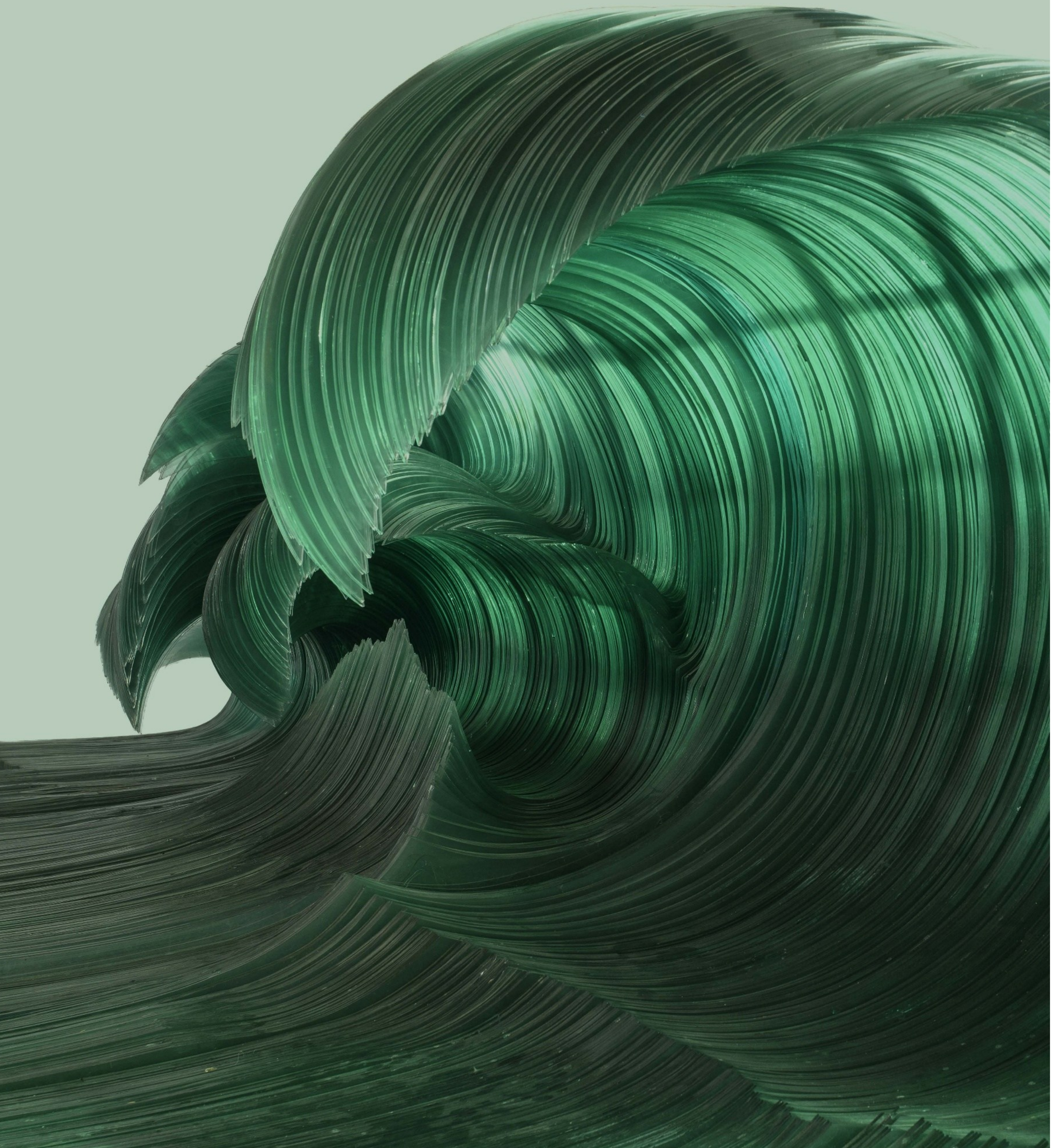
Banca Ifis

Consolidated Half-Year Financial Report at 30 June 2026

2026



Summary

Corporate Bodies

Corporate offices and Independent auditing firm in office at approval of this document

Honorary Chairman
Sebastien Egon Fürstenberg

Board of Directors

Chairman	Ernesto Fürstenberg Fassio
Vice Chair	Rosalba Benedetto
Chief Executive Officer	Frederik Herman Geertman [(1)]
Directors	Simona Arduini
	Monica Billio
	Nicola Borri
	Beatrice Colleoni
	Roberto Diacetti
	Moroello Diaz della Vittoria Pallavicini
	Roberta Gobbi
	Luca Lo Giudice
	Antonella Malinconico
	Chiara Paolino
	Riccardo Preve

[(1)] *The CEO has powers for the ordinary management of the Company.*

Board of Statutory Auditors

Chairman	Andrea Balelli
Standing Auditors	Annunziata Melaccio
	Franco Olivetti
Alternate Auditors	Marinella Monterumisi
	Emanuela Rollino

General Management

Co-General Managers	Fabio Lanza
	Raffaele Zingone

Manager charged with preparing the the Company's financial reports
Massimo Luigi Zanaboni

Independent Auditors
PricewaterhouseCoopers S.p.A.

Parent Company name: Banca Ifis S.p.A.
Reporting company's name: Banca Ifis S.p.A.
Name of controlling entity: Fürstenberg Scogliera Holding S.A.
Reporting office: Venice
Legal form: S.p.A.
Country of registration: Italy
Main place of business: Mestre - Venice
Registered and administrative office: Via Terraglio, 63 30174 Mestre - Venice (Italy)
Nature of reporting party's business: Credit business
Tax Code and Venice Companies Register Number: 02505630109
VAT No.: 04570150278
Enrolment in the Register of Banks No.: 5508

Interim Directors' report on the Group

Banca Ifis

General aspects

The Consolidated Half-Year Financial Report at 30 June 2026 consists of the Interim Directors' report on the Group and the Condensed Consolidated Half-Year Financial Statements; it is accompanied by the certification of the Manager charged with preparing the Company's financial reports.

The statement of financial position and the income statement, within the Interim Directors' Report on the Group, are presented in reclassified form, according to management criteria, in order to provide timely information on the Group's general performance based on aggregated economic and financial data that are quick and easy to understand, to allow for a more immediate reading of the results, within the Directors' Report on the Group, a condensed reclassified consolidated income statement is prepared.

To allow a more immediate reading of the results, a condensed reclassified consolidated income statement is prepared within the Interim Directors' report on the Group. It should be noted that in connection with the acquisition of control of illimity Bank S.p.A. and the former Euclidea SIM S.p.A. (the latter renamed Fürstenberg SIM S.p.A. as from 26 January 2026), carried out during the previous year, respectively on 4 July 2025 and 21 November 2025, and the consequent inclusion in the Banca Ifis Group's scope of consolidation of these acquired companies and, in the case of illimity Bank, also of the other companies belonging to the so-called "illimity Group", the economic figures for the first half of 2026 are not fully comparable with those of the same period of the previous year. Indeed, the comparative economic figures at 30 June 2025 do not include the contributions of the illimity Group and Fürstenberg SIM, as they relate to a period prior to the dates on which control was acquired in these business combinations. However, it should be noted that in the tables and comments to the individual economic items, the contributions of the illimity Group and of Fürstenberg SIM are presented, where relevant.

Analytical details of the restatements and reclassifications made with respect to the Consolidated financial statements compliant with Bank of Italy Circular 262 are provided in separate tables published among the annexes (see the section "Annexes" of this document), also in compliance with the requirements of Consob Communication No. 6064293 of 28 July 2006.

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 Bank of Italy 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, Banca Credifarma and illimity Bank) 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.

The balance sheet components were aggregated without reclassification.

The Segments of the financial-equity numerical are attributed on the basis of homogeneous allocation criteria in order to take into account both the specificity of the various segments and the need to guarantee effective monitoring of business performance over time.

Moreover, the Segment information in relation to the items of the reclassified income statement shows the results at the level of the net profit.

Reclassified Consolidated Financial Statements

Reclassified Consolidated Statement of Financial Position

ASSETS (in thousand Euro)	30.06.2026	31.12.2025
Cash and cash equivalents	568.052	787.290
Financial assets held for trading	16.282	27.473
Other financial assets mandatorily measured at fair value	757.417	780.619
Financial assets measured at fair value through other comprehensive income	1.513.295	1.659.271
Receivables due from banks measured at amortised cost	644.458	700.276
Receivables due from customers measured at amortised cost	16.367.748	16.135.996
Hedging derivatives	52.251	60.880
Equity investments	32.596	33.580
Property, plant and equipment	255.337	256.210
Intangible assets	116.849	128.999
of which:		
- goodwill	55.731	*55.268*
Tax assets:	326.347	368.495
a) current	*67.957*	*117.727*
b) prepaid	*258.390*	*250.768*
Non-current assets and disposal groups	28.852	157.555
Other assets	464.061	551.740
Total assets	**21.143.545**	**21.648.384**

LIABILITIES AND EQUITY (in thousands of Euro)	30.06.2026	31.12.2025
Payables due to banks	3.904.915	4.018.193
Payables due to customers	10.592.570	11.256.836
Debt securities issued	3.879.470	3.441.393
Financial liabilities held for trading	18.160	26.566
Hedging derivatives	33.296	33.748
Value adjustment to financial liabilities with generic hedges (+/-)	(5.242)	(2.936)
Tax liabilities:	57.292	117.272
a) current	*7.150*	*69.848*
b) deferred	*50.142*	*47.424*
Other liabilities	485.731	498.447
Post-employment benefits	8.893	11.441
Provisions for risks and charges	92.811	106.877
Valuation reserves	(29.617)	(16.840)
Reserves	1.793.932	1.604.673
Interim dividends (-)	-	(73.296)
Share premiums	232.671	229.093
Share capital	61.819	61.819
Treasury shares (-)	(9.838)	(13.701)
Equity attributable to non-controlling interests (+/-)	18.879	20.803
Profit (loss) for the period (+/-)	7.803	327.996
Total liabilities and equity	**21.143.545**	**21.648.384**

Reclassified consolidated income statement

INCOME STATEMENT ITEMS (in thousand Euro)	30.06.2026	30.06.2025
Net interest income	**261.688**	**242.510**
Net commission income	**71.316**	**44.354**
Other components of net banking income	73.545	64.096
Net banking income	**406.549**	**350.960**
Net credit risk losses/reversals	(83.610)	(19.160)
Net profit (loss) from financial activities	**322.939**	**331.800**
Administrative expenses:	(297.876)	(204.344)
a) personnel expenses	*(125.356)*	*(85.097)*
b) other administrative expenses	*(172.520)*	*(119.247)*
Net impairment losses/reversals on property, plant and equipment and intangible assets	(22.628)	(13.628)
Other operating income/expenses	11.701	16.994
Operating costs	**(308.803)**	**(200.978)**
Charges related to the banking system	(63)	(21)
Net allocations to provisions for risks and charges	(2.196)	5.535
Non-recurring expenses and income	(1.651)	(9.561)
Gains (losses) on equity investments	(1.245)	-
Gains (losses) on disposal of investments	4.243	-
Pre-tax profit (loss) from continuing operations	**13.224**	**126.775**
Income taxes for the period relating to continuing operations	(5.019)	(38.882)
Profit (loss) for the period	**8.205**	**87.893**
(Profit) loss for the period attributable to non-controlling interests	(402)	(775)
Profit (loss) for the period attributable to the Parent Company	**7.803**	**87.118**

Consolidated Statement of Comprehensive Income

CONSOLIDATED COMPREHENSIVE INCOME (in thousands of Euro)	30.06.2026	30.06.2025
Profit (loss) for the period	**8.205**	**87.893**
Other comprehensive income, net of taxes, not to be reclassified to profit or loss	(9.536)	559
Other comprehensive income, net of taxes, to be reclassified to profit or loss	(6.661)	6.350
Comprehensive Income	**(7.992)**	**94.802**
Consolidated comprehensive income attributable to non-controlling interests	(402)	(775)
Consolidated comprehensive income attributable to the Parent Company	**(8.394)**	**94.027**

Reclassified quarterly evolution

RECLASSIFIED CONSOLIDATED INCOME STATEMENT: QUARTERLY EVOLUTION (in thousand Euro)	YEAR 2026		YEAR 2025			
	Q2	Q1	Q4	Q3	Q2	Q1
Net interest income	**134.328**	**127.360**	**186.544**	**130.291**	**111.756**	**130.754**
Net commission income	**37.596**	**33.720**	**40.129**	**38.091**	**23.829**	**20.525**
Other components of net banking income	18.213	55.332	26.391	17.053	36.582	27.514
Net banking income	**190.137**	**216.412**	**253.064**	**185.435**	**172.167**	**178.793**
Net credit risk losses/reversals	(73.331)	(10.279)	(78.553)	(11.256)	(10.991)	(8.169)
Net profit (loss) from financial activities	**116.806**	**206.133**	**174.511**	**174.179**	**161.176**	**170.624**
Personnel expenses	(61.939)	(63.417)	(62.032)	(62.777)	(42.917)	(42.180)
Other administrative expenses	(89.039)	(83.481)	(95.329)	(84.722)	(61.952)	(57.295)
Net impairment losses/reversals on property, plant and equipment and intangible assets	(11.235)	(11.393)	(12.588)	(10.598)	(7.183)	(6.445)
Other operating income/expenses	3.454	8.247	18.580	10.784	8.612	8.382
Operating costs	**(158.759)**	**(150.044)**	**(151.369)**	**(147.313)**	**(103.440)**	**(97.538)**
Charges related to the banking system	(20)	(43)	(1.234)	(26)	(11)	(10)
Net allocations to provisions for risks and charges	(2.162)	(34)	(7.496)	(2.564)	5.398	137
Non-recurring expenses and income	3.132	(4.783)	(170.148)	381.103	(5.137)	(4.424)
- of which: gain on a bargain purchase on acquisition illimity Bank	-	-	*(90.484)*	*400.423*	-	-
Gains (losses) on equity investments	(492)	(753)	606	(408)	-	-
Gains (losses) on disposal of investments	4.243	-	141	54	-	-
Pre-tax profit (loss) from continuing operations	**(37.252)**	**50.476**	**(154.989)**	**405.025**	**57.986**	**68.789**
Income taxes for the period relating to continuing operations	14.137	(19.156)	10.654	(19.675)	(17.784)	(21.098)
Profit (loss) for the period	**(23.115)**	**31.320**	**(144.335)**	**385.350**	**40.202**	**47.691**
(Profit) loss for the period attributable to non-controlling interests	(352)	(50)	66	(203)	(368)	(407)
Profit (loss) for the period attributable to the Parent Company	**(23.467)**	**31.270**	**(144.269)**	**385.147**	**39.834**	**47.284**

NORMALISED RESULT: QUARTERLY EVOLUTION (in thousand Euro)	YEAR 2026		YEAR 2025			
	Q2	Q1	Q4	Q3	Q2	Q1
Profit (loss) for the period attributable to the Parent Company	**(23.467)**	**31.270**	**(144.269)**	**385.147**	**39.834**	**47.284**
gain on a bargain purchase on acquisition illimity Bank	-	-	*90.484*	*(400.423)*	-	-
non-recurring expenses (income) net of tax effect	*(2.909)*	*3.201*	*59.739*	*13.375*	*3.438*	*2.961*
taxes on closure of litigation	-	-	-	*10.516*	-	-
Normalised profit (loss) for the period attributable to the Parent Company	**(26.376)**	**34.471**	**5.954**	**8.615**	**43.272**	**50.245**

APM - Alternative Performance Measures

The Banca Ifis Group has defined a number of indicators, listed in the tables of the Group's KPIs, that provide Alternative Performance Measures (APMs) to help investors identify significant operational trends and financial ratios. In identifying these APMs, the specific indications were taken into account on how to represent the APMs published by ESMA on 1 April 2022 (document called “ESMA32-51-370 Questions and answers – ESMA Guidelines on Alternative Performance Measures”).

In addition, the statement issued by ESMA on 14 October 2025 entitled 'European common enforcement priorities for 2025 annual financial reports', with specific reference to HICs emphasises that their calculations and definitions should be consistent over time, and that caution should be exercised when introducing or adjusting HICs solely to reflect geopolitical impacts (such as customs tariffs). In general, ESMA recommends that IAPs allow for a fair review of the development and performance with reference to the companies' situation and business.

For a proper understanding of these APMs, please consider the following:

- these measures are based exclusively on the Group's historical data and are not indicative of the Group's future performance;
- APMs are non-IFRS measures and, although they are derived from the Group's Condensed consolidated half-year financial statements, they are not audited;
- APMs are not intended as a substitute for IFRS measures;
- said APMs shall be considered in conjunction with the Group's financial information derived from its condensed consolidated half-year financial statements;
- since these are non-IFRS measures, the definitions of the measures used by the Group may differ from, and therefore not be comparable to, those used by other companies/groups;
- the APMs used by the Group are consistent across all reporting periods for which the Group has disclosed financial information in these Condensed consolidated half-year financial statements.

In accordance with the guidelines issued by ESMA (ESMA/2015/1415), below is a detailed explanation of how these measures were calculated in order to facilitate their understanding.

Reclassified cost/income ratio (in thousand Euro)	30.06.2026	30.06.2025
A. Operating costs	308.803	200.978
B. Net banking income	406.549	350.960
Reclassified cost/income ratio (A/B)	**76,0%**	**57,3%**

(1) The reclassified cost/income ratio at 30 June 2026, amounting to 76,0%, includes the contribution of the illimity Group, which is not included in the indicator calculated at 30 June 2025 (as the acquisition of control of the illimity Group took place early July 2025). Excluding this contribution, the reclassified cost/income ratio at 30 June 2026 is 76,8%.

Contribution of operating Segments to Group results

Results by operating Segment

In accordance with standard IFRS 8, a company must provide information that allows users of the financial statements to assess the nature and effects on such of the balance of the business it pursues and the economic contexts in which it operates. The contribution therefore needs to be highlighted as made by the various operating Segments to forming the Group's economic result.

Identification of the operating Segments is consistent with the methods adopted by the Management to take operative decisions and is based on internal reporting, used in order to allocate the resources to the various segments and analyse the relevant performance.

In line with the structure used by Management to analyse the Group's results, the information by Segment is broken down as follows:

- Commercial & Corporate Banking Segment, which represents the Group's commercial offer dedicated to companies (with the exception of the offer to companies provided by the companies of the so-called "illimity Group", which is specifically included in the illimity Segment, except for treasury, which is centralised in the Governance & Services and Non-Core Segment) and also includes personal pension- or salary-backed loans (CQS/CQP). The Segment consists of the Factoring, Leasing and Corporate Banking & Lending Business Areas. Within the Corporate Banking & Lending Area, this Segment includes the contribution from Fürstenberg SIM (formerly Euclidea SIM), a company acquired on 21 November 2025;
- Npl Segment, dedicated to non-recourse factoring and managing distressed loans, servicing and managing non-performing, secured loans, with the exception of Npls belonging to the "illimity Group" (which are specifically included in the illimity Segment);
- illimity Segment, which includes the contribution of the operative business units of all companies included within the illimity Group headed by illimity Bank;
- Governance & Services and Non-Core Segment, which provides the Segments operating in the Group's core businesses with the financial resources and services necessary to perform their respective activities. The Segment includes Group treasury, including operations by illimity Bank, and proprietary securities desk activities, as well as some corporate loans portfolio assigned for run-off insofar as held to be non-strategic to the Group's growth.

The financial and balance sheet numerical of the Segments are attributed on the basis of homogeneous allocation criteria in order to take into account both the specificity of the various Segments and the need to guarantee effective monitoring of business performance over time.

Moreover, considering the foregoing, the Segment information in relation to the items of the income statement shows the results at the level of the net profit.

STATEMENT OF FINANCIAL POSITION DATA (in thousand Euro)	COMMERCIAL & CORPORATE BANKING SEGMENT				NPL SEGMENT	GOVERNANCE & SERVICES AND NON-CORE SEGMENT	ILLIMITY SEGMENT	TOTAL CONS. GROUP TOTAL
	TOTAL COMMERCIAL & CORPORATE BANKING SEGMENT	*of which: FACTORING AREA*	*of which: LEASING AREA*	*of which: CORPORATE BANKING & LENDING AREA*				
Other financial assets mandatorily measured at fair value through profit or loss								
Amounts at 30.06.2026	171.932	*874*	-	*171.058*	50.007	53.590	481.888	**757.417**
Amounts at 31.12.2025	164.082	*949*	-	*163.133*	58.253	56.918	501.366	**780.619**
% Change	*4,8%*	*(7,9)%*	-	*4,9%*	*(14,2)%*	*(5,8)%*	*(3,9)%*	***(3,0)%***
Financial assets measured at fair value through other comprehensive income								
Amounts at 30.06.2026	1.226	-	-	*1.226*	-	1.077.791	434.278	**1.513.295**
Amounts at 31.12.2025	873	-	-	*873*	-	1.114.264	544.134	**1.659.271**
% Change	*40,4%*	-	-	*40,4%*	-	*(3,3)%*	*(20,2)%*	***(8,8)%***
Receivables due from customers [1]								
Amounts at 30.06.2026	7.436.860	*2.756.019*	*1.676.926*	*3.003.916*	1.580.787	2.716.378	4.633.723	**16.367.748**
Amounts at 31.12.2025	7.216.527	*2.772.130*	*1.673.498*	*2.770.899*	1.592.328	2.281.560	5.045.581	**16.135.996**
% Change	*3,1%*	*(0,6)%*	*0,2%*	*8,4%*	*(0,7)%*	*19,1%*	*(8,2)%*	***1,4%***
Goodwill								
Amounts at 30.06.2026	17.711	-	-	*17.711*	38.020	-	-	**55.731**
Amounts at 31.12.2025	17.248	-	-	*17.248*	38.020	-	-	**55.268**
% Change	*2,7%*	-	-	*2,7%*	*0,0%*	-	-	***0,8%***
Other assets								
Amounts at 30.06.2026	78.778	*78.778*	-	-	-	220.995	164.288	**464.061**
Amounts at 31.12.2025	114.656	*114.656*	-	-	-	195.170	241.914	**551.740**
% Change	*(31,3)%*	*(31,3)%*	-	-	-	*13,2%*	*(32,1)%*	***(15,9)%***

(1) In the Governance & Services and Non-Core Segment, at 30 June 2026, there are government securities for 2.129,5 million Euro (1.770,6 million Euro at 31 December 2025) and in the illimity Segment, at 30 June 2026, there are government securities for 1.024,5 million Euro (1.000,2 million Euro at 31 December 2025).

RECLASSIFIED INCOME STATEMENT DATA AT 30.06.2026 (in thousands of Euro)	COMMERCIAL & CORPORATE BANKING SEGMENT				NPL SEGMENT	GOVERNANCE & SERVICES AND NON-CORE SEGMENT	ILLIMITY SEGMENT	CONS. GROUP TOTAL
	TOTAL COMMERCIAL & CORPORATE BANKING SEGMENT	*of which: FACTORING AREA*	*of which: LEASING AREA*	*of which: CORPORATE BANKING & LENDING AREA*				
Net interest income	**107.069**	***46.342***	***27.113***	***33.614***	**84.317**	**10.379**	**59.923**	**261.688**
Net commission income	**48.734**	***29.402***	***6.151***	***13.181***	**(1.705)**	**(4.829)**	**29.116**	**71.316**
Other components of net banking income	12.535	*(69)*	-	*12.604*	12.275	32.840	15.895	73.545
Net banking income	**168.338**	***75.675***	***33.264***	***59.399***	**94.887**	**38.390**	**104.934**	**406.549**
Net credit risk losses/reversals	(60.252)	*(34.196)*	*(3.428)*	*(22.628)*	29	(942)	(22.445)	(83.610)
Net profit (loss) from financial activities	**108.086**	***41.479***	***29.836***	***36.771***	**94.916**	**37.448**	**82.489**	**322.939**
Operating costs	**(106.813)**	***(59.172)***	***(19.339)***	***(28.302)***	**(90.437)**	**(27.793)**	**(83.760)**	**(308.803)**
Charges related to the banking system	-	-	-	-	-	(63)	-	(63)
Net allocations to provisions for risks and charges	(2.344)	*(2.215)*	*(286)*	*157*	55	(113)	206	(2.196)
Non-recurring expenses and income	-	-	-	-	-	(107)	(1.544)	(1.651)
Gains (losses) on equity investments	-	-	-	-	-	(100)	(1.145)	(1.245)
Gains (losses) on disposal of investments	-	-	-	-	-	-	4.243	4.243
Pre-tax profit (loss) from continuing operations	**(1.071)**	***(19.908)***	***10.211***	***8.626***	**4.534**	**9.272**	**489**	**13.224**
Income taxes for the period relating to continuing operations	406	*7.556*	*(3.875)*	*(3.275)*	(1.721)	(3.518)	(186)	(5.019)
Profit (loss) for the period	**(665)**	***(12.352)***	***6.336***	***5.351***	**2.813**	**5.754**	**303**	**8.205**
(Profit) loss for the period attributable to non-controlling interests	-	-	-	-	-	(402)	-	(402)
Profit (loss) for the period attributable to the Parent Company	**(665)**	***(12.352)***	***6.336***	***5.351***	**2.813**	**5.352**	**303**	**7.803**

SEGMENT KPIs (in thousand Euro)	COMMERCIAL & CORPORATE BANKING SEGMENT				NPL SEGMENT	GOVERNANCE & SERVICES AND NON-CORE SEGMENT (1)	ILLIMITY SEGMENT (1)
	TOTAL COMMERCIAL & CORPORATE BANKING SEGMENT	*of which: FACTORING AREA*	*of which: LEASING AREA*	*of which: CORPORATE BANKING & LENDING AREA*			
Credit cost (2)							
Amounts at 30.06.2026	1,67%	*2,54%*	*0,41%*	*1,58%*	n.s.	0,34%	n.s.
Amounts at 31.12.2025	0,50%	*0,30%*	*0,28%*	*0,84%*	n.s.	(1,09)%	n.s.
% Change	1,17%	*2,24%*	*0,13%*	*0,74%*	n.s.	1,43%	n.s.
Coverage ratio on gross bad loans							
Amounts at 30.06.2026	77,8%	*88,8%*	*89,2%*	*45,7%*	n.s.	42,1%	n.s.
Amounts at 31.12.2025	73,8%	*80,9%*	*86,6%*	*44,8%*	n.s.	41,0%	n.s.
% Change	4,0%	*7,9%*	*2,6%*	*0,9%*	n.s.	1,1%	n.s.
RWA (3)							
Amounts at 30.06.2026	6.331.120	*2.657.914*	*1.285.138*	*2.388.068*	1.781.060	1.236.953	3.066.211
Amounts at 31.12.2025	5.923.080	*2.467.630*	*1.288.940*	*2.166.510*	1.819.369	1.215.149	3.480.873
% Change	6,9%	*7,7%*	*(0,3)%*	*10,2%*	(2,1)%	1,8%	(11,9)%

(1) In the Governance & Services and Non-Core Segment, at 30 June 2026, there are government securities for 2.129,5 million Euro (1.770,6 million Euro at 31 December 2025) and in the illimity Segment, at 30 June 2026, there are government securities for 1.024,5 million Euro (1.000,2 million Euro at 31 December 2025).
(2) This indicator is calculated comparing the "annualised" value of net credit risk losses/reversals over the annual average loans to customers (calculated quarterly).
(3) Risk Weighted Assets; the amount only relates to the credit risk.

