

<p>Informazione Regolamentata n. 0147-19-2025</p>	<p>Data/Ora Inizio Diffusione 10 Febbraio 2025 13:17:25</p>	<p>Euronext Star Milan</p>
-----------------------------------------------------------	-----------------------------------------------------------------	----------------------------

Societa' : BANCA IFIS

Identificativo Informazione Regolamentata : 201243

Utenza - Referente : IFISN07 - DA RIO

Tipologia : REGEM

Data/Ora Ricezione : 10 Febbraio 2025 13:17:25

Data/Ora Inizio Diffusione : 10 Febbraio 2025 13:17:25

Oggetto : PR_Banca Ifis 2024 preliminary results_ENG

Testo del comunicato

Vedi allegato

PRESS RELEASE
2024 PRELIMINARY CONSOLIDATED RESULTS

Banca Ifis: consolidated net profit up to 162 million Euro in 2024. Over the three years, accumulated profits of 463 million Euro, +12% compared to the 2022-24 Business Plan's targets.

The solid capital position allows the distribution of a total dividend of 111,5 million Euro for 2024 (2,1 Euro per share), roughly 40% higher than the Business Plan targets, of which 63,1 million Euro (1,2 Euro per share) distributed on 20 November 2023 and 48,4 million Euro (0,92 Euro per share) which will be distributed on 21 May 2025.

- The Bank's digital transformation has been completed: new front-end platforms and internal processes position the Bank at the forefront of digital customer services.
- Leadership in sustainability confirmed, also evidenced by the improvement in the main ESG ratings, through an integrated and concrete approach aimed at creating a positive social impact for all stakeholders.
- In 2024, consolidated revenues amounted to 699,2 million Euro and reflect the positive performance of the commercial business, the NPL business and the Proprietary Finance unit, which offset the increase in the cost of funding.
- Solid capital base with a CET1 ratio of 16,10% including the profit for 2024, net of the dividend accrued, well above the capital requirements¹. CET1 ratio is 100 basis points higher than the Business Plan target of 15.10%.
- The offer document relating to the tender offer promoted by the Bank pursuant to Articles 102 and 106, paragraph 4, of the TUF on all the ordinary shares of illimity Bank S.p.A. was filed with Consob.

2024 preliminary consolidated results

Reclassified consolidated data² - 1 January 2024/31 December 2024

- **The Banca Ifis Group's consolidated net profit amounts to 161,6 million Euro, up** from 160,1 million Euro in 2023. The result brings cumulative profits for the three-year period 2022-24 to 463 million Euro, 12% above the targets outlined in the D.O.E.S. Business Plan. The results for 2024 are positively influenced by the performance of the commercial business and Npl Segment as well as the Proprietary finance unit.
- **Net banking income, amounting to 699,2 million Euro**, essentially stable with respect to the 704,6 million Euro in 2023, benefits from the growth of the Commercial & Corporate Banking Segment (+2,0%, or 6,8 million Euro, compared to 2023), the positive contribution of the Npl Segment (+0,6%, or 1,7 million Euro, compared to 2023), as well as the increase in results from the Proprietary Finance segment (+57%, or 35,1 million Euro, compared to 2023). These values offset the increase in the cost of funding.

¹ In January 2024, the Banca Ifis Group was notified of the new SREP requirements by the Bank of Italy. The new requirements provide for a CET1 of 9,0%, a Tier 1 Ratio of 10,90% and a Total Capital Ratio of 13,30% (including 1,0% P2G) and apply starting 31 March 2024.

² Reclassifications and aggregations of the consolidated income statement concern the following:

- net credit risk losses/reversals of the Npl Segment are reclassified to interest receivable and similar income (and therefore to "Net interest income") to the extent to which they represent the operations of this business and are an integral part of the return on the investment;
- net allocations to provisions for risks and charges are excluded from the calculation of "Operating costs";
- cost and revenue items deemed as "non-recurring" (e.g. because they are directly or indirectly related to business combination transactions, such as the "gain on a bargain purchase" in accordance with IFRS 3), are excluded from the calculation of "Operating costs", and are therefore reversed from the respective items as per Circular 262 (e.g. "Other administrative expenses", "Other operating income/costs") and included in a specific item "Non-recurring expenses and income";
- the ordinary and extraordinary charges introduced against the Group's banks (Banca Ifis and Banca Credifarma) under the Single and National Resolution Mechanisms (SRF and NRF) and the Deposit Protection Mechanism (DGS or FITD) are shown under a separate item called "Charges related to the banking system" (which is excluded from the calculation of "Operating costs"), instead of being shown under "Other administrative expenses" or "Net allocations to provisions for risks and charges";
- the following is included under the single item "Net credit risk losses/reversals":
 - net credit risk losses/reversals relating to financial assets measured at amortised cost (with the exception of those relating to the Npl Segment mentioned above) and to financial assets measured at fair value through other comprehensive income;
 - net allocations to provisions for risks and charges for credit risk relating to commitments and guarantees granted;
 - profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment.

PRESS RELEASE

2024 PRELIMINARY CONSOLIDATED RESULTS

- **The credit cost is 37,7 million Euro**, compared to 30,9 million Euro in 2023, confirming the prudent credit risk management in recent quarters.
- **Operating costs of 406,9 million Euro** (+3,1% compared to 394,6 million Euro in 2023) increase due to higher personnel expenses (169,9 million Euro compared to 163,8 million Euro in 2023), mainly due to the growth in the number of employees and the renewed NCBA, in addition to higher other administrative expenses (247,5 million Euro compared to 238,2 million Euro in 2023). These increases also reflect the integration of Revalea.
- **Liquidity position, at 31 December 2024, is equal to approximately 1,4 billion Euro** in reserves and free assets that can be financed by the ECB (LCR above 700%).

