Informazione Regolamentata n. 0147-50-2025	Data/Ora Inizio Diffusione 8 Maggio 2025 12:28:16	Euronext Star Milan

Societa'	:	BANCA IFIS
Identificativo Informazione Regolamentata	:	205263
Utenza - referente	:	IFISN07 - DA RIO
Tipologia	:	REGEM
Data/Ora Ricezione	:	8 Maggio 2025 12:28:16
Data/Ora Inizio Diffusione	:	8 Maggio 2025 12:28:16
Oggetto	:	Banca Ifis, net profit surpasses expectations and rises to 47,3 million Euro in Q1 2025. Solid capital position with CET1 at 16,6%.

Testo del comunicato

Vedi allegato

Banca Ifis

PRESS RELEASE
Q1 2025 CONSOLIDATED RESULTS

Banca Ifis, net profit surpasses expectations and rises to 47,3 million Euro in Q1 2025. Solid capital position with CET1 at 16,6%.

The constant profitability and capital solidity achieved by Banca Ifis in recent years allow it to seize growth opportunities also through acquisitions, while keeping its risk profile low and an important level of remuneration for its shareholders.

CONSOB approved the offer document for the public takeover bid promoted by Banca Ifis on illimity Bank, after obtaining ECB and Bank of Italy authorisations.

Share capital increase approved for the public takeover bid promoted by Banca Ifis on illimity Bank in exercise of the proxy conferred by the Shareholders' Meeting on 17 April 2025.

- Profit exceeds expectations. The result, of 47,3 million Euro, is the highest quarter on record in the last five years.
- In Q1 2025, consolidated revenues amounted to 178,8 million Euro and reflect the positive performance of the commercial business, the Npl business and the proprietary finance unit.
- The Bank's leadership in sustainability has been confirmed, also evidenced by the improvement in the major international ESG ratings, starting with MSCI, which assigned the highest ESG rating to the Bank, increasing to AAA from the AA rating obtained in 2024. This result reflects the numerous sustainability initiatives implemented in recent years, aimed at generating a positive impact for the country's real economy.
- Solid capital base with a clearly increasing CET1 ratio compared to 31 December 2024, rising to 16,6%, excluding Q1 2025 profit. This figure is well above the capital requirements[1].
- Operating costs are down 4,5%, coming in at 97,5 million Euro, reflecting the Bank's focus on operational efficiency and the completion of the digitisation projects envisaged in the 2022-2024 Business Plan.
- The solid capital position allows the Bank to distribute a total dividend of 111,5 million Euro for 2024 (2,12 Euro per share), 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.

Q1 2025 consolidated results

Reclassified consolidated data[2] - Q1 2025

- **The Banca Ifis Group's consolidated net profit amounts to 47,3 million Euro,** up from the Q1 2024 result. The stable growth of Banca Ifis has been made possible thanks to the positive commercial performance, the growth of the Npl business and the work of the proprietary finance segment, in a less favourable environment for banks characterised by decreasing interest rates and high volatility.

[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 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
Q1 2025 CONSOLIDATED RESULTS

- **Net banking income amounts to 178,8 million Euro**, compared with the 185,2 million Euro in Q2 2024, benefits from the growth of the Commercial & Corporate Banking Sector (+0,7%, or 0,6 million Euro, compared to Q1 2024), the positive contribution of the Npl Sector (+8,4%, or 6,3 million Euro, compared to Q1 2024), as well as the increase in results from the Proprietary Finance segment (+4,0%, or 0,7 million Euro, compared to Q1 2024). These values were achieved despite the less favourable reference rate scenario.
- **The credit cost is 8,2 million Euro,** compared to 8,6 million Euro in the same period of 2024, confirming the prudent credit risk management in recent years.
- **Operating costs of 97,5 million Euro** (-4,5% compared to the 102,1 million Euro in Q1 2024) reflect the Bank's focus on operational efficiency, lower other administrative expenses (57,3 million Euro compared to 61,9 million Euro in Q1 2024), benefits from the conclusion of the 2022-2024 Business Plan's digitisation projects and positive seasonality.
- **Liquidity position, at 31 March 2025, is equal to approximately 1,4 billion Euro** in reserves and free assets that can be financed by the ECB (LCR above 700%).

