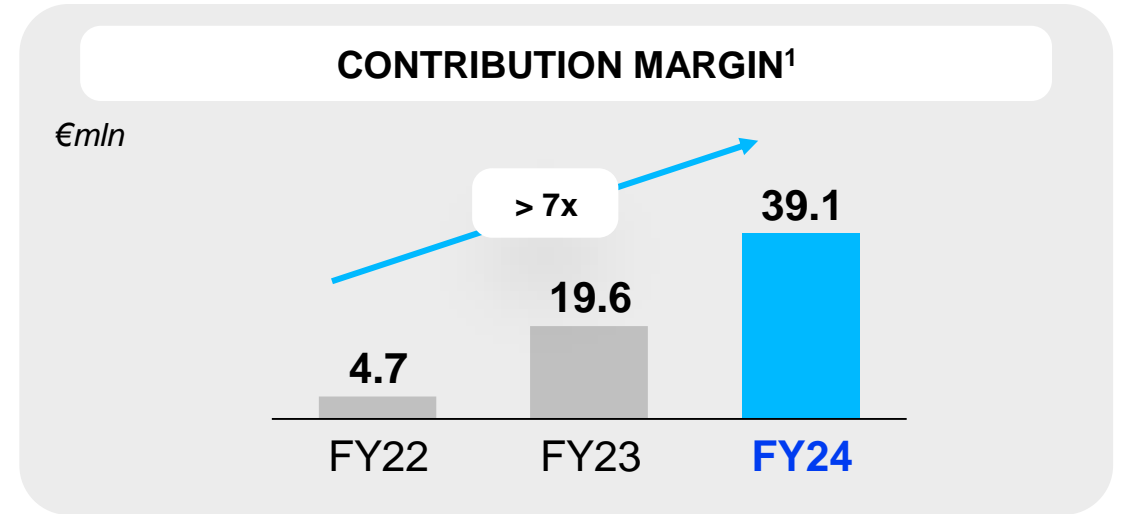
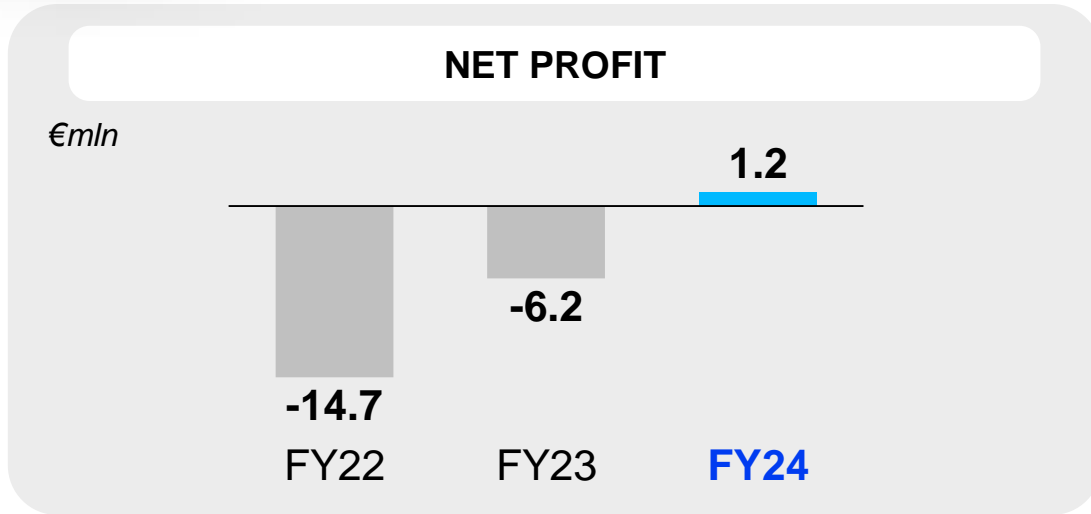
- NPL and UTP
- AuM⁽¹⁾: **€17mIn** (1st round of collections)



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.



Profitability rising with more transactions and accounts



Steady profitability improvement leading to net profit in 2024, with significant upside in both revenue growth and efficiency gains



Significant increase in contribution margin

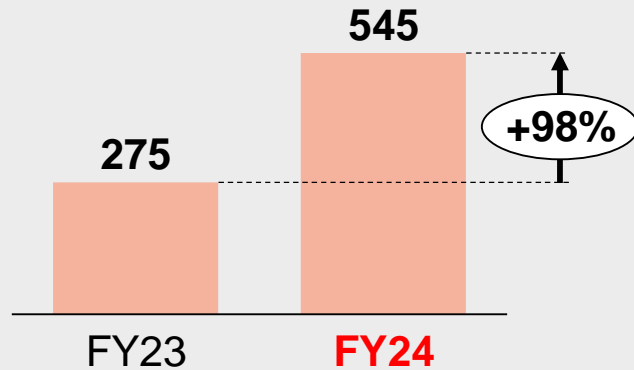


Steady growth in account and transaction numbers

Breakeven achieved driven by strong volume growth

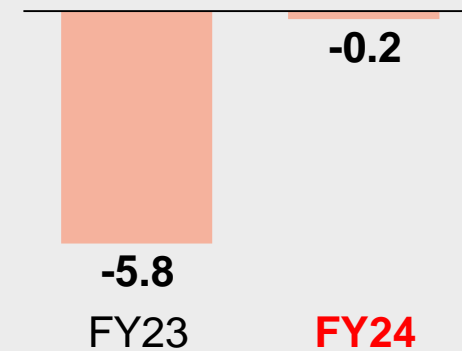
BUSINESS ORIGATION

€mln



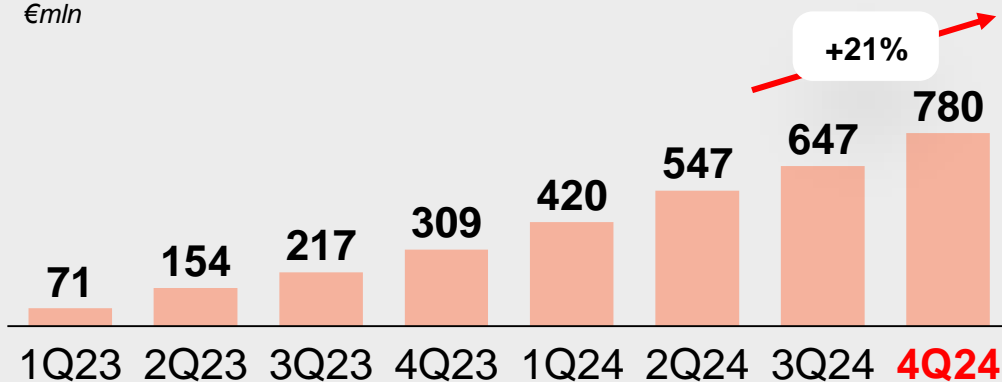
PROFIT BEFORE TAX

€mln



NET CUSTOMERS LOANS

€mln



Business origination more than doubled at 545mln, bringing Net customer loans to €780mln (+21% QoQ)