Commercial & Corporate Banking Segment

The Commercial & Corporate Banking Segment includes the following business areas:

- Factoring: Area dedicated to supporting the trade credit of SMEs operating on the domestic market, which develop towards export, or which from export, turn to Italian customers; it includes a business unit specialised in the acquisition of tax receivables transferred from bankruptcy proceedings, which operates under the Fast Finance brand. This unit acquires tax receivables, accrued and accruing, already requested for reimbursement, or future, arising from proceedings or in previous years;
- Leasing: Area that provides finance and operating leases - but not real estate leases, as the Group does not offer them - to small economic operators and SMEs;
- Corporate Banking & Lending: This business area includes the contribution from Fürstenberg SIM, a company acquired in November 2025, and combines several units:
  - Structured Finance, a unit dedicated to supporting companies and private equity funds in structuring financing, both bilateral and pooled;
  - Equity Investments, a business dedicated to investments in non-financial companies and in units of intermediaries;
  - Lending, a division dedicated to the Group's medium/long-term operations, focussed on supporting the business operating cycle and the disbursement of consumer credit in the form of salary- or pension-backed loans.

Below are the Segment results at 30 June 2026.

RECLASSIFIED INCOME STATEMENT DATA (in thousand Euro)	FIRST HALF OF		CHANGE	
	2026	2025	ABSOLUTE	%
Net interest income	**107.069**	**108.880**	**(1.811)**	**(1,7)%**
Net commission income	**48.734**	**45.975**	**2.759**	**6,0%**
Other components of net banking income	12.535	18.228	(5.693)	(31,2)%
Net banking income	**168.338**	**173.083**	**(4.745)**	**(2,7)%**
Net credit risk losses/reversals	(60.252)	(21.294)	(38.958)	183,0%
Net profit (loss) from financial activities	**108.086**	**151.789**	**(43.703)**	**(28,8)%**
Operating costs	**(106.813)**	**(86.527)**	**(20.286)**	**23,4%**
Net allocations to provisions for risks and charges	(2.344)	3.946	(6.290)	(159,4)%
Pre-tax profit (loss) from continuing operations	**(1.071)**	**69.208**	**(70.279)**	**(101,5)%**
Income taxes for the period relating to continuing operations	406	(21.226)	21.632	(101,9)%
Profit (loss) for the period	**(665)**	**47.982**	**(48.647)**	**(101,4)%**

The Commercial & Corporate Banking Segment shows a net loss of 0,7 million Euro, down 48,6 million Euro compared to 30 June 2025, mainly due to the decrease in net banking income of 4,7 million Euro, higher operating costs of 20,3 million Euro (mainly due to the strengthening of the workforce and higher depreciation and amortisation) as well as higher net value adjustments of 39,0 million Euro, which include prudential adjustments and provisions attributable to the results of internal audit activities following the on-site inspection conducted by the Bank of Italy on Banca Ifis (for more details, see the section "Other aspects", paragraph "Significant events of the period" of the Explanatory Notes).

The Segment's net banking income amounts to 168,3 million Euro, down 2,7% compared to the same period of the previous year, due to reduced contributions from the Corporate Banking & Lending Area (-2,3 million Euro, mainly attributable to the Corporate Banking business line) and the Factoring Area (-3,4 million Euro), the effect of which more than offset the growth in the Leasing Area (+1,0 million Euro). Overall, against the reduction in net interest income (-1,8 million Euro) and the increase in net commission income (+2,8 million Euro), the other components of net banking income decrease by 5,7 million Euro as a result of the lower contribution of the Corporate Banking unit; the result for the corresponding period in 2025 was positively impacted by the realisation of investments underlying UCITS units.

As at 30 June 2026, the Segment records net value adjustments of 60,3 million Euro, up 39,0 million Euro compared to the same period of the previous year, mainly due to the above-specified provisions.

Operating costs amount to 106,8 million Euro at 30 June 2026, showing an increase of 23,4% compared with the same period of the previous year. This result is mainly due to higher personnel expenses (above all due to increased headcount), higher amortisation on new software developments that came into use during the period, and higher other administrative expenses (mainly related to communication and marketing initiatives to support the business in question).

The item "net allocations to provisions for risks and charges" at 30 June 2026 shows net provisions made for 2,3 million Euro, compared with a comparative figure at 30 June 2025 of net releases of 3,9 million Euro (which were mainly associated with the positive resolution of disputes relating to the Factoring Area).

The operating performance of the business Areas making up the Segment is described and analysed further on.

The following table details the gross and net amounts as well as the relevant coverage ratios of receivables due from customers by credit quality.

COMMERCIAL & CORPORATE BANKING (in thousand Euro)	BAD LOANS	UNLIKELY TO PAY	PAST DUE EXPOSURES	TOTAL NON-PERFORMING (STAGE 3)	PERFORMING EXPOSURES (STAGES 1 AND 2)	TOTAL LOANS
POSITION AT 30.06.2026						
Nominal amount	125.671	286.705	133.679	**546.055**	7.185.714	**7.731.769**
Value adjustments	(97.812)	(137.702)	(15.023)	**(250.537)**	(44.372)	**(294.909)**
Carrying amount	27.859	149.003	118.656	**295.518**	7.141.342	**7.436.860**
Coverage ratio	*77,8%*	*48,0%*	*11,2%*	***45,9%***	*0,6%*	***3,8%***
Gross ratio	*1,6%*	*3,7%*	*1,7%*	***7,1%***	*92,9%*	***100,0%***
Net ratio	*0,4%*	*2,0%*	*1,6%*	***4,0%***	*96,0%*	***100,0%***
POSITION AT 31.12.2025						
Nominal amount	126.099	234.011	36.437	**396.547**	7.071.724	**7.468.271**
Value adjustments	(93.000)	(112.790)	(4.537)	**(210.327)**	(41.416)	**(251.744)**
Carrying amount	33.099	121.221	31.900	**186.220**	7.030.307	**7.216.527**
Coverage ratio	*73,8%*	*48,2%*	*12,5%*	***53,0%***	*0,6%*	***3,4%***
Gross ratio	*1,7%*	*3,1%*	*0,5%*	***5,3%***	*94,7%*	***100,0%***
Net ratio	*0,5%*	*1,7%*	*0,4%*	***2,6%***	*97,4%*	***100,0%***

Net non-performing exposures in the Commercial & Corporate Banking Segment stand at 295,5 million Euro at 30 June 2026, up 109,3 million Euro on 31 December 2025 (186,2 million Euro). The trend is mainly attributable to an increase in exposures classified as past due in the amount of 86,8 million Euro (primarily relating to the Factoring Area), which reflect certain recommendations of the Bank of Italy on the classification as non-performing in specific circumstances.

The coverage ratio of the impaired portfolio is 45,9% at 30 June 2026, down from 53,0% at 31 December 2025, mainly due to the increase in the incidence of past due within the impaired portfolio.

In the Commercial & Corporate Banking Segment, there are mainly non-performing loans classified as POCI, referring mainly to assets arising from business combinations (excluding those arising from the recent combination relating to the illimity Group): the net value of these assets is 7,2 million Euro at 30 June 2026 (8,4 million Euro at 31 December 2025), of which 5,7 million Euro impaired (essentially in line with the 31 December 2025 figure).

KPIs	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Credit cost (1)	1,67%	0,50%	-	1,17%
RWA (2)	6.331.120	5.923.080	408.040	6,9%

(1) This indicator is calculated comparing the "annualised" value of net credit risk losses/reversals over the annual average loans to customers (calculated quarterly).
(2) Risk Weighted Assets; the amount only relates to the credit risk.

To ensure a better understanding of the results for the period, below we comment on the contribution of the individual business areas to the Commercial & Corporate Banking Segment.

Factoring Area

RECLASSIFIED INCOME STATEMENT DATA (in thousand Euro)	FIRST HALF OF		CHANGE	
	2026	2025	ABSOLUTE	%
Net interest income	**46.342**	**49.731**	**(3.389)**	**(6,8)%**
Net commission income	**29.402**	**29.361**	**41**	**0,1%**
Other components of net banking income	(69)	5	(74)	n.s.
Net banking income	**75.675**	**79.097**	**(3.422)**	**(4,3)%**
Net credit risk losses/reversals	(34.196)	269	(34.465)	n.s.
Net profit (loss) from financial activities	**41.479**	**79.366**	**(37.887)**	**(47,7)%**
Operating costs	**(59.172)**	**(49.658)**	**(9.514)**	**19,2%**
Net allocations to provisions for risks and charges	(2.215)	4.098	(6.313)	n.s.
Pre-tax profit (loss) from continuing operations	**(19.908)**	**33.806**	**(53.714)**	**n.s.**
Income taxes for the period relating to continuing operations	7.556	(10.369)	17.925	n.s.
Profit (loss) for the period	**(12.352)**	**23.437**	**(35.789)**	**n.s.**

At 30 June 2026, the contribution made by the Factoring Area towards net banking income booked by the Commercial & Corporate Banking Segment comes to 75,7 million Euro, down 4,3% on the results of the same period of last year, mainly due to the lesser contribution of net interest income (-3,4 million Euro). Turnover during the first six months 2026 amounts to 6,3 billion Euro, a decrease of 140 million Euro compared to the figure at 30 June 2025, while receivables amount to 3,3 billion Euro, a decrease of 219 million Euro compared to the same period of the previous year's figure.

Net credit risk losses amount to 34,2 million Euro at 30 June 2026, up 34,5 million Euro compared to net reversals of 0,3 million Euro at 30 June 2025 (which reflected the recording in the first half of 2025 of lower provisions on the impaired portfolio and reversals on specific positions classified as non-performing), mainly due to the presence in the first half of 2026 of write-downs and provisions on some large credit exposures in the Workout division and on significant exposures to the National Health Service (SSN), attributable to the results of internal audit activities following the on-site inspection conducted by the Bank of Italy on Banca Ifis.

Therefore, net profit from financial activities amounts to 41,5 million Euro (-47,7% on 30 June 2025).

Operating costs of 59,2 million Euro at 30 June 2026 are up 9,5 million Euro compared to 30 June 2025. As previously mentioned, this increase is mainly due to higher personnel expenses related to the increase in the workforce, higher amortisation on new software developments that came into use in the period, as well as higher other administrative expenses (mainly for communication and marketing initiatives to support the business in question).

The item “net allocations to provisions for risks and charges” shows net provisions made at 30 June 2026 of 2,2 million Euro, with respect to the comparative figure at 30 June 2025, which showed net releases of 4,1 million Euro at 30 June 2025 (which, as previously indicated, were mainly related to the successful resolution of existing disputes).

As regards the main equity aspects, at 30 June 2026, total net commitments for the Area amount to 2.756,0 million Euro, essentially in line with the figure at 31 December.

The following table shows the gross and net amounts as well as the relevant coverage ratios of receivables due from customers by credit quality.

FACTORING AREA (in thousand Euro)	BAD LOANS	UNLIKELY TO PAY	PAST DUE EXPOSURES	TOTAL NON-PERFORMING (STAGE 3)	PERFORMING EXPOSURES (STAGES 1 AND 2)	TOTAL LOANS
POSITION AT 30.06.2026						
Nominal amount	80.596	106.390	109.803	**296.789**	2.603.685	**2.900.474**
Value adjustments	(71.534)	(52.867)	(11.128)	**(135.528)**	(8.927)	**(144.455)**
Carrying amount	9.062	53.523	98.675	**161.261**	2.594.758	**2.756.019**
Coverage ratio	*88,8%*	*49,7%*	*10,1%*	***45,7%***	*0,3%*	***5,0%***
POSITION AT 31.12.2025						
Nominal amount	85.714	73.254	16.207	**175.175**	2.715.440	**2.890.615**
Value adjustments	(69.359)	(39.987)	(615)	**(109.961)**	(8.523)	**(118.485)**
Carrying amount	16.355	33.267	15.592	**65.214**	2.706.916	**2.772.130**
Coverage ratio	*80,9%*	*54,6%*	*3,8%*	***62,8%***	*0,3%*	***4,1%***

The Area's total net non-performing exposures amount to 161,3 million Euro, up 96,0 million Euro from the 31 December 2025 figure, mainly due to the increase in exposures classified as unlikely to pay and past due (+20,3 million Euro and +83,1 million Euro, respectively), only partly offset by the decrease in non-performing exposures (-7,3 million Euro). In overall terms, the coverage of impaired exposures decreases from 62,8% to 45,7%, mainly due to these changes in terms of the proportion of unlikely to pay and past due positions to total non-performing loans.

KPIs	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Credit cost (1)	2,54%	0,30%	-	2,24%
RWA (2)	2.657.914	2.467.630	190.284	7,7%

(1) This indicator is calculated comparing the "annualised" value of net credit risk losses/reversals over the annual average loans to customers (calculated quarterly).
(2) Risk Weighted Assets; the amount only relates to the credit risk.

Leasing Area

RECLASSIFIED INCOME STATEMENT DATA (in thousand Euro)	FIRST HALF OF		CHANGE	
	2026	2025	ABSOLUTE	%
Net interest income	**27.113**	**26.301**	**812**	**3,1%**
Net commission income	**6.151**	**5.950**	**201**	**3,4%**
Net banking income	**33.264**	**32.251**	**1.013**	**3,1%**
Net credit risk losses/reversals	(3.428)	(3.495)	67	(1,9)%
Net profit (loss) from financial activities	**29.836**	**28.756**	**1.080**	**3,8%**
Operating costs	**(19.339)**	**(16.585)**	**(2.754)**	**16,6%**
Net allocations to provisions for risks and charges	(286)	91	(377)	n.s.
Pre-tax profit (loss) from continuing operations	**10.211**	**12.262**	**(2.051)**	**(16,7)%**
Income taxes for the period relating to continuing operations	(3.875)	(3.761)	(114)	3,0%
Profit (loss) for the period	**6.336**	**8.501**	**(2.165)**	**(25,5)%**

Net banking income from the Leasing Area amounts to 33,3 million Euro, an increase of 3,1% compared with the figure at 30 June 2025, mainly due to the greater contribution of net interest income (+0,8 million Euro). This 1,0 million Euro increase in net banking income is due to the Financial Leasing business for 0,3 million Euro and the Rental unit for 0,7 million Euro.

Net credit risk losses on receivables amount to 3,4 million Euro, essentially in line with the figure at 30 June 2025.

Operating costs total 19,3 million Euro, showing an increase of 16,6% on 30 June 2025. In this case too, this increase is mainly due to higher personnel expenses related to the increase in the workforce as well as higher amortisation on new software developments that came into use during the period.

At 30 June 2026, the Area's total net loans amount to 1.676,9 million Euro, essentially in line with 31 December 2025.

The following table shows the gross and net amounts as well as the relevant coverage ratios of receivables due from customers by credit quality.

LEASING AREA (in thousand Euro)	BAD LOANS	UNLIKELY TO PAY	PAST DUE EXPOSURES	TOTAL NON-PERFORMING (STAGE 3)	PERFORMING EXPOSURES (STAGES 1 AND 2)	TOTAL LOANS
POSITION AT 30.06.2026						
Nominal amount	13.097	17.923	9.741	**40.761**	1.673.244	**1.714.005**
Value adjustments	(11.678)	(11.341)	(2.839)	**(25.858)**	(11.221)	**(37.080)**
Carrying amount	1.420	6.581	6.902	**14.903**	1.662.022	**1.676.926**
Coverage ratio	*89,2%*	*63,3%*	*29,1%*	***63,4%***	*0,7%*	***2,2%***
POSITION AT 31.12.2025						
Nominal amount	13.266	16.693	9.612	**39.571**	1.669.784	**1.709.355**
Value adjustments	(11.485)	(9.833)	(2.853)	**(24.171)**	(11.686)	**(35.857)**
Carrying amount	1.781	6.860	6.759	**15.400**	1.658.098	**1.673.498**
Coverage ratio	*86,6%*	*58,9%*	*29,7%*	***61,1%***	*0,7%*	***2,1%***

Net non-performing exposures amount to 14,9 million Euro at 30 June 2026, down 3,2% compared to 31 December 2025, and are characterised by an associated coverage ratio of 63,4%, up from 61,1% at the end of 2025, mainly due to the increase in the average coverage of probable defaults in the six-month period. The coverage of performing loans is 0,7%, in line with December 2025.

KPIs	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Credit cost (1)	0,41%	0,28%	-	0,13%
RWA (2)	1.285.138	1.288.940	(3.802)	(0,3)%

(1) This indicator is calculated comparing the "annualised" value of net credit risk losses/reversals over the annual average loans to customers (calculated quarterly).
(2) Risk Weighted Assets; the amount only relates to the credit risk.

Corporate Banking & Lending Area

RECLASSIFIED INCOME STATEMENT DATA (in thousand Euro)	FIRST HALF OF		CHANGE	
	2026	2025	ABSOLUTE	%
Net interest income	**33.614**	**32.848**	**766**	**2,3%**
Net commission income	**13.181**	**10.664**	**2.517**	**23,6%**
Other components of net banking income	12.604	18.223	(5.619)	(30,8)%
Net banking income	**59.399**	**61.735**	**(2.336)**	**(3,8)%**
Net credit risk losses/reversals	(22.628)	(18.068)	(4.560)	25,2%
Net profit (loss) from financial activities	**36.771**	**43.667**	**(6.896)**	**(15,8)%**
Operating costs	**(28.302)**	**(20.284)**	**(8.018)**	**39,5%**
Net allocations to provisions for risks and charges	157	(243)	400	n.s.
Pre-tax profit (loss) from continuing operations	**8.626**	**23.140**	**(14.514)**	**(62,7)%**
Income taxes for the period relating to continuing operations	(3.275)	(7.096)	3.821	(53,8)%
Profit (loss) for the period	**5.351**	**16.044**	**(10.693)**	**(66,6)%**

Net banking income of the Corporate Banking & Lending Area comes to 59,4 million Euro at 30 June 2026, down 2,3 million Euro on 30 June 2025 (-3,8%). The negative change is a result of the combined effect of the following factors:

- a 0,8 million Euro increase in net interest income, mainly due to the higher contribution of the Lending unit of 0,7 million Euro;
- a 2,5 million Euro increase in net commissions, of which 1,0 million Euro from the contribution of Fürstenberg SIM, 0,8 million Euro from the higher contribution of the Lending unit and 0,7 million Euro from that of the Corporate Banking division;
- decrease in the contribution of the other components of net banking income, amounting to 5,6 million Euro, mainly represented by the lesser period write-backs of the fair value of securities in the Corporate Banking Segment.

Net credit risk losses amount to 22,6 million Euro, up 4,6 million Euro compared to 30 June 2025, mainly following higher provisions recorded in the first half of 2026 on certain individually significant exposures of the Structured Finance business unit.

The increase in operating costs of 8,0 million Euro compared to 30 June 2025 is mainly attributable to higher personnel expenses related to the increase in the number of staff and higher file management costs related to the salary-/pension-backed loans (CQS/CQP) business in line with the higher volumes disbursed.

“Net allocations to provisions for risks and charges” during the period show net releases of 0,2 million Euro, by contrast with the figure 30 June 2025, which recorded net provisions made of 0,2 million Euro.

At 30 June 2026, the Area's total net receivables due from customers amounts to 3.003,9 million Euro, up 233,0 million Euro on 31 December 2025.

The following table shows the gross and net amounts as well as the relevant coverage ratios of receivables due from customers by credit quality.

CORPORATE BANKING & LENDING AREA (in thousand Euro)	BAD LOANS	UNLIKELY TO PAY	PAST DUE EXPOSURES	TOTAL NON-PERFORMING (STAGE 3)	PERFORMING EXPOSURES (STAGES 1 AND 2)	TOTAL LOANS
POSITION AT 30.06.2026						
Nominal amount	31.977	162.392	14.135	**208.505**	2.908.785	**3.117.290**
Value adjustments	(14.601)	(73.494)	(1.055)	**(89.150)**	(24.223)	**(113.374)**
Carrying amount	17.377	88.898	13.080	**119.354**	2.884.562	**3.003.916**
Coverage ratio	*45,7%*	*45,3%*	*7,5%*	***42,8%***	*0,8%*	***3,6%***
POSITION AT 31.12.2025						
Nominal amount	27.119	144.064	10.618	**181.801**	2.686.500	**2.868.301**
Value adjustments	(12.156)	(62.970)	(1.069)	**(76.195)**	(21.207)	**(97.402)**
Carrying amount	14.963	81.094	9.549	**105.606**	2.665.293	**2.770.899**
Coverage ratio	*44,8%*	*43,7%*	*10,1%*	***41,9%***	*0,8%*	***3,4%***

Net non-performing exposures at 30 June 2026, amounting to 119,4 million Euro, show an increase of 13,7 million Euro compared to the value at the end of FY 2025, mainly due to the increase during the period in positions classified as unlikely-to-pay and past due (+7,8 million Euro and +3,5 million Euro, respectively). The coverage of non-performing loans increases from 41,9% in December 2025 to 42,8% in June 2026, mainly due to the higher proportion of unlikely to pay loans within the impaired portfolio.

KPIs	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Credit cost (1)	1,58%	0,84%	-	0,74%
RWA (2)	2.388.068	2.166.510	221.558	10,2%

(1) This indicator is calculated comparing the "annualised" value of net credit risk losses/reversals over the annual average loans to customers (calculated quarterly).
(2) Risk Weighted Assets; the amount only relates to the credit risk.

Npl Segment

This is the Banca Ifis Group's Segment dedicated to non-recourse acquisition and managing secured and unsecured distressed retail loans (excluding those belonging to illimity Group companies, which are included in the specific illimity Segment), as well as third-party portfolio management. The business is closely associated with converting non-performing loans into performing assets and collecting them.

The table below shows the loans portfolio of the Npl Segment, by method of transformation and accounting criterion; the "interest on income statement" refers to the components of the net banking income deriving from the booking at amortised cost of the related loans portfolio; in particular, interest income is included from the amortised cost for 87,2 million Euro and other components of the net interest income from cash flow changes for 19,5 million Euro, as reported in the summary table of "Reclassified economic data" below in this paragraph.

PROPRIETARY PORTFOLIO OF THE NPL SEGMENT (in thousand Euro)	OUTSTANDING NOMINAL AMOUNT	CARRYING AMOUNTS	CARRYING AMOUNTS/ OUTSTANDING NOMINAL AMOUNT	INTEREST ON INCOME STATEMENT
Cost	389.964	113.007	29,0%	-
Non-judicial	7.533.208	492.421	6,5%	30.557
of which: Collective (curves)	*6.939.143*	*170.900*	*2,5%*	*(8.879)*
of which: Plans	*594.065*	*321.521*	*54,1%*	*39.436*
Judicial	8.257.927	932.866	11,3%	76.149
of which: Other positions undergoing judicial processing	*1.226.674*	*151.887*	*12,4%*	-
of which: Writs, Property Attachments, Garnishment Orders	*2.056.411*	*612.169*	*29,8%*	*64.469*
of which: Secured and Corporate	*4.974.842*	*168.810*	*3,4%*	*11.680*
Total	**16.181.099**	**1.538.294**	**9,5%**	**106.706**

The business can be divided up into three macro categories:

- post-acquisition management, when all information retrieval operations take place to help decide the most appropriate conversion method; the receivable is classified in a so-called "staging" area and recognised at cost (113,0 million Euro at 30 June 2026), with no contribution to profit or loss. As a rule, 6-12 months later, the positions are directed towards the most appropriate form of management, depending on their characteristics;
- non-judicial operations, which deal with practices that can be handled through collection by settlement. Practices awaiting information about the most appropriate collection instrument are classified into a basin called "collective management" and at 30 June 2026 come to 170,9 million Euro as compared with 183,9 million Euro at 31 December 2025 (down 7,1%). Practices on which a realignment plan has been agreed and formalised come in at 321,5 million Euro at 30 June 2026;
- legal management, which covers all practices in the various stages of legal processing, ranging from obtaining a court order to a garnishment order. Practices awaiting the most appropriate legal action are included in the category of "Other positions undergoing judicial processing" and come to 151,9 million

Euro at 30 June 2026; practices in phases of writ, attachment order and garnishment order are allocated to a specific basin, coming in at 612,2 million Euro. The judicial management basin include all “Secured and Corporate” positions of corporate banking origin or real estate, equal to 168,8 million Euro at 30 June 2026.