Capital requirements[3]

- **The CET1 is 16,55% (16,10% at 31 December 2024)** and the TCR is 18,43% (18,11% at 31 December 2024). The coefficients, calculated excluding the profit generated in the first quarter of 2025, enable the Bank to meet its long-term growth challenges, including through acquisitions.

***

Rome, 08 May 2025 – The Board of Directors of Banca Ifis met today under the **chairmanship of Ernesto Fürstenberg Fassio** and approved the consolidated results for the first quarter of 2025.

"The results of the first three months of 2025 reflect the positive outcomes of the path of strengthening our positioning undertaken in recent years. It is a path that, also thanks to the quality of our people, has allowed us to consolidate our position in the specialty finance segment and, at the same time, to lay the foundations for our future growth. The net profit for the first quarter of 2025 grows to 47,3 million Euro and confirms the strength of the core components of the Bank's business model, even in the face of a volatile financial market context and less generous for the banking sector due to lower interest rates. The result was achieved thanks to our ability to generate positive, recurring industrial performance, whilst maintaining a low risk profile and offering attractive remuneration to our shareholders. On top of that, we have a solid capital position, also represented by the CET1 regulatory capital level of 16,6%, above the regulatory limits of 9%. Banca Ifis can look forward optimistically to a future in which it will be able to benefit from the path set over the past few years: the digitisation, efficiency and risk containment projects completed in the 2022-2024 Business Plan are, in fact, bringing tangible advantages in terms of profitability", says **Frederik Geertman, CEO of Banca Ifis**.

***

The revenues of the Commercial & Corporate Banking Sector in the first quarter increase compared to the same period in 2024, despite the less favourable interest rates, reflecting the dynamism and quality of the work of the commercial network. The benefits of specialising in high value-added businesses, such as equity investments in the structured finance business unit, were particularly evident this quarter, with a revenue contribution of around 11,8 million Euro, up sharply from the 4,0 million Euro recorded in Q1 2024.

The Npl Segment's revenues for the first quarter of 2025, up 8,4% compared to the same period of 2024, despite lower portfolio purchases, reflect the streamlining of in- and out-of-court recovery processes for the proprietary portfolio and the positive seasonality of the Npl business. Collections from recovery activities amounted to 101 million Euro and show no significant negative impact to date from inflation and macroeconomic uncertainty.

The average cost of funding as at 31 March 2025 stood at 3,5%, down from the average cost in Q1 2024 of 3,8%. The average spread, calculated as the differential between average customer interest and the average cost of funding, decreased slightly, from 2,3% in Q1 2024 to 1,9% in Q4 2024 and 1,8% in Q1 2025, with the trend taking hold mainly in the last quarter of 2024 as a result of the European Central Bank's reduction in interest rates.

At around 3,1 billion Euro, **the securities portfolio under proprietary finance** is slightly higher than the 2,9 billion Euro recorded in December 2024. The duration of the portfolio was extended from 2,3 years in December 2023 to 3,8 years in December 2024 and 4,2 years in March 2025, confirming active management, in line with market conditions, while maintaining a limited risk profile.

[3] The CET1, Tier 1 and Total Capital at 31 March 2025 exclude the profits generated by the Banking Group in Q1 2025.

Asset quality ratios, the Gross Npe Ratio and the Net Npe Ratio stand respectively at 6,1% and 3,3% (respectively 5,4% and 2,9% at 31 December 2024). The change from the previous quarter is a consequence of some specific positions whose impact in terms of provisions was however limited due to the presence of guarantees. The asset quality ratio at 31 March 2025 would come in respectively at 5,7% and 2,9% 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 March 2025.