All customer loans assisted by **public guarantees**

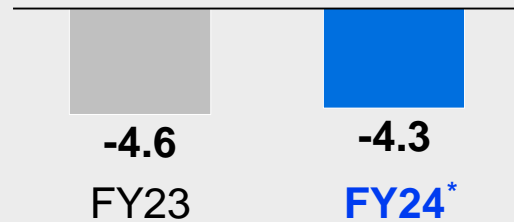


Remarkable profitability improvement backed by volume growth

Strengthening judicial market leadership with open market growth

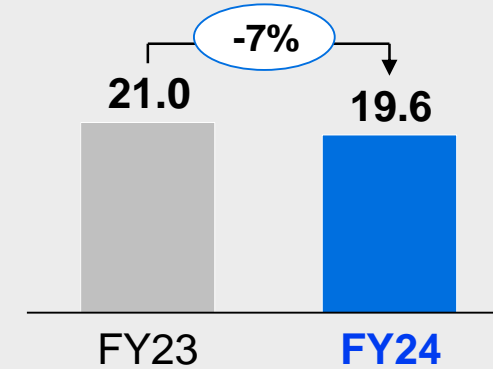
NET RESULT

€mln

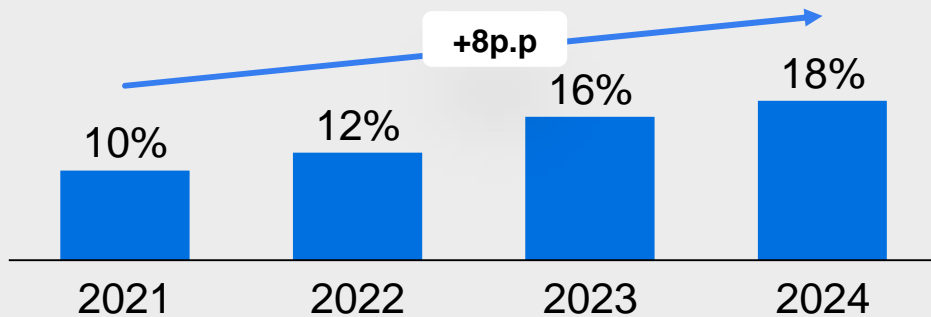


OPERATING COSTS

€mln



JUDICIAL MARKET SHARE



Leader in judicial market with market share further strengthened



Strong pipeline in open market focused on high-end residential properties

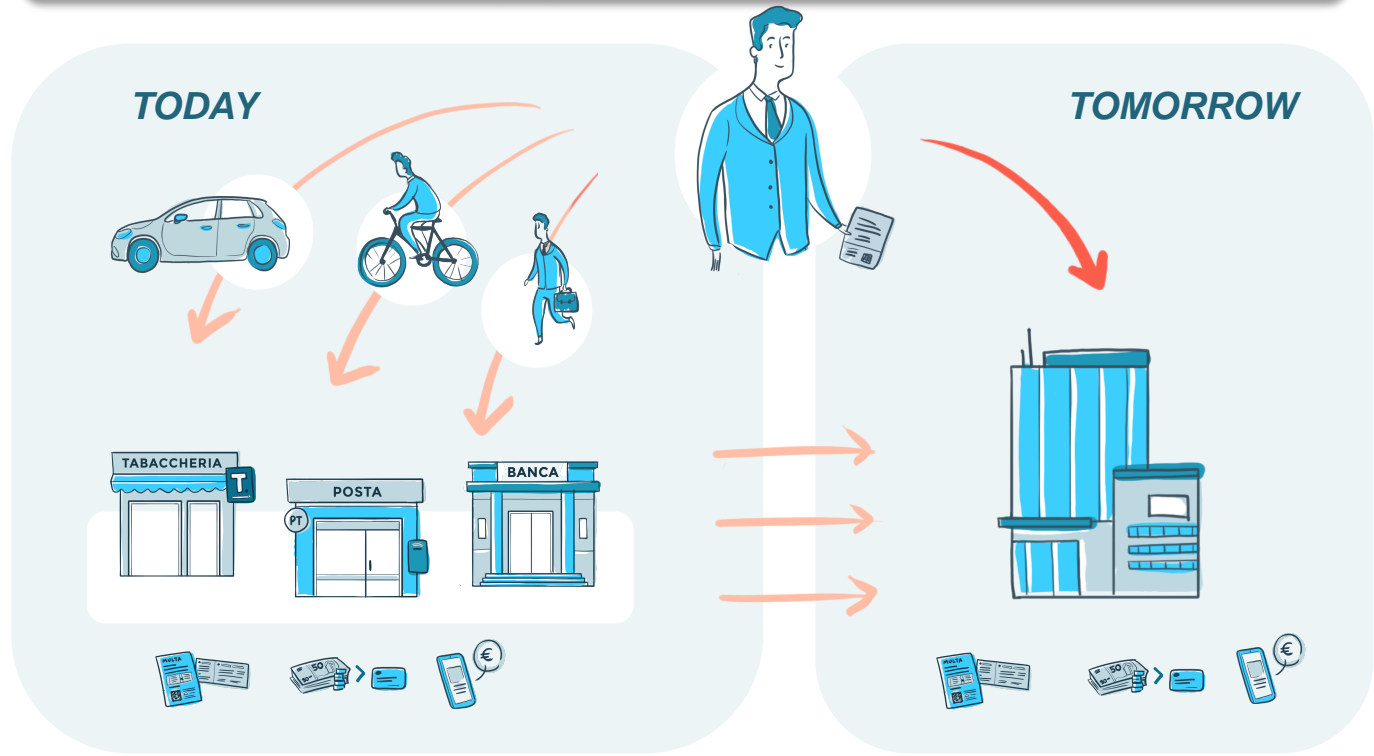


Profitability to benefit from ongoing cost base rationalisation and recent bankruptcy trend reversing

(*) Excluding goodwill impairments (€9mln)

Innovating cash digitalisation through new very competitive proximity channel

Enable vending machines as new proximity channel in world of payments/services



~150k
Manned or ATM's

~300k
Already connected online

835 k
Vending Machine

Binding agreement with **leaders** (60% mkt share)

31 Mln
Italians (50%)

use **vending machines** at least **once year**

422 Mln
PagoPA transaction

Of which **~50% in cash**, with expected growth in coming years (~515 mln in 2025)

1.7 Bn
transactions on proximity channels

Which **generate €2.2 bn** in **annual commissions** for industry

altermand focuses on Innovation and Technological Solutions

 **Mission:** to reshape organisations by embedding AI-centric systems that unite innovation and compliance.

Digital Products

Advanced AI-Driven Solutions:

- **Gravity:** AI governance platform that ensures compliance, transparency, and accountability across AI systems
- **Nebula:** cloud SLA monitoring platform designed to provide real-time observability of cloud services, ensuring alignment with compliance standards like DORA
- **Echo:** ESG platform that simplifies reporting and compliance with sustainability regulations

Banking Services

Banking Services Offerings:

- Comprehensive outsourcing solutions tailored to financial institutions
- Advanced tools for security, resilience, and governance to ensure operational continuity
- Tech-driven approaches to enhance customer experiences and streamline back-office processes

Digital Services

Digital Services for AI Agents:

- **Radar:** quarterly insights service offering actionable recommendations for marketing, brand positioning, and market trends
- **Reboot:** configurable AI agent designed for specific organizational functions or roles
- **Slash:** digital mindset and AI readiness assessment service that evaluates an organisation's readiness for the AI era

Banca IFIS Voluntary Tender and Exchange Offer on all illimity shares

On 8 January '25 Banca Ifis announced Voluntary Tender and Exchange Offer on all illimity shares (“Offer”), not agreed nor previously solicited



Strategic transactions planned for early 2025 have been delayed due to offer, with effects on 1H25 results



Timing of new Business Plan presentation could be affected by Offer development



BoDs, with support of advisors, is analysing all strategic options in best interest of illimity’s shareholders and stakeholders

Financial review

Silvia Benzi, CFO

SME lending drives growth

Data in €mln

Reclassified Balance sheet		31.12.2023	31.03.2024	30.06.2024	30.09.2024	31.12.2024	Δ 31.12.24/ 30.09.24	Δ 31.12.24/ 31.12.23
	Cash and cash equivalent	432	273	321	368	387	5%	(10)%
	Due from banks and other	113	106	194	271	306	13%	>100%
1	Customer loans	4,064	4,073	4,601	4,724	4,766	1%	17%
	- NPE direct investments	415	137	134	129	117	(9)%	(72)%
	- Asset based, Senior financing & Other	584	864	1,246	1,310	1,239	(5)%	>100%
	- Corporate Banking	2,383	2,280	2,301	2,306	2,304	(0)%	(3)%
	- Structured Finance	981	1,005	1,027	1,003	898	(10)%	(8)%
	- Turnaround	820	723	727	780	698	(11)%	(15)%
	- Factoring	582	552	546	522	709	36%	22%
	- b-ilty	309	420	547	647	780	21%	>100%
	- Investment banking	305	304	308	270	264	(2)%	(14)%
	- Non-core former Banca Interprovinciale	67	66	65	63	62	(0)%	(7)%
2	Financial assets Held To Collect (HTC) ¹	585	870	934	985	942	(4)%	61%
	Financial Assets Held To Collect & Sell (HTCS) ²	457	619	766	681	748	10%	64%
	Financial assets measured at FVTPL ³	528	544	559	564	563	(0)%	7%
	Investments in associates and companies subject to joint control	81	81	82	82	140	72%	73%
3	Goodwill	70	70	70	72	34	(53)%	(52)%
4	Intangible assets	84	82	87	90	31	(66)%	(64)%
	Other assets (incl. Tangible and tax assets) ⁴	846	847	509	490	524	7%	(38)%
	Total assets	7,259	7,565	8,124	8,328	8,441	1%	16%
5	Due to banks	942	802	877	945	865	(8)%	(8)%
	Due to customers	4,487	4,898	5,092	4,977	5,307	7%	18%
	Bond/Securities	612	621	926	1,111	1,052	(5)%	72%
	Shareholders' Equity ⁵	956	973	962	977	938	(4)%	(2)%
	Other liabilities	262	272	268	318	279	(12)%	6%
	Total liabilities	7,259	7,565	8,124	8,328	8,441	1%	16%