Finally, it should be noted that, by seizing market opportunities and in compliance with its business model, the Group may proceed with the sale to third parties of Npl portfolios consisting of positions for which all collection activities have essentially been completed and no further significant recoveries are expected.

RECLASSIFIED INCOME STATEMENT DATA (in thousand Euro)	FIRST HALF OF		CHANGE	
	2026	2025	ABSOLUTE	%
Net interest income	**84.317**	**140.729**	**(56.412)**	**(40,1)%**
Net commission income	**(1.705)**	**(766)**	**(939)**	**122,6%**
Other components of net banking income	12.275	16.615	(4.340)	(26,1)%
- of which: Gains (losses) on the disposal of financial assets	*12.067*	*17.292*	*(5.225)*	*(30,2)%*
Net banking income	**94.887**	**156.578**	**(61.691)**	**(39,4)%**
Net credit risk losses/reversals	29	12	17	n.s.
Net profit (loss) from financial activities	**94.916**	**156.590**	**(61.674)**	**(39,4)%**
Operating costs	**(90.437)**	**(95.661)**	**5.224**	**(5,5)%**
Net allocations to provisions for risks and charges	55	(105)	160	n.s.
Pre-tax profit (loss) from continuing operations	**4.534**	**60.824**	**(56.290)**	**(92,5)%**
Income taxes for the period relating to continuing operations	(1.721)	(18.654)	16.933	(90,8)%
Profit (loss) for the period	**2.813**	**42.170**	**(39.357)**	**(93,3)%**

Net interest income, which comes to 84,3 million Euro, down 56,4 million Euro on the balance recorded for the same period of the previous year. This decrease is primarily attributable to lower contributions from the income components of net interest income: interest income from amortised cost decreases from 93,3 million Euro at 30 June 2025 to 87,2 million Euro at 30 June 2026; interest income on notes and other minority components decreases from 1,8 million Euro in the first half of 2025 to 1,4 million Euro at 30 June 2026; and other components of net interest income from changes in cash flow decrease from 66,0 million Euro at 30 June 2025 to 19,5 million Euro at 30 June 2026. This last item is made up of, on the one hand, negative out-of-court settlements totalling 2,6 million Euro, to which recovery plans contributed 18,5 million Euro, more than offset by the negative effect of curve models totalling 21,1 million Euro, while, on the other hand, there is the contribution of legal expenses totalling 22,1 million Euro, resulting from actions for injunction, attachment and garnishment orders. Furthermore, the Npl Segment’s net interest income in the first half of 2026 was also affected by a larger negative contribution from interest expense, which amounts to 23,8 million Euro at 30 June 2026, up 3,4 million Euro on the balance recorded for the same period of the previous year.

Net commissions represent a cost of 1,7 million Euro at 30 June 2026, a rise compared to the cost of 0,8 million Euro at 30 June 2025.

During the first half of 2026, portfolios of loans and debt securities belonging to the Npl Segment were sold, in line with the Group's policies, generating net profits on disposals of 12,1 million Euro, a decrease of 5,2 million Euro compared to 30 June 2025.

In addition to the aforementioned gains on disposals, the other components of the Npl Segment's net banking income for the period benefit from the positive re-valuation of the fair value of UCITS units amounting to 2,0 million Euro, an increase of 2,2 million Euro compared to June 2025, as they mainly relate to a position subscribed after the first half of 2025.

In view of the above, the Npl Segment's net banking income comes to a total of 94,9 million Euro, down 61,7 million Euro compared with 30 June 2025.

The item “net credit risk losses/reversals” of the Npl Segment is exclusively related to the change in the allowance for impairment losses on securities and loans related to securitisation transactions with underlying non-performing loans.

Operating costs, amounting to 90,4 million Euro at 30 June 2026, decrease by 5,2 million Euro compared to 30 June 2025, mainly due to lower recovery expenses.

As a consequence of the foregoing, period net profit of the Npl Segment is 2,8 million Euro, down 39,4 million Euro on 30 June 2025.

Below is the breakdown of net loans by credit quality.

STATEMENT OF FINANCIAL POSITION DATA (in thousand Euro)	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Net bad loans	1.108.229	1.136.236	(28.007)	(2,5)%
Net unlikely to pay	418.560	400.758	17.802	4,4%
Net non-performing past due exposures	4.392	3.995	397	9,9%
Total net non-performing exposures to customers (Stage 3)	**1.531.181**	**1.540.989**	**(9.808)**	**(0,6)%**
Total net performing exposures (Stages 1 and 2)	49.606	51.339	(1.733)	(3,4)%
- of which: proprietary loans acquired	*7.113*	*7.826*	*(713)*	*(9,1)%*
- of which: loans and current accounts vs Customers	*4.466*	*3.164*	*1.302*	*41,2%*
- of which: debt securities	*35.857*	*37.439*	*(1.582)*	*(4,2)%*
- of which: receivables related to servicer activities	*2.170*	*2.910*	*(740)*	*(25,4)%*
Total on-balance-sheet receivables due from customers	**1.580.787**	**1.592.328**	**(11.541)**	**(0,7)%**
- of which: owned receivables acquired measured at amortised cost	***1.538.294***	***1.548.815***	***(10.521)***	***(0,7)%***

As regards the Npl Segment loans, 1.538,3 million Euro are represented by receivables classified as POCI - Purchased or originated credit-impaired -, the category envisaged by the accounting standard IFRS 9. These are loans that were non-performing at the date they were acquired or originated. These receivables represent the Segment's core business. Excluded from this classification are new disbursements of performing loans, debt securities measured at amortised cost, and receivables related to servicer activities on behalf of third parties.

KPIs	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Nominal amount of receivables managed	16.181.099	17.818.989	(1.637.890)	(9,2)%
RWA [(1)]	1.781.060	1.819.369	(38.309)	(2,1)%

(1) Risk Weighted Assets; the amount only relates to the credit risk.

Total Estimated Remaining Collections (ERC) amount to 2,5 billion Euro.

NPL SEGMENT NON-PERFORMING LOAN PORTFOLIO PERFORMANCE	30.06.2026	31.12.2025
Opening loan portfolio	**1.548.815**	**1.507.421**
Purchases (+)	86.017	168.558
Sales (-)	(23.015)	(77.455)
Gains (losses) on disposals (+/-)	12.107	32.632
Interest income from amortised cost (+)	87.221	182.298
Other components of interest from change in cash flow (+)	19.503	126.475
Collections (-)	(192.354)	(391.114)
Closing loan portfolio	**1.538.294**	**1.548.815**

Total purchases in the Npl Segment in the first half of 2026 come to 86,0 million Euro, an increase on the 75,9 million Euro recorded at 30 June 2025. During the first six months of 2026, Npl Segment receivables sales transactions were completed at a total sale price of 23,0 million Euro, generating net profits of 12,1 million Euro.

At 30 June 2026, the portfolio managed by the Npl Segment includes 1.630.736 positions, for a nominal amount of 16,2 billion Euro.

illimity Segment

The illimity Segment includes the contribution of the business units relating to all the companies included within the illimity Group, with the exception of treasury, which has been integrated into the Group's broader function and whose results have consequently been allocated to the Governance & Services and Non-Core Segment. It should be noted that the acquisition of the former illimity Group was completed in the second half of 2025; for this reason, the income statement figures only reflect the post-acquisition accrual period for the illimity Group (consequently, there are no comparative income statement figures at 30 June 2025 for this Segment). The results are inclusive of the effects of the so-called "PPA - Purchase Price Allocation".

RECLASSIFIED INCOME STATEMENT DATA (in thousand Euro)	FIRST HALF OF
	2026
Net interest income	**59.923**
Net commission income	**29.116**
Other components of net banking income	15.895
Net banking income	**104.934**
Net credit risk losses/reversals	(22.445)
Net profit (loss) from financial activities	**82.489**
Operating costs	**(83.760)**
Net allocations to provisions for risks and charges	206
Non-recurring expenses and income	(1.544)
Gains (losses) on equity investments	(1.145)
Gains (losses) on disposal of investments	4.243
Pre-tax profit (loss) from continuing operations	**489**
Income taxes for the period relating to continuing operations	(186)
Profit (loss) for the period	**303**

The Segment's net banking income stands at 104,9 million Euro, and is determined in particular by the following dynamics:

- net interest income amounts to 59,9 million Euro, and includes the effect relating to the reversal over the period of the PPA adjustments on the illimity Group's financial assets at amortised cost;
- Net commission income of 29,1 million Euro, which includes both the servicing or management fees of illimity Bank's direct subsidiaries and illimity Bank's own operating fees;
- The other components of net banking income amount to 15,9 million Euro; this figure also includes income from the collection of financial assets measured at fair value.

The cost of credit for the period shows net adjustments of 22,4 million Euro.

Operating costs amount to 83,8 million Euro, and consist of personnel expenses of 32,7 million Euro, other administrative expenses of 50,1 million Euro, net operating income of 5,8 million Euro, and net adjustments to tangible and intangible assets of 6,8 million Euro.

The item "net allocations to provisions for risks and charges" shows net reversals of 0,2 million Euro at 30 June 2026.

The item "non-recurring income and expenses" shows a net balance at 30 June 2026 negative by 1,5 million Euro and includes the non-recurring operating costs attributable to the period related to the process of integration of the illimity Group companies into the Banca Ifis Group, limited to the portion incurred directly by illimity Group companies. This item consists of:

- other non-recurring administrative expenses of 3,8 million Euro, which mainly relate to ICT costs associated with the integration project within the Banca Ifis Group;
- recoveries of personnel expenses for 2,3 million Euro, relating to the partial reversal, made during the first half of 2026, of the provision for personnel-related expenses allocated for an original 8,9 million Euro at the end of 2025 in connection with the management of the departures of certain executives of the illimity Group as part of the acquisition by Banca Ifis.

At 30 June 2026, the Segment records net losses on shareholdings of 1,1 million Euro. Specifically, this figure represents the effect on the period of the valuation of investments subject to significant influence by illimity Bank, and the balance at 30 June 2026 is almost entirely attributable to the valuation of the company altermAInd. It should be noted that from the second quarter of 2026, the scope of these investments subject to significant influence also includes Quimmo Agency and Quimmo Prestige Agency, whose controlling interests (previously held by the illimity Group through the investee Abilio) were sold to COIMA at the beginning of May 2026, with a share of 60%, while illimity Bank (and consequently the Banca Ifis Group) subscribed a minority share of 40%. For further details, please refer to the specific paragraph in the section "Significant events occurred in the period" of this Interim Directors' Report on the Group.

During the first half of 2026, the illimity Segment records net gains from the sale of investments totalling 4,2 million Euro, mainly deriving from the sale of companies previously included in the illimity Group, namely:

- the disposal to Servizilegali.net of the 82% stake previously held by illimity Bank in Abilio;
- the sale of control of Quimmo Agency and Quimmo Prestige Agency (whose shares were previously 100% held by Abilio) to COIMA, which took over 60% of each, while the remaining 40% was subscribed by illimity Bank;
- the full sale to Prelios of the stake in ARECneprix, 100% of which was previously held by illimity Bank.

For further details on the aforementioned transactions, please refer again to the specific paragraphs in the section "Significant events occurred in the period" in this Interim Directors' Report on the Group.

As a result of the above trends, the result for the period of the illimity Segment is 0,3 million Euro. With regard to the illimity Group's net accounting result, which amounts to 5,7 million Euro, for the purposes of segment reporting, the positive result of 5,4 million Euro from illimity Bank's treasury activities, which are now fully integrated into those of the Parent Company and therefore allocated for management purposes to the Governance & Services and Non-Core Segment, must be excluded.

Net of the extraordinary and non-recurring items that impact the illimity Segment's income statement for the first half of 2026 (relating to the aforementioned non-recurring charges and income, amounting to a negative 0,8 million Euro net of the tax effect), the net period profit would have been 1,1 million Euro.

As regards equity figures, at 30 June 2026, total net receivables for the Segment amount to 4.633,7 million Euro, down 411,9 million Euro on the figure at 31 December 2025, equal to 5.045,6 million Euro. It should be noted that the illimity Segment includes financial assets (loans and debt securities) mainly non-performing loans belonging to the POCI category, referring both to the Npl purchase activity carried out by the illimity Group and to the additional impaired assets that emerged as a result of the business combination relating to the acquisition of the illimity Group by Banca Ifis (i.e. the assets that were classified as impaired at the date of purchase, 4 July 2025). The POCIs of the illimity Segment have a carrying amount of 1.016,3 million Euro at 30 June 2026, down from the balance of 1.093,2 million Euro at the end of December 2025.

The following table shows the gross and net amounts as well as the relevant coverage ratios of financial assets due from customers at amortised cost by credit quality.

ILLIMITY SEGMENT (in thousand Euro)	BAD LOANS	UNLIKELY TO PAY	PAST DUE EXPOSURES	TOTAL NON-PERFORMING (STAGE 3)	PERFORMING EXPOSURES (STAGES 1 AND 2)	TOTAL LOANS (1)
POSITION AT 30.06.2026						
Nominal amount	188.879	930.708	67.940	**1.187.527**	3.509.150	**4.696.677**
Value adjustments	(9.828)	(11.553)	(4.311)	**(25.692)**	(37.262)	**(62.954)**
Carrying amount	179.051	919.155	63.629	**1.161.835**	3.471.888	**4.633.723**
Coverage ratio	*5,2%*	*1,2%*	*6,3%*	***2,2%***	*1,1%*	***1,3%***
POSITION AT 31.12.2025						
Nominal amount	172.989	920.440	77.343	**1.170.772**	4.121.680	**5.292.452**
Value adjustments	(1.224)	(5.202)	(3.547)	**(9.973)**	(236.898)	**(246.871)**
Carrying amount	171.765	915.238	73.796	**1.160.799**	3.884.782	**5.045.581**
Coverage ratio	*0,7%*	*0,6%*	*4,6%*	***0,9%***	*5,7%*	***4,7%***

(1) In the Segment, at 30 June 2026, there are government securities amounting to 1.024,5 million Euro (1.000,2 million Euro at 31 December 2025).

The coverage of non-performing exposures in the Segment is affected by such receivables whose gross values already take into account the estimate of expected losses.

KPIs	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
RWA (1)	3.066.211	3.480.873	(414.662)	(11,9)%

(1) Risk Weighted Assets; the amount only relates to the credit risk.

Governance & Services and Non-Core Segment

The Segment comprises, among other things, the resources required for the performance of the services of the Strategic Planning, Finance, Operations, Human Resources, Communication, Marketing, Public Affairs & Sustainability functions, as well as the structures responsible for raising, managing and allocating financial resources to the operating Segments.

This Segment encompasses the Group’s treasury activities, including those carried out by illimity Bank, Proprietary Finance activities (proprietary securities desk), and Securitisation & Structured Solutions activities (investment in Asset-Backed Securities, which are used to carry out securitisation transactions). The Segment also includes run-off portfolios originated from the former Interbanca as well as other residual personal loan portfolios.

RECLASSIFIED INCOME STATEMENT DATA (in thousand Euro)	FIRST HALF OF		CHANGE	
	2026	2025	ABSOLUTE	%
Net interest income	**10.379**	**(7.099)**	**17.478**	**n.s.**
Net commission income	**(4.829)**	**(855)**	**(3.974)**	**464,8%**
Other components of net banking income	32.840	29.253	3.587	12,3%
Net banking income	**38.390**	**21.299**	**17.091**	**80,2%**
Net credit risk losses/reversals	(942)	2.122	(3.064)	n.s.
Net profit (loss) from financial activities	**37.448**	**23.421**	**14.027**	**59,9%**
Operating costs	**(27.793)**	**(18.790)**	**(9.003)**	**47,9%**
Charges related to the banking system	(63)	(21)	(42)	200,0%
Net allocations to provisions for risks and charges	(113)	1.694	(1.807)	n.s.
Non-recurring expenses and income	(107)	(9.561)	9.454	(98,9)%
Gains (losses) on equity investments	(100)	-	(100)	n.a.
Pre-tax profit (loss) from continuing operations	**9.272**	**(3.257)**	**12.529**	**n.s.**
Income taxes for the period relating to continuing operations	(3.518)	998	(4.516)	n.s.
Profit (loss) for the period	**5.754**	**(2.259)**	**8.013**	**n.s.**
(Profit) loss for the period attributable to non-controlling interests	(402)	(775)	373	(48,1)%
Profit (loss) for the period attributable to the Parent Company	**5.352**	**(3.034)**	**8.386**	**n.s.**

The Segment's net banking income amounts to 38,4 million Euro, up 17,1 million Euro compared to 30 June 2025 and is determined in particular by the following dynamics:

- net interest income is 10,4 million Euro, improving by 17,5 million Euro compared with 30 June 2025. The positive change is due for 18,7 million Euro to higher margins in the treasury segment and for 0,3 million Euro to higher net interest income in the Non-Core unit portfolio, the effects of which were partially offset for 1,4 million Euro by the lower contribution of the Proprietary Finance division;
- net commission income is negative, amounting to 4,8 million Euro, a worsening of 4,0 million Euro compared with the first half of 2025, mainly due to the contribution from treasury activities;
- other components of net banking income increase by 3,6 million Euro. The positive change is mainly due to the improved performance recorded on the Segment's proprietary portfolio, where the positive effects of higher dividends of 6,8 million Euro and the higher net result from trading activities of 1,3 million Euro were partially offset by the lower contribution from the fair value measurement of financial assets in the Non-Core unit of approximately 4 million Euro.

In terms of funding, “Rendimax Deposit Account” and “illimitybank.com” constitute the Group's main source of finance, with average assets under management of 6.707,2 million Euro and an average rate of 2,71%.

As at 30 June 2026, the carrying amount of bonds issued at Banca Ifis Group level (both those issued by the Parent Company Banca Ifis and those issued by illimity Bank) is 2.821,4 million Euro, up by 337,9 million Euro compared with the figure at 31 December 2025 (2.483,4 million Euro), mainly as a result of the issue by Banca Ifis on 13 January 2026 of a 400 million Euro Tier 2 subordinated bond maturing in April 2036, intended to replace the other currently outstanding subordinated bonds issued by Banca Ifis and illimity Bank (for more details on this, please refer to the section “Significant events occurred in the period” in this Interim Directors’ Report on the Group).

It should also be noted that during the first half of 2026, the Group launched its first Euro-Commercial Paper Programme (ECP Programme), which is aimed at placing short-term debt exclusively with professional investors. It has an expected term of three years, a maximum total amount of up to 1 billion Euro, and the option to issue notes denominated in either euros or US dollars. As at 30 June 2026, the carrying amount of the funding through the ECP Programme is 24,8 million Euro. For further details on this transaction please refer to the section “Significant events occurred in the period” in this Interim Directors' Report on the Group.

Funding through securitisations (including those relating to the illimity Group) amounts to 1.033,3 million Euro at 30 June 2026, and is up by 75,4 million Euro compared to the figure at 31 December 2025, mainly due to the new issue of securities connected to the ABCP Programme securitisation carried out in June 2026 by the Parent Company Banca Ifis (for more details, see the section “Information on risks and related hedging policies”, subsection “Prudential consolidation risks”, paragraph “Credit risk”, sub-paragraph “Securitisation transactions”). Interest expense accrued at 30 June 2026 amounts to 13,2 million Euro.

We also note access to funding by means of the following transactions with the ECB: an MRO transaction with a nominal amount of 400,0 million Euro, repaid on 1 July 2026, and an OT (Other Type of operation) transaction with the ECB for 115 million US Dollar (or 100,9 million Euro), repaid on 2 July 2026.

In all, the average cost of funding allocated to the Segment stands at 3,0% at 30 June 2026, down from the figure of 3,4% for the average of the first half of 2025 (which did not include the illimity Group's funding).

With regard to the credit cost, the figure at 30 June 2026 shows net adjustments of 0,9 million Euro with respect to the comparative figure of 30 June 2025, which recorded net reversals of 2,1 million Euro (which reflected the positive restructuring of an individually significant position).

Operating costs amount to 27,8 million Euro, recording an increase of 9,0 million Euro compared to 30 June 2025, mainly linked to higher consultancy costs.

The item “Charges related to the banking system” includes the costs incurred during the period for the operation of the banking system's guarantee funds and comes to 63 thousand Euro.

Net allocations to provisions for risks and charges amount to 0,1 million Euro in the first half of 2026, compared to net reversals of 1,7 million Euro in the first six months of 2025 (which were mainly attributable to the Solidarity Fund of the Parent Company Banca Ifis).

The item “non-recurring charges and income” shows a net negative balance of 0,1 million Euro at 30 June 2026 and consists of:

- the positive effect of 8,0 million Euro relating to the reversals recorded by the Parent Company, Banca Ifis, during the first half of 2026 of the provisions for personnel expenses set aside at the end of 2025 in the total amount of 40,0 million Euro in connection with the conclusion, on 31 May 2026, of the period of participation provided for in the agreement signed by Banca Ifis with the trade unions regarding a voluntary redundancy scheme aimed at supporting the retirement of the Bank's employees, including through the use of the extraordinary benefits provided by the Credit Sector Solidarity Fund. Therefore, taking into account the registered acceptances received and the specific contractual characteristics of the individual positions concerned, a reversal was recognised in the provisions for personnel-related expenses with respect to the provision made at 31 December 2025;
- the negative effect for 8,1 million Euro, which relates to non-recurring operating costs pertaining to the first half of 2026, mainly associated with the integration of the illimity Group companies within the Banca Ifis Group, limited to the portion incurred directly by Banca Ifis. In other words, non-recurring costs incurred by companies of the illimity Group are excluded, as they are included in the specific illimity Segment.

The figure at 30 June 2026 for “non-recurring income and expense” is down by 9,5 million Euro compared to the balance of 9,6 million Euro in the first half of 2025, which mainly reflected the costs incurred for the OPA on illimity Bank launched in January 2025.

As a result of the above trends, the period result of the Governance & Services and Non-Core Segment amounts to a profit of 5,8 million Euro, a significant improvement compared with the loss of 2,3 million Euro at 30 June 2025. Excluding the profit attributable to minority interests attributable to the Segment (402 thousand Euro), the Segment's contribution to the profit attributable to the Parent Company is 5,4 million Euro. If the non-recurring expenses and income (net of the related tax effect), which amount to a positive 0,5 million Euro, were excluded from the period result, the Governance & Services and Non-Core Segment would show a profit of 4,8 million Euro.

As regards equity figures, at 30 June 2026, total net receivables for the Segment amount to 2.716,4 million Euro, up 434,8 million Euro on the figure at 31 December 2025 (2.281,6 million Euro), primarily due to the positive change in government securities allocated to this Segment (+358,9 million Euro).

It should be noted that the Governance & Services and Non-Core Segment includes receivables, mainly impaired, belonging to the POCI category, mainly referring to business combinations performed by the Banca Ifis Group during previous financial years (excluding receivables arising from the business combination relating to the illimity Group), consisting of impaired receivables with a book value of 10,5 million Euro and performing receivables with a net value of 4,5 million Euro at 30 June 2026.

The following table shows the gross and net amounts as well as the relevant coverage ratios of receivables due from customers by credit quality.

GOVERNANCE & SERVICES AND NON-CORE SEGMENT (in thousands of Euro)	BAD LOANS	UNLIKELY TO PAY	PAST DUE EXPOSURES	TOTAL NON-PERFORMING (STAGE 3)	PERFORMING EXPOSURES (STAGES 1 AND 2)	TOTAL LOANS (1)
POSITION AT 30.06.2026						
Nominal amount	10.153	45.404	6.141	**61.698**	2.675.904	**2.737.602**
Value adjustments	(4.275)	(12.196)	(1.558)	**(18.029)**	(3.195)	**(21.224)**
Carrying amount	5.878	33.208	4.583	**43.669**	2.672.709	**2.716.378**
Coverage ratio	*42,1%*	*26,9%*	*25,4%*	***29,2%***	*0,1%*	***0,8%***
POSITION AT 31.12.2025						
Nominal amount	9.208	41.125	7.046	**57.379**	2.243.188	**2.300.567**
Value adjustments	(3.778)	(10.941)	(2.217)	**(16.936)**	(2.072)	**(19.008)**
Carrying amount	5.430	30.184	4.829	**40.443**	2.241.117	**2.281.560**
Coverage ratio	*41,0%*	*26,6%*	*31,5%*	***29,5%***	*0,1%*	***0,8%***

(1) In the Segment, at 30 June 2026, there are government securities amounting to 2.129,5 million Euro (1.770,6 million Euro at 31 December 2025).

Net non-performing exposures in the Governance & Services and Non-Core Segment amount to 43,7 million Euro, an increase of 3,2 million Euro compared with 31 December 2025. Performing loans are up by 431,6 million Euro compared with the balance of the close of the previous year, mainly due to government securities of the Segment (which went from 1.770,6 million Euro at 31 December 2025 to 2.129,5 million Euro at end June 2026).

The coverage of non-performing exposures in the Segment is affected by POCI receivables, whose gross values already take into account the estimate of expected losses. This coverage stands at 29,2% at 30 June 2026, essentially in line with 31 December 2025. The coverage of the portfolio as a whole is 0,8%, which is also essentially stable compared to the end of 2025.

Banca Ifis shares

The share price

The ordinary shares of Banca Ifis S.p.A. are listed on the STAR segment, and the bank is listed on the Ftse Italia Mid Cap index. The following table shows the share prices at the end of each reference period.