Capital requirements³

- **The CET1 comes to 16,10% (14,87% at 31 December 2023)** and TCR to 18,11% (17,44% at 31 December 2023), calculated including the profit generated in 2024, net of the dividend accrued. CET1 ratio is 100 basis points higher than the Business Plan target of 15.10%.

Rome, 10 February 2025 – The Board of Directors of Banca Ifis met today under the **Chairmanship of Ernesto Fürstenberg Fassio** and approved the 2024 preliminary consolidated results.

*"Over this three-year period, we have successfully implemented the Business Plan, exceeding all the financial targets set and pointing the Bank increasingly in the direction of digitalisation and sustainability. The cumulative profit, which was achieved over the three-year period - 463 million Euro and 12% above the Plan targets - is also supported by the new dividend policy approved in 2023: the remuneration of shareholders, through the distribution of constant dividends, allows us to achieve a payout ratio of around 70%. These results were achieved while keeping the Bank's solid capital base intact, with a CET1 of 16,1%, roughly 100 basis points above the Plan target of 15,1%. In line with our corporate vision that puts sustainability, in all its dimensions, at the centre, we have strengthened our commitment, with distinctive initiatives such as the Kaleidos Social Impact Lab, through which we have implemented around 40 high social impact projects for people in the areas in which we operate", states **Ernesto Fürstenberg Fassio, Chairman of Banca Ifis.***

*"The net profit for 2024, at 162 million Euro, was above the Plan targets, just like the profit for the two previous years: this is a clear sign of the strength and effectiveness of our transformative actions. High levels of profitability and the new dividend policy inspired by our major shareholder have enabled us not only to be generous with our stakeholders, but also to position ourselves in a leading role in the complex Italian banking landscape. During the Plan period, the Bank recorded significant growth in its Corporate and Commercial Banking business, both in terms of profit and volumes. The Bank also completed the acquisition of Revalea from Mediobanca and still has capital levels that allow us to look forward to further short-term opportunities. Although against the backdrop of an environment that is certainly less generous for the banking sector, Banca Ifis can now look forward optimistically to a future in which it will be able to benefit from the path set out over the past three years to foster revenue growth in the commercial business, stable recoveries in the NPL business and increased results from the proprietary finance business," says **Frederik Geertman, CEO of Banca Ifis.***

The revenues of the Commercial & Corporate Banking Segment in 2024, up by 2,0% compared to 2023, reflect the dynamism and quality of work of the commercial network, which has allowed the business to grow despite lower demand for credit at a country level due to higher interest rates and has enabled the Group to offset the increased cost of funding. In 2024, the Bank created new solutions designed to strengthen the commercial offering to support businesses. These include new partnerships with leading international operators, such as Yamaha Motors, in the leasing and rental of electric bicycles for the tourism sector.

The NPL segment's 2024 revenues, up 0,6% from 2023, reflect lower purchases of NPL portfolios. Cash recoveries on purchased portfolios in 2024, including 53 million Euro from Revalea, amounted to 422 million Euro, up 6% compared to 2023. To date, judicial and extra-judicial recovery activities do not show any significant negative impact from rising inflation and interest rates, but are impacted by the longer times of judicial activities.

The average cost of funding as at 31 December 2024 stood at 3,87%, up from the average cost in 2023 of 3,08%. The average spread, calculated as the differential between average customer interest and the average cost of funding,

³ The CET1, Tier 1 and Total Capital at 31 December 2024 include the profits generated by the Banking Group in 2024, net of the dividend accrued.

PRESS RELEASE 2024 PRELIMINARY CONSOLIDATED RESULTS

decreased slightly, from 2,38% in 2023 to 2,18% in 2024, with the trend taking hold mainly in the last quarter of the year as a result of the European Central Bank's reduction in interest rates.

At around 2,9 billion Euro, **the securities portfolio under Proprietary finance unit** was slightly lower than the 3,1 billion Euro in December 2023. The duration of the portfolio was extended from 2,3 years in December 2023 to 3,8 years in December 2024, confirming active and opportunistic management, while maintaining a limited risk profile.

The asset quality ratios, the Gross Npe Ratio and the Net Npe Ratio, stand respectively at 5,4% and 2,9% (respectively 5,7% and 3,2% at 30 September 2024), up slightly from the previous quarter due to the increase in performing loans attributable to the seasonality of the Factoring Area, while gross impaired loans remained substantially stable in terms of amount compared to 30 September 2024. The asset quality ratio at 31 December 2024 would come in respectively at 5,0% and 2,5% excluding reclassifications resulting from the application of the New Definition of Default regulations to receivables from the National Health System (NHS), which are characterised by limited credit risk and long payment terms. The average coverage of non-performing loans was continuously strengthened from 35% in 2022 to 48% at 31 December 2024.

Capital ratios confirm the Group's great solidity. Both the main indicators remain well above the minimum required levels, with a consolidated CET1 Ratio of 16,10% (14,87% as at 31 December 2023) and a consolidated Total Capital Ratio of 18,11% (17,44% as at 31 December 2023), calculated including 2024 profit, net of the dividend accrued.

The solid capital position allows the distribution of a total dividend of 111,5 million Euro for 2024 (2,12 Euro per share), roughly 40% higher than the Business Plan targets, of which 63,1 million Euro (1,20 Euro per share) distributed on 20 November 2024 and 48,4 million Euro (0,92 Euro per share) which will be distributed on 21 May 2025.