1 **Net customer loans up 17% Y/Y** driven by origination in SME lending notwithstanding several early repayment and shift away from NPE portfolio direct investments

2 **Financial assets up Y/Y** backing strong liquidity buffers

3 **Goodwill decreased Y/Y** due to impairments related to Abilio/Quimmo and BIP booked in 4Q24

4 **Intangibles down Y/Y** due to contribution of illimity software to NewCo (AltermAlnd) whose disposal was finalised in 4Q24

5 **Funding up Y/Y** driven by wholesale component

FY24 profitability reflects extraordinary items and strategic shift

Data in €mln

Non-recurring items¹

Reclassified Profit & Loss	1Q24	2Q24	3Q24	4Q24	Δ Q/Q%	FY23	FY24	Δ Y/Y%
Interest income	104.4	109.3	110.5	111.1	1%	397.3	435.3	10%
Interest expenses	(64.9)	(70.3)	(72.6)	(70.3)	(3)%	(204.8)	(278.1)	36%
Net interest income	39.6	38.9	37.9	40.8	8%	192.5	157.2	(18)%
Net fees and commissions	18.1	28.3	16.8	20.3	21%	76.7	83.4	9%
Net result from trading and Fair Value assets	8.3	11.6	4.0	(7.2)	n.s.	(0.5)	16.8	n.s.
Net other income/expenses	2.6	2.3	3.4	55.7	>100%	59.9	63.9	7%
Profit from closed purchased distressed credit positions ²	6.0	2.3	2.4	3.2	30%	30.3	13.9	(54)%
Operating income	74.4	83.4	64.5	112.8	75%	358.9	335.1	(7)%
Operating income excl. non-recurring items	74.4	83.4	64.5	71.7	11%	304.9	294.0	(4)%
Staff costs	(23.5)	(24.9)	(22.0)	(9.3)	(58)%	(105.4)	(79.7)	(24)%
Other administrative expenses	(21.1)	(21.7)	(21.8)	(26.7)	23%	(99.0)	(91.3)	(8)%
Depreciation & Amortisation	(6.2)	(6.2)	(7.1)	(9.2)	31%	(22.6)	(28.7)	27%
Operating costs	(50.8)	(52.8)	(50.8)	(45.3)	(11)%	(227.0)	(199.7)	(12)%
Operating profit	23.7	30.5	13.7	67.4	>100%	131.9	135.3	3%
Operating profit excl. non-recurring items	23.7	30.5	13.7	26.4	93%	77.9	94.3	21%
Loan loss provision charges	(7.5)	(9.3)	(4.7)	(58.9)	>100%	(14.0)	(80.3)	>100%
Value adjustments on purchased distressed credit	(0.7)	(0.6)	1.9	(0.9)	n.s.	50.5	(0.3)	n.s.
Value adjustments on securities and loans to banks and off-balance	(0.9)	0.5	0.1	0.1	n.s.	(0.7)	(0.2)	n.s.
Other net provisions for risks and charges	(0.1)	(0.1)	(0.0)	(0.0)	n.s.	(0.3)	(0.2)	n.s.
Other income from equity investments	0.2	0.5	(0.2)	0.3	n.s.	(3.5)	0.8	n.s.
Contribution to banking sector schemes and other non-recurring charges ³	(0.4)	(6.9)	(0.1)	(59.2)	>100%	(12.1)	(66.6)	>100%
Profit (loss) before tax	14.4	14.6	10.7	(51.2)	n.s.	151.7	(11.5)	n.s.
Pre-tax result excl. non-recurring items	14.4	14.6	10.7	14.5	36%	97.7	54.2	(45)%
Income tax	(3.7)	(2.5)	(2.8)	18.6	n.s.	(47.9)	9.5	n.s.
Minority Interest	0.1	0.1	0.2	2.0	>100%	0.6	2.4	>100%
Net profit	10.8	12.2	8.0	(30.6)	n.s.	104.4	0.4	(100)%
Net result excl. non-recurring items	10.8	12.2	8.0	9.2	14%	68.3	40.2	(41)%

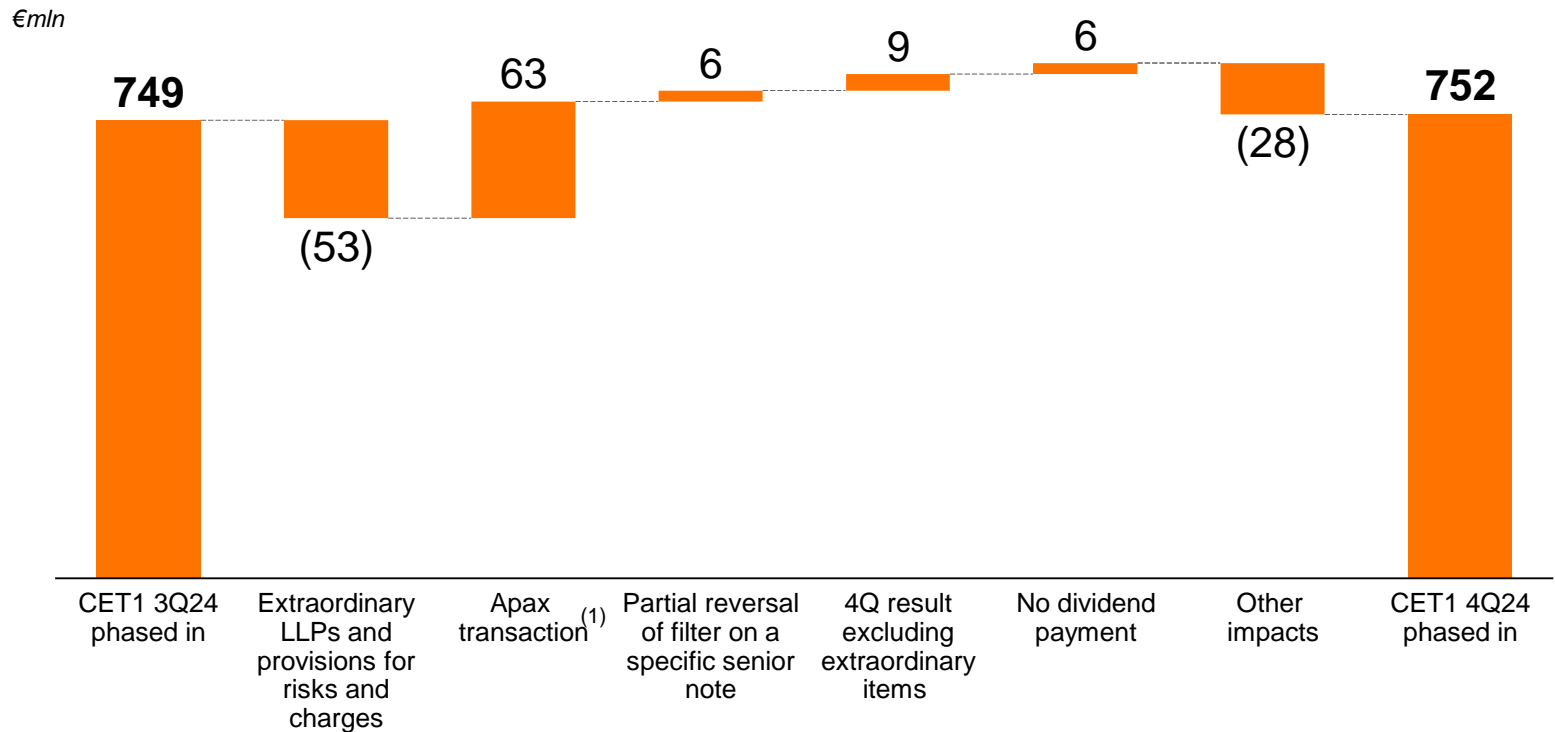
- Net interest income up Q/Q** benefitting from cost of funding that in December 2024 started to decline. **Y/Y** trend affected by higher cost of funding and reduction in NPE direct investments.
- Net fees and commissions up Q/Q** due to increase in third-party mandates in servicing business following seasonal 3Q. **YoY dynamic is positively underpinned** by SME lending, higher IB activity and increase in servicing business
- Other income** includes extraordinary items⁽¹⁾. Excluding them **Q/Q** was flat. **Y/Y** higher revenue from derivative business activity with customers more than offset lower contribution from NPE investment business.
- Operating cost down both Q/Q and Y/Y** mainly due to reduction in incentive scheme
- LLPs up both Q/Q and Y/Y** reflecting additional provisions on senior notes and strengthening of coverage ratios
- Includes extraordinary provisions on contingent liabilities** (€20mln) and **goodwill impairment** (€39mln)