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 16,55% (16,10% as at 31 December 2024) and a consolidated Total Capital Ratio of 18,43% (18,11% as at 31 December 2024), calculated excluding profits for the first quarter of 2025.

The solid capital position allows the Bank to face up to the challenges of long-term growth, including through acquisitions, and to distribute a total dividend of 111,5 million Euro for 2024 (2,12 Euro per share), 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. Thanks to the initiatives undertaken during the three-year plan period in all areas of sustainability, Banca Ifis has significantly improved its ranking on the main international ESG ratings and indices: at the start of 2025, MSCI raised Banca Ifis' rating from AA to AAA, thus positioning the Bank among the global leaders and entering a merit band in which only 2% of listed companies fall. In addition to MSCI, Banca Ifis received an ESG credit impact score (CIS) of 2 from Moody's, confirming it as a virtuous example on the market, with particular reference to Governance; a rating of B, on a scale of F to A, from CDP (formerly the Carbon Disclosure Project), a non-profit organisation that assesses the environmental impact of companies. In addition to its high ranking in the major international ratings, the bank was awarded the Best ESG Programme in Europe in the Small-Mid Cap segment in 2024 by the independent company Extel Institutional Investors.

In greater detail, 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.

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. A symbol of Ifis art - representing one of the greatest examples of corporate collection - is the collection of the Villa Fürstenberg International Sculpture Park. The Park officially reopened to the public on 27 April with two new works that enrich the rich collection of over thirty works by some of the best known exponents of contemporary Italian and international art. In this context, the Banca Ifis Research Department measured the results produced by the International Sculpture Park from a social point of view, according to the impact measurement model developed by the Bank with the Polytechnic University of Milan. According to the responses of the 500 visitors interviewed, the Banca Ifis International Sculpture Park generates a multiplier of 3,9: translated into practical terms, every Euro invested by the Bank in the Park generates almost 4 Euro of social value for the area. This value even rises to 5,3 if we take into account the cluster of participants in the workshops that the Bank organised during 2024 in cooperation with the Ministry of Culture within the framework of the Venice Biennale. Also as part of Ifis art, in May, Banca Ifis will be submitting the project to rescue and secure The Migrant Child, one of only two works by the artist Banksy on Italian soil. Accepting an appeal by the Ministry of Culture, the Bank took over the building on which the work is painted - Palazzo San Pantalon in Venice - and intends to turn it into an exhibition space for young artists as part of the Venice Biennale.

* * *

Exercise of the proxy to increase the share capital to service the public takeover bid promoted by Banca Ifis on illimity Bank

Today, the Board of Directors of Banca Ifis resolved, in execution of the mandate conferred by the Extraordinary Shareholders' Meeting of 17 April 2025, to increase the share capital for cash, in one or more tranches and in divisible form, with the exclusion of option rights pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, to service the total voluntary tender offer promoted by Banca Ifis on all the ordinary shares of illimity pursuant to Articles 102 and 106, paragraph 4, of the TUF.

In the context of the capital increase resolution, the Board of Directors also provided the information required by Article 2343-*quater*, paragraph 3, letters a), b), c) and e) of the Italian Civil Code. Pursuant to applicable regulations, the following documentation is made available to the public today at the company's registered office, on the authorised storage mechanism www.emarketstorage.com as well as on Banca Ifis's website: (i) the explanatory report of the Board of Directors prepared in accordance with Article 2441, paragraph 6, of the Italian Civil Code and Article 70, paragraph 7, letter a) of Consob Regulation No. 11971/1999; and (ii) the opinion of the independent auditors PricewaterhouseCoopers S.p.A. on the fairness of the issue price of Banca Ifis shares to be offered in exchange in the context of the aforesaid bid, pursuant to Article 2441, paragraph 6, of the Italian Civil Code and Article 158 of Legislative Decree No. 58/98. The minutes of the Board of Directors' meeting will be filed for registration with Venice, Rovigo Companies Register by the deadline established by current legislation.