**

Banca Ifis and its commitment to sustainability

The year 2024 saw the completion of Banca Ifis' three-year ESG Plan, which covered three main areas of intervention: social, governance and environmental. On the social front, the Kaleidos Social Impact lab, inspired by Chairman Ernesto Fürstenberg Fassio, implemented more than 40 initiatives for a total commitment of 7 million Euro, up from the 6 million Euro initially envisaged in the Plan. In order to quantify the social impact generated by these projects, Banca Ifis, in collaboration with Triadi - a spinoff of the Milan Polytechnic led by Mario Calderini - has developed an impact measurement model that allows the return generated by these initiatives to be quantified in economic terms. Applied to all Kaleidos projects already implemented, the impact measurement model showed that one euro invested by Banca Ifis in social initiatives generated, on average, 5,1 euro of social value. The most significant initiatives carried out during the period included those in the field of medical-scientific research, with support for the Bambino Gesù Paediatric Hospital Foundation in the research project aimed at assessing the safety and effectiveness of gene therapy with CAR-T cells on young patients with relapses or not responding to other currently available treatments for malignant tumours of the central nervous system. Another significant long-term collaboration is with the Advanced Biomedical Research Foundation in Padua, through the "Adopt-a-Researcher" projects and the support of studies in the area of neuromuscular and metabolic diseases. Again thanks to Kaleidos, Banca Ifis has intervened in support of projects aimed at the most vulnerable categories, such as the disbursement in favour of the Banco Alimentare Onlus Foundation, which has made it possible to distribute the equivalent of ten million meals to people in difficulty.

On the governance front, the Bank has set up a Sustainability Committee, chaired by Ernesto Fürstenberg Fassio, which has a steering role in all the initiatives that the Bank implements in the area of sustainability. These initiatives were rated positively by the international rating agency MSCI, which raised Banca Ifis' rating from A to AA in 2024, positioning the bank among the leaders in the financial sector.

The sustainable innovation of Banca Ifis' business model has also driven the implementation of initiatives with a highly positive impact on the environment. After joining as the first challenger bank in Italy to the United Nations'-sponsored Net Zero Banking Alliance (NZBA) initiative to accelerate the sustainable transition of the international banking sector, the Group communicated its targets for the reduction of financed emissions on its loan portfolio by 2030. Over the course of the plan, Banca Ifis also developed several new products to accelerate the sustainable transition of businesses

PRESS RELEASE 2024 PRELIMINARY CONSOLIDATED RESULTS

and our economy, such as solutions to foster sustainable mobility and energy transition, realised in cooperation with leading international partners.

Banca Ifis has also been committed on the social front through 'Ifis art', the project desired and conceived by Chairman Ernesto Fürstenberg Fassio for the enhancement of art, culture, contemporary creativity and their values, also through public-private initiatives. The symbol of Ifis art - representing one of the greatest examples of corporate collection - is the collection of the Villa Fürstenberg International Sculpture Park - open to the public free of charge every Sunday - with over thirty works by some of the best-known contemporary Italian and international artists. Also as part of Ifis art, in the three-year period just ended, Banca Ifis accepted the appeal of the Ministry of Culture to rescue and secure *The Migrant Child*, one of only two works by the artist Banksy on Italian soil. The project, which also includes the restoration of the 15th-century palace on which the work is found, will start at the beginning of 2025 and be completed by 2026.

As part of its strategy to support activities with a cultural and social impact, Banca Ifis in 2023 acquired a 2,4% stake in the capital increase of the Istituto della Enciclopedia Italiana founded by Giovanni Treccani in 1925. In 2024, Banca Ifis also entered, with a minority stake, into the capital of The Street S.r.l., the company that manages the cultural hub of the Treviso Arts District and that, to date, controls the majority of 21Gallery, Il Cantiere, Ristorante Vite and the design brand Ondesign.

PRESS RELEASE 2024 PRELIMINARY CONSOLIDATED RESULTS

RECLASSIFIED CONSOLIDATED DATA⁴

The Banca Ifis Group's consolidated income statement as at 31 December 2023 reports a profit attributable to the Parent company of 161,6 million Euro.

Highlights from the Banca Ifis Group's income statements for FY 2024 are set out below.

Net banking income

Net banking income amounts to 699,2 million Euro, essentially in line with the figure in December 2023 (-0.8%). Contributors to this result were the growth of the Commercial & Corporate Banking Sector, which amounted to 351,4 million Euro (+6,8 million Euro compared to 31 December 2023) and the positive contribution from the NPL Sector, which amounted to 296,2 million Euro (+1,7 million Euro compared to 31 December 2023), which offset the increase in the cost of inflows.

Net credit risk losses

Net adjustments for credit risk amounted to 37,7 million Euro, an improvement of 14,7 million Euro compared to the figure of 52,4 million Euro as at 31 December 2023 confirming the prudent management of credit risk in recent quarters.

Operating costs

Operating costs total 406.9 million Euro, showing an increase on 31 December 2022 (+3,1%). The reclassified cost/income ratio totals 58,2%, showing growth compared with the previous year (56,0%).

Below are details of the item's main components:

- Personnel expenses amounted to 169,9 million Euro. The increase of 3,7% compared to 31 December 2023 is attributable to both the increase in the workforce (+3,8%) and the effect of the renewed national collective bargaining agreement;
- other administrative expenses amounted to 247,5 million Euro (+9,3 million Euro) compared with the previous year. This change is essentially attributable to the increase in costs related to the Npl Sector and also reflects the integration of Revalea.

Charges related to the banking system

At 31 December 2024, the item "Charges related to the banking system" amounts to 8,1 million Euro and represents the cost of the annual contribution to the Interbank Deposit Protection Fund (FITD), of which 7,9 million Euro relates to the Parent Company Banca Ifis and the remaining 0,2 million Euro to the subsidiary Banca Credifarma. The comparative balance as at 31 December 2023 of 11,2 million Euro also included the contribution of 4,1 million Euro to the Single Resolution Fund, which reached its accumulation plan target in 2023.