Official share price	30.06.2026	31.12.2025	31.12.2024	31.12.2023	31.12.2022
Share price at period-end	12,71	25,38	21,18	15,70	13,31

Price/book value

Below is the ratio of the share price at period-end and equity pertaining to the Parent Company per share outstanding.

Price/book value	30.06.2026	31.12.2025	31.12.2024	31.12.2023	31.12.2022
Share price at period-end	12,71	25,38	21,18	15,70	13,31
Equity attributable to the Parent Company per share	33,56	34,70	32,95	32,01	30,24
Price/book value	**0,38**	**0,73**	**0,64**	**0,49**	**0,44**

Outstanding shares	30.06.2026	31.12.2025	31.12.2024	31.12.2023	31.12.2022
Number of shares outstanding at the end of the period (in thousands)(1)	61.285	61.080	52.572	52.468	52.433

(1) Outstanding shares are net of treasury shares held in the portfolio.

Earnings per share (EPS)

Here below is the earnings per share (EPS), namely the ratio of the profit for the period attributable to the Parent Company to the weighted average of the ordinary shares outstanding in the reference period, net of treasury shares in portfolio.

Earnings per share and diluted earnings per share	30.06.2026	30.06.2025
Net profit for the period attributable to the Parent Company (in thousands of Euro)	7.803	87.118
Average number of outstanding shares (1)	61.141.671	52.895.386
Average number of shares outstanding for diluted earnings per share purposes	61.565.211	53.603.186
Earnings per share (EPS)	**0,13**	**1,65**
Diluted earnings per share (EPS)	**0,13**	**1,63**
Normalised net profit for the period attributable to the parent company (in thousand Euro) (2)	8.095	93.517
Normalised earnings per share (EPS)	**0,13**	**1,77**
Normalised diluted earnings per share (EPS)	**0,13**	**1,74**

(1) Outstanding shares are net of treasury shares held in the portfolio.
(2) For the logic of normalising the net profit for the period attributable to the Parent Company, see the paragraph "Reclassified economic aggregates" in the section "Group financials and income results" within the Notes to this document.

Corporate governance rules

Banca Ifis has adopted the Corporate Governance Code for listed companies. The Bank's Board of Directors has established the Control and Risk Committee, the Appointments Committee and the Remuneration Committee. The Board of Directors has also appointed a Supervisory Body with autonomous powers of initiative and control pursuant to Italian Legislative Decree No. 231/2001.

Internal dealing rules

Banca Ifis regulations on internal dealing are aligned with the relevant EU legislation (EU Regulation No. 596/2014, the Market Abuse Regulation) and aims to ensure the utmost transparency in the Bank's disclosures to the market.

The "Policy on transactions carried out by Relevant Persons and Persons Closely Related to them in shares, debt securities and related financial instruments issued by Banca Ifis S.p.A." (Internal Dealing Policy) regulates:

- the requirements related to identifying the Relevant Persons and the so-called "closely related people";
- the management of information relating to transactions exceeding the minimum amount threshold on units, credit securities or related instruments issued by Banca Ifis, carried out, directly or indirectly, by a Relevant Person or by a Closely Related Person and subject to notification obligations;
- the handling of closed periods, i.e. those periods during which the Relevant Persons must refrain from trading in shares or other debt instruments issued by Banca Ifis as well as financial instruments linked to them.

The Relevant Persons are:

- the members of the Board of Directors;
- the members of the Board of Statutory Auditors;
- Key management personnel, who are currently:
    - Co-General Manager Chief Operating Officer (COO);
    - Co-General Manager Chief Commercial Officer (CCO);
    - Head of the Communication, Marketing, Public Affairs & Sustainability Department;
    - Chief of Staff and Chairman's Communication;
    - Chief Financial Officer (CFO);
    - Manager charged with preparing the company's financial reports;
    - Chief Financial Officer (CLO);
    - Head of the Npl Department;
    - Head of Internal Audit;
    - Head of Compliance;
    - Chief Financial Officer (CRO);
    - Head of Anti-Money Laundering;
    - Head of the Human Resources Department;
    - General Counsel;
    - Head of the Investor Relations & Corporate Development Department;
    - CEO of Ifis NPL Servicing;
    - General Manager of Ifis NPL Servicing;
    - CEO of Banca Credifarma.
- any person holding an interest, calculated pursuant to Article 118 of the Issuers' Regulation, equal to at least 10% of the share capital of Banca Ifis, represented by shares with voting rights as well as another subject who controls the Bank;
- additional persons identified as such, even for limited periods of time, by specific resolution of the Board of Directors of Banca Ifis.

Persons closely related to Relevant Persons are also subject to the Internal Dealing Policy.

This document is available on Banca Ifis's website, www.bancaifis.it, in the "Corporate Governance" Section, "Internal Dealing" sub-section.

Rules for the handling of inside information

Internal procedures for handling inside information and the list of individuals who have access to inside information are aligned with the Market Abuse Regulation.

In compliance with Article 115-bis of Italian Legislative Decree No. 58/1998, Banca Ifis has created a list of individuals who, in performing their professional and work duties or in carrying out their activity, have access to inside information (the list of insiders). Banca Ifis constantly updates this list.

In addition, the Group has adopted the “Group policy for the handling of inside information” in order to:

- prevent individuals who, based on their duties, have no reason to know such information from accessing it;
- identify the individuals who have access to such information at all times.

This policy also describes the process of handling inside information of third-party issuers, also with reference to the management of passive market surveys.

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.

Banca Ifis issues a ten-year Tier 2 bond for 400 million Euro

On 13 January 2026, Banca Ifis successfully completed the placement of a Tier 2 subordinated bond targeted at institutional investors. The issuance has a ten-year maturity, expiring in April 2036, carries a coupon of 4,546% and is callable after 5 years. The amount issued totals 400 million Euro.

At the end of the placement, the Bank recorded an issue price of 100%, equivalent to a spread of 200 basis points over the reference rate: this represents the lowest spread ever achieved by the Bank for a Tier 2 subordinated issuance. The issuance is intended to replace other subordinated bonds currently outstanding, issued by Banca Ifis and illimity Bank, and will generate significant medium-term savings in terms of funding costs for the Banca Ifis Group.

The bond has been listed on the Luxembourg Stock Exchange and is rated Ba3 by Moody's and BB- by Fitch.

Disposal to Banca Sella of the equity interest held by illimity Bank in Hype for a price of 85 million Euro

Following the receipt of the required regulatory approvals in early 2026, on 6 February 2026 the equity interest held by illimity Bank in Hype, corresponding to 50% of the company's share capital, was sold to the Banca Sella Group at the agreed price of 85 million Euro, with an impact of 55 basis points in terms of CET1.

Disposal by illimity Bank of loan assets in the amount of 41 million Euro

On 28 January 2026, illimity Bank finalised a transaction for the sale of loans recorded under assets held for sale for an equivalent value of 41 million Euro, in line with the carrying value in the balance sheet at 31 December 2025.

Banca Ifis diversifies its funding sources and launches its first Euro-Commercial Paper (ECP) Programme

On 16 March 2026, Banca Ifis expanded its range of available funding instruments by launching its first Euro-Commercial Paper Programme (ECP Programme), which is aimed at placing short-term debt exclusively with professional investors. In this way, Banca Ifis confirms its ability to reach new types of investors in order to develop flexible, short-term forms of financing and thereby respond to market needs in a timely manner. Banca Ifis's ECP Programme has been assigned a "P-3" rating by Moody's and has been designed in accordance with the criteria and requirements set out by the Market Convention on Short-Term European Paper (STEP), obtaining the corresponding certification of compliance (STEP Label). In detail, Banca Ifis's ECP Programme has an expected term of three years, a maximum total amount of up to 1 billion Euro, and provides for the option to issue notes denominated in either euros or US dollars. The commercial papers issued have a minimum nominal unit value of 100.000 Euro, or the equivalent amount in US dollars, and a maximum maturity of 12 months. The securities will be issued in dematerialised form and centrally held by Monte Titoli S.p.A. The launch of the first ECP Programme represents the second funding optimisation transaction carried out by Banca Ifis in 2026, following the issuance of the ten-year Tier 2 bond in January 2026.

The Shareholders' Meeting approves the 2025 Financial Statements and the distribution of a dividend of 0,92 Euro per share for the year

On 16 April 2026, the Ordinary Shareholders' Meeting of Banca Ifis, which met under the chairmanship of Ernesto Fürstenberg Fassio, approved:

- the Financial statements at 31 December 2025, with the report on operations presented by the Board of Directors;

- the distribution of a dividend balance for FY 2025 of 0,92 Euro per Banca Ifis ordinary share issued and outstanding (therefore excluding treasury shares held by the Bank). This balance was subsequently paid with ex date 18 May 2026, record date of 19 May 2026 and payment date of 20 May 2026;
- the offsetting of the negative reserve called "Extraordinary contribution reserve Law No. 199/2025" with the "Extra-profit reserve", by reducing the amount of the latter from 23.905.112 Euro to 17.331.206 Euro;
- the "Report on Remuneration Policy and Remuneration Paid" in Sections I and II;
- the appointment, pursuant to and in accordance with Article 2386, paragraph 1, of the Italian Civil Code and Article 11 of the Articles of Association, as Directors of the Bank of Riccardo Preve and Moroello Diaz della Vittoria Pallavicini, who were already co-opted on 11 December 2025;
- the renewal of the directors' and officers' liability (D&O) insurance policy.

The sale of Abilio to Servizilegali.net, which will relaunch its development with a two-year plan, and the transfer of control of Quimmo Agency and Quimmo Prestige Agency to COIMA have been completed

On 11 May 2026, Banca Ifis completed the sale of Abilio S.p.A. to Servizilegali.net S.r.l., which took over 100% of the company. Previously, Abilio S.p.A. was 82% owned by illimity Bank and 18% by COIMA. The transaction was aimed at enabling the full relaunch of Abilio S.p.A. within a group entirely focused on the company's business activities. To facilitate this process, Banca Ifis has provided Abilio with the financial resources necessary for the company's relaunch, in line with the Group's traditional focus on enhancing people's professional qualities.

The sale of Abilio S.p.A. to Servizilegali.net S.r.l. did not include its subsidiaries: Quimmo Agency and Quimmo Prestige Agency. These were taken over by COIMA, with a 60% stake, and illimity Bank, with a 40% stake. The transaction is aimed at ensuring the best growth strategy for the two companies and is part of the renewed partnership between Banca Ifis and the COIMA Group, which is the natural best owner to guide the future of the two agencies.

The carrying amount at the date of sale of the shares of these companies being sold amounted to a total of 13,0 million Euro and therefore, against a consideration of 0,3 million Euro, the transaction generated a loss on disposal of 12,6 million Euro for the Banca Ifis Group, recognised in the item "Gains (losses) on disposal of investments".

General inspection by the Bank of Italy at Banca Ifis

As part of its ordinary supervisory activities, the Bank of Italy conducted a general inspection at the Parent Company Banca Ifis during the first half of 2026. At the date of this document, the on-site inspection process has been completed and the final report of the Bank of Italy has not yet been issued. In particular, at 30 June 2026, extraordinary provisions of 30 million Euro were recognised on certain credit exposures, relating to adjustments proactively implemented following the preliminary findings of this general inspection.

Competitive process started for the sale of the Npl business aimed at deconsolidation and acceleration of the transformation of the Bank's model to become even more specialised in financial services to businesses

On 25 June 2026, the Board of Directors of Banca Ifis completed the review of the outlook for FY 2026 as part of the Group's strategic repositioning towards commercial banking and the expansion of the offer to serve businesses, entrepreneurs and families.

To this end, the Board of Directors resolved to launch a competitive market process concerning the sale of Banca Ifis's activities in the Npl Segment aimed at deconsolidation, currently developed by the subsidiaries Ifis Npl Servicing and Ifis Npl Investing. Through these companies, the Group manages non-performing loans mainly concentrated in the so-called small-ticket unsecured market segment, i.e. concerning small-ticket loans without collateral.

The choice made by Banca Ifis is part of the development path that has seen the Group engage in two extraordinary transactions during 2025: the acquisitions of illimity Bank and Euclidea SIM, now Fürstenberg SIM. These two transactions, together with the disposal of non-strategic assets (Hype, Abilio, ARECneprix), the renegotiation of IT contracts and the capital optimisation initiatives of illimity Bank, will enable the Group to develop its future growth path, while maintaining solid capitalisation levels and sustainable shareholder remuneration, also in the face of the deconsolidation process of the Npl portfolio.

In 2027, the full realisation of the synergies deriving from the extraordinary transactions concluded is expected, together with the enhancement of illimity Bank's commercial potential, the benefits in terms of funding and the development of new skills and business opportunities. The capital position, the risk management framework and progress in integration and de-risking continue to support long-term ambitions.

In addition to the launch of the competitive process for the sale of the Npl business, Banca Ifis's Board of Directors has updated its profit guidance for FY 2026, which will be between 100 and 110 million Euro compared with the 170-190 million Euro of the previous estimate. This guidance does not include the effects related to the planned deconsolidation of the Npl portfolio or any further impacts resulting from the outcome of the Bank of Italy's inspection process.

In continuity with the usual cost discipline and safeguarding strategic priorities, Banca Ifis is adopting a cost review based on the new operations and aimed at adjusting the Group's cost base accordingly.

Sale completed of 100% of ARECneprix to Prelios for approximately 30 million Euro

On 30 June 2026, Banca Ifis completed the sale to Prelios S.p.A. of 100% of ARECneprix, an asset management company specialising in the management of non-performing loans, real estate assets and complex transactions. Previously, ARECneprix was wholly owned by illimity Bank S.p.A. (a subsidiary of the Banca Ifis Group).

The sale, for a consideration of 29,3 million Euro, generated a capital benefit of approximately 10 basis points of CET1 for the Banca Ifis Group. At the same time as completion of the transaction, ARECneprix and illimity Bank signed a multi-year servicing agreement, aimed at ensuring continuity in the management of the Banca Ifis Group's portfolios.

The agreement is part of the Banca Ifis Group's strategy to focus on core activities, while enhancing distinctive assets and skills within specialised industrial entities. In addition, thanks to the multi-year servicing agreement, Banca Ifis has optimised its operational and capital profile, leveraging an industrial partnership with a leading operator while ensuring continuity in portfolio management.

The carrying amount of ARECneprix at the date of sale was 12,4 million Euro and therefore, against a consideration of 29,3 million Euro, the transaction generated a gain on disposal of 16,9 million Euro for the Banca Ifis Group, recorded under the item “Gains (losses) on disposal of investments”.

Significant subsequent events

No significant events occurred between the end of the reporting period and the approval of the Consolidated Half-Year Financial Report by the Board of Directors.

Information on major risks and uncertainties and international tensions

This paragraph aims to provide a specific disclosure on the impacts generated by international tensions, especially with reference to the Middle East and the continuing Russia-Ukraine conflict, to which international tensions related to restrictive trade policies mainly implemented by the Trump administration have been added.

The uncertainties attributable to the geopolitical context and, more generally, to the evolution of the macroeconomic scenario were duly taken into account in the relevant estimation processes as well as in risk monitoring activities. In particular, the Group closely monitors country risk in conflict-affected countries. This continuous monitoring has revealed a limited number of counterparties present in the areas involved by the current international tensions, to which modest direct credit exposures correspond. Similarly, no particular critical issues have been noted with regard to the trade receivables portfolio.

Furthermore, the Risk Management function, in addition to the risk factors usually considered, continues to deem it reasonable to include the current geopolitical tense situation as an additional risk factor.

Given the need to appropriately factor these elements of uncertainty into the main estimation processes, the greatest possible consistency was ensured between the assumptions used and their underlying assumptions applied in the various models.

With regard to the analyses carried out by the Banca Ifis Group on the impact of the introduction of customs duties by the US administration on European products, refer to what is detailed in sub-paragraph “Methods for measuring expected losses”, paragraph “Credit Risk” of the section “Prudential consolidation risks” within the macro section “Information on risks and related hedging policies” in the Notes to this document.

Business outlook

In the current macroeconomic context, the Italian and European economies are going through a phase of moderate but stable growth, after the slowdown recorded in 2025. The most recent forecasts for 2026 indicate an increase in GDP of around 1% for Italy, supported by improved business confidence, a gradual recovery in investment and a recovery in domestic demand, despite an international environment still characterised by high volatility.

After the peak observed in the previous two years, inflation is gradually returning to levels more consistent with the medium-term monetary policy target, favouring an easing of financial conditions. This development supports lending and deposits, but continues to exert downward pressure on the bank's net interest income, requiring careful management of liquidity, funding and pricing policies. In the last two months, this trend of falling interest rates has temporarily reversed, with interest rates rising, partly as a result of developments in the geopolitical environment; however, it remains to be seen whether this is a structural change or a temporary dynamic, with a subsequent resumption of the long-term downward trend.

Internationally, significant uncertainties remain related to the geopolitical situation, including the conflict involving Iran, which has increased the volatility of energy markets and could have effects on inflation, growth and the cost of risk should the conflict continue. Overall, the macroeconomic conditions forecast for the second half of 2026 remain consistent with the maintenance of a stable framework for the Italian banking system, albeit in a more uncertain scenario that requires particular attention to the evolution of geopolitical, regulatory and credit risks.

On 25 June 2026, the Board of Directors of Banca Ifis resolved to launch a competitive process concerning the sale of the Group's assets in the Npl Segment, aimed at deconsolidating the portfolio of approximately 1,5 billion Euro of NBV (Net Book Value) of non-performing loans, mainly concentrated in the “small-ticket unsecured” market segment, i.e. concerning small and unsecured loans. The choice made by Banca Ifis is part of the development path that has seen the Banking Group engage in two extraordinary transactions during 2025: the acquisitions of illimity Bank and Euclidea SIM, now Fürstenberg SIM. These two transactions, together with the disposal of non-strategic assets (Hype, Abilio, ARECneprix), the renegotiation of IT contracts and the capital optimisation initiatives of illimity Bank, will enable the Banca Ifis Group to develop its future growth path, while maintaining solid capitalisation levels and sustainable shareholder remuneration, also in the face of the deconsolidation process of the Npl portfolio; information on the relevant accounting aspects is given in the section below entitled “Other aspects” of “Accounting policies” in the Notes.

Banca Ifis also announced the revision of the net profit guidance for FY 2026 from 170-190 million Euro to 100-110 million Euro, mainly due to the effect of approximately 70 million Euro of extraordinary provisions. Of these, 30 million Euro already recognised at 30 June 2026, as previously highlighted, relate to adjustments proactively implemented following the preliminary findings of the general inspection conducted by the Bank of Italy in the first half of 2026, while 40 million Euro derive from the update of the recovery expectations for the illimity Group's non-core Npl portfolio. Of this 40 million Euro, approximately 4 million Euro has already been recognised at 30 June 2026, as the conditions have been met, while the remaining 36 million Euro is included in the forward-looking estimates considered for the purposes of the updated guidance for FY 2026. Banca Ifis is currently awaiting the Bank of Italy's final report, also in order to assess any further economic and capital implications. Consequently, the new net profit target for FY 2026 does not incorporate either the effects deriving from the deconsolidation of the Npl business or any further impacts that could emerge from the final conclusions of the inspection conducted by the Bank of Italy.

The integration process with illimity will also continue, and is expected to be fully completed in the fourth quarter of the year with the completion of the proposed merger.

Other information

Own funds and capital adequacy ratios

Own funds, risk-weighted assets and capital ratios at 30 June 2026 were determined on the basis of the harmonised rules for banks and investment firms contained in Directive 2013/36/EU (CRD) and Regulation (EU) No. 575/2013 (CRR), which transpose the standards set by the Basel Committee into the European Union.

On 19 June 2024, Regulation (EU) 1623/2024 (the "CRR3") dated 31 May 2024 and Directive (EU) 2024/1619/EU (so called CRD IV) dated 31 May 2024 were published in the Official Journal of the European Union, amending Regulation (EU) 575/2013 (CRR) and Directive 2013/36/EU (CRD) respectively.

With certain exceptions, the amendments came into force on 1 January 2025.

This regulatory framework is made applicable in Italy by means of Bank of Italy Circular No. 285 published on 17 December 2013 and subsequent updates.

OWN FUNDS AND CAPITAL ADEQUACY RATIOS: (in thousand Euro)	Amounts at	
	30.06.2026 (*)	31.12.2025 (**)
Common Equity Tier 1 (CET1) capital	1.857.023	1.802.310
Tier 1 capital (T1)	1.857.912	1.803.194
Total Own Funds	**2.557.099**	**2.131.775**
Total RWAs	**13.865.978**	**13.913.593**
Common Equity Tier 1 ratio	13,39%	12,95%
Tier 1 Capital ratio	13,40%	12,96%
Ratio – Total Own Funds	18,44%	15,32%

(*) CET1, Tier 1 and Total Capital do not include the profits accrued by the Banking Group at 30 June 2026.
(**) CET1, Tier1 and Total Capital include the profits accrued by the Banking Group at 31 December 2025, 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.

As at 30 June 2026, taking into account the conclusion of the transitional period adopted to sterilise the effects of unrealised gains/losses deriving from measurement at fair value with an impact on comprehensive income relating to exposures to central governments, amount to 2.557 million Euro.

Own funds also take into account the applicable amount of insufficient coverage as provided for in Regulation (EU) 630/2019 of 17 April 2019.

STATEMENT OF FINANCIAL POSITION DATA (in thousand Euro)	SEGMENT COMMERCIAL & CORPORATE BANKING	COMMERCIAL & CORPORATE BANKING			NPL SEGMENT	GOVERNANCE & SERVICES AND NON-CORE SEGMENT	ILLIMITY SEGMENT	CONS. GROUP TOTAL
		of which: FACTORING AREA	*of which: LEASING AREA*	*of which: CORPORATE BANKING & LENDING AREA*				
Total RWA per Segment	**6.331.120**	**2.657.914**	**1.285.138**	**2.388.068**	**1.781.060**	**1.236.953**	**3.066.211**	**12.415.344**
Market risk								142.760
Operational risk								1.193.979
Credit valuation adjustment risk								113.895
Total RWAs								**13.865.978**

RWAs by Segments at 30 June 2026

At 30 June 2026, risk-weighted assets amount to 13.866 million Euro, mainly attributable to the credit and counterparty risk component and, to a lesser extent, to operational and market risk.

The capital ratios at 30 June 2026 include the effects of:

- the sale of 50% of the shares in Hype in the first quarter of 2026;
- the reduction of deductions from what is termed "calendar provisioning", mainly due to the sale of certain distressed exposures;
- the reduction in equity reserves, mainly due to the decrease in valuation reserves;
- the removal of the prudential filter on government securities measured at fair value through other comprehensive income (FVOCI), due to the end of the Basel 4 phase-in period;
- the increase in deductions arising from deferred tax assets (DTAs);
- the decrease in the Group's risk-weighted assets recorded in the first half of 2026.

Based on the above, the capital ratios at 30 June 2026 are as follows:

- Common Equity Ratio of 13,39%;
- Tier 1 Ratio of 13,40%;
- Total Capital Ratio of 18,44%.

Consolidated own funds and capital adequacy ratios - Fully loaded

At 30 June 2026, excluding the transitional filter resulting from the sterilisation of unrealised gains/losses deriving from measurement at fair value through other comprehensive income, relating to exposures to central governments, own funds amount to 2.557 million Euro and RWA under full application amount to 14.593 million Euro.

OWN FUNDS AND CAPITAL ADEQUACY RATIOS: (in thousand Euro)	Amounts at	
	30.06.2026 (*)	31.12.2025 (**)
Common Equity Tier 1 (CET1) capital	1.857.023	1.791.696
Tier 1 capital (T1)	1.857.912	1.792.853
Total Own Funds	**2.557.099**	**2.121.434**
Total RWAs	**14.593.294**	**14.741.738**
Common Equity Tier 1 ratio	12,73%	12,16%
Tier 1 Capital ratio	12,73%	12,16%
Ratio – Total Own Funds	**17,52%**	**14,39%**

(*) CET1, Tier 1 and Total Capital do not include the profits accrued by the Banking Group at 30 June 2026.
(**) CET1, Tier1 and Total Capital include the profits accrued by the Banking Group at 31 December 2025, 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.

Supervisory Review and Evaluation Process (SREP)

For the sake of comparison, it should be noted that at 30 June 2026, Banca Ifis, at the consolidated level, is required to comply with the following capital requirements, as part of the Supervisory Review and Evaluation Process (SREP):

- Common Equity Tier 1 (CET1) capital ratio of 8,83%, with a required minimum of 5,50%;
- Tier 1 Capital Ratio of 10,73%, with a required minimum of 7,4%;
- Total Capital Ratio of 13,13%, 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 also set the following capital levels for the Banca Ifis Group, to which the specific countercyclical coefficient is added:

- CET 1 ratio of 9,83%, consisting of an OCR CET1 ratio of 8,83% and a target component (Pillar 2 Guidance) of 1,00%;
- Tier 1 ratio of 11,73%, consisting of an OCR T1 ratio of 10,73% and a target component (Pillar 2 Guidance) of 1,00%;
- Total Capital Ratio of 14,13%, consisting of an OCR TC ratio of 13,13% and a target component (Pillar 2 Guidance) of 1,00%.

As at 30 June 2026, the Systemic Risk Buffer (SyRB) is calculated at the target rate of 1,0% applied to material exposures, both at the consolidated and individual level.

Below is a summary table of the requirements in force.