RECLASSIFIED CONSOLIDATED DATA[4]

The Banca Ifis Group's consolidated income statement as at 31 March 2025 reports a profit attributable to the Parent company of 47,3 million Euro.

Highlights from the Banca Ifis Group's income statements for the first three months of 2025 are set out below.

Net banking income

Net banking income totals 178,8 million Euro, down compared with the figure at 31 March 2024 of 185,2 million Euro. The Commercial & Corporate Banking Sector contributes to this result with 89,9 million Euro, essentially in line with the same period of the previous year, the positive contribution from the Npl Segment which amounts to 80,6 million Euro (+6,3 million Euro compared to 31 March 2024), which is offset by the 13,4 million Euro decrease recorded by the Governance & Services and Non-Core Sector mainly due to the normal run-off process of the Non-Core Area's portfolios, the lower margins on the treasury side and the lower contribution recorded by fair value asset transactions.

Net credit risk losses

Net credit risk losses total 8,2 million Euro at 31 March 2025, an improvement of 0,4 million Euro on the 8,6 million Euro at 31 March 2024.

Operating costs

Operating costs total 97,5 million Euro, showing a decrease of 4,6 million Euro compared with 31 March 2024. The reclassified cost/income ratio is 54,6%, compared with 55,1% in the same period of the previous year.
Below are details of the item's main components:

- personnel expenses drop by 2,8% to 42,2 million Euro compared with the same period of the previous year. The number of Group employees at 31 March 2025 is 2.025, a 2,9% increase compared with the 1.968 resources at 31 March 2024;
- other administrative expenses at 31 March 2025 are 57,3 million Euro, down 4,6 million Euro on 31 March 2024. This change is mainly related to costs for outsourced services referring to Npl segment collections, which decrease by 34,6% compared to the same period of the previous year.

Net allocations to provisions for risks and charges

Net provisions for risks and charges at 31 March 2025 show net releases of 0,1 million Euro, while the balance at 31 March 2024 recorded net provisions made of 2,1 million Euro. More specifically, the comparative figure was characterised, amongst other effects, by provisions for payments under guarantee of 0,9 million Euro and 1,5 million Euro for guarantees for indemnities in connection with a sale of a shareholding.

Non-recurring expenses and income

Non-recurring charges and income show a net negative balance of 4,4 million Euro at 31 March 2025 and refer to non-recurring operating costs pertaining to the first quarter of 2025 mainly related to the voluntary takeover bid (OPA) on all the shares of illimity Bank, submitted by Banca Ifis in January 2025 (for more details see the section below "Significant events occurred in the period").

[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.

Banca Ifis

PRESS RELEASE
Q1 2025 CONSOLIDATED RESULTS

Net profit attributable to the Parent company

The net profit attributable to the Parent company comes to 47,3 million Euro, an increase on the first quarter 2024 result, despite the less favourable environment.

Focus on individual Segments

Below are the main dynamics recorded in the individual Segments that go towards forming the financial results at 31 March 2025.

Net income of the **Commercial & Corporate Banking Segment** comes to 24,4 million Euro, up 1,7 million Euro compared to 31 March 2024, mainly due to the increase in net banking income (+0,6 million Euro) and lesser operating costs for 0,8 million Euro, partly offset by higher net value adjustments for 1,5 million Euro.

The Segment's net banking income amounts to 89,9 million Euro, basically in line with the same period of the previous year thanks to the positive performance of the **Corporate Banking & Lending Area** (+3,7 million Euro), which, while the **Leasing Area** remains substantially stable, actually offset the reduction in the contribution of the **Factoring Area** (-3,3 million Euro). Overall, against the reduction in net interest income (-4,7 million Euro) and net commissions (-2,7 million Euro), the other components of net banking income grew significantly by 8,1 million Euro, thanks mainly to the contribution of the **Corporate Banking & Lending Area**.

As at 31 March 2025, the Segment recorded net impairment losses of 11,7 million Euro, up 15,1% compared to the same period of the previous year due to higher provisions allocated in the first quarter of 2025 for the deterioration of credit quality on some specific positions in the Corporate Banking & Lending Area.