Net allocations to provisions for risks and charges

Net allocations to provisions for risks and charges amounted to 0,5 million Euro, a decrease of 6,4 million Euro compared to the 2023 balance. The item, although of a limited amount, was characterised by releases attributable to the Parent Company Banca Ifis for 9,1 million Euro relating to disputes connected to the former Interbanca (for 3,3 million Euro) and the former Aigis Banca (for 5,8 million Euro), which were more than offset by provisions of 9,6 million Euro, of which

⁴ Reclassifications and aggregations of the consolidated income statement concern the following:

- net credit risk losses/reversals of the Npl Segment are reclassified to interest receivable and similar income (and therefore to "Net interest income") to the extent to which they represent the operations of this business and are an integral part of the return on the investment;
- net allocations to provisions for risks and charges are excluded from the calculation of "Operating costs";
- cost and revenue items deemed as "non-recurring" (e.g. because they are directly or indirectly related to business combination transactions, such as the "gain on a bargain purchase" in accordance with IFRS 3), are excluded from the calculation of "Operating costs", and are therefore reversed from the respective items as per Circular 262 (e.g. "Other administrative expenses", "Other operating income/costs") and included in a specific item "Non-recurring income and costs";
- the ordinary and extraordinary charges introduced against the Group's banks (Banca Ifis and Banca Credifarma) under the Single and National Resolution Mechanisms (SRF and NRF) and the Deposit Protection Mechanism (DGS or FITD) are shown under a separate item called "Charges related to the banking system" (which is excluded from the calculation of "Operating costs"), instead of being shown under "Other administrative expenses" or "Net allocations to provisions for risks and charges";
- the following is included under the single item "Net credit risk losses/reversals":
 - net credit risk losses/reversals relating to financial assets measured at amortised cost (with the exception of those relating to the Npl Segment mentioned above) and to financial assets measured at fair value through other comprehensive income;
 - net allocations to provisions for risks and charges for credit risk relating to commitments and guarantees granted;
 - profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment.

PRESS RELEASE 2024 PRELIMINARY CONSOLIDATED RESULTS

7,5 million Euro to hedge risks connected with ongoing disputes on Superbonus tax credits and 1,6 million Euro arising from guarantees on a credit transfer transaction.

Net profit attributable to the Parent company

The net profit attributable to the Parent Company amounts to 161,6 million Euro, up 1,5 million Euro on 2023.

Focus on individual Segments

Below are the main dynamics recorded in the individual Segments that go towards forming the economic-equity results at 31 December 2024.

The Net income of the **Commercial & Corporate Banking Segment** comes to 95,6 million Euro, up 16,9 million Euro compared to 31 December 2023, mainly due to the increase in Net banking income and lower net adjustments to loans.

The Segment's net banking income comes to 351,4 million Euro, up 6,8 million Euro compared to the previous year, thanks to the positive performance of the Factoring Area (+5,2 million Euro). On the whole, with respect to the substantial stability of net commission income, net interest income rose by 6,6 million (+2,9%) and other components of net banking income. Net interest and other banking income derives from the combined effect of the various Areas of the business, as described below:

- the contribution of the **Factoring Area** amounts to 178,5 million Euro, an increase of 3,0% compared to the end of 2023. This result is due to the greater contribution of net interest income (up by 7,5 million Euro), while net commission income declines by 3,4 million Euro;
- Net banking income from the **Leasing Area** amounts to 61,3 million Euro, essentially in line with the figure at 31 December 2023;
- net banking income of the **Corporate Banking & Lending Area** comes to 111,6 million Euro at 31 December 2024, up 2.3 million Euro on 31 December 2023 (+2,1%). The positive change is a result of the combined effect of the following factors:
 - stability of net interest income at 73,7 million Euro;
 - higher net commission income of 3,0 million Euro (+16,6%), mainly from the Corporate Banking segment;
 - substantial stability in the contribution of the other components of net banking income, amounting to 16,4 million Euro as at 31 December 2024, mainly due to the effect of the fair value measurement of securities in the Corporate Banking segment.

Compared to the previous year, there are lower net value adjustments of 20,3 million Euro (-33,4%).

Operating expenses amounted to 164,1 million Euro as at 31 December 2024 and were essentially stable compared to the previous year.

Net allocations to provisions for risks and charges amounted to 3,2 million Euro as at 31 December 2024, a decrease compared to 4,5 million Euro at the end of 2023. The decrease of 1,3 million Euro is mainly attributable to releases for the successful settlement of existing disputes, the effect of which more than offset provisions made during the year to cover risks related to outstanding disputes over tax credits for Super Ecobonus and other building tax bonuses.

The profit of the **Npl Segment** at 31 December 2023 is 65,6 million Euro, down 2,5 million Euro compared to the end of the previous year.

The segment's net banking income amounted to 296,2 million Euro, an increase of 1,7 million Euro compared to the result of 31 December 2023, reflecting lower purchases of NPL portfolios during 2024. The change is mainly attributable to the other components of net interest and other banking income, which increased by 7,3 million Euro, which more than offset the 4,5 million Euro negative change in net commission income, which was mainly attributable to commission expenses for the management of the former Revalea portfolio. Judicial and extra-judicial recovery activities do not show any significant negative impact from rising inflation and interest rates, but are impacted by the longer times of judicial activities.

Operating costs of 199,2 million Euro at 31 December 2024 are up 7,3 million Euro compared to 31 December 2023. This increase is due to the combined effect of higher personnel expenses related to both the renewed CCNL and the increase in the workforce in the amount of 3,4 million Euro, as well as higher debt collection costs associated with the former Revalea.