Overall Capital Requirement (OCR)								Pillar 2 Guidance	Total
	Art. 92 CRR	SREP	TSCR	COMBINED REQUIREMENT *			OCR ratio	P2G	OCR and P2G
				RCC	COUNTERCYCLICAL BUFFER	SYSTEMIC RISK			
CET1	4,50%	1,00%	5,50%	2,50%	0,03%	0,80%	8,83%	1,00%	9,83%
Tier 1	6,00%	1,40%	7,40%	2,50%	0,03%	0,80%	10,73%	1,00%	11,73%
TC	8,00%	1,80%	9,80%	2,50%	0,03%	0,80%	13,13%	1,00%	14,13%

At 30 June 2026, the Banca Ifis Group easily met the above-specified requirements.

Procedure for determining the minimum requirement for liabilities subject to bail-in

The minimum requirements of Own Funds and Eligible Liabilities (MREL) communicated by the Bank of Italy to the Parent Company Banca Ifis following the conclusion of the review process of the same, to be maintained at an individual level, are 13,13[1]% of TREA (Total Risk Exposure Amount) and 4,67% of LRE (Leverage Ratio Exposure).

At 30 June 2026, following the monitoring process, both indicators were easily met.

It is also noted that following the introduction of EU Directive 2024/1174 (the “Daisy Chain Act”) there is no longer a minimum MREL requirement in respect of the subsidiary Banca Credifarma.

Group liquidity position and coefficients

The Group has liquidity at 30 June 2026 (in reserves and free assets that can be financed in the ECB) such as to enable it to easily respect the LCR limit (with index more than of 550%).

Disclosure regarding sovereign debt

On 5 August 2011, Consob (drawing on ESMA document no. 2011/266 of 28 July 2011) issued Communication no. DEM/11070007 on disclosures by listed companies of their exposures to sovereign debt and market performance, the management of exposures to sovereign debt, and their operating and financial impact.

In accordance with the requirements of the aforementioned communication, it should be noted that at 30 June 2026 the carrying amount of sovereign debt exposures is 4.301 million Euro, net of the negative valuation reserve of 17,5 million Euro.

These securities, with a nominal amount of approximately 4.437 million Euro have a weighted residual average life of approximately 81 months.

The fair values used to measure the exposures to sovereign debt securities at 30 June 2026 are considered to be Level 1.

Pursuant to the Consob Communication, besides the exposure to Sovereign debt, it is also necessary to consider receivables due from the sovereign states (Italy, Austria, Belgium, France, Germany, Holland and Spain): at 30 June 2026, these exposures total 276 million Euro, including 63 million Euro relating to tax receivables.

Adoption of Opt-Out Option pursuant to Consob resolution No. 18079 of 20 January 2012

On 21 January 2013, Banca Ifis's Board of Directors resolved, as per Article 3 of Consob Regulation No. 18079 of 20 January 2012, to adopt the opt-out option pursuant to Article 70, paragraph 8 and Article 71, paragraph 1-bis, of Consob Issuers' Regulation, thus exercising the right to depart from the obligations to publish information documents required in connection with significant operations like mergers, spin-offs, capital increases by contribution in kind, acquisitions and sales.

Report on Corporate Governance and Shareholding Structure

With reference to the “Report on Corporate Governance and Shareholding Structure”, reference is made to the latest version prepared in accordance with the third paragraph of Art. 123-bis of Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance, or “TUF”), i.e. that prepared for FY 2025 in the form of a separate report from the Directors' Report on the Group, approved by the Board of Directors on 12 March 2026 and published together with the Consolidated financial statements for the year ended 31 December 2025. This document is also

[1] *Alternatively, the MREL can be calculated by not deducting the combined buffer requirement from the numerator and calculating the floor by adding the following requirements: regulatory requirement under Art. 92, paragraph 1, letter c) Reg. 575/2013, amounting to 8%, SREP add-on requirement of 1,8%, and an add-on double the combined capital buffer requirement of 6,66% as of the reporting date. The minimum threshold added together is 16,46%.*

made available in the "About us" section, "Corporate Governance" subsection, paragraph on "Reports and Documents", sub-paragraph "Corporate Governance Organisation and Structures" on the corporate website www.bancaifis.it.

The "Report on Corporate Governance and Shareholding Structure" has been drawn up according to the format provided by Borsa Italiana.

Remuneration policies

The "About us" section, "Corporate governance" subsection, paragraph on "Remuneration" of the corporate website www.bancaifis.it includes the "2026 Report on Remuneration Policy and Remuneration Paid", drafted pursuant to Article 123 ter of the TUF, where the remuneration policy valid for FY 2026 for the Banca Ifis Group is illustrated.

Privacy measures

The Banca Ifis Group has consolidated a project to comply with (EU) Regulation No. 2016/679 in order to incorporate the relevant regulatory provisions into its internal privacy management model, planning a series of both technological and organisational steps that will concern all the Group's companies.

Parent company management and coordination

Pursuant to Articles 2497 to 2497 sexies of the Italian Civil Code, it should be noted that the parent company Fürstenberg Scogliera Holding S.A. (formerly Scogliera S.A.) does not carry out any management and coordination activities with respect to Banca Ifis, notwithstanding Article 2497 sexies of the Italian Civil Code, since the management and coordination of investee financial companies and banks is expressly excluded from Fürstenberg Scogliera Holding S.A.'s corporate purpose.

Transactions on treasury shares

At 31 December 2025, Banca Ifis held 739.255 treasury shares recognised at a market value of 13,7 million Euro and a nominal amount of 739.255 Euro.

During the first half of 2026, Banca Ifis awarded the Top Management:

- as variable pay, under the scope of the Short-Term Incentive ("STI") system, 109.285 treasury shares at an average price of 19,19 Euro, for a total of 2,1 million Euro and a nominal amount of 109.285 Euro;
- as variable long-term remuneration, as part of the exercise by the various beneficiaries of the stock options assigned to them as a result of the "2021-2023 Long-Term Incentive Plan" (the "LTI Plan"), 95.580 treasury shares at an average price of 12,92 Euro (the strike price of the stock options), for an equivalent value of 1,2 million Euro and a nominal amount of 95.580 Euro. The related stock option reserve associated with options exercised during the first half of 2026 totals 0,2 million Euro.

For more details on the Short-Term Incentive Scheme and the 2021-2023 LTI Plan, refer to the section "Share-based payments" within the Notes to this document.

During the period, there were no further transactions on treasury shares other than those mentioned above.

Considering the above operations, the stock at 30 June 2026 is 534.390 treasury shares, with an equivalent value of 9,8 million Euro and a nominal amount of 534.390 Euro.

It should be noted that the Banca Ifis Group does not hold, directly or indirectly, any shares in the parent company Fürstenberg Scogliera Holding S.A..

Transactions with Group companies and related parties

In compliance with the provisions of Consob Resolution No. 17221 of 12 March 2010, as subsequently amended, as well as the prudential Supervisory provisions for banks in Circular No. 285 of 17 December 2013 of the Bank of Italy, part three, chapter 11 (on "Risk activities and conflicts of interest towards related parties"), any transactions with related parties and relevant parties are carried out pursuant to the procedure approved by the Board of

Directors called the “Group Policy covering transactions with related parties, associates and corporate representatives pursuant to Art. 136 of the Consolidated Law on Banking”, the latest update of which is available to the public in the “About us” section, “Corporate Governance” subsection, paragraph on “Reports and Documents”, sub-paragraph “Related parties and Connected Subjects” of the corporate website www.bancaifis.it.

During the first half of 2026, no significant transactions with related parties were undertaken outside the scope of the Consolidated Half-Year Financial Report.

Atypical or unusual transactions

During the first six months of 2026, the Banca Ifis Group did not carry out atypical or unusual transactions as defined by Consob Communication No. 6064293 of 28 July 2006.

The Bank's offices

The Bank has its registered office in Venice-Mestre, as well as offices of the Presidency in Rome and operational offices in Milan. There are no branch offices.

Human resources

At 30 June 2026, the Banca Ifis Group had 2.369 employees, of which 17 were connected with the acquisition of Fürstenberg SIM and 339 related to the illimity Group being acquired. The figure for illimity Group employees is net of the personnel of the companies that were deconsolidated during the first half of 2026 following the sale of their control, namely ARECneprix, Abilio, Quimmo Prestige and Quimmo Prestige Agency. Below is a breakdown of the workforce by classification level.

GROUP EMPLOYEES BY CLASSIFICATION LEVEL	30.06.2026		31.12.2025		CHANGES	
	Number	%	Number	%	Number	%
Senior managers	143	6,0%	167	6,2%	(24)	(14,4)%
Middle managers	896	37,8%	988	36,7%	(92)	(9,3)%
Clerical staff	1.330	56,1%	1.540	57,1%	(210)	(13,6)%
Total Group employees	**2.369**	**100,0%**	**2.695**	**100,0%**	**(326)**	**(12,1)%**

Research and development activities

Due to its activity, the Group did not implement any research and development programmes during the period.

Venice - Mestre, 4 August 2026

For the Board of Directors

The CEO

Frederik Herman Geertman

Consolidated condensed interim financial statements

Banca Ifis

Consolidated Statement of Financial Position

	ASSETS (in thousand Euro)	30.06.2026	31.12.2025
10.	Cash and cash equivalents	568.052	787.290
20.	Financial assets measured at fair value through profit or loss	773.699	808.092
	a) financial assets held for trading	16.282	27.473
	c) other financial assets mandatorily measured at fair value	757.417	780.619
30.	Financial assets measured at fair value through other comprehensive income	1.513.295	1.659.271
40.	Financial assets measured at amortised cost	17.012.206	16.836.272
	a) receivables due from banks	644.458	700.276
	b) receivables due from customers	16.367.748	16.135.996
50.	Hedging derivatives	52.251	60.880
70.	Equity investments	32.596	33.580
90.	Property, plant and equipment	255.337	256.210
100.	Intangible assets	116.849	128.999
	of which:		
	- goodwill	55.731	*55.268*
110.	Tax assets:	326.347	368.495
	a) current	67.957	117.727
	b) prepaid	258.390	250.768
120.	Non-current assets and disposal groups	28.852	157.555
130.	Other assets	464.061	551.740
	Total assets	**21.143.545**	**21.648.384**

	LIABILITIES AND EQUITY (in thousands of Euro)	30.06.2026	31.12.2025
10.	Financial liabilities measured at amortised cost	18.376.955	18.716.422
	a) payables due to banks	3.904.915	4.018.193
	b) payables due to customers	10.592.570	11.256.836
	c) debt securities issued	3.879.470	3.441.393
20.	Financial liabilities held for trading	18.160	26.566
40.	Hedging derivatives	33.296	33.748
50.	Value adjustment to financial liabilities with generic hedges (+/-)	(5.242)	(2.936)
60.	Tax liabilities:	57.292	117.272
	a) current	7.150	69.848
	b) deferred	50.142	47.424
80.	Other liabilities	485.731	498.447
90.	Post-employment benefits	8.893	11.441
100.	Provisions for risks and charges:	92.811	106.877
	a) commitments and guarantees granted	8.132	8.600
	b) pensions and similar obligations	419	364
	c) other provisions for risks and charges	84.260	97.913
120.	Valuation reserves	(29.617)	(16.840)
150.	Reserves	1.793.932	1.604.673
155.	Interim dividends (-)	-	(73.296)
160.	Share premiums	232.671	229.093
170.	Share capital	61.819	61.819
180.	Treasury shares (-)	(9.838)	(13.701)
190.	Equity attributable to non-controlling interests (+/-)	18.879	20.803
200.	Profit (loss) for the period (+/-)	7.803	327.996
	Total liabilities and equity	**21.143.545**	**21.648.384**

Consolidated Income Statement

	ITEMS (in thousands of Euro)	30.06.2026	30.06.2025
10.	Interest receivable and similar income	506.702	368.452
	of which: interest income calculated using the effective interest method	*501.498*	*362.071*
20.	Interest due and similar expenses	(264.517)	(191.969)
30.	**Net interest income**	**242.185**	**176.483**
40.	Commission income	90.552	54.196
50.	Commission expense	(19.236)	(9.842)
60.	**Net commission income**	**71.316**	**44.354**
70.	Dividends and similar income	29.411	17.257
80.	Net profit (loss) from trading	3.463	(437)
90.	Net result from hedging	(1.430)	(118)
100.	Profit (loss) from sale or buyback of:	*23.667*	29.397
	a) financial assets measured at amortised cost	*18.246*	*28.078*
	b) financial assets measured at fair value through other comprehensive income	*5.782*	*1.478*
	c) financial liabilities	*(361)*	*(159)*
110.	Net result of other financial assets and liabilities measured at fair value through profit or loss	18.210	17.991
	b) other financial assets mandatorily measured at fair value	18.210	17.991
120.	**Net banking income**	**386.822**	**284.927**
130.	Net credit risk losses/reversals on:	(64.118)	47.093
	a) financial assets measured at amortised cost	*(64.444)*	*47.391*
	b) financial assets measured at fair value through other comprehensive income	*326*	*(298)*
150.	**Net profit (loss) from financial activities**	**322.704**	**332.020**
180.	**Net profit (loss) from financial and insurance activities**	**322.704**	**332.020**
190.	Administrative expenses:	(299.590)	(213.926)
	a) personnel expenses	*(115.060)*	*(85.097)*
	b) other administrative expenses	*(184.530)*	*(128.829)*
200.	Net allocations to provisions for risks and charges	(1.961)	5.315
	a) commitments and guarantees granted	*235*	*(220)*
	b) other net allocations	*(2.196)*	*5.535*
210.	Net impairment losses/reversals on property, plant and equipment	(9.980)	(6.679)
220.	Net impairment losses/reversals on intangible assets	(12.648)	(6.949)
230.	Other operating income/expenses	11.701	16.994
240.	**Operating costs**	**(312.478)**	**(205.245)**
250.	Gains (losses) on equity investments	(1.245)	-
280.	Gains (losses) on disposal of investments	4.243	-
290.	**Pre-tax profit (loss) from continuing operations**	**13.224**	**126.775**
300.	Income taxes for the period relating to continuing operations	(5.019)	(38.882)
330.	**Profit (loss) for the period**	**8.205**	**87.893**
340.	Profit (loss) for the period attributable to non-controlling interests	(402)	(775)
350.	**Profit (loss) for the period attributable to the Parent Company**	**7.803**	**87.118**

Earnings per share and diluted earnings per share	30.06.2026	30.06.2025
Earnings per share (EPS)	**0,13**	**1,65**
Diluted earnings per share (EPS)	**0,13**	**1,63**

Consolidated Statement of Comprehensive Income

	ITEMS (in thousands of Euro)	30.06.2026	30.06.2025
10.	**Profit (loss) for the period**	**8.205**	**87.893**
	Other comprehensive income, net of taxes, not to be reclassified to profit or loss	**(9.536)**	**559**
20.	Equity securities measured at fair value through other comprehensive income	(463)	2.573
40.	Hedging of equity securities measured at fair value through other comprehensive income	(9.238)	(2.090)
70.	Defined benefit plans	115	77
90.	Share of valuation reserves of equity accounted investments	50	-
	Other comprehensive income, net of taxes, to be reclassified to profit or loss	**(6.661)**	**6.350**
120.	Exchange differences	(1.514)	(34)
150.	Financial assets (other than equity securities) measured at fair value through other comprehensive income	(5.147)	6.384
200.	**Other comprehensive income, net of taxes**	**(16.197)**	**6.909**
210.	**Comprehensive income (Item 10 + 200)**	**(7.992)**	**94.802**
220.	Consolidated comprehensive income attributable to non-controlling interests	(402)	(775)
230.	**Consolidated comprehensive income attributable to the Parent Company**	**(8.394)**	**94.027**

Consolidated Statement of Changes in Equity at 30 June 2026

(figures in thousands of Euro)	Balance at 31.12.2025	Change in opening balances	Balance at 01.01.2026	Allocation of profit from previous year		Changes in the period										Consolidated equity at 30.06.2026	Group equity at 30.06.2026	Equity attributable to non-controlling interest at 30.06.2026
							Equity transactions											
				Reserves	Dividends and other allocations	Changes in reserves	Issue of new shares	Buyback of treasury shares	Interim dividends	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options	Changes in equity interests	Comprehensive income for the period			
Share capital:	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	**X**	**X**	**X**
a) ordinary shares	67.508	X	67.508	-	X	X	-	-	X	X	X	X	X	(11)	X	**67.497**	**61.819**	**5.678**
b) other shares	4.126	X	4.126	-	X	X	-	-	X	X	X	X	X	(188)	X	**3.938**	**-**	**3.938**
Share premiums	235.673	X	235.673	-	X	4.109	(531)	X	X	X	X	X	X	(4.989)	X	**234.262**	**232.671**	**1.591**
Reserves:	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	**X**	**X**	**X**
a) retained earnings	1.570.495	-	1.570.495	198.082	X	(23.806)	-	-	X	-	X	X	X	4.019	X	**1.748.790**	**1.742.556**	**6.234**
b) other	37.649	-	37.649	-	X	14.989	-	X	X	-	X	-	(245)	-	X	**52.393**	**51.376**	**1.017**
Valuation reserves	(16.815)	-	(16.815)	X	X	3.420	X	X	X	X	X	X	X	(6)	(16.197)	**(29.598)**	**(29.617)**	**19**
Equity	-	X	-	X	X	X	X	X	X	X	-	X	X	-	X	**-**	**-**	**-**
Interim dividends	(73.296)	X	(73.296)	X	73.296	X	X	X	-	X	X	X	X	X	X	**-**	**-**	**-**
Treasury shares	(13.701)	X	(13.701)	X	X	X	3.863	-	X	X	X	X	X	X	X	**(9.838)**	**(9.838)**	**-**
Profit (loss) for the period	328.908	-	328.908	(198.082)	(130.826)	X	X	X	X	X	X	X	X	X	8.205	**8.205**	**7.803**	**402**
Consolidated equity	**2.140.547**	**-**	**2.140.547**	**-**	**(57.530)**	**(1.288)**	**3.332**	**-**	**-**	**-**	**-**	**-**	**(245)**	**(1.175)**	**(7.992)**	**2.075.649**	**X**	**X**
Group equity	**2.119.744**	**-**	**2.119.744**	**-**	**(56.379)**	**(1.288)**	**3.332**	**-**	**-**	**-**	**-**	**-**	**(245)**	**-**	**(8.394)**	**2.056.770**	**2.056.770**	**X**
Equity attributable to non-controlling interests	**20.803**	**-**	**20.803**	**-**	**(1.151)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1.175)**	**402**	**18.879**	**X**	**18.879**

Consolidated Statement of Changes in Equity at 30 June 2025

(figures in thousands of Euro)	Balance at 31.12.2024	Change in opening balances	Balance at 01.01.2025	Allocation of profit from previous year		Changes in the period										Consolidated equity at 30.06.2025	Group equity at 30.06.2025	Equity attributable to non-controlling interest at 30.06.2025
							Equity transactions											
				Reserves	Dividends and other allocations	Changes in reserves	Issue of new shares	Buyback of treasury shares	Interim dividends	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options	Changes in equity interests	Comprehensive income for the period			
Share capital:	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	**X**	**X**	**X**
a) ordinary shares	59.589	X	59.589	-	X	X	-	-	X	X	X	X	X	-	X	**59.589**	**53.811**	**5.778**
b) other shares	-	X	-	-	X	X	-	-	X	X	X	X	X	-	X	**-**	**-**	**-**
Share premiums	87.011	X	87.011	-	X	8.350	(377)	X	X	X	X	X	X	-	X	**94.984**	**93.364**	**1.620**
Reserves:	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	**X**	**X**	**X**
a) retained earnings	1.536.582	-	1.536.582	50.218	X	(7.875)	-	-	X	-	X	X	X	-	X	**1.578.925**	**1.572.588**	**6.337**
b) other	13.970	-	13.970	-	X	-	-	X	X	-	X	-	(1.081)	-	X	**12.889**	**11.852**	**1.037**
Valuation reserves	(28.126)	-	(28.126)	X	X	(337)	X	X	X	X	X	X	X	-	6.909	**(21.554)**	**(21.573)**	**19**
Equity	-	X	-	X	X	X	X	X	X	X	-	X	X	-	X	**-**	**-**	**-**
Interim dividends	(63.084)	X	(63.084)	X	63.084	X	X	X	-	X	X	X	X	X	X	**-**	**-**	**-**
Treasury shares	(20.971)	X	(20.971)	X	X	X	7.270	-	X	X	X	X	X	X	X	**(13.701)**	**(13.701)**	**-**
Profit (loss) for the period	163.174	-	163.174	(50.218)	(112.956)	X	X	X	X	X	X	X	X	X	87.893	**87.893**	**87.118**	**775**
Consolidated equity	**1.748.146**	**-**	**1.748.146**	**-**	**(49.872)**	**138**	**6.893**	**-**	**-**	**-**	**-**	**-**	**(1.081)**	**-**	**94.802**	**1.799.025**	**X**	**X**
Group equity	**1.732.310**	**-**	**1.732.310**	**-**	**(48.827)**	**138**	**6.893**	**-**	**-**	**-**	**-**	**-**	**(1.081)**	**-**	**94.027**	**1.783.459**	**1.783.459**	**X**
Equity attributable to non-controlling interests	**15.836**	**-**	**15.836**	**-**	**(1.045)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**775**	**15.566**	**X**	**15.566**

Consolidated Cash Flow Statement

CONSOLIDATED CASH FLOW STATEMENT Indirect method (in thousands of Euro)	30.06.2026	30.06.2025
A. OPERATING ACTIVITIES		
1. Operations	**105.256**	**74.600**
- profit (loss) for the period (+/-)	8.205	87.893
- profit/loss on financial assets held for trading and on other financial assets/liabilities measured at fair value through profit or loss (-/+)	(21.673)	(17.554)
- gains/losses on hedging (-/+)	1.430	118
- net credit risk losses/reversals (+/-)	64.118	(47.093)
- net impairment losses/reversals on property, plant and equipment and intangible assets (+/-)	22.628	13.628
- net allocations to provisions for risks and charges and other expenses/income (+/-)	6.454	(1.677)
- unpaid taxes, duties and tax credits (+/-)	5.019	38.882
- other adjustments (+/-)	19.075	403
2. Cash flows generated/absorbed by financial assets	**110.144**	**(168.160)**
- financial assets held for trading	22.587	(1.619)
- other assets mandatorily measured at fair value	82.412	1.805
- financial assets measured at fair value through other comprehensive income	141.148	(289.551)
- financial assets measured at amortised cost	(248.940)	128.410
- other assets	112.937	(7.205)
3. Cash flows generated/absorbed by financial liabilities	**(444.846)**	**85.127**
- financial liabilities measured at amortised cost	(332.403)	45.813
- financial liabilities held for trading	(16.339)	62
- other liabilities	(96.104)	39.252
Net cash flows generated/absorbed by operating activities (+/-)	**(229.446)**	**(8.433)**
B. INVESTING ACTIVITIES		
1. Cash flows generated by	**86.147**	**-**
- sale of equity investments	85.003	-
- sales of subsidiaries and business units	1.144	-
2. Cash flows absorbed by	**(19.729)**	**(42.031)**
- purchases of equity investments	(133)	-
- purchases of property, plant and equipment	(10.199)	(30.641)
- purchases of intangible assets	(9.397)	(11.390)
Net cash flows generated/absorbed by investing activities (+/-)	**66.418**	**(42.031)**
C. FINANCING ACTIVITIES		
- issues/buyback of treasury shares	1.235	4.892
- distribution of dividends and other	(57.445)	(49.814)
Net cash flows generated/absorbed by financing activities (+/-)	**(56.210)**	**(44.922)**
NET CASH FLOWS GENERATED /ABSORBED DURING THE PERIOD	**(219.238)**	**(95.386)**
RECONCILIATION		
OPENING CASH AND CASH EQUIVALENTS	**787.290**	**505.016**
TOTAL NET CASH GENERATED/USED DURING THE PERIOD	**(219.238)**	**(95.386)**
CASH AND CASH EQUIVALENTS: EFFECT OF CHANGES IN EXCHANGE RATES	**-**	**-**
CLOSING CASH AND CASH EQUIVALENTS	**568.052**	**409.630**

Notes

Banca Ifis

Accounting policies

Statement of compliance with IFRS

The Condensed consolidated half-year financial statements at 30 June 2026 are prepared by applying the IASs/IFRSs issued by the International Accounting Standards Board (IASB) and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC), adopted by the European Union, as established by European Community Regulation No. 1606 of 19 July 2002.

For the interpretation and application of the international accounting standards, reference was made to the following documents, although not endorsed by the European Union:

- Systematic Framework for the Preparation and Presentation of Financial Statements ("Conceptual Framework");
- Implementation Guidance, Basis for Conclusions and any other documents prepared by the IASB or IFRIC to complement the issued accounting standards.

The accounting standards adopted in preparing these Condensed consolidated half-year financial statements are those in force at 30 June 2026 (including SIC and IFRIC interpretations).

For an overview of the accounting standards and related interpretations endorsed by the European Commission, which are of mandatory obligation following the reference date of these Condensed consolidated half-year financial statements, please refer to the following.

Insofar as applicable, the Bank also considered the communications from Supervisory Authorities (Bank of Italy, ECB, Consob, and ESMA), which provide recommendations on the disclosure to include in the Financial report concerning some of the most material aspects in terms of accounting or the accounting treatment of specific transactions.

The accounting standards used for the preparation of the Condensed consolidated half-year financial statements are those adopted for the preparation of the Consolidated financial statements at 31 December 2025, to which reference should be made for an explanation of the criteria for the recognition, classification, measurement, derecognition and recording of income and expense items in the financial statements.

With reference to the information provided, it should be noted that the Condensed consolidated half-year financial statements at 30 June 2026 have been prepared in condensed form, in accordance with IAS 34 "Interim Financial Reporting".

The Condensed consolidated half-year financial statements are subject to a limited audit by PricewaterhouseCoopers S.p.A..