Operating costs amount to 43,2 million Euro as at 31 March 2025, showing a reduction (-1,7%) compared with the same period of the previous year.

Profit of the **Npl Segment** at 31 March 2025 is 24,1 million Euro, up 8,0 million Euro compared with 31 March 2024.

The Segment's net banking income amounts to 80,6 million Euro, up 6,3 million Euro on the result recorded at 31 March 2024. The change was mainly attributable to net interest income, up 3,2 million Euro (+4,4%) mainly due to higher interest income from amortised cost as a result of the increase in the average value of the underlying loans that have completed the document verification phase and have come out of the staging phase, and to the other components of net interest and other banking income, up 3,4 million Euro (of which 4,7 million Euro due to higher profits from sales). These positive contributions more than offset the negative change of 0,4 million Euro in net commissions, which was mainly attributable to commission expenses for the management of the former Revalea portfolio.

Operating costs of 45,8 million Euro at 31 March 2025 are down 4,4 million Euro compared to 31 March 2024. This decrease was mainly due to lower recovery and operations expenses, the latter related to the timing of the onboarding of the former Revalea portfolio, which impacted the first quarter of 2024.

The **Governance & Services Sector and Non-Core** as at 31 March 2025 recorded a loss of 1,2 million Euro, down from the figure as at 31 March 2024, which recorded a profit of 8,5 million Euro (-9,7 million Euro), mainly due to the non-recurring income and expenses recorded in the first quarter of 2025 as better described below.

The Segment's net interest and other banking income amounts to 8,3 million Euro, a decrease of 13,4 million Euro compared to 31 March 2024 mainly due to the lower net interest income in the Non-Core and Treasury segment as well as the negative change in the fair value measurement of financial assets in the Non-Core segment, which in the first quarter of 2024 had recorded a disposal of an equity financial instrument with a capital gain of approximately 6 million Euro. This negative effect is partly offset by higher income of 1,5 million Euro on the Group's proprietary portfolio.

With regard to the credit cost, the figure for 31 March 2025 shows net write-backs of 3,5 million Euro, a rise of 2,0 million Euro compared to 31 March 2024, essentially due to the positive restructuring of an individually significant position.

Operating costs come to 8,5 million Euro, up 0,6 million Euro on 31 March 2024, mainly linked to ICT and communication expenses.

Net allocations to provisions for risks and charges have a zero balance in the first three months of 2025, showing an improvement compared to the net allocations of 1,6 million Euro at 31 March 2024 (which mainly related to new allocations in the period to guarantee transferred positions).

The Segment includes the item "Non-recurring charges and income" shows a net negative balance of 4,4 million Euro at 31 March 2025 and refers to non-recurring operating costs pertaining to the first quarter of 2025 mainly related to the voluntary takeover bid (OPA) on all the shares of illimity Bank, submitted by Banca Ifis in January 2025 (for more details see the section below "Significant events occurred in the period").

The breakdown of the main statement of financial position items of the Banca Ifis Group at 31 March 2025 is shown below.

Receivables due from customers measured at amortised cost

Total receivables due from customers measured at amortised cost amount to 10.551,8 million Euro, a slight decline on the 31 December 2024 figure of 10.810,0 million Euro. The item includes debt securities for 2,1 billion Euro (1,9 billion Euro at 31 December 2024, +5,7%), of which government securities for 1,7 billion Euro (+8,6% compared with 31 December 2024). In the absence of the debt securities component, receivables due from customers amount to 8.491,6 million Euro, down 4,2% compared to the December 2024 figure (8.861,4 million Euro).

The main dynamics by segment are shown below:

- The Commercial & Corporate Banking segment stands at 6.732,5 million Euro compared with 6.985,6 million Euro at December 2024 (-3,6%). The trend shows a decrease in the Factoring Area in line with the seasonal nature of the business (-252,7 million Euro, -8,7%), while the other two Areas of the Segment remained substantially stable;
- receivables due from customers in the Npl Segment amount to 1.520,5 million Euro, in line with 31 December 2024;
- the contribution of the Governance & Services and Non-Core Segment comes to 2.298,8 million Euro, broadly in line with the end-of-2024 figure.