PRESS RELEASE

2024 PRELIMINARY CONSOLIDATED RESULTS

The profit of the **Governance & Services and Non-Core Segment** at 31 December 2024 amounts to 0,3 million Euro, a decrease on the 31 December 2023 figure of 13,2 million Euro (-12,9 million Euro).

The Segment's net banking income amounts to 51,5 million Euro, down 13,9 million Euro compared to 31 December 2023, primarily due to the increase in the cost of funding.

With regard to the cost of credit, the figure for 31 December 2024 shows net write-backs of 2,7 million Euro.

Operating costs come to 43,7 million Euro, up 4,8 million Euro on 31 December 2023, related to higher consultancy expenses and higher ICT costs to strengthen the Climate & ESG control.

This sector includes the charges related to the banking system, amounting to 8,1 million Euro, incurred during the year for the operation of the banking system's guarantee funds, as commented above.

With reference to the provisions for risks and charges, there were net releases of 0,5 million Euro, an improvement of 3,0 million Euro compared to the net provisions of 2,5 million Euro as of 31 December 2023, due to the Group's positive resolution of an outstanding dispute. The releases recognised were only partially offset by provisions for the year made mainly for contractual guarantees given on transferred positions.

[The breakdown of the main statement of financial position items of the Banca Ifis Group at 31 December 2024 is shown below.](#)

Receivables due from customers measured at amortised cost

Total receivables due from customers measured at amortised cost amount to 10,8 billion Euro, an increase (1,8%) on the 31 December 2023 figure of 10,6 billion Euro. The item includes debt securities for 1,9 billion Euro (2,0 billion at 31 December 2023, -3,6%), of which government securities for 1,6 billion Euro. Excluding the debt securities component, receivables due from customers amount to 8,9 billion Euro, up 3,0% compared to the December 2023 figure (8,6 billion Euro).

The Commercial & Corporate Banking segment stands at 6.985,6 million Euro, compared with 6.763,5 million Euro at December 2023. Growth was led by the Corporate Banking & Lending Area, up 106,1 million Euro (+4,5%), followed by the Factoring Area (+55,3 million Euro +1,9%) and the Leasing Area (+60,8 million Euro +3,9%). The Npl Sector amounted to 1.521,0 million Euro, down by 125,2 million Euro compared to 31 December 2023. The receivables of the Governance & Services and Non-Core Segment comes to 2.303,4 million Euro, up by 90,9 million Euro compared with the end-of-2023 figure of 2.212,5 million Euro.

Funding

Total funding amounts to 11,6 billion Euro at 31 December 2024 and shows a slight decrease compared with the figure at 31 December 2023 (-1,9%); it is represented for 60,4% by payables due to customers (49,2% at 31 December 2023), for 12,4% by payables due to banks (23,0% at 31 December 2023), and for 27,2% by debt securities issued (27,8% at 31 December 2023).

The Group's funding structure is as follows:

- 60,4% customers;
- 13,0% debt securities;
- 14,2% Asset Backed Securities (ABS);
- 12,4% other.

Payables due to banks come to 1.443,3 million Euro, down 46,9% compared to the end-of-December 2023 figure, mainly as a result of the full repayment of the TLTRO III lines in 2024 totalling a nominal 1,5 billion Euro (a repayment of a tranche for a nominal 750 million Euro in the first half, a partial repayment of a nominal 375 million Euro at the end of June 2024 and the repayment of the residual nominal amount of 411,5 million Euro at the final maturity of September 2024), partially offset by the subscription of a MRO transaction in December 2024 for 400 million Euro. At 31 December 2024, the balance of payables due to banks is mainly represented by repurchase agreements in the amount of 630,5 million Euro.

Payables due to customers at 31 December 2024 total 7,0 billion Euro, up 20,4% compared to 31 December 2023. The growth is driven by retail funding, which amounts to 4,8 billion Euro at the end of the year (+7,0% compared to 31

PRESS RELEASE

2024 PRELIMINARY CONSOLIDATED RESULTS

December 2023), and repurchase agreements with customers, which amount to 1,0 billion Euro (+699,4 million Euro compared to the balance at the end of 2023).

Debt securities issued amount to 3,2 billion Euro at 31 December 2024, down by 136,2 million Euro (-4,1%) following the period dynamics, characterised by the issue in February 2024 of a senior bond worth a nominal amount of 400 million Euro and having a term of 5 years (for more details, please refer to the section "Significant events occurred in the period"), which has essentially replaced the Senior Preferred bond worth a nominal 400 million Euro issued in 2020 and which reached maturity on 25 June 2024, and the normal amortisation of the Group's securitisation securities (-207,7 million Euro compared to December 2023).

Equity and ratios⁵

Consolidated equity at 31 December 2024 totals 1.748,1 million Euro, up 3,2% on the 1.693,7 million Euro booked at end 2023. The main changes can be traced back to:

- the positive change in the year result pertaining to the Parent company of 161,6 million Euro;
- the negative change related to the payment of the balance of dividends on 2023 earnings in the amount of 47,3 million Euro and the payment of the interim dividend on 2024 earnings in the amount of 63,1 million Euro;
- the positive change in Equity attributable to non-controlling interests for 1,6 million Euro, for the part share of the year results accrued by the subsidiary Banca Credifarma;
- other positive changes of 1,2 million Euro related to variable remuneration in shares and stock options granted to senior management.
- the negative change related to valuation reserves of 0,6 million Euro mainly associated with fair value measurement changes recorded on financial assets measured at fair value through other comprehensive income (FVOCI).

As at 31 December 2024, the equity ratios for the Banca Ifis Group amount to a CET1 Ratio of 16,10%, a Tier 1 Ratio of 16,11% and a Total Capital Ratio of 18,11%.