Basis of preparation

The Condensed consolidated half-year financial statements consist of:

- the consolidated financial statements (statement of financial position and income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows);
- specific Notes.

in addition, they contain the Interim Directors' Report on the Group.

The Condensed consolidated half-year financial statements have been drawn up according to the general principles of IAS 1, referring also to IASB's "Framework for the preparation and presentation of financial statements", with particular attention to the fundamental principles of substance over legal form, the concepts of relevance and materiality of information, and the accruals and going concern accounting concepts.

For the preparation of these Condensed consolidated half-year financial statements, reference was made to the format set out by Bank of Italy's Circular no. 262 of 22 December 2005, 8th update of 17 November 2022.

In line with the aforementioned Circular, items that do not show any amounts for the reference period and period used for comparison.

The financial statements provide, in addition to the accounting data at 30 June 2026, comparative information relating, for the Balance Sheet balances, to the last approved Consolidated Financial Statements at 31 December 2025 and, for the balances relating to the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows, to those of the Consolidated Half-Year Financial Report at 30 June 2025.

It should be noted that in connection with the acquisition of control of illimity Bank S.p.A. and the former Euclidea SIM S.p.A. (the latter renamed Fürstenberg SIM S.p.A. as from 26 January 2026), carried out during the previous year, respectively on 4 July 2025 and 21 November 2025, and the consequent inclusion in the Banca Ifis Group's scope of consolidation of these acquired companies and, in the case of illimity Bank, also of the other companies belonging to the so-called “illimity Group”, the economic figures for the first half of 2026 are not fully comparable with those of the same period of the previous year. Indeed, the comparative economic figures at 30 June 2025 do not include the contributions of the illimity Group and Fürstenberg SIM, as they relate to a period prior to the dates on which control was acquired in these business combinations. However, it should be noted that in the tables and comments to the individual economic items, the contributions of the illimity Group and of Fürstenberg SIM are presented, where relevant.

The currency of account is the Euro and, if not indicated otherwise, amounts are expressed in thousand Euro. The tables in the Notes may include rounded amounts; any inconsistencies and/or discrepancies in the data presented in the different tables are due to these rounding differences.

Assets and liabilities, as well as costs and revenues, have been offset only if required or permitted by an accounting standard or the relevant interpretation.

The recognition, measurement and derecognition criteria for assets and liabilities, and the procedures for recognising revenues and costs, adopted in the Condensed consolidated half-year financial statements at 30 June 2026 have remained substantially unchanged from those adopted for the preparation of the 2025 financial statements of the Banca Ifis Group, to which reference is made.

The accounting data used to prepare the Condensed half-year financial statements are those prepared by the subsidiaries with reference to 30 June 2026, adjusted, where necessary, to adapt them to the accounting standards used by the Group.

If the information required by international accounting standards and the provisions of the aforementioned Circular is deemed insufficient to give a true and fair view, additional information necessary for this purpose is provided in the Notes to the Financial Statements.

The Condensed consolidated half-year financial statements are prepared in accordance with the following general principles:

- going concern: the Condensed consolidated half-year financial statements are prepared on a going concern basis, having regard to the Group's business, as detailed below;
- accrual accounting: the Condensed consolidated half-year financial statements are prepared in accordance with accrual accounting principles;
- consistency of presentation: the presentation and classification of items in the Condensed consolidated half-year financial statements is kept constant from one year to the next unless a standard or interpretation requires a change in presentation or another presentation or classification is no longer appropriate. In the latter case, the Notes to the financial statements provide information on the changes made compared to the previous period;
- materiality and aggregation: the balance sheet and income statement consist of items (denoted by Arabic numerals), sub-items (denoted by letters) and additional disclosure details (the “of which” of items and sub-items). The items, sub-items and related information details constitute the Condensed consolidated half-year financial statements accounts. New items may be added to the previously described Condensed

consolidated half-year financial statements if their content is not traceable to any of the items already included in the schedules. The subheadings provided for in the schedules may be grouped together when one of the two following conditions is met:

- the amount of the subheadings is not significant;
- grouping promotes clarity in the Condensed consolidated half-year financial statements;

- substance over form: transactions and other events are recognised and represented in accordance with their substance and economic reality and not merely according to their legal form;
- offsetting: assets and liabilities, income and expenses are not offset unless permitted or required by an international accounting standard or interpretation thereof or by the provisions of the aforementioned Bank of Italy Circular No. 262;
- comparative information: for each balance sheet and income statement, comparative information for the previous period is provided, unless an accounting standard or interpretation permits or provides otherwise. Figures for the previous period may be adjusted where necessary to ensure comparability of information for the reference period. Any non-comparability, adjustment or impossibility of the latter are reported and commented on in the Notes.

Information on the business as a going concern

The Bank of Italy, Consob and Isvap, with document No. 2 issued on 6 February 2009 ("Disclosure in financial reports on the going concern assumption, financial risks, asset impairment tests and uncertainties in the use of estimates"), together with the subsequent document No. 4 of 4 March 2010, require directors to assess with particular accuracy the existence of the company as a going concern, as per IAS 1.

The uncertainties of the current economic environment, including those related to geopolitical tensions, and the related potential repercussions on financial markets and the real economy, require particularly accurate assessments to be made as to whether the going concern assumption is met, as the Group's history of profitability and easy access to financial resources may no longer be sufficient in the current context.

In this regard, in light of the Parent Company, Banca Ifis's statement of financial position, having examined the risks arising from the current macroeconomic environment, including in light of the current situation, geopolitical tensions and related possible macroeconomic implications including those arising from international tensions related to the Middle East, the directors believe that the Banca Ifis Group has a reasonable expectation of continuing to operate in the foreseeable future. Indeed, the directors have not noted any risks or uncertainties that would cast doubt on the company's ability to continue as a going concern, and therefore the Condensed consolidated half-year financial statements at 30 June 2026 have been prepared on a going concern basis. For more details on the analyses conducted with reference to international tensions, please refer to the specific paragraph of the Interim Directors' Report on the Group entitled "Information on major risks and uncertainties and international tensions".

Consolidation scope and methods

Subsidiaries

The Condensed consolidated half-year financial statements of the Banca Ifis Group have been drawn up on the basis of the accounts at 30 June 2026 prepared by the directors of the companies included in the consolidation scope on the basis of homogeneous accounting standards. The table below shows the subsidiaries belonging to the Banca Ifis Group.

Equity investments in exclusively controlled companies

COMPANY NAME	HEAD OFFICE	REGISTERED OFFICE	TYPE (1)	INVESTMENT		VOTING RIGHTS % (2)
				PARTICIPATING PARTICIPANT	SHARE %	
Ifis Finance Sp. z o.o.	Warsaw	Warsaw	1	Banca Ifis S.p.A.	100%	100%
Ifis Rental Services S.r.l.	Milan	Milan	1	Banca Ifis S.p.A.	100%	100%
Ifis Npl Investing S.p.A.	Florence, Milan and Mestre (Province of Venice)	Mestre (Province of Venice)	1	Banca Ifis S.p.A.	100%	100%
Cap.Ital.Fin. S.p.A.	Naples	Naples	1	Banca Ifis S.p.A.	100%	100%
Fürstenberg SIM S.p.A.	Milan	Milan	1	Banca Ifis S.p.A.	100%	100%
Ifis Npl Servicing S.p.A.	Mestre (Province of Venice)	Mestre (Province of Venice)	1	Ifis Npl Investing S.p.A.	100%	100%
Ifis Finance I.F.N. S.A.	Bucharest	Bucharest	1	Banca Ifis S.p.A.	99,99%	99,99%
Banca Credifarma S.p.A.	Rome	Rome	1	Banca Ifis S.p.A.	87,96%	87,96%
Ifis Npl 2021-1 SPV S.r.l.	Conegliano (Province of Treviso)	Conegliano (Province of Treviso)	1	Banca Ifis S.p.A.	51%	51%
Indigo Lease S.r.l.	Conegliano (Province of Treviso)	Conegliano (Province of Treviso)	4	Altra	0%	0%
Ifis ABCP Programme S.r.l.	Conegliano (Province of Treviso)	Conegliano (Province of Treviso)	4	Altra	0%	0%
Emma S.P.V. S.r.l.	Conegliano (Province of Treviso)	Conegliano (Province of Treviso)	4	Altra	0%	0%
illimity Bank S.p.A.	Milan	Milan	1	Banca Ifis S.p.A.	100%	100%
Aporti S.r.l. (SPV)	Milan	Milan	1-4	illimity Bank S.p.A.	66,7%	66,7%
Soperga RE S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Doria LeaseCo S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Doria SPV S.r.l. (SPV)	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
Friuli LeaseCo. S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Friuli SPV S.r.l. (SPV)	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
Pitti LeaseCo S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Pitti SPV S.r.l. (SPV)	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
River LeaseCo S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
River SPV S.r.l. (SPV)	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
River immobiliare S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Fürstenberg SGR S.p.A.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
IREC LEASECO S.r.l.	Conegliano (Province of Treviso)	Conegliano (Province of Treviso)	1	illimity Bank S.p.A.	100%	100%
MAUI SPE S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Piedmont SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Dagobah LeaseCo S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Dagobah SPV S.r.l.	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
Spicy Green SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
SpicyCo2 S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
INGENII Open Finance	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Sileno SPV S.r.l.	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
Mida RE S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%

COMPANY NAME	HEAD OFFICE	REGISTERED OFFICE	TYPE (1)	INVESTMENT		VOTING RIGHTS % (2)
				PARTICIPATING PARTICIPANT	SHARE %	
GRO SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Montes LeaseCo S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Montes S.P.V. S.r.l.	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
Mia SPV S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Farky SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Space Direct Lending Fund	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Iside SPE S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Farm SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Dome SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
SpicyCo S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Enervitabio San Giuseppe Società Agricola S.r.l.	Milan	Milan	1	SpicyCo S.r.l.	100%	100%
Renit CPV S.r.l.	Milan	Milan	1	SpicyCo S.r.l.	100%	100%
Little Spicy S.r.l.	Milan	Milan	1	SpicyCo S.r.l.	100%	100%
Vela 2023 LeaseCo S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Eolo LeaseCo S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
INGENII Boost Finance	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Havana SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Lexbridge S.p.A. in liquidation	Milan	Milan	1	Ifis Npl Investing S.p.A. Ifis Npl Servicing S.p.A.	100%	100%

Key
(1) Type of relationship:
1 = majority of voting rights in the Annual Shareholders' Meeting
2 = dominant influence in the Annual Shareholders' Meeting
3 = agreements with other shareholders
4 = other forms of control
5 = joint management pursuant to Article 39, paragraph 1, Italian Legislative Decree No. 136/2015
6 = joint management pursuant to Article 39, paragraph 2, Italian Legislative Decree No. 136/2015
(2) Voting rights in the Annual Shareholders' Meeting, distinguishing between effective and potential voting rights

All the companies were consolidated using the line-by-line method.

With regard to controlled companies, classed as such on the basis of that explained below and included in the scope of consolidation at 30 June 2026, compared to the situation at the end of 2025, the following changes to the consolidation area are noted:

- exit of the special-purpose vehicle CR Please Real Estate S.r.l., belonging to the scope of the illimity Group, following its closure during the period.
- exit of Abilio S.p.A., following the sale to Servizilegali.net in early May 2026 of the 82% stake previously held by illimity Bank;
- exit of Quimmo Agency S.r.l. and Quimmo Prestige Agency S.r.l. (whose shares were previously 100% held by the aforementioned Abilio), following the sale at the beginning of May 2026 of their control to COIMA, which took over 60% of each, while the remaining 40% was subscribed by illimity Bank (consequently changing the configuration of the related equity investments within the Banca Ifis Group from “equity investments in wholly-owned subsidiaries” to “equity investments in companies subject to significant influence”);
- exit of ARECneprix S.p.A., following the full sale to Prelios at the end of June 2026 of the related shareholding, 100% of which was previously held by illimity Bank;
- entry of Lexbridge S.p.A. in liquidation (formerly Justlex Italia S.T.A.P.A.), as during the first half of 2026, in addition to the 20% stake already held by Ifis Npl Investing, a further 80% stake was subscribed by Ifis

Npl Servicing, so as to constitute a control relationship pursuant to IFRS 10 and, therefore, to change the configuration of the company in question from a "company subject to significant influence" at the end of 2025 to a "full subsidiary" at 30 June 2026.

For more details on the disposal transactions relating to Abilio, Quimmo Agency, Quimmo Prestige Agency and ARECneprix, please refer to the section "Significant events occurred in the period" within the Interim Directors' Report on the Group.

It should also be noted that during the first half of 2026, the repayment of the River SPV securitisation transaction and the related LeaseCo took place. It is specified that illimity Bank continues to hold the share capital of River SPV S.r.l. and River LeaseCo S.r.l., although the separate assets have been repaid. Therefore, at 30 June 2026, these companies were maintained in the scope of consolidation as subsidiaries.

With reference to the impact of these changes in the scope of consolidation on the Banca Ifis Group's financial position and income results at 30 June 2026:

- the impact of the deconsolidation relating to the special-purpose vehicle CR Please Real Estate S.r.l. is not significant;
- for the disposals of Abilio, Quimmo Agency, Quimmo Prestige Agency and ARECneprix:
    - the economic effects at 30 June 2026 of the disposals of their controlling interests are reported under the income statement item "gains (losses) on disposal of investments", and therefore please refer to the comments regarding these transactions in the section "Significant events occurred in the period" within the Interim Directors' Report on the Group. The costs, revenues, other comprehensive income and cash flows of the transferred subsidiaries are included in these Condensed consolidated half-year financial statements up to the date of transfer. It should also be noted that, with reference to Quimmo Agency and Quimmo Prestige Agency, the economic effects of the measurement using the equity method of their equity investments (limited to the period after the transfer of their control and the consequent retention of significant influence over them) are reported under the income statement item "gains (Losses) on equity investments", and therefore also in this case, please refer to the subsequent detailed comments on this item;
    - at the balance sheet level, the overall impact in terms of the reduction in total consolidated assets is not significant, compared to the total consolidated assets of the Banca Ifis Group. With reference to the impacts on the individual balance sheet items, the comments on these items in these Notes show the magnitude of these impacts, where deemed significant for the purpose of understanding the changes compared to the comparative figure at 31 December 2025.

The financial statements of the Polish subsidiary Ifis Finance Sp. z o.o. and of the Romanian subsidiary Ifis Finance I.F.N. S.A., both expressed in foreign currencies are translated into Euro by applying the period-end exchange rate to assets and liabilities. As for the income statement, the items are translated using the average exchange rate. Exchange differences arising from the application of different exchange rates for the statement of financial position and the income statement, as well as the exchange differences from the translation of each investee company's equity, are recognised under capital reserves.

Assets and liabilities, off-balance-sheet transactions, income and expenses, as well as the profits and losses arising from relations between the consolidated companies are all eliminated.

Significant judgements and assumptions in determining the scope of consolidation

In order to determine the scope of consolidation, Banca Ifis assessed whether it meets the requirements of IFRS 10 for controlling investees or other entities with which it has any sort of contractual arrangements.

An entity controls another entity when the former has all the following:

- power over the investee;
- exposure to variable returns;
- and the ability to affect the amount of its returns.

More specifically, IFRS 10 requires that, in order to have control, the investor must have the ability to direct the relevant activities of the entity, whether by operation of law or by mere fact, and must also be exposed to the variability of outcomes that result from that power.

In light of the above references, the Group must therefore consolidate all types of entities if all three control requirements are met.

Generally, there is a presumption that a majority of voting rights gives control over the investee. The Group reconsiders whether or not it has control of an investee if the facts and circumstances indicate that there have been changes in one or more of the three elements relevant to the definition of control.

In other cases, the determination of the scope of consolidation requires consideration of all factors and circumstances that give the investor the practical ability to unilaterally conduct the relevant activities of the entity (*de facto* control). To this end, it is necessary to consider a number of factors, such as, but not limited to:

- the purpose and design of the entity;
- the identification of relevant activities and how they are managed;
- any rights held through contractual arrangements that grant the power to govern the relevant activities, such as the power to determine the financial and management policies of the entity, the power to exercise the majority of voting rights in the deliberative body, or the power to appoint or remove the majority of the deliberative body;
- any potential voting rights that can be exercised and are considered substantial;
- involvement in the entity in the role of agent or principal;
- the nature and dispersion of any rights held by other investors.

For structured entities, i.e. entities for which voting rights are not considered relevant to establish control, it is deemed to exist where the Group has contractual rights to manage the relevant assets of the entity and is exposed to the variable returns of those assets.

In particular, the structured entities that required consolidation for the purposes of the Condensed consolidated half-year financial statements at 30 June 2026 are represented by certain vehicle companies of securitisation transactions originated by Group companies, including those arising from the business combination transaction relating to illimity Bank performed during the previous year and its subsidiaries. For such vehicles, the elements considered relevant to the identification of control and the resulting consolidation are the purpose of such companies, their exposure to the results of the operation, their ability to structure operations and direct relevant activities and make critical decisions by means of servicing agreements as well as their ability to arrange for their liquidation.

The assessment carried out led the Bank to include the subsidiaries controlled by means of holding the majority of voting rights (companies with relationship type “1” in the table above), as well as the SPVs (Special Purpose Vehicles) set up for securitisation purposes, for which control is considered to exist in accordance with IFRS 10; in the scope of consolidation at the reporting date. These SPVs are not legally part of the Banca Ifis Group, with the exception of the following vehicles for which the Group holds a majority stake:

- Ifis NPL 2021-1 SPV S.r.l.;
- Aporti S.r.l. (SPV);
- Doria SPV S.r.l. (SPV);
- Friuli SPV S.r.l. (SPV);
- Pitti SPV S.r.l. (SPV);
- River SPV S.r.l. (SPV);
- Dagobah SPV S.r.l.;
- Sileno SPV S.r.l.;
- Montes S.P.V. S.r.l.;
- Mia SPV S.r.l..

The profit (loss) for the period and each of the other components of comprehensive income are allocated to the shareholders of the parent company and minority interests. When necessary, appropriate adjustments are made to the accounts of the subsidiaries, in order to ensure compliance with the Group's accounting standards. All assets and liabilities, equity, revenues, costs and inter-group financial flows relating to transactions between Group entities are derecognised completely during the consolidation phase.

Changes in the investment in a subsidiary that do not involve the loss of control are considered as “equity transactions” in accordance with paragraph 23 of IFRS 10 and are therefore recognised directly in equity.

Subsidiaries are consolidated from the date on which the Group acquires control, according to the purchase method, and cease to be consolidated from the moment control ceases.

Full consolidation consists of the acquisition “line by line” of the balance sheet and income statement aggregates of the controlled entities. For consolidation purposes, the carrying amount of equity interests held by the Parent Company or other Group companies is eliminated against the assets and liabilities of the investees, with the corresponding fraction of shareholders' equity attributable to the Group and the portion attributable to non-controlling interests, also taking into account the cost allocation at the time control was acquired (Purchase Price Allocation - PPA).

For controlled entities, non-controlling interests in equity, period profit (loss) and comprehensive income are reported separately in the respective accounts, respectively, under the headings: “Equity attributable to non-controlling interests”, “Profit (loss) for the period attributable to non-controlling interests”, “Consolidated comprehensive income attributable to non-controlling interests”.

In this regard, it should be noted that no effect on the equity, period profit (loss) and overall profitability attributable to non-controlling interests resulted from the consolidation of the separate assets held by the vehicle companies of the securitisations originated by the Group, which were not derecognised in the separate accounts of the originator Group banks.

The costs, revenues, other items of comprehensive income and cash flows of the controlled entity are included in the Condensed consolidated half-year financial statements from the date control is acquired. The costs, revenues, other comprehensive income and cash flows of a transferred subsidiary are included in the Condensed consolidated half-year financial statements up to the date of transfer. In the event of the transfer of a subsidiary, the difference between the transfer consideration and the carrying amount of the subsidiary's net assets is recognised in income statement item “Gains (losses) on disposal of investments”. In the event of a partial disposal of the controlled entity, which does not result in the loss of control, the difference between the consideration for the disposal and the related carrying amount is recognised as a balancing entry in equity.

Assets, liabilities, off-balance sheet transactions, income, expenses and cash flows relating to transactions between consolidated companies are fully eliminated.

Jointly ventures

A jointly controlled agreement is a contractual arrangement in which two or more counterparties have joint control. Joint control is the contractual sharing of control pursuant to an agreement, which exists only where the unanimous consent of all the parties that share power is required for decisions relating to significant activities.

According to IFRS 11, jointly controlled arrangements are to be classified as joint operations or joint ventures according to the contractual rights and obligations held by the Group:

- a joint operation is a jointly controlled arrangement in which the parties have rights to the assets and obligations with respect to the liabilities of the arrangement;
- a joint venture is a jointly controlled arrangement in which the parties have rights to the net assets of the arrangement.

Investments in jointly controlled entities that qualify as joint ventures are accounted for using the equity method, based on the most recent available accounts of the jointly controlled entity, adjusted appropriately to take into account any significant events or transactions.

At 30 June 2026, there are no jointly controlled companies within the Banca Ifis Group, as on 6 February 2026, the 50% stake held by illimity Bank in Hype S.p.A., the only jointly controlled company in existence at 31 December 2025, was sold to the Banca Sella Group (for further details, please refer to the specific paragraph in the "Significant events occurred in the period" section of the Interim Directors' Report on the Group).

Companies under significant influence (associated companies)

Associated companies, i.e. companies subject to significant influence, are considered to be non-controlled companies in which significant influence is exercised.

Significant influence is presumed to be exercised in all cases where the company holds 20% or more of the voting rights and, irrespective of the share held, where there is the power to participate in the management and financial decisions of the investee companies by virtue of particular legal ties, such as shareholders' agreements, the purpose of which is for the participants in the agreement to ensure representativeness in the management bodies and to safeguard the unity of management direction, without however having control.

Investments in companies subject to significant influence are valued using the equity method, based on the most recent available financial statements of the associate, appropriately adjusted for any significant events or transactions. The participation in post-acquisition profits and losses is recognised in the Income Statement under the caption "gains (losses) from equity investments", while any dividend distribution is deducted from the carrying amount of the equity investment.

At 30 June 2026, the companies subject to significant influence are as follows:

- Edulia S.r.l., which is 20% owned by Banca Ifis;
- altermAInd S.r.l., 48% owned by illimity Bank;
- Quimmo Agency S.r.l., 40% owned by illimity Bank;
- Quimmo Prestige Agency S.r.l., also 40% owned by illimity Bank;

Compared to the situation at the end of 2025, the following changes are noted with regard to the companies subject to significant influence:

- exit from the scope of:
  - LAISA - Società tra Avvocati per Azioni, whose 9,99% interest previously held by ARECneprix was sold in June 2026 (before the sale of ARECneprix itself by illimity Bank, which took place on 30 June 2026);
  - Redacta S.T.A.a.r.l., whose 33% stake previously held by Ifis Npl Servicing was sold in June 2026;
  - Lexbridge S.p.A. in liquidation (formerly Justlex Italia S.T.A.P.A.), as during the first half of 2026, in addition to the 20% stake already held by Ifis Npl Investing, a further 80% stake was subscribed by Ifis Npl Servicing, so as to constitute a control relationship pursuant to IFRS 10 and, therefore, to change the configuration of the company in question from a "company subject to significant influence" at the end of 2025 to a "full subsidiary" at 30 June 2026;
- entry into the scope of Quimmo Agency S.r.l. and Quimmo Prestige Agency S.r.l. (which were previously both 100% owned by Abilio, and therefore were included within the Banca Ifis Group as "full subsidiaries"), whose 60% stakes in each were sold at the beginning of May 2026 to COIMA, while illimity Bank subscribed to the remaining 40% (for more details, please refer to the description above and to the section "Significant events occurred in the period" of the Interim Directors' Report on the Group).

Equity investments in exclusively controlled companies with significant minority interests

Minority interests, availability of minority votes and dividends distributed to minorities

Company Name	Minority interests %	Availability of minority votes %(1)	Dividends distributed to minorities
Banca Credifarma S.p.A.	12,04%	12,04%	1.151

(1) Availability of voting rights in the Annual Shareholders' Meeting

Company Name	Total assets	Cash and cash equivalents	Financial assets	Property, plant and equipment and intangible assets	Financial liabilities	Equity	Net interest income	Net banking income	Operating costs	Pre-tax profit (loss) from continuing operations	Profit (loss) from current operations after tax	Profit (loss) of disposal groups, net of taxes	Profit (Loss) for the period (1)	Other comprehensive income, net of taxes (2)	Comprehensive income (3) = (1) + (2)
Banca Credifarma S.p.A.	821.182	29.787	774.503	1.284	644.103	126.979	14.539	17.304	(7.965)	7.436	4.708	-	4.708	(3)	4.705

Subsequent events

No significant events occurred in the period between the reference date of the Condensed consolidated half-year financial statements (30 June 2026) and the date of their approval by the Board of Directors (4 August 2026), which could be classified as "adjusting events" within the meaning of IAS 10, i.e. events that lead to an adjustment of balance sheet and income statement information at the date of the Condensed consolidated half-year financial statements.

There are no other subsequent events of a "non-adjusting" nature.

Other aspects

Significant events of the period

The start of the competitive process for the sale of the Npl business has been approved

On 25 June 2026, the Board of Directors of Banca Ifis resolved to initiate a competitive market process concerning the sale of the assets in the Npl Segment, currently developed by the subsidiaries Ifis Npl Servicing and Ifis Npl Investing, and aimed at their deconsolidation. To date, the Banca Group manages approximately 1,5 billion Euro of NBV (Net Book Value) of non-performing loans, mainly concentrated in the so-called small tickets unsecured market segment, i.e. concerning small and unsecured loans. In view of the provisions of IFRS 5, the target perimeter of the Npl business to be sold can be defined as a "separate major line of business", since the perimeter to be sold constitutes an important branch of activity for the Banca Ifis Group and the related flows can be identified from the rest of the entity.