Funding

Total funding amounts to 11,2 billion Euro at 31 March 2025 and shows a slight decrease compared with the figure at 31 December 2024 (-3,2%); it is represented for 56,7% by payables due to customers (60,4% at 31 December 2024), for 27,3% by debt securities issued (27,2% at 31 December 2024), and for 16,0% by payables due to banks (12,4% at 31 December 2024).

The Group's funding structure is as follows:

- 56,7% customers;
- 14,0% Asset Backed Securities (ABS);
- 13,3% debt securities;
- 8,8% repurchase agreements;
- 2,7% MROs;
- 4,5% other.

Payables due to banks come to 1,8 billion Euro, up 24,1% compared to the figure for end December 2024 mainly due to growth in repurchase agreements payable to banks of 358,7 million Euro.

Payables due to customers at 31 March 2025 total 6,4 billion Euro, down 9,0% compared to 31 December 2024. The reduction is driven by repurchase agreements with customers, which amount to 687,7 million Euro (-358,0 million Euro compared to the balance at the end of 2024) and retail funding, which amounts to 4,6 billion Euro at the end of March 2025 (-4,6% compared to 31 December 2024).

Debt securities issued amount to 3,1 billion Euro at 31 March 2025, down by 85,3 million Euro (-2,7%) mainly as a result of the normal amortisation of the Group's securitisation securities.

As a result of the dynamics depicted above, the average funding cost as at 31 March 2025 stands at 3,54%, down from the figure of 3,86% for the average of the first quarter of 2024.

Equity and ratios[5]

Consolidated equity at 31 March 2025 totals 1.800,5 million Euro, up 3,0% on the 1.748,1 million Euro booked at end 2024. The main changes can be traced back to:

[5] CET1, Tier 1 and Total Capital do not include the profits accrued by the Banking Group at 31 March 2025.

- the positive change linked to the period result attributable to the Parent company of 47,3 million Euro;
- the positive change in valuation reserves of 4,3 million Euro generated mainly by the valuation of assets at fair value and exchange rate differences.

As of 1 January 2025, with the full adoption of EU Regulation 1623/2024 ("CRR3"), capital requirements will be calculated in line with the provisions of the Basel 4 reform, which aims to increase the robustness and degree of comparability between institutions in the banking system, limiting the possibility of using calculation methodologies based on internal models and, at the same time, making standardised methodologies more granular and "risk sensitive" with particular reference to first-pillar risks.

As of 1 January 2025, the calculation of Own Funds no longer benefits from the transitional IFRS 9 treatment introduced by EU Regulation 873/2020 for the period 2020-2024, while the temporary treatment of unrealised gains and losses measured at fair value continues to apply for exposures to central governments classified in the category "financial assets measured at fair value through comprehensive income" (FVOCI), reintroduced by EU Regulation 1623/2024 as an amendment to Article 468 of the CRR as of 9 July 2024.

The Banca Ifis Group's capital ratios as at 31 March 2025, taking into account the transitional provisions of Regulation 1623/2024, stand for CET1 at 16,55%, for Tier 1 at 16,56% and for Total Capital at 18,43% and largely meet the capital requirements.

Significant events occurred in the period

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.

Here below is a summary of the most significant events in the period.

Voluntary takeover and exchange offer promoted for all shares of illimity Bank

On 7 January 2025, the Board of Directors of Banca Ifis approved the promotion of a voluntary takeover and exchange offer on all shares of illimity Bank. The offer was disclosed to the market on 8 January 2025 by means of a notice circulated pursuant to Article 102, paragraph 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 satisfaction of the conditions established, which to date have not yet been assured, 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, which will be adjusted to 1,506 Euro following the detachment, on 19 May 2025, of the coupon for the balance of the dividend for FY 2024.