Following the annual Supervisory Review and Evaluation Process (SREP) by the Bank of Italy, the new capital requirements to be met by the Group, at the consolidated level, for 2024 are as follows:

- CET1 Ratio of 8,00%, with a required minimum of 5,50%;
- Tier 1 Ratio of 9,90%, with a required minimum of 7,40%;
- Total Capital Ratio of 12,30%, with a required minimum of 9,80%.

In order to ensure a level of capital that can absorb any losses arising from stress scenarios, as referred to in Article 104 ter of EU Directive 36/2013, the Bank of Italy has set the following capital levels for the Banca Ifis Group, to which the specific countercyclical coefficient is added:

- CET1 Ratio of 9,00%, consisting of an OCR CET1 ratio of 8,00% and a target component (Pillar 2 Guidance) of 1,00%;
- Tier 1 Ratio of 10,90%, consisting of an OCR Tier 1 Ratio of 9,90% and a target component of 1,00%;
- Total Capital Ratio of 13,30%, consisting of an OCR Total Capital Ratio of 12,30% and a target component of 1,00%.

See also the next section "Significant events occurred in the year".

At 31 December 2024, the Banca Ifis Group easily met the above prudential requirements.

⁵CET1, Tier 1 and Total Capital include the profits generated by the Banking Group as at 31 December 2024, net of the related dividend, including the portion distributed on an interim basis in compliance with the provisions of Article 2433, paragraph 4 of the Italian Civil Code.

PRESS RELEASE 2024 PRELIMINARY CONSOLIDATED RESULTS

Significant events during the year

The Banca Ifis Group transparently and promptly discloses information to the market, constantly publishing information on significant events through press releases. Please visit the Media section of the institutional website www.bancaifis.it to view all press releases.

Below is a summary of the most significant events that occurred during the year.

SREP conclusion on capital requirements: Banca Ifis well above Bank of Italy guidelines

On 29 January 2024, the Banca Ifis Group received notice from the Bank of Italy of the conclusion of the periodic prudential review process ("SREP decision") conducted on the Group.

The Bank of Italy has identified the following capital requirements (equal to the sum of the Overall Capital Requirement and Pillar 2 Guidance) for 2024 on a consolidated basis:

- CET1 Ratio of 9,00%;
- Tier 1 Ratio of 10,90%;
- Total Capital Ratio of 13,30%.

The above capital requirements include the Target component of the Pillar 2 Guidance of 1,00%.

Issue of a 400 million Euro bond maturing in 5 years

On 20 February 2024, Banca Ifis completed the placement of a Senior Preferred Unsecured bond issue under its EMTN programme for an amount of 400 million Euro. The transaction was intended for institutional investors.

Specifically, the issue has a maturity of five years, with settlement date of 27 February 2024. The reoffer price is 99,362, for a return at maturity of 5,65% and a coupon that is payable annually in the amount of 5,50%. The bond was listed on Euronext Milan and has an expected rating of BB+ by Fitch and Baa3 by Moody's.

The bond placement is part of the EMTN funding programme envisaged in the Group's Business Plan for the three-year period 2022-2024, which estimates 2,5 billion Euro of new placements.

The Shareholders' Meeting has approved the 2023 Financial Statements and the distribution of a dividend of 0,90 Euro per share for the year

The Shareholders' Meeting of Banca Ifis S.p.A., which met on 18 April 2024 in single call, chaired by Ernesto Fürstenberg Fassio in accordance with the applicable provisions, and hence in the manner set out in Art. 106 of Decree-Law No. 18 of 17 March 2020, approved, in an ordinary session:

- the Financial Statements as at 31 December 2023;
- the allocation of net profit, taking into account the exercise of the capitalisation option provided for by Article 26, paragraph 5-bis of Decree Law No. 104/2023 (converted with amendments by Law No. 136 of 9 October 2023), to the restricted reserve in the amount of 23.905.112 Euro (amount equal to two and a half times the tax calculated pursuant to the aforementioned Article 26 of Decree Law No. 104/2023);
- the distribution of a balance on the dividend for FY 2023 of 0,90 Euro, gross of withholding taxes, for each of the Banca Ifis shares issued and outstanding. This 2023 dividend balance was paid with ex-dividend date 20 May 2024, record date of 21 May 2024 and payment date of 22 May 2024;
- Section I of the document "Report on Remuneration Policy and Remuneration Paid" prepared in accordance with Art. 123-ter of Legislative Decree No. 58/1998. The Shareholders' Meeting also resolved in favour of Section II of the aforementioned document relating to the implementation of remuneration policies during FY 2023;
- the proposal by the majority shareholder La Scogliera S.A. to appoint Nicola Borri as a new independent director, to replace the resigning director Sebastien Egon Fürstenberg, who, as honorary chairman, continues to participate in corporate and board life under the terms of the Articles of Association. Mr. Borri will remain in

PRESS RELEASE 2024 PRELIMINARY CONSOLIDATED RESULTS

office until the natural expiry of the Board of Directors currently in office, i.e. until the Shareholders' Meeting called to approve the financial statements for FY 2024.

Restructuring of the securitisation “Ifis ABCP Programme” of factoring receivables worth 1,15 billion Euro

On 28 June 2024, Banca Ifis successfully completed the restructuring of the securitisation called “Ifis ABCP Programme”, worth 1,15 billion Euro involving proprietary factoring receivables. The securitisation was initially finalised on 13 October 2016 and relates to the assignment, on a revolving basis, of receivables due from private customers arising from the Group's ordinary factoring activities, acquired both with and without recourse and of which the assigned debtor has been notified of the assignment.

The restructuring has led Banca Ifis, which assumed the role of Lead-Arranger and Calculation Agent, to improve the economic conditions of the securitisation and to enlarge the investor base from six to eight institutions. The banks already involved in the project were joined by Cassa Depositi e Prestiti (CDP), whose commitment aims to provide new finance to SMEs, and Natixis CIB, the latter also assuming the role of co-arranger.