Net result excluding only goodwill impairments at €39.1mln

High solidity with CET1 ratio stable at ~14.3%

18.4% *Total Capital ratio* **18.2%**

14.4% *CET1 ratio* **14.3%**

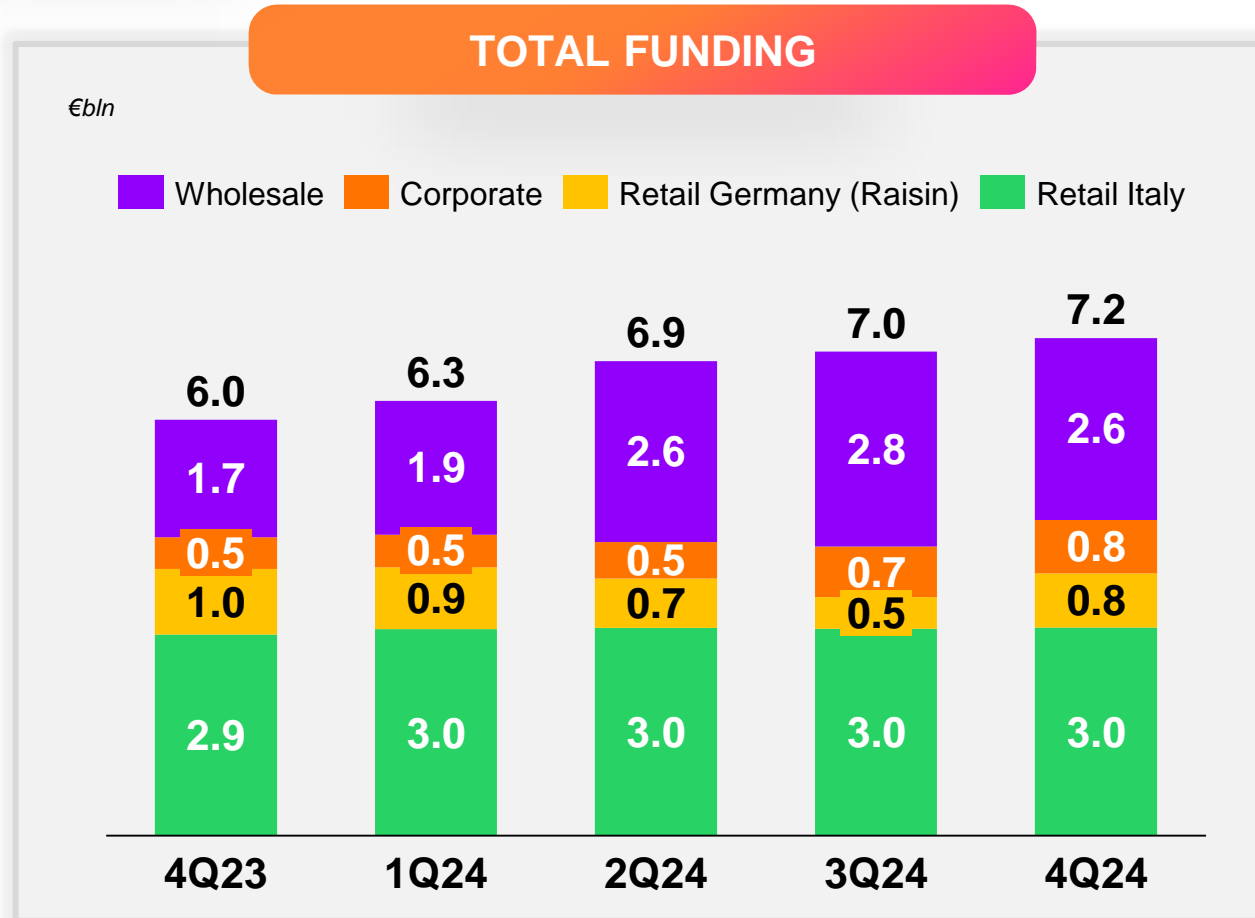


- **CET1 ratio phased-in at ~14.3%** (13.9% fully loaded, largely above regulatory requirement)
- **CET1 Capital⁽²⁾ at €752mIn** flat Y/Y
- **RWA slightly up**

5,196 *RWA* **5,239**

Notes: Rounded figures. (1) Includes €53 million gain and other effects on capital related to the transaction. (2) Phased-in definition

Funding up keeping well diversified mix



Retail deposits totalled €3.8bn, up 10% QoQ, due to higher deposits from Raisin platform, whilst funding from proprietary retail platform illimitybank.com remaining flat



Wholesale funding down QoQ, due to lower repos and bonds



Blended cost of funding stood at 4.0%, started reducing in December with downward trend expected to continue in 2025.

Appendix

Details of non-recurring items booked in 4Q24

Data in €mln

Reclassified Profit & Loss	FY23	Non-recurring Items	FY23 Adj.	FY24 Stated	Non-recurring Items	4Q24 Adj.	FY24 Adj.
Interest income	397.3		397.3	435.3		111.1	435.3
Interest expenses	(204.8)		(204.8)	(278.1)		(70.3)	(278.1)
Net interest income	192.5		192.5	157.2		40.8	157.2
Net fees and commissions	76.7		76.7	83.4		20.3	83.4
Net result from trading and Fair Value assets	(0.5)	① 54.0	(0.5)	16.8	② (11.5)	4.3	28.2
Net other income/expenses	59.9		5.9	63.9	③ 52.5	3.2	11.4
Profit from closed purchased distressed credit positions	30.3		30.3	13.9		3.2	13.9
Operating income	358.9		304.9	335.1		71.7	294.0
Staff costs	(105.4)		(105.4)	(79.7)		(9.3)	(79.7)
Other administrative expenses	(99.0)		(99.0)	(91.3)		(26.7)	(91.3)
Depreciation & Amortisation	(22.6)		(22.6)	(28.7)		(9.2)	(28.7)
Operating costs	(227.0)		(227.0)	(199.7)		(45.3)	(199.7)
Operating profit	131.9		77.9	135.3		26.4	94.3
Loan loss provision charges	(14.04)		(14.0)	(80.3)	④ (47.6)	(11.3)	(32.7)
Value adjustments on purchased distressed credit	50.50		50.5	(0.3)		(0.9)	(0.3)
Value adjustments on securities and loans to banks and off-balance	(0.71)		(0.7)	(0.2)		0.1	(0.2)
Other net provisions for risks and charges	(0.27)		(0.3)	(0.2)		-	(0.2)
Other income from equity investments	(3.5)		(3.5)	0.8		0.3	0.8
Contribution to banking sector schemes and other non-recurring charges	(12.1)		(12.1)	(66.6)	⑤ (59.1)	(0.1)	(7.5)
Profit (loss) before tax	151.8		97.7	(11.5)	(65.7)	14.5	54.2
Income tax	(47.9)		(30.0)	9.5	25.9	(7.3)	(16.4)
Minority Interest	0.6		0.6	2.4	-	2.0	2.4
Net result	104.4	(36.1)	68.3	0.4	(39.8)	9.2	40.2