On 10 March 2025, Banca Ifis announced that the Italian Antitrust Authority (AGCM) had granted its authorisation for the transaction, without imposing any conditions, limitations or requirements, and that, in light of this, Banca Ifis did not identify any further antitrust authorisations necessary to complete the offer.

On 14 March 2025, the President of the Council of Ministers forwarded to Banca Ifis the resolution accepting the proposal of the Ministry of Economy and Finance (MEF) not to exercise the special powers under the “Golden Power” regulation in relation to the acquisition by Banca Ifis, through the Offer, of the entire share capital of illimity.

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.

Significant subsequent events

The Shareholders' Meeting gave approval for the share capital increase dedicated to the voluntary takeover bids on illimity Bank and approved the 2024 Financial Statements and the distribution of a dividend of 0,92 Euro per share for the year

On 17 April 2025, the Extraordinary and Ordinary Shareholders' Meeting of Banca Ifis, approved the 2024 Financial Statements and the consequent distribution of a dividend balance of 0,92 Euro for each Banca Ifis ordinary share issued and outstanding, already considered as a deduction of Equity as at 31 December 2024, with ex-dividend no. 31 date of 19 May 2025, record date of 20 May 2025 and payment date of 21 May 2025. At the same time, the Shareholders' Meeting also approved the renewal of the Board of Directors and expanded from 13 to 14 the number of Directors who will hold office until the date of the Shareholders' Meeting convened to approve the Annual Report for the year ending 31 December 2027. Rosalba Benedetto and Chiara Paolino join the Board of Directors. They will further strengthen the Board's expertise in the areas of brand reputation, sustainability and corporate management.

The Extraordinary Shareholders' Meeting approved the assignment to the Board of Directors of the proxy for the capital increase dedicated to the voluntary takeover bids (OPAs) on all the shares of illimity Bank S.p.A. promoted by Banca Ifis, announced on 8 January 2025.

The Board of Directors of Banca Ifis, which met on the sidelines of the Shareholders' Meeting, renewed Frederik Geertman as CEO and appointed Rosalba Benedetto as Deputy Chairman of the Banking Group.

Banca Ifis has received authorisation from the European Central Bank (ECB) and the Bank of Italy for the offer on illimity Bank, as well as CONSOB's approval of the bid document

With reference to the voluntary totalitarian takeover bids (OPAS) for all the ordinary shares of illimity Bank S.p.A., Banca Ifis received authorisation from the European Central Bank (ECB) on 28 April 2025 for the direct and indirect acquisition of a controlling stake in illimity, pursuant to Articles 19 *et seq.* of Italian Legislative Decree No. 385 of 1 September 1993.

Following the authorisation of the European Central Bank, on 2 May 2025 Banca Ifis also received all the necessary authorisations pertaining to the Bank of Italy and specifically:

- the authorisation of the indirect acquisition of a controlling interest in illimity SGR S.p.A. and the purchase of a qualified shareholding in Hype S.p.A.;
- the authorisation of the acquisition of the stake in illimity for a consideration exceeding 10% of the Banca Ifis Group's equity on a consolidated basis; and
- the ruling to ascertain that the amendments to Banca Ifis's articles of association resulting from the share capital increase to service the offer do not conflict with the sound and prudent management of Banca Ifis.

The Bank of Italy also confirmed the eligibility of the new shares issued as part of the capital increase as Tier 1 Primary Capital (CET1).

After obtaining the aforementioned regulatory authorisations, CONSOB, by resolution No. 23543 of 7 May 2025, approved the offer document pursuant to Article 102, paragraph 4 of the TUF.

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.