This restructuring transaction did not have any impact on the Banca Ifis Group's economic and equity position.

1,5 billion Euro TLTRO lines repaid in 2024

With regard to TLTRO funding, it should be noted that during the year, thanks to the Group's solid liquidity position in reserves and free assets that can be financed by the ECB, we continued with the early repayment, with respect to the September 2024 maturity date, of the TLTRO III lines for a further nominal amount of 1.125 million Euro, also completing well in advance all the managerial actions aimed at the repayment of the remaining nominal amount of 411,5 million Euro, which took place on 25 September 2024 and brought the amount of TLTRO III lines repaid to a nominal amount of 2.036,5 million Euro.

It should be noted that, as early as the end of 2023, the Group put in place the managerial actions preparatory to the replacement of this funding component through senior bond issues, the increase of retail funding with a multi-channel strategy and targeted marketing campaigns as well as the restructuring of securitisation transactions on the Group's portfolios. As a result, these actions effectively changed the Group's funding structure, which at 31 December 2024 consists of 60,4% in amounts due to customers (49,2% at 31 December 2023), 12,4% in debt securities issued (23,0% at 31 December 2023) and 27,2% in payables due to banks (27,8% at 31 December 2023).

Distribution of a 2024 interim dividend of 63,1 million Euro (1,20 Euro per share)

On 7 November 2023, the Banca Ifis Board of Directors resolved to distribute an interim dividend for 2024 totalling 63,083,736.00 Euro, i.e. equal to 1,20 Euro (gross of withholding taxes) for each of the 52.569.780 Banca Ifis shares issued and outstanding as of such date (and therefore excluding treasury shares held by the Bank). The interim dividend 2024 was paid with ex-dividend date 18 November 2024, record date of 19 November and payment date of 20 November 2024. The report by the Board of Directors and the accounting statement as at 30 September 2024 pursuant to Article 2433-bis of the Italian Civil Code, on the basis of which the Board of Directors of Banca Ifis resolved to distribute the interim dividend and included in the Interim Report as at 30 September 2024 - are made available to the public at the Bank's registered office, as well as on the authorised storage mechanism and on the Bank's institutional website, www.bancaifis.it, in the "Investor Relations & Corporate Development" section. Lastly, for the purposes of the distribution of the interim dividend, on 7 November 2024, the independent auditing firm PricewaterhouseCoopers S.p.A. issued the opinion required by Article 2433-bis of the Italian Civil Code, which has been made available to shareholders at the Bank's registered office.

Significant subsequent events

PRESS RELEASE
2024 PRELIMINARY CONSOLIDATED RESULTS

Voluntary takeover and exchange offer (OPAS) for all shares of illimity Bank submitted

On 7 January 2025, the Board of Directors of Banca Ifis approved the promotion of a voluntary takeover and exchange offer (OPAS) on all shares of illimity Bank. The offer was disclosed to the market by means of a notice circulated on the same date pursuant to Article 102(1) of Legislative Decree No. 58/98 (the 'TUF') and Article 37 of the regulations adopted by CONSOB Resolution No. 11971/99 (the 'Issuers' Regulations'). The offer, which is conditional upon obtaining the relevant regulatory authorisations and the fulfilment of the established conditions, is aimed at the acquisition by Banca Ifis of 100% ownership of the shares of illimity Bank listed on Euronext Milan, Euronext STAR Milan Segment. In particular, Banca Ifis has proposed that for each share of illimity Bank tendered to the offer, a consideration expressing a unit valuation of 3,55 Euro, based on the official price of Banca Ifis shares on 7 January 2025, will be paid. This consideration is composed of:

- 0,1 newly issued shares of Banca Ifis for each share of illimity Bank and
- a cash component of 1,414 Euro.

If the offer is successful, the transaction, which envisages the subsequent merger by incorporation of illimity Bank into Banca Ifis, may enable the Banca Ifis Group to accelerate its growth path and consolidate its leadership in the Italian specialty finance market, expanding its SME customer base, entering new businesses and segments, and maintaining its leadership in NPLs.

PRESS RELEASE
2024 PRELIMINARY CONSOLIDATED RESULTS

Declaration of the Manager charged with preparing the Company's financial reports

Pursuant to article 154 bis, paragraph 2 of the Consolidated Law on Finance, the Manager Charged with preparing the Company's financial reports, Massimo Luigi Zanaboni, declares that the financial information contained in this press release corresponds to the related books and accounting records.

PRESS RELEASE 2024 PRELIMINARY CONSOLIDATED RESULTS

Reclassified Financial Statements and key balance sheet data

Reclassifications and aggregations of the consolidated income statement concern the following:

- net credit risk losses/reversals of the Npl Segment are reclassified to interest receivable and similar income (and therefore to "Net interest income") to the extent to which they represent the operations of this business and are an integral part of the return on the investment;
- net allocations to provisions for risks and charges are excluded from the calculation of "Operating costs";
- cost and revenue items deemed as "non-recurring" (e.g. because they are directly or indirectly related to business combination transactions, such as the "gain on a bargain purchase" in accordance with IFRS 3), are excluded from the calculation of "Operating costs", and are therefore reversed from the respective items as per Circular 262 (e.g. "Other administrative expenses", "Other operating income/costs") and included in a specific item "Non-recurring income and costs";
- the ordinary and extraordinary charges introduced against the Group's banks (Banca Ifis and Banca Credifarma) under the Single and National Resolution Mechanisms (SRF and NRF) and the Deposit Protection Mechanism (DGS or FITD) are shown under a separate item called "Charges related to the banking system" (which is excluded from the calculation of "Operating costs"), instead of being shown under "Other administrative expenses" or "Net allocations to provisions for risks and charges";
- the following is included under the single item "Net credit risk losses/reversals":
 - net credit risk losses/reversals relating to financial assets measured at amortised cost (with the exception of those relating to the Npl Segment mentioned above) and to financial assets measured at fair value through other comprehensive income;
 - net allocations to provisions for risks and charges for credit risk relating to commitments and guarantees granted;
 - profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment.