NON-RECURRING ITEMS

FY23

- ① IT Platform revenue booked in 2Q23 (€54mln)

4Q24

- ② Adjustments on assets at FV (-€11mln)
- ③ Capital gain on APAX transaction (+€53mln)
- ④ LLPs on senior notes (-€48mln)
- ⑤ Provisions related to contingent liabilities (-€20mln) and goodwill write-off related to Abilio/Quimmo and BIP (-€39mln)

Business division results

	Corporate Banking ⁽¹⁾		Investment Banking		Specialised Credit		illimity SGR		Digital Division		HQ Functions		b-ilty illimity		HYPE		TOTAL	
€mln	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
Net interest income	72.8	70.7	8.3	9.2	100.5	53.9	-	-	6.3	7.7	-	-	4.6	15.7	-	-	192.5	157.2
Net fees and commissions	27.2	27.4	9.8	6.7	32.0	37.7	4.9	5.4	(1.1)	0.1	-	-	3.9	6.1	-	-	76.7	83.4
Other income	3.9	17.5	(0.4)	7.6	31.3	12.6	0.4	1.1	54.5	54.9	-	-	-	0.8	-	-	89.7	94.5
Operating income	103.9	115.6	17.7	23.5	163.8	104.2	5.3	6.5	59.7	62.7	-	-	8.5	22.6	-	-	358.9	335.1
Operating costs	(21.8)	(16.3)	(7.1)	(8.6)	(97.0)	(74.3)	(3.6)	(3.4)	(41.9)	(45.1)	(45.5)	(40.8)	(10.1)	(11.2)	-	-	(227.0)	(199.7)
Operating profit	82.1	99.3	10.6	14.9	66.8	29.8	1.7	3.1	17.8	17.6	(45.5)	(40.8)	(1.6)	11.4	-	-	131.9	135.3
Provisions & value adjustments	(1.4)	(16.3)	(0.5)	0.2	41.8	(53.1)	-	-	-	-	-	-	(4.2)	(11.6)	-	-	35.7	(80.8)
Contribution to banking sector schemes & other non-recurring charges	(0.7)	(4.2)	-	-	-	(34.6)	-	-	(4.3)	(20.3)	(7.8)	(7.5)	-	-	(3.1)	0.6	(15.9)	(66.0)
Profit (loss) before tax stated	80.0	78.8	10.1	15.1	108.6	(57.9)	1.7	3.1	13.5	(2.7)	(53.3)	(48.3)	(5.8)	(0.2)	(3.1)	0.6	151.7	(11.5)
Pre-tax result excl. non-recurring items	80.0	82.8	10.1	15.1	108.6	36.0	1.7	3.1	(40.5)	(34.8)	(53.3)	(48.3)	(5.8)	(0.2)	(3.1)	0.6	97.7	54.2
Cost income ratio	21%	14%	40%	37%	59%	71%	68%	52%	70%	72%	n.s.	n.s.	n.s.	50%	n.s.	n.s.	63%	60%
Interest earning assets	2,928	3,055	514	648	1,678	1,836	-	-	-	5	544	679	350	929	-	-	6,014	7,153
Other assets	231	255	11	49	626	549	1	2	130	133	164	215	1	3	81	82	1,245	1,288
RWA	1,813	1,893	230	406	2,429	2,216	7	13	130	160	330	342	96	155	45	54	5,080	5,239

	FY23	FY24
CET1 Ratio ⁽¹⁾	14.7%	14.3%
Total Capital Ratio	18.7%	18.2%
LCR	298%	252%
NSFR	120%	116%
Cost income ratio	63%	60%
Gross organic NPE ratio (excluding BIP) ⁽²⁾	5.0%	6.5%
Gross organic NPE ratio ⁽³⁾	5.8%	7.1%
Organic cost of risk (bps) annualised ⁽⁴⁾	43bps	78bps ⁽⁵⁾

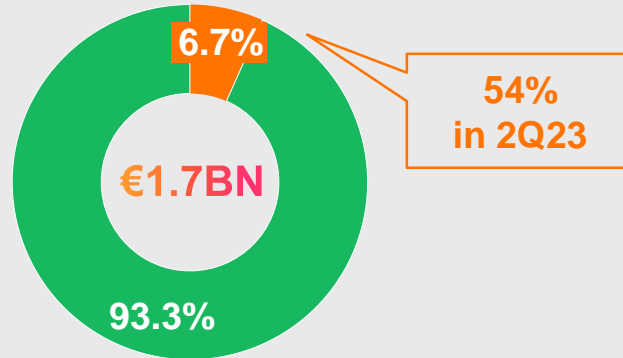
- Solid capital position with **robust CET1 Ratio**
- **LCR** and **NSFR** comfortably above minimum requirements
- **Cost income at 60%** set to improve with expected cost savings
- **Organic NPE ratio at 6.5%** (1.1% excluding public guarantees)

Notes: (1) Phased-in definition; (2) Excluding BIP legacy portfolio, see 'Gross organic NPE ratio' in the Glossary at the end of this document for further details; (3) 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; (4) Calculated as the ratio between loan loss provisions and net organic loans for the segments Factoring, Structured Finance, Turnaround & Special Situations Finance, 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; (*) Pro-forma figures due to sterilization on capital of the positive impact booked in 4Q23, related to a senior note securitisation transaction; (5) Excluding €48m of extraordinary LLPs booked in 4Q24

Specialised credit division: executing strategic shift

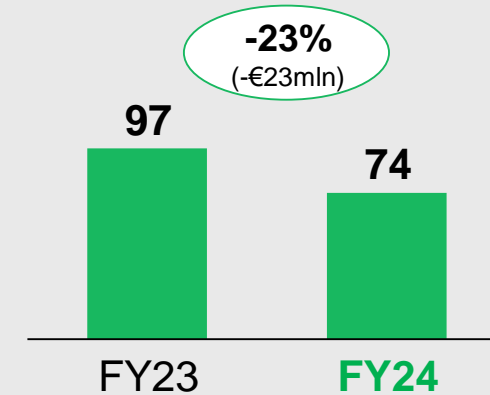
DIVISION'S ASSET MIX

NPE Direct Investments



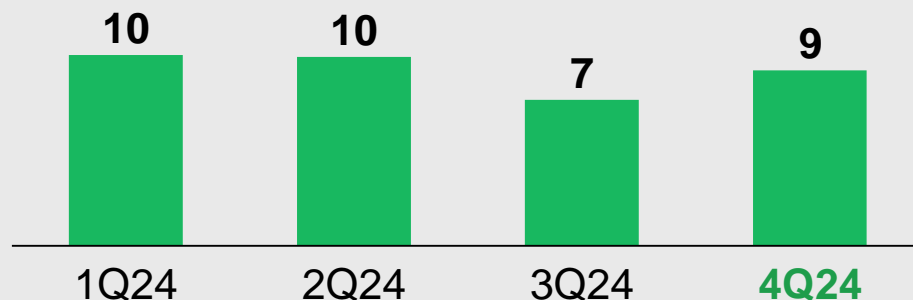
OPERATING COSTS

€mIn



ORDINARY PBT⁽¹⁾

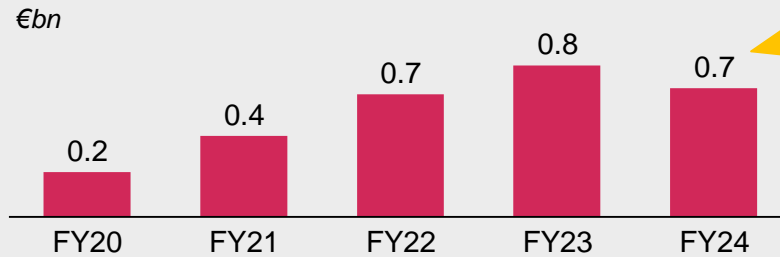
€mIn



- **Strategic shift away from NPE direct investments** completed during 2024
- **Cost down 23% y/y** benefitting of lower servicing activity related to NPE portfolio transactions finalised
- **Profitability** impacted by strategic shift and extraordinary items booked in 4Q24