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)	31.03.2025	31.12.2024
Cash and cash equivalents	385.660	505.016
Financial assets held for trading	14.191	12.069
Financial assets mandatorily measured at fair value through profit or loss	257.655	237.032
Financial assets measured at fair value through other comprehensive income	901.677	701.830
Receivables due from banks measured at amortised cost	589.491	703.763
Receivables due from customers measured at amortised cost	10.551.764	10.810.018
Hedging derivatives	12.510	7.404
Equity investments	24	24
Property, plant and equipment	185.565	166.665
Intangible assets	87.998	85.488
of which:		
- goodwill	*38.020*	*38.020*
Tax assets:	214.399	213.464
a) current	*42.208*	*42.033*
b) prepaid	*172.191*	*171.431*
Other assets	378.407	382.965
Total assets	**13.579.341**	**13.825.738**

LIABILITIES AND EQUITY (in thousands of Euro)	31.03.2025	31.12.2024
Payables due to banks	1.791.493	1.443.250
Payables due to customers	6.372.267	7.001.763
Debt securities issued	3.067.443	3.152.737
Financial liabilities held for trading	13.479	13.765
Hedging derivatives	15.654	14.868
Tax liabilities:	60.226	51.924
a) current	*30.417*	*23.345*
b) deferred	*29.809*	*28.579*
Other liabilities	400.532	339.377
Post-employment benefits	7.305	7.569
Provisions for risks and charges	50.436	52.339
Valuation reserves	(23.822)	(28.144)
Reserves	1.705.654	1.543.729
Interim dividends (-)	(63.084)	(63.084)
Share premiums	85.391	85.391
Share capital	53.811	53.811
Treasury shares (-)	(20.971)	(20.971)
Equity attributable to non-controlling interests (+/-)	16.243	15.836
Profit (loss) for the period (+/-)	47.284	161.578
Total liabilities and equity	**13.579.341**	**13.825.738**

Reclassified Consolidated Income Statement

ITEMS OF THE INCOME STATEMENT (in thousands of Euro)	31.03.2025	31.03.2024
Net interest income	**130.754**	**140.758**
Net commission income	**20.525**	**23.074**
Other components of net banking income	27.514	21.406
Net banking income	**178.793**	**185.238**
Net credit risk losses/reversals	(8.169)	(8.589)
Net profit (loss) from financial activities	**170.624**	**176.649**
Administrative expenses:	(99.475)	(105.337)
a) personnel expenses	*(42.180)*	*(43.396)*
b) other administrative expenses	*(57.295)*	*(61.941)*
Net impairment losses/reversals on property, plant and equipment and intangible assets	(6.445)	(5.174)
Other operating income/expenses	8.382	8.391
Operating costs	**(97.538)**	**(102.120)**
Charges related to the banking system	(10)	(9)
Net allocations to provisions for risks and charges	137	(2.149)
Non-recurring expenses and income	(4.424)	(40)
Pre-tax profit (loss) for the period from continuing operations	**68.789**	**72.331**
Income taxes for the period relating to continuing operations	(21.098)	(24.701)
Profit (loss) for the period	**47.691**	**47.630**
(Profit) loss for the period attributable to non-controlling interests	(407)	(454)
Profit (loss) for the period attributable to the Parent Company	**47.284**	**47.176**

Consolidated own funds and capital adequacy ratios

OWN FUNDS AND CAPITAL ADEQUACY RATIOS (in thousands of Euro)	AMOUNTS	
	31.03.2025(*)	31.12.2024(**)
Common Equity Tier 1 (CET1) capital	1.586.010	1.583.801
Tier 1 capital	1.586.864	1.584.703
Total Own Funds	**1.766.262**	**1.781.416**
Total RWAs	**9.582.796**	**9.836.093**
CET1 Ratio	**16,55%**	**16,10%**
Tier 1 Ratio	16,56%	16,11%
Total Capital Ratio	**18,43%**	**18,11%**

(*) CET1, Tier 1 and Total Capital do not include the profits accrued by the Banking Group at 31 March 2025.
(**) CET1, Tier 1 and Total Capital include the profits accrued by the Banking Group 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.

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

www.bancaifis.it

Fine Comunicato n.0147-50-2025	Numero di Pagine: 17