

BOARD OF DIRECTORS APPROVES PARENT COMPANY DRAFT ANNUAL ACCOUNTS AS WELL AS CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023

PROPOSAL OF A DIVIDEND DISTRIBUTION OF 0.2488 EURO PER SHARE

2023 CONSOLIDATED NON-FINANCIAL STATEMENT APPROVED

RESOLUTION TO CONVENE THE SHAREHOLDERS' MEETING ON 24 APRIL 2024

Milan, 8 March 2024 – At today's meeting chaired by Rosalba Casiraghi, the Board of Directors of illimity Bank S.p.A. ("illimity" or the "Bank") approved the parent company draft annual accounts as well as consolidated financial statements as at 31 December 2023, confirming the preliminary results already approved by the Board of Directors and set out in the press release issued on 9 February 2024, to which reference should be made for further details.

The year ended with consolidated **net profit of 104.4 million euro, up 39% y/y**, driven by core business growth and the valorisation of one of the Bank's distinguishing features, its technology, thanks to the partnership with the Engineering Group on illimity's IT platform. **SME loans reached 4.1 billion euro, an increase of 27% y/y**, excluding direct investments in NPLs (554 million euro), which were reduced by 46% in the year, following the increased focus on the specialised asset-based loans of the Specialised Credit Division. **Credit quality remained under control** with a gross organic NPE ratio of 1.3%¹ and a contained cost of risk of 43bps. **The Bank's highly-solid capital base was confirmed**, with a phased-in CET ratio of 14.7%, well above the minimum SREP requirement of 9.6%.

The approval of the draft annual accounts includes the Board of Director's proposal for the following allocation of the net profit for the year (102,307,086.65 euro) posted by the parent company illimity Bank S.p.A.:

- 1,855,834.25 euro to the legal reserve, taking this to the maximum amount contemplated for that reserve, one-fifth of share capital, in accordance with article 2430 of the civil code;
- 27,350,489.15 euro to a specific non-distributable reserve pursuant to article 26 of Decree Law no. 104/2023 converted as amended by Law no. 136/2023;
- the distribution to each of the 83,916,330 outstanding ordinary shares of a dividend of 0.2488 euro, or **24.88 cents**, for a total of 20,878,382.90 euro (a 20% dividend payout on consolidated net profit). Subject to shareholders' approval, the dividend will be put into payment on 22 May 2024 (payment date), with the detachment of coupon no. 2 on 20 May 2024 and a record date of 21 May 2024 pursuant to article 83-*terdecies* of the Consolidated Law on Finance;
- 52,222,380.35 euro to retained earnings.

¹ Excluding loans backed by public guarantees.

illimity's Board of Directors additionally approved the Consolidated Non-Financial Statement as at 31 December 2023, drawn up pursuant to article 4 of Legislative Decree no. 254/2016.

The Board of Directors also resolved to call the Shareholders' Meeting of illimity Bank S.p.A. for 9:00 a.m. on 24 April 2024 at the Company's offices in Via Soperga 9, Milan in single call to discuss the following matters:

1. Integration of the Board of Directors: appointment of a director. Resolutions pertaining thereto and resulting therefrom.
2. Annual financial statements of illimity Bank S.p.A. as at 31 December 2023. Presentation of the consolidated financial statements as at 31 December 2023. Presentation of the Consolidated Non-Financial Statement as at 31 December 2023. Resolutions pertaining thereto and resulting therefrom.
3. Allocation of net profit for the year ended 31 December 2023. Resolutions pertaining thereto and resulting therefrom.
4. Report on remuneration policy, pursuant to article 123-ter of Legislative Decree no. 58/1998. Resolutions pertaining thereto and resulting therefrom.
5. Report on compensation paid, pursuant to article 123-ter of Legislative Decree no. 58/1998.
6. The annual "management by objectives" incentive scheme (the "MBO Plan") for 2024 pursuant to article 114-bis of Legislative Decree no. 58/1998 and the Bank of Italy's Circular no. 285 of 17 December 2013, which in part contemplates the assignment of ordinary shares of illimity Bank S.p.A.. Resolutions pertaining thereto and resulting therefrom.
7. Authorisation to acquire and dispose of treasury shares pursuant to the combined provisions of articles 2357 and 2357-ter of the civil code and article 132 of Legislative Decree no. 58/1998 and relative implementing provisions. Resolutions pertaining thereto and resulting therefrom.

In respect of item 1, it should be noted that, as stated in the press release of 22 February 2024, the list-voting procedure contemplated by the Bank's bylaws shall not apply, as the matter regards the appointment of a single director; shareholders are accordingly invited to put forward the name of a candidate – belonging to the lesser-represented gender on the Board, in accordance with the requirements, including that of independence, called for by primary and regulatory legislation – for submission to shareholders for appointment in accordance with the terms established by law included in the notice of call to be shortly published. Entitled shareholders are invited to submit their relative proposals by 1 April 2024, noting however that candidates' names may in any case be submitted directly at the shareholders' meeting. The Company Secretary, who may be contacted at the Bank's email address illimity@pec.illimity.com, remains at the shareholders' disposal for any matters arising in this respect.

The notice of call to the Shareholders' Meeting, with details for attendance purposes, will be filed and made available within the period contemplated by law at the Bank's registered office in Via Soperga 9, Milan, at Borsa Italiana S.p.A. and on the authorised storage mechanism "1INFO Storage" (www.1info.it), and will also be published on the Bank's website www.illimity.com under the section *Governance – Shareholders and BoD Meetings*.

The documentation relating to the items on the agenda and the Illustrative Reports, together with any Board proposals, and, in general, all documentation relevant for the Shareholders' Meeting, will be published and made available to the public by the means and within the time periods contemplated by applicable laws and regulations.

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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, the first of which dedicated to UTP loans, 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 count on 921 employees and ended 2023 with assets of around 7.3 billion euro.