

**ILLIMITY PURCHASES A UTP PORTFOLIO
OF OVER 340 MILLION EURO OF NOMINAL VALUE FROM MPS GROUP
THE DEAL CONFIRMS ILLIMITY'S FOCUS ON UTPS
A STRONG PIPELINE OF FURTHER DISTRESSED CREDIT TRANSACTIONS IN A TOTAL
AMOUNT OF MORE THAN 2 BILLION EURO**

Milan, 5 August 2022 – illimity Bank S.p.A. (“illimity” or the “Bank” or “illimity Group”) announces that it has entered into an agreement for the purchase of a portfolio of Unlikely-To-Pay (“UTP”) distressed loans from Banca Monte dei Paschi di Siena S.p.A. (“MPS”) and MPS Capital Services Banca per le Imprese S.p.A. (“MPSCS”).

The portfolio, consisting of mostly secured (60%) and to a large extent corporate (90%) positions, has a gross nominal value (“Gross Book Value” or “GBV”) of over 340 million euro.

This transaction, whose execution is subject to the positive conclusion of the authorisation process with the Supervisory Authority, confirms the illimity Group’s significant focus on the corporate UTP segment, an area in which it is the second largest private player in terms of assets managed¹, amounting, for the UTP component alone, to a total of approximately 4 billion euro of GBV.

illimity is setting its sights on growing further in this area with the backing of a robust pipeline and through the synergies deriving from the acquisition of AREC – a company specialising in the management of UTP loans with a focus on the Corporate Real Estate segment – finalised on 30 June of this year.

Following the completion of the transaction signed with MPS, neprix's total loans under management will amount to 10.3 billion euro of GBV.

Andrea Clamer, Head of Distressed Credit Division in **illimity**, stated: *“We are pleased to have completed this latest transaction with MPS, which has important strategic value for us: illimity proves to be one of the most active players in the UTP segment, an area in which we intend to grow thanks to our sound expertise, which has been further strengthened by the recent acquisition of AREC. We will continue to operate in all segments of distressed credits with a robust pipeline of additional transactions of more than 2 billion euro in terms of GBV: we are seeing an increasing dynamism on the market and illimity is well positioned to seize any further opportunities that may arise, in line with our business plan”.*

¹ Source: “The Italian NPE Market - Wind of Change” published in July 2022, data as at 31.12.2021.

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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 neprix, 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 (now Euronext Star Milan). The banking group, headquartered in Milan, can already count on over 830 employees and ended the second quarter of 2022 with assets of around 5.1 billion euro.