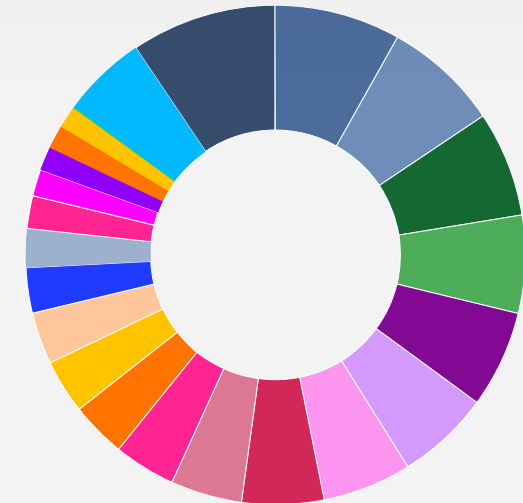
Volume growth with high diversification

Net customer loans



€208mIn early repayments in FY24, driven by successful restructuring process

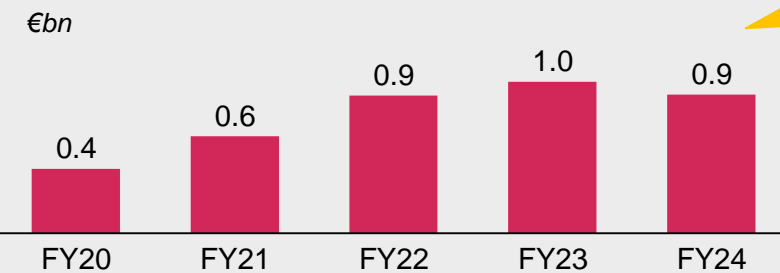
Loan book breakdown by economic sector⁽¹⁾



- Food & Beverage 9%
- Mechanics 8%
- Energy & Utilities 8%
- Engineering & General contractors 7%
- Iron & Steel industry 7%
- Services 6%
- Beauty, Fashion, Textile & Apparel 6%
- Automotive & Transportation 5%
- Retail & Distribution 4%
- IT 4%
- Pharma & Healthcare 4%
- Logistics, Shipping & Shipyards 4%
- IT Payment systems & Finance 4%
- Paper, Plastic & Rubber 3%
- Construction Products 3%
- Wholesale 3%
- Home & Interior Design 2%
- Electronic goods 2%
- Real Estate 2%
- Hotel, Restaurants and Leisure 1%
- Media&Telco 1%
- Education 0%
- Other 6%

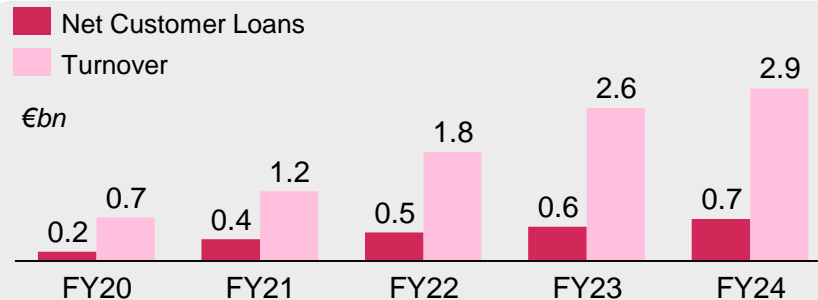
Turnaround & Special Situation Financing

Structured Finance⁽²⁾



€300mIn early repayments in FY24

Factoring



Originated volumes

Originated Business ⁽¹⁾

Data in €mln
Non accounting figures.

	FY23	FY24	Δ%YoY
Corporate & Investment Banking³ (CIB)	~1,652 ²	~1,620 ²	-2%
Factoring Turnover	906	840	-7%
Specialised Credit	2,591	2,919	+13%
b-ilty	470	235	-50%
	275	545	+98%