Reclassified Consolidated Statement of Financial Position

ASSETS (in thousands of Euro)	31.12.2024	31.12.2023
Cash and cash equivalents	505.016	857.533
Financial assets held for trading	12.069	12.896
Financial assets mandatorily measured at fair value through profit or loss	237.032	221.982
Financial assets measured at fair value through other comprehensive income	701.830	749.176
Receivables due from banks measured at amortised cost	703.763	637.567
Receivables due from customers measured at amortised cost	10.810.018	10.622.134
Hedging derivatives	7.404	-
Equity investments	24	24
Property, plant and equipment	166.665	143.255
Intangible assets	85.488	76.667
<i>of which:</i>		
- <i>goodwill</i>	38.020	38.020
Tax assets:	213.464	285.435
a) <i>current</i>	42.033	46.601
b) <i>prepaid</i>	171.431	238.834
Other assets	382.965	444.692
Total assets	13.825.738	14.051.361

PRESS RELEASE 2024 PRELIMINARY CONSOLIDATED RESULTS

LIABILITIES AND EQUITY (in thousands of Euro)	31.12.2024	31.12.2023
Payables due to banks	1.443.250	2.717.139
Payables due to customers	7.001.763	5.814.624
Debt securities issued	3.152.737	3.288.895
Financial liabilities held for trading	13.765	14.005
Hedging derivatives	14.868	11.644
Tax liabilities:	51.924	57.717
<i>a) current</i>	23.345	26.025
<i>b) deferred</i>	28.579	31.692
Other liabilities	339.377	387.554
Post-employment benefits	7.569	7.906
Provisions for risks and charges	52.339	58.178
Valuation reserves	(28.144)	(39.215)
Reserves	1.543.729	1.505.424
Interim dividends (-)	(63.084)	(62.962)
Share premiums	85.391	84.108
Share capital	53811	53811
Treasury shares (-)	(20.971)	(21.817)
Equity attributable to non-controlling interests (+/-)	15.836	14.240
Profit (loss) for the year (+/-)	161.578	160.110
Total liabilities and equity	13.825.738	14.051.361

Reclassified Consolidated Income Statement

ITEMS OF THE INCOME STATEMENT (in thousands of Euro)	31.12.2024	31.12.2023
Net interest income	532.505	566.197
Net commission income	91.775	98.221
Other components of net banking income	74.872	40.198
Net banking income	699.152	704.616
Net credit risk losses/reversals	(37.670)	(52.407)
Net profit (loss) from financial activities	661.482	652.209
Administrative expenses:	(417.390)	(402.011)
<i>a) personnel expenses</i>	(169.852)	(163.802)
<i>b) other administrative expenses</i>	(247.538)	(238.209)
Net impairment losses/reversals on property, plant and equipment and intangible assets	(23.276)	(17.706)
Other operating income/expenses	33.750	25.069
Operating costs	(406.916)	(394.648)
Charges related to the banking system	(8.136)	(11.193)
Net allocations to provisions for risks and charges	(478)	(6.878)
Non-recurring expenses and income	(610)	(2.919)
Gains (losses) on disposal of investments	-	986
Pre-tax profit (loss) for the period from continuing operations	245.342	237.557
Income taxes for the year relating to current operations	(82.168)	(75.641)
Profit (loss) for the year	163.174	161.916
Profit (loss) for the year attributable to non-controlling interests	(1.596)	(1.806)

PRESS RELEASE
2024 PRELIMINARY CONSOLIDATED RESULTS

Profit (loss) for the year attributable to the Parent company	161.578	160.110
----------------------------------------------------------------------	----------------	----------------

Consolidated own funds and capital adequacy ratios

OWN FUNDS AND CAPITAL ADEQUACY RATIOS (in thousands of Euro)	AMOUNTS	
	31.12.2024 ^(*)	31.12.2023 ^(**)
Common Equity Tier 1 (CET1) capital	1.583.801	1.544.497
Tier 1 capital	1.584.703	1.545.424
Total Own Funds	1.781.416	1.812.324
Total RWAs	9.836.093	10.390.002
CET1 Ratio	16,10%	14,87%
Tier 1 Ratio	16,11%	14,87%
Total Capital Ratio	18,11%	17,44%

(^{**}) CET1, Tier 1 and Total Capital include the profits accrued by the Banking Group at 31 December 2023, net of the related dividend, including the portion distributed on an interim basis in compliance with the provisions of Article 2433, paragraph 4 of the Italian Civil Code.

(^{**}) CET1, Tier 1 and Total Capital include the profits accrued by the Banking Group at 31 December 2023, net of the related dividend, including the portion distributed on an interim basis in compliance with the provisions of Article 2433, paragraph 4 of the Italian Civil Code.

Rosalba Benedetto

Director Communication, Marketing, Public Affairs & Sustainability
Banca Ifis S.p.A.

Davide Tammaro

Head of Brand, Corporate Communication & Sustainability
davide.tammaro@bancaifis.it
+39 366 6258525

Martino Da Rio

Head of Investor Relations & Corporate Development
Banca Ifis S.p.A.
+39 02 24129953

Davide Pastore

Media Relations Manager
davide.pastore@bancaifis.it
+39 337 1115357



PRESS RELEASE
2024 PRELIMINARY CONSOLIDATED RESULTS



Fine Comunicato n.0147-19-2025

Numero di Pagine: 19