Despite the commitment expressed by the Bank's management, at 30 June 2026, not all the criteria indicated by IFRS 5 are considered as satisfied in order to qualify the sale transaction as highly probable pursuant to the standard and, consequently, it is not considered that the conditions are met for the reclassification of the scope of the sale among "Non-current assets and disposal groups" for the purposes of the Condensed consolidated half-year financial statements at 30 June 2026. In particular, at the reporting date, only certain preparatory activities have been completed, such as the appointment of financial advisors and the preparation of a high-level preliminary teaser; these elements are indicative of the organisational start of the process and the commitment of the management, but were not considered sufficient, considered in isolation, to demonstrate the joint fulfilment of the IFRS 5 requirements.

As at 30 June 2026, in fact, some fundamental activities have not yet been initiated to consider the sale programme as having started, such as the definition of the actual perimeter to be sold, the sale price or a related range, the complete financial documentation to support the process, including the Financial Information Memorandum and any Vendor Due Diligence.

In addition, the elements that normally support the conclusion that a competitive sale process has actually begun, such as the identification of a list of potential buyers, the initiation of contacts with investors or industrial counterparties, the opening of the virtual data room (VDR) to allow due diligence, the receipt of expressions of interest or non-binding offers and the initiation of advanced negotiations with one or more potential buyers, appear to be in the phase after 30 June 2026.

Therefore, at 30 June 2026, the disposal process must be qualified as still in a preliminary and organisational phase, and not in a fully executive phase such as to meet the IFRS 5 requirements, the start of an active programme to identify a buyer and the highly probable sale. Such assessment will have to be updated from time to time in light of the evolution of the process and the occurrence of the subsequent elements mentioned above, which may be relevant for the purposes of a possible reclassification at a later date.

Finally, taking into account the reduction in the value of Banca Ifis's shares following the press release of 25 June 2026, which reported the start of a process of divesting the Banca Ifis Group's assets in the Npl Segment, although no specific impairment indicators were identified, the reduction in capitalisation following this press release was considered in itself an indicator, albeit an indirect one. Therefore, the goodwill associated with the Npl Segment, which includes the aforementioned Group assets for which the divestment process was initiated, was subjected to an impairment test at 30 June 2026. The details of this impairment test are presented in the following paragraph entitled "Risks and uncertainties related to estimates" of this section "Other aspects".

Agreement on a voluntary exit plan for employees, including through recourse to the Solidarity Fund

On 29 December 2025, the Parent Company Banca Ifis signed an agreement with the trade unions concerning a voluntary redundancy plan aimed at accompanying 120 employees to retirement, also through recourse to the extraordinary benefits of the Credit Sector Solidarity Fund.

The best estimate of the charge to be incurred, based on the information available at the date of the Consolidated financial statements at 31 December 2025, was 40,0 million Euro, entirely referring to the parent company Banca Ifis.

Following the conclusion of the acceptance period provided for in the agreement, which expired on 31 May 2026, the voluntary acceptances completed resulted in a quantification of the total cost of 32,0 million Euro. Therefore, taking into account the registered acceptances received and the specific contractual features of the individual positions concerned, a reversal of 8,0 million Euro was recognised in the provisions for personnel-related expenses compared with the provision made at 31 December 2025.

The balance of the aforementioned provision at 30 June 2026 amounts to 31,9 million Euro, taking into account the aforementioned reversals of 8,0 million Euro and the use of 0,1 million Euro relating to the terminations of employment relationships for the period.

Disposals of control of Group companies carried out during the period

At the Banca Ifis Group level, during the first half of 2026, the following transactions involving the sale of control of Group companies were carried out as part of the process of rationalisation and disposal of non-core businesses initiated by the Group:

- sale at a price of 85,0 million Euro of 50% of the equity investment in Hype S.p.A., which was a jointly controlled company within the illimity Group's perimeter that at 31 December 2025 had already been classified in the balance sheet item "assets held for sale", as the 85 million Euro offer received from the Banca Sella Group had been accepted on 3 November 2025. Following the receipt of the required regulatory approvals in early 2026, on 6 February 2026 this equity interest was sold at the agreed price;
- disposal of the 82% stake in Abilio S.p.A., previously held by illimity Bank, to Servizilegali.net at the start of May 2026;
- sale at the beginning of May 2026 of the controlling stake in Quimmo Agency S.r.l. and Quimmo Prestige Agency S.r.l. (whose shares were previously 100% held by the aforementioned Abilio) to COIMA, which took over 60% of each, while the remaining 40% was subscribed by illimity Bank (consequently changing the configuration of the related equity investments within the Banca Ifis Group from "equity investments in as wholly-owned subsidiaries" to "equity investments in companies subject to significant influence");
- full sale of the stake in ARECneprix S.p.A. to Prelios at the end of June 2026, 100% of which was previously held by illimity Bank.

The costs, revenues, other comprehensive income and cash flows of the aforementioned transferred subsidiaries were included in the Condensed consolidated half-year financial statements at 30 June 2026 up to the date of transfer of each (with the exception of Hype, as a company subject to joint control). For each transfer, the difference between the consideration and the carrying amount of the relevant net assets was recognised in income statement item "Gains (losses) on disposal of investments". In particular:

- with reference to the shares sold in Abilio, Quimmo Agency and Quimmo Prestige Agency, their carrying amount at the date of sale was 13,0 million Euro in total and therefore, against a consideration of 0,3 million Euro, the transaction generated a loss on disposal of 12,6 million Euro for the Banca Ifis Group, recorded in the item "Gains (losses) on disposal of investments";
- with regard to 100% of the shares of ARECneprix that were transferred, their carrying amount at the date of transfer was 12,4 million Euro and, against a consideration of 29,3 million Euro, the transaction

generated a gain on disposal of 16,9 million Euro for the Group, recorded in the item "Gains (losses) on disposal of investments".

For more details on the disposal transactions relating to Hype, Abilio, Quimmo Agency, Quimmo Prestige Agency and ARECneprix, please refer to the section "Significant events occurred in the period" within the Interim Directors' Report on the Group and in the previous paragraph "Scope and methods of consolidation" of this section "Accounting policies".

National tax consolidation: extension of the tax consolidation with Banca Ifis to illimity Bank, Fürstenberg SGR and Fürstenberg SIM

On 26 February 2026, the Board of Directors of Banca Ifis approved the extension of the tax consolidation scope, exercising the option for the national tax consolidation regime, with Banca Ifis as tax consolidating company, and the companies illimity Bank S.p.A., Fürstenberg SGR S.p.A. (formerly illimity SGR S.p.A.) and Fürstenberg SIM S.p.A. in the role of consolidated companies.

Adhesion to the tax consolidation allows the taxable income of the participating companies to be offset against each other (using the losses realised during the adhesion period).

Under this tax regime, the advance payments, tax losses and profits of each company realised during the first half of 2026 constitute so-called "intercompany" receivables/payables within the meaning of the consolidated accounts. They are therefore eliminated as part of the consolidation entries and are therefore not included within the items "Other assets" and "Other liabilities" in the consolidated balance sheet of the Banca Ifis Group.

Highlights for assessments at 30 June 2026

On 14 October 2025, ESMA published an information notice ('European common enforcement priorities for 2025 corporate reading') containing certain topics and recommendations with reference to:

- the preparation of financial reporting, in respect of:
  - geopolitical risks and uncertainties;
  - segment information (so-called Segment reporting);
- the preparation of the sustainability statement, in relation to:
  - materiality considerations in reporting according to ESRS;
  - scope and structure of sustainability statement;
- priorities related to ESEF (European Single Electronic Format) reporting on common errors found in financial reporting;
- some general considerations, among which of particular importance is the connectivity between financial and sustainability reporting.

The following section provides an illustration of the aspects considered as priorities for the assessments conducted for the purpose of preparing the financial information contained in the Condensed consolidated half-year financial statements at 30 June 2026 and for the related disclosure, in line with the recommendations provided by ESMA in its communication of 14 October 2025 entitled "European common enforcement priorities for 2025 corporate reporting" and limited to what is applicable to Condensed consolidated half-year financial statements drawn up in accordance with IAS 34. With regard to recommendations in the area of Sustainability Reporting, these refer to a document prepared on an annual basis, and are therefore not applicable to this document (please therefore refer to the "Sustainability Statement" section of the Consolidated Financial Statements at 31 December 2025 of the Banca Ifis Group).

Considerations on geopolitical risks and uncertainties

In this respect, ESMA highlights how the Russia-Ukraine conflict, tensions in the Middle East and in international trade relations continued to generate high volatility in energy and commodity prices, disruptions in supply chains and changes in the balance of global trade. In light of these dynamics, ESMA considers geopolitical risks and uncertainties to be of significant importance for the financial information, given their potential impact on the company's performance, financial position and disclosures. According to ESMA, these risks can have major implications on several areas of valuation.

To ensure transparency and disclosure consistency, ESMA invites issuers to:

- provide clear, specific and detailed information on the effects that geopolitical uncertainties may have on the company's financial situation and performance;
- update the sensitivity analyses, illustrating how reasonably possible changes in key valuation assumptions could affect the carrying values;
- evaluate, with judgement, the inclusion of additional disclosures, beyond those required by IFRS, when useful to improve understanding of the effects on financial position, cash flows and performance.

In light of the above, the uncertainties attributable to the geopolitical context and, more generally, to the evolution of the macroeconomic scenario were duly taken into account in the relevant estimation processes as well as in risk monitoring activities. In particular, the Banca Ifis Group closely monitors country risk in conflict-affected countries. This continuous monitoring has revealed a limited number of counterparties present in the areas involved by the current international tensions, to which modest direct credit exposures correspond. Similarly, no particular critical issues have been noted with regard to the trade receivables portfolio.

Furthermore, the Risk Management function, in addition to the risk factors usually considered, continues to deem it reasonable to include the current geopolitical tense situation as an additional risk factor.

Given the need to appropriately factor these elements of uncertainty into the main estimation processes, the greatest possible consistency was ensured between the assumptions used and their underlying assumptions applied in the various models.

For further details, refer to what is illustrated later on for the main items of the financial statements and in particular in the following paragraph “Risks and uncertainties related to the use of estimates” of this section “Accounting policies”, and in the sub-paragraph “Methods for measuring expected losses”, within paragraph “Credit risk” in “Prudential consolidation risks” of the section “Information on risks and related hedging policies” of these Notes.

Segment reporting considerations

ESMA highlights the need to ensure consistency between the information on operating Segments provided in the financial statements, the management report and the management reporting used by the Chief Operating Decision Maker (CODM).

ESMA also points out that paragraph 80 of IAS 36 provides that the Cash Generating Units (CGUs) to which goodwill is allocated for the purpose of impairment testing cannot have a larger scope than the individual operating Segments identified in accordance with IFRS 8.

Furthermore, it is recalled that the aggregation criteria in paragraph 12 of IFRS 8 can only be applied to operating Segments with similar economic characteristics. Issuers are therefore required to provide adequate disclosure of the judgements adopted in applying the above criteria, including a description of the aggregated Segments and, where relevant, the indicators supporting the existence of such economic characteristics.

ESMA also emphasises the need to provide timely disclosure of the revenues and costs of the operating Segments, to the extent that these are disclosed in the management reporting used by management, highlighting any unusual or non-recurring items.

Lastly, ESMA draws attention to the disclosure requirements contained in paragraphs 33 and 34 of IFRS 8 concerning the breakdown of revenue by geographical area and by major customers.

The Banca Ifis Group revised its model in 2025 in order to consider the impacts of the acquisition of control of the illimity Group.

In particular, in identifying the Banca Ifis Group's operating Segments, due consideration was given to the methods adopted by Banca Ifis Management in making operational decisions and the methods used to prepare internal reporting, used for the purposes of allocating resources to the various segments and analysing the related performance.

At 30 June 2026, in line with the structure used by Management to analyse the Group's results, the information by Segment is broken down as follows:

- Commercial & Corporate Banking Segment;
- Npl Segment;
- illimity Segment;
- Governance & Services and Non-Core Segment.

The Segments of the financial-equity numerical are attributed on the basis of homogeneous allocation criteria in order to take into account both the specificity of the various Segments and the need to guarantee effective monitoring of business performance over time.

With reference to what ESMA emphasised regarding the relevance, in the current context of geopolitical uncertainty and trade barriers, of the disclosure on geographic areas on major customers required by paragraphs 33 and 34 of IFRS 8, it is specified that for the Banca Ifis Group, foreign revenues are very limited, and limited to those recorded by the foreign companies Ifis Finance Sp. z o.o. and Ifis Finance I.F.N. S.A., resident in Poland and Romania respectively. It should also be noted that for the Banca Ifis Group, there are no cases falling under the definition of 'revenue with major customers' pursuant to paragraph 34 of IFRS 8, i.e. revenue with individual external customers exceeding 10% of total revenue.

For more details on the Banca Ifis Group's Segment reporting, the logic for identifying Segments and allocating balance sheet and profit and loss data, refer to the section “Contribution of operating Segments to Group results” of the Interim Directors' Report on the Group and the section “Segment reporting” of these Notes.

Risks and uncertainties related to the use of estimates

Using accounting standards often requires management to make estimates and assumptions that affect the carrying amounts of assets and liabilities and disclosure of contingent assets and liabilities. In making the assumptions underlying the estimates, management considers all available information at the reporting date of these Condensed consolidated half-year financial statements, as well as hypotheses and any other factor deemed reasonable in light of past experience and foreseeable future evolutions.

By their very nature, it is therefore not possible to rule out the possibility that the assumptions made, however reasonable, may not be confirmed in the future scenarios in which the Group will find itself operating. Future results may therefore differ from the estimates made, and adjustments to the carrying amount of assets and liabilities recognised in the financial statements, which cannot be foreseen or estimated at the date of this document, may be necessary. In this regard, it should be noted that adjustments in financial statement estimates may become necessary as a result of changes in the circumstances on which they were based, new information or increased experience.

The accounting policies considered most critical to the true and fair representation of the Group's financial position, results of operations and cash flows are illustrated below, both for the materiality of the amounts to be recorded in the financial statements impacted by these policies, and for the high degree of judgement required in the valuations, which implies the use of estimates and assumptions by management. In particular, the aspects that required the use of complex estimates with significant assumptions are:

- determination of other entities within the scope of consolidation in accordance with IFRS 10;
- determination of the fair value of receivables and financial instruments not quoted in active markets;
- measurement of Npl Segment loans;
- measurement of the Expected Credit Loss (ECL) for receivables other than the Npl Segment and for debt securities;

- estimate of provisions for risks and charges;
- estimate of the recoverability of the value of goodwill recorded;
- assessment in respect of the potential recovery of deferred tax assets (DTAs).

For the items listed above, the principal issues regarding risks and uncertainties associated with estimates are discussed in the following paragraphs.

Determination of other entities included in the scope of consolidation under IFRS 10

The Banca Ifis Group, also following the acquisition of the illimity Group during the year, operates through entities with diversified structures that include, in addition to traditional subsidiaries, securitisation vehicles, investment funds and other structured entities. The assessment of the existence of control for consolidation purposes under IFRS 10 requires a significant degree of judgement in certain circumstances.

In particular, control exists as the Group has:

- power over the investee;
- exposure to variable returns;
- and the ability to affect the amount of its returns.

In order to assess the assumptions of control, all relevant information is taken into account, including the purpose and design of the entity, how decision-making rights are exercised, contractual arrangements, and current and potential voting rights. These assessments may be particularly complex for so-called structured entities for which control is not derived from voting rights but from other contractual mechanisms.

For more information, please refer to the information provided above in this section “Accounting policies” in the paragraph “Scope and methods of consolidation”, sub-paragraph “Subsidiaries”, “Significant judgements and assumptions in determining the scope of consolidation”.

Determination of the fair value of receivables and financial instruments not quoted in active markets

In the presence of receivables and financial instruments not quoted in active markets or illiquid and complex instruments, it is necessary to activate adequate valuation processes characterised with certain judgement on the choice of valuation models and related input parameters, which may sometimes not be observable in the market. There is a degree of subjectivity involved in assessing whether certain inputs are observable and categorising them within the fair value hierarchy accordingly. For qualitative and quantitative information on the method to determine the fair value of instruments measured at fair value, reference should be made to paragraph “A.2 - Main items of the financial statements” of the Consolidated financial statements at 31 December 2025.

Measurement of Npl Segment loans

If a credit exposure is impaired upon initial recognition, it qualifies as a “Purchased or Originated Credit Impaired (POCI) financial asset”. An asset is considered impaired on initial recognition if the credit risk is very high and, in the case of purchase, the price has been paid at a significant discount to the outstanding contractual debt. For these assets, the amortised cost and consequently the interest income is calculated using a credit-adjusted effective interest rate. With respect to the determination of the effective interest rate, the aforementioned credit adjustment consists of taking into account expected credit losses over the entire remaining life of the asset when estimating future cash flows.

In addition, the assets under consideration also provide for a special treatment with regard to the impairment process, as they are always subject to the determination of an expected loss over the life of the financial instrument; therefore, after initial recognition, gains or losses arising from any change in the expected loss over the life of the receivable with respect to the initial loss must be recognised in the income statement. It is therefore not possible for the calculation of expected losses for such assets to be made using a time horizon of one year.

Receivables of this kind are measured with significant recourse to proprietary valuation models that are subject to ongoing verification and adjustment. Specifically, the Risk Management function, when assessing the Bank’s capital adequacy (ICAAP), regularly assesses the so-called model risk, since the characteristics of the business model imply a high level of variability concerning both the amount collected and the date of actual collection.

In particular, for receivables undergoing non-judicial operations, the proprietary model in use estimates cash flows by projecting the breakdown of the amount of the receivable over time based on the historical collection profile for similar clusters. In addition, for the positions with settlement plan funding characteristics, a deterministic model based on the measurement of the future instalments of the plan, net of the historical default rate is used. Therefore, the timely and careful management of cash flows is particularly important. To ensure expected cash flows are correctly assessed, also with a view to correctly pricing the transactions undertaken, the Group carefully monitors the trend in collections compared to expected flows.

For receivables undergoing judicial operations, i.e. for positions for which the presence of a job or a pension has been verified, a model has been developed for estimating cash flows prior to obtaining the Garnishment Order (ODA). In particular, cash flows are estimated for all those positions that have obtained a decree not opposed by the debtor from 1 January 2018.

The other positions undergoing judicial operations continue to be recognised at cost until said requirements are met or a garnishment order is issued.

Upon garnishment order, future cash flows are analytically determined on the basis of the objective elements known for each individual position; in this case, therefore, the estimates applied relate mainly to the identification of the duration of the payment plan.

In addition to the above, judicial operations involve also collection efforts, i.e. foreclosure proceedings, which consist of several stages and apply to portfolios originated in corporate, banking, or real estate segments where cash flows are measured by means of the manager's analytical forecasts.

Reference should be made to the details given in the section "Information on risks and related hedging policies" of these Notes.

Measurement of the Expected Credit Loss (ECL) for receivables other than the Npl Segment and for debt securities

The determination of the ECL for financial assets measured at amortised cost is a complex process that requires the use of significant assumptions and estimates.

For financial assets for which no objective evidence of loss has been individually identified, i.e. for unimpaired ("performing") exposures, the impairment model involves the need to identify whether or not there has been a significant deterioration since the date of initial recognition of the exposure and the allocation to the three stages of credit risk under IFRS 9 of loans and debt securities classified as Financial assets at amortised cost and as Financial assets at fair value through other comprehensive income.

The IFRS 9 impairment model requires, in fact, that losses be determined with reference to the time horizon of one year for financial assets that have not undergone a significant deterioration in credit risk since initial recognition (Stage 1) rather than by reference to the entire life of the instrument if a significant deterioration or indicator of impairment has been established (Stage 2 and Stage 3).

It therefore follows that the calculation of the relevant expected losses requires an articulated estimation process that mainly concerns:

- the determination of PD and LGD risk parameters including forward-looking information;
- the assessment of the presence of a significant increase in credit risk (SICR), based on criteria that consider qualitative and quantitative information;
- the measurement of certain elements necessary for the determination of estimated future cash flows arising from non-performing loans: the expected debt collection times, the presumed realisable value of any guarantees, the costs that it is deemed will be incurred to recover the credit exposure and lastly the likelihood of sale for positions for which there is a disposal plan.

Within the range of possible approaches to estimation models permitted by the relevant international accounting standards, the use of specific methodologies or the selection of certain estimation parameters may significantly influence the measurement of such assets. These methodologies and parameters are necessarily subject to a continuous updating process, also in light of the historical evidence available, with the aim of refining the estimates to better represent the estimated realisable value of the credit exposure.

With specific reference to climatic and environmental risk factors, the materiality analysis conducted led to their quantification as non-material.

For more information on the methods and models used to determine the ECL, refer to the explanations given in the sub-paragraph "Measurement of expected credit losses (ECL)" contained in the "Credit risk" paragraph of the section "Information on risks and related hedging policies" of these Notes.

Estimate of provisions for risks and charges

The companies making up the Group are party to certain types of litigation and are also exposed to numerous contingent liabilities. The complexities of the specific situations underlying the pending litigations, together with possible interpretation issues, require in certain circumstances significant judgement in estimating the liabilities that may arise upon settlement of the pending litigations. The difficulties of assessment affect both the *an* and the *quantum*, as well as the timing of the eventual manifestation of the liability, and are particularly evident when the proceedings initiated are at an early stage. These circumstances make the valuation of contingent liabilities difficult. As a result, the classification of contingent liabilities and the consequent valuation of the necessary provisions are sometimes based on non-objective elements of judgement and require the use of even complex estimation procedures.

Specifically, the Group recognises a liability when:

- a legal or constructive obligation exists as a result of a past event;
- it is likely that it will be necessary to spend resources which could generate economic benefits to settle the obligation;
- the amount of the obligation can be reliably estimated.

Should all these conditions not be met, no liability is recognised.

The amount recognised as a provision represents the best estimate of the expense required to meet the obligation and reflects the risks and uncertainties regarding the facts and circumstances in question.

Where the cost deferral is significant, the amount of the provision is determined as the present value of the best estimate of the cost to settle the obligation. In this case a discount rate is used that reflects current market assessments.

The provisions made are periodically reviewed and, if necessary, adjusted to reflect the best current estimate. When the review finds that the cost is unlikely to be incurred, the provision is reversed.

The provisions for risks and charges on commitments and guarantees granted include the provisions for credit risk set aside for loan commitments and the other guarantees granted that fall within the scope of the impairment rules in IFRS 9. As a general rule, in this case the Bank adopts the same methods for allocating items to three credit risk Stages and calculating expected credit losses as the ones described for financial assets measured at amortised cost or at fair value through other comprehensive income.

Estimate of the recoverability of the value of goodwill recorded

In accordance with IAS 36, goodwill must be impairment tested at least annually, to check that the value can be recovered. IAS 36 also requires, moreover, at each reporting date, including, therefore, the interim reports, an analysis aimed at identifying the presence of any loss indicators (termed "Trigger Events") upon the occurrence of which an impairment test must be carried out. The recoverable value is the greater of Value in Use and fair value, net of the costs of sale. At 30 June 2026, goodwill recognised as an asset consists of:

- 38,0 million Euro (unchanged from 31 December 2025) as goodwill arising from the business combination of the former Fbs Group, fully allocated to the "Npl Segment" Cash Generating Unit (CGU);
- 17,7 million Euro as a positive difference in value resulting from the still-provisional PPA process associated with the acquisition of the former Euclidea SIM (now renamed Fürstenberg SIM), which took place in November 2025. This value shows an increase of 0,5 million Euro compared to the value of 17,2 million Euro at 31 December 2025, following the update of the price adjustment mechanism contractually agreed between the parties.

With regard to the annual impairment test, the results of the test conducted on 31 December 2025 led to the confirmation of the recoverability of the carrying amount listed in the Consolidated financial statements at that date.

As regards details of the impairment test conducted on goodwill at 31 December 2025, we would refer you to the more detailed information given in "Part B - Information on the Consolidated Statement of Financial Position, Assets", "Section 10 - Intangible assets - Item 100", Paragraph "10.3 Other information" of the Consolidated financial statements at 31 December 2025.

With reference to the valuation at 30 June 2026 concerning the presence of any trigger events, "Trigger Events"), which would call for impairment testing, the analysis did not reveal any such trigger events with respect to the goodwill arising from the acquisition of the former Euclidea SIM, also in light of the company's recent acquisition. With reference, on the other hand, to the goodwill of 38,0 million Euro allocated to the Npl Segment, it was decided to update the impairment test. In particular, this approach was driven by the reduction in the value of Banca Ifis's shares following the press release of 25 June 2026, which reported the start of a process to dispose of the Banca Ifis Group's activities in the Npl Segment (for more details, see the section "Significant events occurred in the period" of the Interim Directors' Report on the Group). Although no specific impairment indicators were identified, the reduction in capitalisation following this press release was considered in itself an indicator, albeit an indirect one. For details of this impairment test on the goodwill of the Npl Segment at 30 June 2026, please refer to the following paragraph.

Impairment test at 30 June 2026 of the goodwill allocated to the Npl Segment CGU

Definition of Cash Generating Units (CGUs)

The estimate of the recoverable value in accordance with IAS 36 of intangible assets with undefined life (including goodwill), which do not generate cash flow except jointly with other corporate assets, requires the preliminary attribution of such intangible assets to organisational units of relatively autonomous management, able to generate flows of financial resources that are largely independent of those produced by other business areas, but inter-dependent within the organisational unit that generates them. These organisational units are called "Cash Generating Units" (or "CGUs").

