

**THE BOARD OF DIRECTORS APPROVES THE DRAFT ANNUAL ACCOUNTS
AND CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022
AND PROPOSES FOR THE FIRST TIME SINCE THE BIRTH OF ILLIMITY,
A DIVIDEND DISTRIBUTION AMOUNTING TO 0.18 EURO PER SHARE**

2022 NON-CONSOLIDATED FINANCIAL STATEMENT APPROVED

RESOLUTION TO CONVENE THE SHAREHOLDERS' MEETING ON 20 APRIL 2023

Milan, 9 March 2023 – In the today's meeting chaired by Rosalba Casiraghi, the Board of Directors of illimity Bank S.p.A. ("illimity" or the "Bank") approved the Bank's draft annual accounts and consolidated financial statements at 31 December 2022, confirming the preliminary results for the year already approved by the Board of Directors and set out in the press release issued on 10 February 2023, to which reference should be made for further details.

The results indicate a further improvement in profitability together with a contained risk profile, a highly solid capital base and a robust liquidity position. **Consolidated Profit before tax came in at 100.9 million euro (+25% y/y), with a Net profit at 75.3 million euro, up by 15% y/y, showing a ROE of 9%.** Despite expenditure on key investments for the launch of the tech initiatives, operating profit increased to 131 million euro (+18% y/y), driven by the growth in both net interest income (+22% y/y) and net fees and commissions (+73% y/y). Volumes of customer loans and investments reached 3.8 billion euro (+37% y/y), thanks to strong business origination, with a contribution being made by all business divisions. Credit quality continued at excellent levels with an organic NPE ratio of 1.4% and a cost of risk of 30 bps. The capital base remained solid with a *phased-in* CET1 ratio of 15.8%.

The approval of the draft annual accounts includes the Board of Directors' proposal for the allocation of the net profit for the year of the parent company illimity Bank S.p.A. (80,715,289.07 euro) as follows:

- 4,035,764,45 euro to the legal reserve, being 5% of net profit for the year;
- the distribution to each of the 83,645,108 outstanding ordinary shares the first dividend of illimity, for 0.1801 euro, namely 18.01 cents, for a total of 15,064,483.95 euro (20% dividend payout on net consolidated profit). Subject to the approval by shareholders, the dividend will be put into payment on 24 May 2023 (payment date), with the detachment of coupon no. 1 on 22 May 2023 and the record date pursuant to article 83-*terdecies* of the Consolidated Law on Finance being 23 May 2023;
- 61,615,040.67 euro to retained earnings.

Business outlook

Despite the continuation of the uncertainty caused by the evolution of the macroeconomic situation

and on the basis of the strategic guidelines of the 2021-2025 Business Plan (the “Plan”), which remain valid, as far as business outlook is concerned, the guidance of a net profit of 100 million euro for 2023 together with the relative growth drivers, communicated on 10 February 2023, is confirmed. The inertial development of such guidance over the plan makes it reasonable to expect a net profit of 200 million euro in 2025. This guidance is supported by the expected revenue growth as the result of both the increase in core business volumes and the envisaged acceleration of the profitability of the tech initiatives in the medium term. Costs are expected to benefit from greater operating efficiency achieved by the central functions reaching the optimal size and the high scalability of the technological infrastructure. Despite the economic slowdown, the cost of risk is expected to remain under control and turn out lower than that envisaged in the Plan, thanks to the excellent Banks’s asset quality, which moreover shows a high proportion of secured loans.

In addition, the dividend policy stated in the Plan is confirmed, this envisaging a flexible dividend payout of between 20% and 30%, a range established to keep a margin of flexibility in order to be able to grasp future investment opportunities. As a consequence, a resulting redefinition of accumulated dividends is expected consistent with this payout.

The Bank will make a timely announcement of any important future updates to the above-mentioned guidance and the objectives of the Plan.

illimity’s Board of Directors also approved the Consolidated Non-financial Statement (CNFS) at 31 December 2022, prepared pursuant to article 4 of Legislative Decree no. 254/2016. The document highlights illimity’s commitment to ESG (Environmental, Social and Governance) values and the strong integration of these in all aspects of business strategy, this enabling the Bank to achieve significant results and positioning it in line with best sector practice.

illimity’s Board of Directors also resolved to call the Shareholders’ Meeting of illimity Bank S.p.A. for 9:30 a.m. on 20 April 2023 at the Company’s offices in Via Soperga 9, Milan, to discuss the following matters:

- The annual accounts of illimity Bank S.p.A. as at 31 December 2022. Presentation of the consolidated financial statements as at 31 December 2022. Presentation of the consolidated non-financial statement as at 31 December 2022. Resolutions pertaining thereto and resulting therefrom.
- Allocation of net profit for the year ended 31 December 2022. Resolutions pertaining thereto and resulting therefrom.
- Report on remuneration policy, pursuant to article 123-ter of Legislative Decree no. 58/1998. Resolutions pertaining thereto and resulting therefrom.

- Report on compensation paid, pursuant to article 123-ter of Legislative Decree no. 58/1998.
- Increase in the ratio between variable and fixed remuneration up to a maximum of 2:1 for the Chief Executive Officer and the other members of Top Management of illimity Bank S.p.A.. Resolutions pertaining thereto and resulting therefrom.

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 approval of the financial statements and the Consolidated Non-Financial Statement for 2022, as well as the Illustrative Reports on the other items on the agenda and any Board proposals, together with the relevant documentation 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.

Pursuant to article 154-bis, paragraph 2 of Legislative Decree no. 58/1998 (the Consolidated Law on Finance), the Financial Reporting Officer, Mr. Sergio Fagioli, declares that the accounting information contained in this press release corresponds to the documented results and the accounting books and records.

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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 already count on over 850 employees and ended 2022 with assets of around 6.4 billion euro.