Originated business Corporate and Investment Banking

Originated business

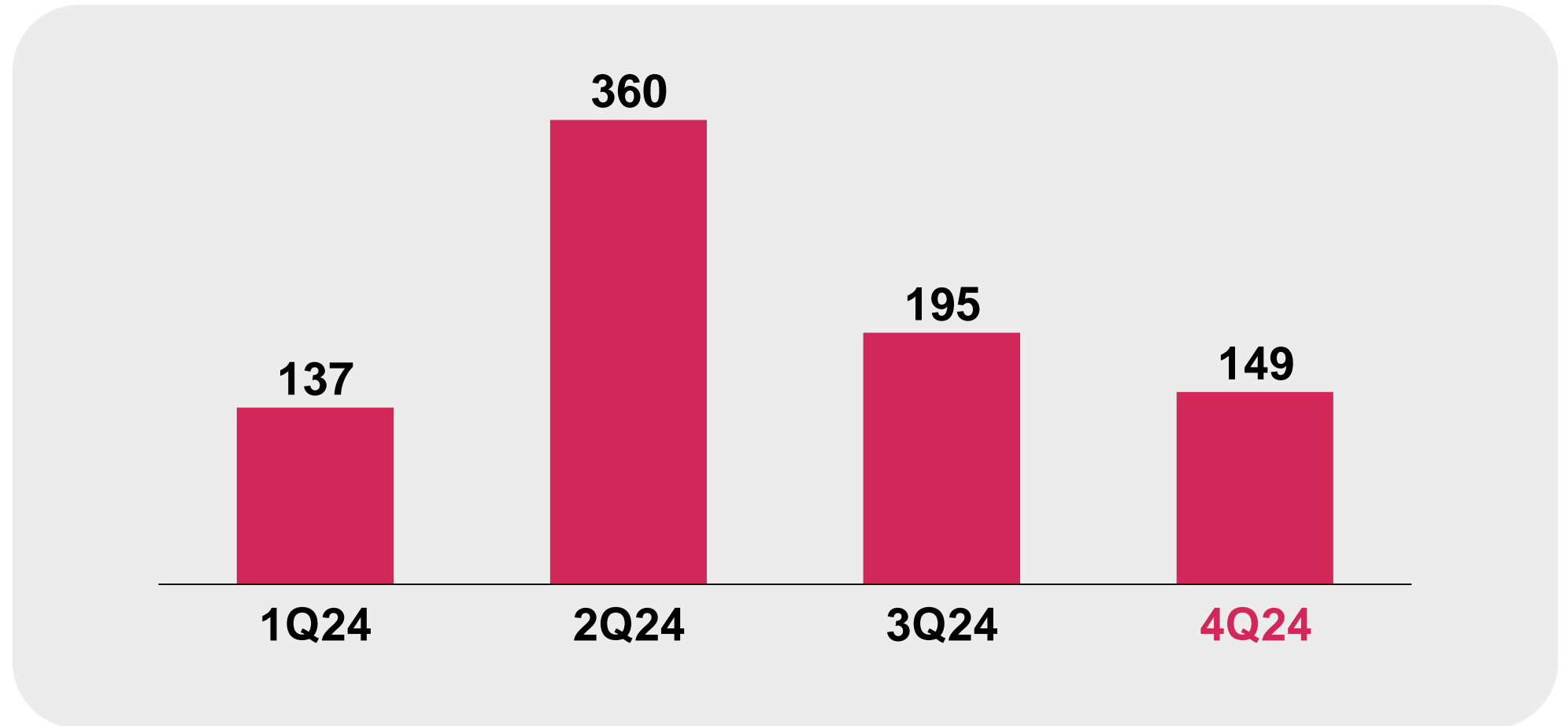
Data in €mln

CIB

Structured Finance¹

Turnaround &
Special Situations
Finance

Investment Banking²

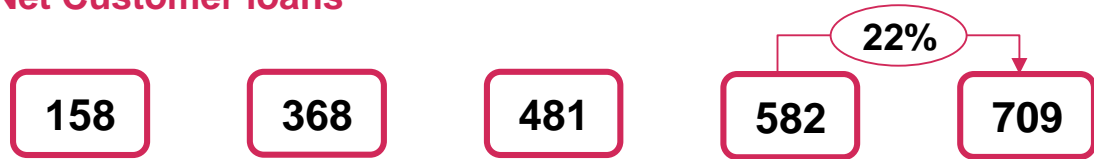


Originated business Corporate Banking: Factoring

Originated business

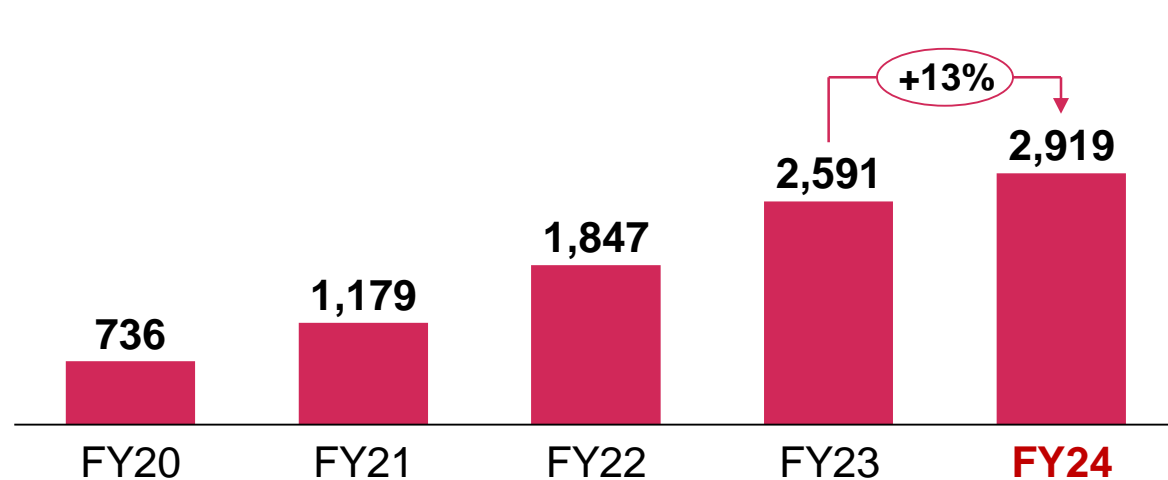
Data in €mln

Net Customer loans



Net Customer loans up 22% YoY

Turnover⁽¹⁾

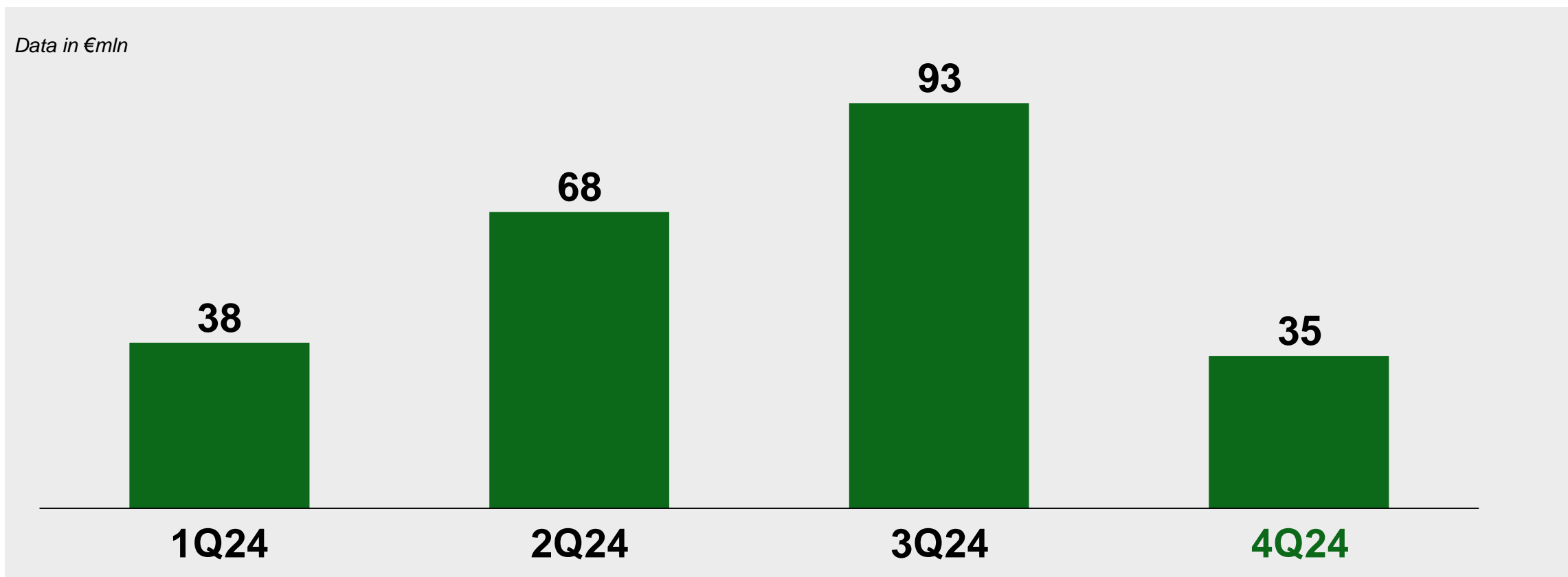


Factoring turnover up 13% YoY

Number of clients⁽²⁾ increased further to 295 and ca. 1,500 debtors

Originated business Specialised Credit

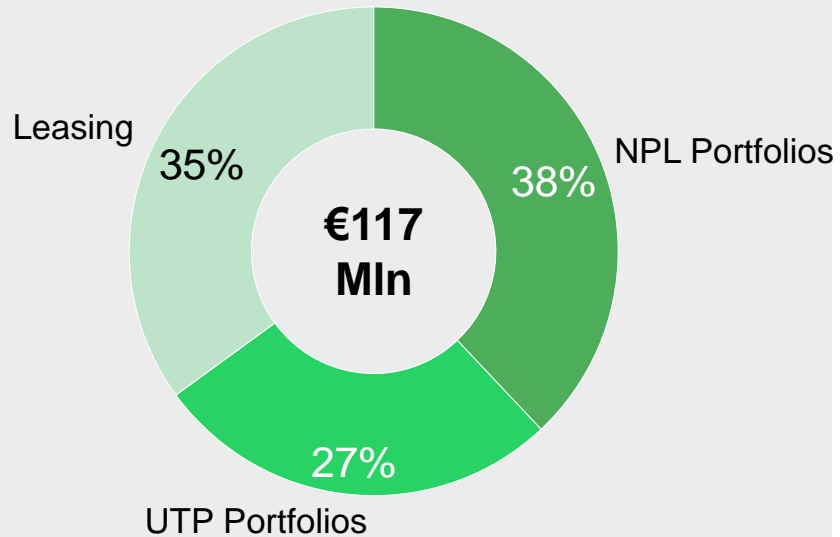
Originated business⁽¹⁾



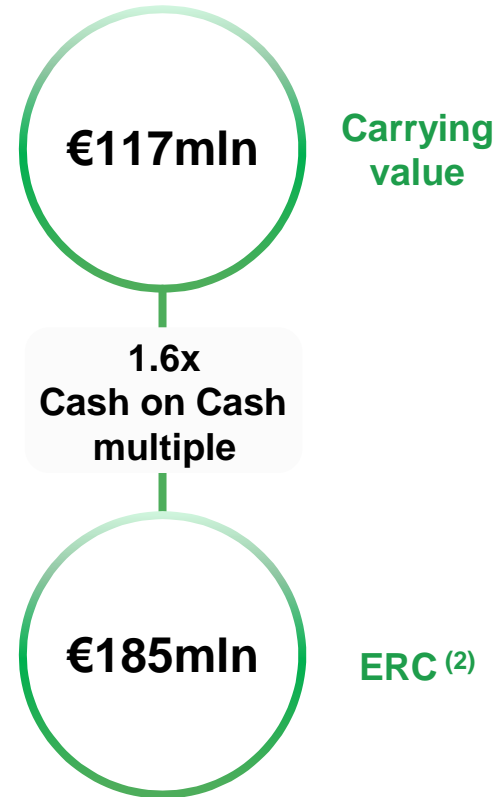
NPE portfolio highlights

Data as of 31 December 2024⁽¹⁾

NBV BREAKDOWN BY ASSET CLASS

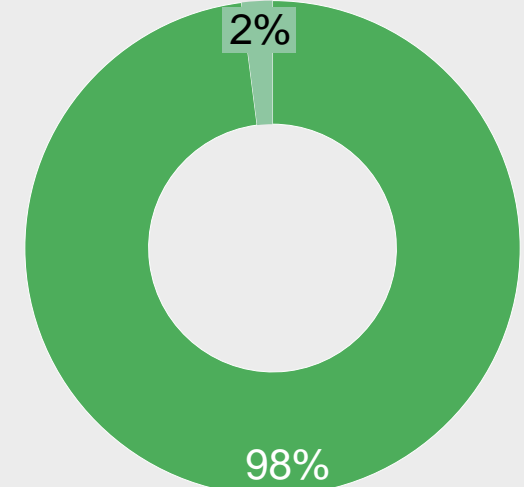


KPIs



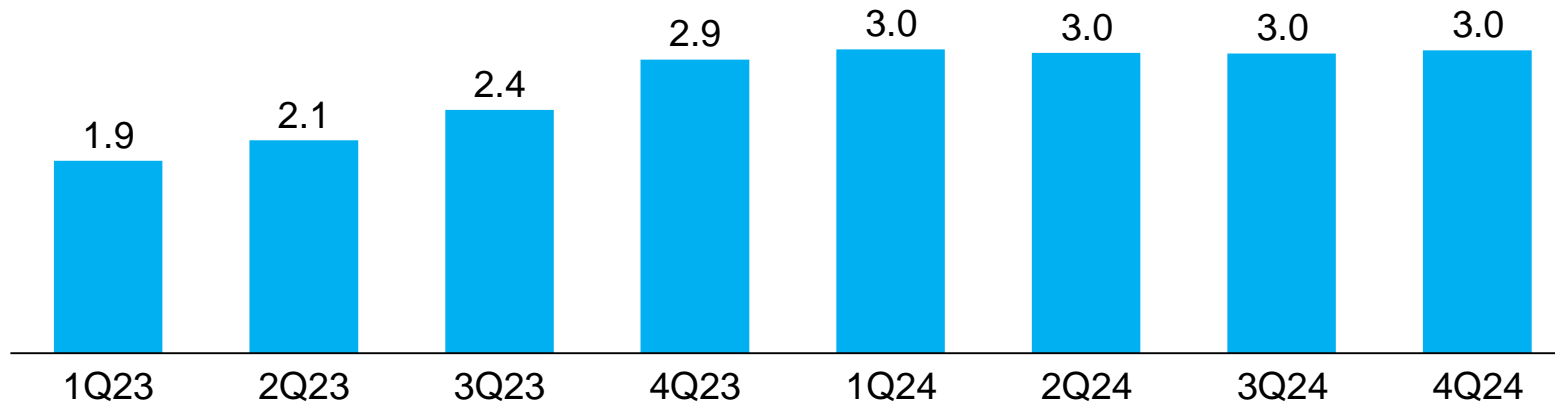
TYPE OF BORROWER (GBV Breakdown)

Corporate Retail



✓ FUNDING QUALITY

Deposits (€bn)



✓ ENGAGEMENT

~92k

Total Customers
as of 31-Dec

92%

Active Customers
as of 31-Dec

38%

Loyal Customers
as of 31-Dec

✓ APPRECIATION

35

NPS
avg
4Q24

36%

Awareness
avg
4Q24

81%

Term Deposits
as of
31-Dec

4.0%

Cost of funding
2024

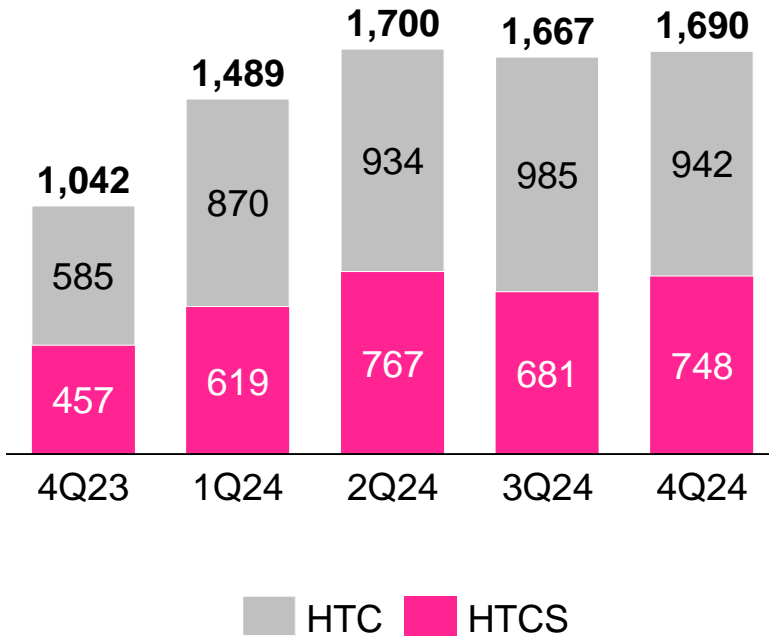
3.6%

Average cost of
“new funding”
in December 2024

Prudent strategy on securities portfolio

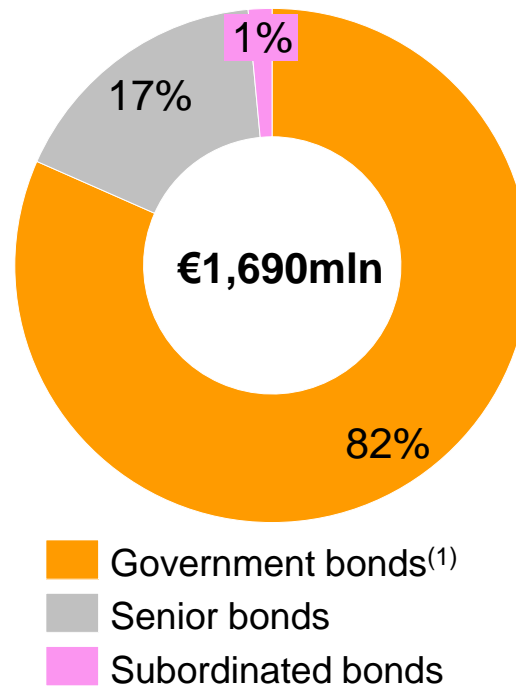
Securities portfolio

Data in €mln



Portfolio composition HTCS / HTC

31 December 2024



- **Prudent strategy** with **government bonds** representing **82%** of total securities portfolio
- **Hedge accounting strategy** in place on a large part of **HTCS securities** to mitigate impact from further interest rates volatility
- Duration **~2.7 years**
- Average yield approx. **3.0%**

- **Pipeline:** Specific business opportunities for which the Bank envisages there is a reasonable expectation to close the transactions in the forthcoming months
- **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, Structured Finance, Turnaround & S.S. Finance, 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
- **Business origination:** This aggregate includes Corporate Banking Division loans granted/purchased (for factoring only the difference of carrying amount of the period with the historical peak, if positive), Specialised Credit Investments booked, Senior Financing, Alternative Debt and b-ilty 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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- ***Pursuant to Article 154-bis, paragraph 2, of the Legislative Decree no. 58/1998 (Unified Financial Act), the Financial Reporting Officer, Mr. Sergio Fagioli, declares that the accounting information contained in this Document corresponds to the document results, books and accounting records.***



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