The text of IAS 36 reveals the need to correlate the level at which goodwill is tested with the level of internal reporting at which the management controls the growth and reductions of said value. In these terms, the definition of said level is closely linked to the organisational models and the attribution of the management responsibilities in order to define operative guidelines and consequent monitoring. The organisational models can be regardless (and indeed in the case of the Banca Ifis Group are regardless) of the structure of the legal entities through which operations take place and, very often, are closely linked to the definition of the operating Segments that underlie the Segment reporting envisaged by IFRS 8. These considerations with reference to the criteria employed to determine the CGUs for impairment testing the goodwill are, moreover, consistent with the definition of the recoverable value of an asset - the determination of which underlies the impairment testing - according to which the amount is relevant that the company expects to recover from said asset, considering synergies with other assets.

Therefore, consistently with the logics of price formation that gave rise to the booking of goodwill, the recoverable value for the purpose of the impairment testing of the CGU to which goodwill is allocated, must include the valuation of not only external (or universal) synergies, but also internal synergies, which the specific buyer can obtain from the integration of the assets acquired in its economic combinations, evidently according to the defined business management models.

In view of the foregoing and in line with the Group Policy, the CGUs have been identified with the operating Segments as defined in the information accompanying this document.

Carrying amount of the CGUs

The carrying amount of the CGUs must be determined consistently with the criterion whereby their recoverable value was estimated. For a bank, it is not possible to identify the flows generated by a CGU without considering the flows deriving from financial assets/liabilities, given that the latter represent its core business. In other words, the recoverable value of the CGU is impacted by said flows and, accordingly, their carrying amount must be determined consistently with the scope of estimate of the recoverable value and must, therefore, also include the financial assets/liabilities.

Taking this approach, the carrying amount of the CGU of the Banca Ifis Group can be determined in terms of contribution towards the consolidated equity, including any part pertaining to minorities. In any case, in the context of the two business combinations from which goodwill was recognised (that of the former Fbs Group and that of Euclidea SIM, both of which were carried out by the Parent Company from Banca Ifis), no portion of goodwill pertaining to third parties was recognised, since they resulted in 100% control.

Therefore, the carrying amount of the CGUs comprising companies belonging to a single Segment has been determined through the sum of the individual equity contributions on a consolidated level.

With reference to the situation of the Npl Segment CGU before being subjected to the impairment test, the carrying value at 30 June 2026 amounts to 456,2 million Euro, of which 38,0 million Euro related to the portion of goodwill allocated to it.

Criterion for determining the recoverable amount

According to IAS 36, the amount of any impairment is determined by the difference between the carrying value of the CGU, identified on the basis of the criteria described above, and its recoverable amount, if lower. Recoverable amount is defined as the greater of:

- Value in Use (VIU) i.e. the present value of future cash flows expected to arise from the continued use of a specific asset or CGU;
- fair value less costs to sell, i.e. the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable and willing parties.

For the Npl Segment CGU, the impairment test was conducted using the Value in Use as a reference.

The Value in Use is the current value of estimated future cash flows deriving from the continuous use of the assets and its disposal at the end of its useful life.

Cash flows comprise cash flows generated from the business in its current condition and cash flows deriving from budget forecasts, short-term forecasts and "Terminal Value" (TV), adjusted for the company's specific risks.

More specifically, IAS 36 requires cash flow forecasts based on reasonable, sustainable assumptions that are specific for CGUs, which reflect the value of the CGU in its current condition and represent the best estimate management can make in regard to all existing economic circumstances during the rest of the useful life of the CGU.

For the purpose of impairment testing, reference was made to the value in use estimated according to the valuation approach that can be identified with the method known in doctrine as "Discounted Cash Flow - DCF". The method estimates the Value in Use of an asset by discounting the forecast cash flows, determined according to economic-financial forecasts prepared by the management in respect of the asset valued.

In the case of banks and financial institutions in general, the available cash flow is understood as the distributable cash flow, taking into account the equity restrictions imposed by the Supervisory Authorities or held to be appropriate to monitor the risk typical of the asset analysed. As concerns the determination of the Value in Use of the CGU in question, the choice was made to apply the Excess Capital variant of the Dividend Discount Model ("DDM") valuation method. The method in question is one of the methods based on prospective cash flow, in this case represented by future dividends, recognised by most doctrine and standard practice, above all with reference to the companies or business units subject to compliance with the minimum regulatory capital requirements.

This method makes it possible to consider the current equity of the companies/business units valued, with respect to the supervisory requirements and their income prospects reflected in the forecasts. The flow of the last year of the analytical forecast is forecast perpetually through an appropriate long-term growth rate ("g"), in order to estimate the Terminal Value.

Future cash flows must be discounted at a rate that reflects the current valuations of the time value of money and specific risks of the business. More specifically, the discounting rates to be used must incorporate current market values with reference to the risk-free component (r_f) and risk premium correlated with the share component observed over a sufficiently extensive time frame to reflect market conditions and different economic cycles, and using an appropriate Beta (β) coefficient in consideration of the risk levels of the respective operating areas.

Cash flow forecasts

Forecast cash flow is understood as the distributable cash flow, taking into account the equity restrictions imposed by the Supervisory Authorities or held to be appropriate to monitor the risk typical of the asset analysed. Therefore, future cash flows can be identified as the flows that may potentially be distributed after having satisfied the minimum allocated capital restrictions. In the forecasts of available cash flows, consideration was given to maintaining a level of CET1 in line with the supervisory provisions, of 9,00%, i.e. minimum value envisaged by the last SREP received and relative to the Banca Ifis Group, including the target component, in view of greater exposure to risk in stress conditions. The consolidated SREP limit is considered insofar as higher thresholds are imposed internally in respect of a control context, envisaging alert and warning thresholds. The consolidated limit is respected as required by the Supervisory Body. Implicitly, this limit sets limits that exceed the regulatory minimums for the subsidiaries. The internal audits, with higher thresholds in RAF, prudently avoid any overrun.

The determination of the recoverable amount is based on the discounting of expected cash flows as derived from the 2026-2028 financial and balance sheet projections for the relevant CGU approved by the Parent Company's Board of Directors on 4 August 2026.

Under the scope of the financial matrix measurement criteria, as is that used to estimate the Value in Use, the value of a business at the end of the analytical flow forecasting period (the "Terminal Value") is generally determined by capitalising infinitely at an appropriate "g" rate, equal to 1,95%, the cash flow that can be achieved when "fully up and running".

Discount rates for cash flows

The Value in Use is estimated by discounting cash flows at a rate of 9,0% that considers the current market rates referring to both the time value component and the country risk component, as well as specific risks of the assets considered.

The discounting rate has been determined using the "Capital Asset Pricing Model" (CAPM). On the basis of this model, the discounting rate is determined as the sum of the returns on risk-free investments and a risk premium, in turn dependent on the specific risk level of the asset (thereby meaning both the risk level of the operating Segment and the geographic risk level represented by the "country risk").

If we take a more detailed look at the various components that go towards determining the discounting rate, we note that:

- with reference to the risk free (r_f) component and the risk premium, it was decided, for the Condensed consolidated half-year financial statements at 30 June 2026, to use:
  - the risk free rate (r_f) for the Npl Segment CGU is the point value of the gross yield of the Italian 10-year government security (3,6%), measured on 30 June 2026;

  - as Equity Risk Premium (ERP) the Market Risk Premium figure of 5,7%, determined on the basis of the long-term yield differential between Italian equities and bonds (source: Fernandez);

- the Beta coefficient (β), equal to 0,9, which measures the specific riskiness of the individual company or operating Segment, was determined using the average of the betas of comparable listed players with an observation period of 2 years and a weekly survey frequency.

Results of the impairment testing

The results of the impairment testing revealed that at 30 June 2026, the Value in Use of the CGU Npl Segment exceeded the respective carrying amount. There was therefore no need to impair the related impairment-tested goodwill booked.

Sensitivity analyses

As the Value in Use is determined by using estimates and assumptions that may include elements of uncertainty, as required by IAS 36, sensitivity analyses have been performed to verify the sensitivity of the results obtained to changes in certain underlying parameters and hypotheses.

More specifically, for the Npl Segment CGU, the impact was verified on the Value in Use of a change in the k_e of +/-1,0% (with respect to the rate used of 9,0%) and a change in the "g" growth rate of +/- 1,0% (with respect to the rate used of 1,95%), keeping the other hypotheses unchanged. The table below shows the percentage changes in terms of Value in Use resulting from the above-mentioned changes in terms of k_e. All the scenarios analysed do not show any cases of impairment.

Data in %		Changes in the cost of capital (k_e)				
		8,0%	8,5%	9,0%	9,5%	10,0%
Growth rate changes (g)	0,95%	4,5%	(0,3)%	(4,6)%	(8,4)%	(11,8)%
	1,45%	7,6%	2,2%	(2,4)%	(6,6)%	(10,2)%
	1,95%	11,1%	5,2%	0,0%	(4,5)%	(8,5)%
	2,45%	15,2%	8,5%	2,8%	(2,2)%	(6,5)%
	2,95%	20,1%	12,5%	6,0%	0,5%	(4,3)%

In addition, scenarios were analysed in which the recoverable value of the CGU was tested as Excess Capital against, instead of the CET1 Ratio requirement, the Tier 1 Ratio or Total Capital Ratio.

The sensitivity analyses performed did not reveal any situations of potential impairment loss.

Assessment in respect of the potential recovery of Deferred Tax Assets (DTAs)

Assets recognised include Deferred Tax Assets (DTAs) mainly generated by temporary differences between the date certain business costs are recognised in the income statement and the date on which the same costs may be deducted, rather than arising from tax loss carry-forwards.

In accordance with accounting standard IAS 12, referred to in the "Group Impairment Policy", a tax asset can only be recognised to the extent that it is probable that future taxable income will be available to allow for its recoverability.

Recognition of these assets and their subsequent maintenance therefore presupposes an assessment of the likelihood of their recovery. This assessment is not carried out for deferred tax assets pursuant to Law No. 214 of 22 December 2011, which can be transformed into tax credits in the event of the recognition of a "statutory loss", a "tax loss" for IRES tax purposes and a "negative net production value" for IRAP tax purposes, and for which the relative recovery is therefore certain regardless of the ability to generate future income.

For the remaining tax assets that cannot be transformed into tax credits, the judgement of their likelihood is supported by a valuation exercise of recoverability (referred to as the "probability test"). Based on the provisions of IAS 12 and the considerations made by ESMA in its paper of 15 July 2019, the aforementioned assessment of recoverability requires a careful reconnaissance of all evidence supporting the likelihood of having sufficient taxable income in the future, also taking into account the circumstances that generated the tax losses, which should be traced back to clearly identified causes that are deemed to be non-repeatable in the future on a recurring basis.

The comprehensive total of DTAs at 30 June 2026 is 258,4 million Euro (of which 76,7 million Euro allocated to the illimity Group), including the 63,1 million Euro portion attributable to Law 214/2011 (equal to 24,4% of the total DTA), of which 0,3 million Euro allocated to the illimity Group, which will be reversed by 2029 due to express regulatory provision. It is recalled that such deferred tax assets, which meet the requirements set forth by the specified Law, can be transformed into tax credits in the event of the recognition of a "statutory loss", a "tax loss" for IRES tax purposes and a "negative net production value" for IRAP tax purposes; their recovery is therefore certain regardless of the capacity to generate future income. The maintenance of convertibility into tax credits is subject to the exercise of the option provided for by D.L. No. 59 of 3 May 2016, converted with amendments by Law No. 119 of 30 June 2016, which the Group decided to avail itself of in accordance with the envisaged terms and conditions.

On the basis of the valuation exercise conducted on the residual amount, its recovery was assessed as probable, albeit over a medium- to long-term time horizon. A significant portion of past tax losses and ACE surpluses would be fully recovered (greater than 90%) by 2033. The remaining portion refers mainly to financial assets measured at fair value through other comprehensive income (FVOCI) and is therefore related to the performance of the related reserve.

In view of the uncertainty regarding the recoverability of DTAs on tax losses and ACE surpluses over the time horizon considered, no deferred tax assets were recognised for 2,9 million Euro, relating to tax losses and ACE surpluses accrued by the subsidiary Cap.Ital.Fin. prior to its entry into the Banca Ifis Group (which took place in 2018).

With reference to the companies acquired during the previous year, no deferred tax assets were recognised as follows:

- illimity Bank for 76,8 million Euro, relating to tax losses accrued in the 2025 tax year;
- Fürstenberg SIM (formerly Euclidea SIM) in the amount of 3,6 million Euro, relating to tax losses and ACE surpluses accrued until the 2025 tax year.

Deadlines for the approval and publication of the Consolidated Half-Year Financial Report

Pursuant to Article 154-ter of Italian Legislative Decree No. 59/98 (Consolidated Law on Finance), the Company must publish the Consolidated Half-Year Financial Report, including the Condensed consolidated half-year financial statements, the Interim Directors' Report on the Group, and the declaration as per article 154-bis, paragraph 5, as soon as possible, and in any case within three months of the end of the first half of the year. Banca Ifis Group's Consolidated Half-Year Financial Report at 30 June 2026 was submitted to the approval of the Bank's Board of Directors on 4 August 2026.

Coming into effect of new accounting standards

The Condensed consolidated half-year financial statements at 30 June 2026 have been drawn up in accordance with IAS 34 (Interim financial statements) and in compliance with the recording and measurement criteria of the IASs/IFRSs in force at the reporting date. For further details, refer to the above.

New IAS/IFRS accounting standards or amendments to existing accounting standards issued by the IASB, as well as new interpretations or amendments to existing ones, published by the IFRIC, with separate disclosure, whose mandatory application commences after the reporting date of these Condensed consolidated half-year financial statements.

New documents issued by the IASB and endorsed by the EU applicable at the date of these Condensed consolidated half-year financial statements

"Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7"

Regulation (EU) 2025/1047 of 28 May 2025 endorsed the amendment to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments". The amendments to the two standards clarify some of the critical aspects of the classification and measurement of financial instruments under IFRS 9 that emerged from the post-implementation review of the standard with reference to the classification and measurement of financial instruments characterised by contingent contractual clauses, including those linked to the achievement of sustainability objectives (Sustainability-Linked features). The amendments introduce clarifications regarding the assessment of the SPPI requirement ("solely payments of principal and interest") and specific disclosure requirements for certain categories of financial instruments.

In particular, the need is reinforced to assess, in the case of contingency events that change future cash flows, whether the contractual cash flows that could arise during the life of the instrument due to this clause are exclusively payments of principal and interest on the remaining principal. In assessing whether the contractual cash flows of a financial asset will be consistent with a basic financing transaction, it must be assessed whether, in all contractually possible scenarios, the contractual cash flows would not differ significantly from those of a financial instrument with identical contractual terms but without such a contingent clause.

In some circumstances, the entity may make this assessment by means of a qualitative analysis; in others, a quantitative analysis may be required. If it is evident, with minimal or no analysis, that the contractual cash flows are not significantly different, the entity is not required to carry out a detailed assessment.

Following the analyses performed, the application of the amendments did not result in changes in the classification and measurement of existing financial instruments or significant effects on opening equity or profit (loss) for the period.

The analyses carried out on the product scope of the Banca Ifis Group have highlighted the presence of instruments and services with an ESG connotation that can be attributed to different families, such as use-of-proceeds loans and sustainability-linked loans.

For the purposes of the IFRS 9/IFRS 7 amendments, accounting relevance was assessed by distinguishing products in which the ESG element relates exclusively to the allocation of proceeds or the nature of the underlying asset from those that may incorporate contractual clauses capable of modifying future cash flows upon the occurrence of specific ESG KPIs or triggers.

From the analysis carried out, the products to be considered in scope for the purposes of the IFRS 9/IFRS 7 amendments are the sustainability-linked loans of the Parent Company Banca Ifis and the subsidiary illimity Bank; these loans may provide for step-up, step-down, bonus/malus mechanisms or other changes in contractual flows linked to the achievement or non-achievement of ESG KPIs.

All other products with an ESG connotation are classified as out of scope when the ESG element does not affect the contractual cash flows of the financial instrument.

For "in scope" products (i.e. the sustainability-linked loans of Banca Ifis and illimity Bank), the Banca Ifis Group has assessed that the Sustainability-Linked clauses present in the contracts under analysis are consistent with the requirements of the amendment for the purposes of maintaining the classification at amortised cost, as they do not result in material changes in the conditions (+- 10 bps).

Below is a summary of the analyses carried out on the contingent events currently applicable to the products provided by the Banca Ifis Group. More specifically, the table below shows the products currently in the catalogue that have ESG characteristics.

Company	Product/contract	Product classification	Scope IFRS 9/7	Rationale and checks required
- Banca Ifis - illimity Bank	Sustainability-linked loans	Loans to businesses	In scope	Economic conditions may vary according to measurable ESG KPIs; the rate delta, trigger, materiality and IFRS 7 disclosure must be verified.

At 30 June 2026, the carrying amount of loans containing Sustainability-Linked clauses amounts to approximately 669 million Euro.

The Banca Ifis Group has also assessed the effects of the changes introduced by the amendments with reference to financial assets characterised by “non-recourse” elements and to instruments falling within the scope of “contractually linked arrangements”. Following the analyses carried out on transactions of this type and in particular on the securitisation transactions held by the Group, no impact emerged on the classification and measurement of financial assets previously recognised in accordance with IFRS 9. Therefore, the application of the amendments did not result in adjustments to the carrying amounts or effects on the opening equity.

“Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7”

On 18 December 2024, the IASB published amendments aimed at better representing the effects of natural source-dependent power supply contracts, which are often structured as power purchase agreements (PPAs). The amount of electricity generated under these contracts may vary depending on factors that cannot be controlled, such as weather conditions. Current accounting requirements may not adequately capture the ways in which these contracts affect a company's performance. The changes include:

- clarification of the application of the requirements for “own use”;
- the possibility of using hedge accounting if these contracts are used as hedging instruments;
- the addition of new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

For the above-mentioned changes, no profile of attention from an accounting point of view has emerged, as such operations do not exist within the Group.

“Annual Improvements Volume 11”

On 18 July 2024, the IASB issued the customary “Annual Improvements to IFRS Accounting Standards - Volume 11”. The document contains clarifications, simplifications, corrections and amendments to improve the effectiveness of the existing principles. Specifically, these refinements concern IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. The amendments came into force for financial statements from 1 January 2026. These changes did not have a significant impact on the Group's balance sheet, financial position and results of operations, given their minor scope.

New IFRS accounting standards or amendments to IFRS accounting standards applicable after the reference date of these Condensed consolidated half-year financial statements

A - EU-approved documents

“IFRS 18 “Presentation and Disclosure in Financial Statements”

On 9 April 2024, the IASB published the new accounting standard IFRS 18 “Presentation and Disclosure in Financial Statements”, which will replace IAS 1 “Presentation of Financial Statements”. The new standard is expected to be applied for the first time on 1 January 2027, with comparative information for the previous year required. Early application is possible provided that notice is given.

The new standard aims to improve the comparability, transparency and understandability of financial statement disclosures by introducing new requirements for the presentation of the income statement and strengthening the rules for aggregating and disaggregating financial statement disclosures.

In particular, IFRS 18:

- introduces new compulsory categories for the classification of income and expenses (operating, investment and financing), with new compulsory subtotals, including the operating result;
- requires greater transparency regarding the use of Management Performance Measures (MPM), through reconciliation with IFRS subtotals and an explanation of the underlying rationale;
- strengthens the criteria for aggregating and disaggregating information in primary prospectuses and notes, in order to ensure a clearer and more consistent presentation.

IFRS 18, like IAS 1, does not introduce mandatory financial statement formats, nor does it provide for a predefined structure for the Notes to the Financial Statements, but defines a minimum set of information to be presented, leaving the preparer of the financial statements with an adequate margin of discretion to ensure the best representation of the entity's financial position, results of operations and cash flows.

The changes introduced will mainly concern the presentation of the profit and loss account and the structure of disclosures, therefore, it will be necessary to ensure coordination with Bank of Italy Circular No. 262/2005, the updates to which were published in 2026 in order to adapt the financial statement formats to the new requirements of the new standard. Considering that the new standard will mainly affect the presentation methods and not the measurement criteria, no impact on the Group's balance sheet, financial position and results of operations is expected.

B - Standards and documents issued but not yet approved

The following are the new international accounting standards or amendments to them, not yet endorsed by the European Commission, which are mandatory from a date that falls after the reference date of these Condensed consolidated half-year financial statements. The Group does not expect any significant impact deriving from the adoption of the following interpretations and amendments of existing international accounting standards to be material.

IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

On 9 May 2024, the IASB published the new accounting standard IFRS 19 "Subsidiaries without Public Accountability: Disclosures" which will be applicable for reporting periods beginning on 1 January 2027, with the faculty for early adoption.

IFRS 19 allows entities that meet certain requirements to opt for a reduced set of disclosures, while continuing to apply the full recognition, measurement and presentation criteria of other international accounting standards.

In order to apply IFRS 19, at the end of the reporting period an entity must:

- be a subsidiary as defined in IFRS 10;
- have no public accountability;
- have a (ultimate or intermediate) parent company that prepares consolidated financial statements, available for public use, prepared in accordance with IFRS.

The new standard will be applicable:

- for subsidiaries that use IFRS for small and medium enterprises (SMEs) or national accounting standards (local GAAPs) for their own financial statements, and that are often required to have a dual track for their own financial statements due to the different provisions contained in these standards compared to those in IFRS;
- for subsidiaries that use IFRS accounting standards for their financial statements and are required to provide disclosures that may be disproportionate to the information needs of their users.

This relief is only applicable to subsidiaries that do not have "public liability".

A subsidiary has public liability if:

- its debt or equity instruments are traded on a public market or is in the process of issuing such instruments for trading on a public market (a domestic or foreign stock exchange or an OTC market, including local and regional markets), or
- one of its main activities is holding assets in a fiduciary capacity for a large group of persons (e.g. banks, credit unions, insurance companies, securities brokers, mutual funds and investment banks).

Entities with the above characteristics may, but are not obliged to, apply IFRS 19 in their consolidated, separate or individual financial statements taking into account the necessary coordination with the Bank of Italy's instructions for the preparation of financial statements.

Due to the nature of its structure, Banca Ifis, as the parent entity, prepares both the statutory and consolidated financial statements of the Group. Consequently, the Bank does not meet the subjective requirements of IFRS 19 to be able to apply the reduced disclosure regime.

Therefore, neither the Separate Financial Statements nor the Consolidated Financial Statements of Banca Ifis will be able to take advantage of the provisions introduced by the new standard.

Amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

The amendments to IFRS 19, published by the IASB on 21 August 2025, introduce the possibility for eligible subsidiaries not to disclose certain disclosures related to standards issued between February 2021 and May 2024. In relation to the Group's operations and composition, no impact related to the introduction of this standard is expected.

Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency"

The amendments in question, published on 13 November 2025 and coming into force on 1 January 2027, clarify the procedures for converting financial statements from a non-hyperinflationary currency to a hyperinflationary currency. No impact is expected for the Group, as it does not operate in hyperinflationary environments.

Disclosure of transfers of financial assets between portfolios

No transfers of financial assets between portfolios were made in the first half of 2026.

Fair value disclosure

Qualitative disclosure

Fair value is the price that would be received to sell an asset or the price paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date, under current market conditions (i.e. the exit price), regardless of the fact that said price is directly observable or that another measurement approach is used.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

IFRS 13 establishes a fair value hierarchy based on the extent to which inputs to valuation techniques used to measure the underlying assets/liabilities are observable. Specifically, the hierarchy consists of three Levels.

- Level 1: the instrument's fair value is measured based on (unadjusted) quoted prices in active markets;
- Level 2: the instrument's fair value is measured based on valuation models using inputs observable in active markets, such as:
  - quoted prices for similar assets or liabilities;
  - quoted prices for identical or similar assets or liabilities in non-active markets;
  - observable inputs such as interest rates or yield curves, implied volatility, default rates and illiquidity factors;
  - inputs that are not observable but supported and confirmed by market data;

- Level 3: the instrument's fair value is measured based on valuation models using mainly inputs that are unobservable in active markets.

Each financial asset or liability of the Group is categorised in one of the above Levels, and the relevant measurements may be recurring or non-recurring (see IFRS 13, paragraph 93, letter a). The fair value measurement is categorised in its entirety in the same Level of the fair value hierarchy as the lowest Level input.

The choice among the valuation techniques is not optional, since these shall be applied in a hierarchical order: indeed, the fair value hierarchy gives the highest priority to (unadjusted) quoted prices available in active markets for identical assets or liabilities (Level 1 data) and the lowest priority to unobservable inputs (Level 3 data).

Measurement techniques used to measure fair value are applied consistently on an on-going basis, as described below.

Fair value levels 2 and 3: valuation techniques and inputs used

In the absence of quoted prices in an active market, the fair value measurement of a financial instrument is performed using valuation techniques maximising the use of inputs observable on the market.

The use of a valuation technique is intended to estimate the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, under current market conditions. In this case, the fair value measurement may be categorised in Level 2 or Level 3, according to what extent inputs to the pricing model are observable.

In the absence of observable prices in an active market for the financial asset or liability to be measured, the fair value of the financial instruments is measured using the so-called comparable approach (Level 2), requiring valuation models based on market inputs.

In this case, the valuation is not based on the quoted prices of the financial instrument being measured (identical asset), but on prices, credit spreads or other factors derived from the official quoted prices of instruments that are substantially similar in terms of risk factors and duration/return, using a given calculation method (pricing model).

In the absence of quoted prices in an active market for a similar instrument, or should the characteristics of the instrument to be measured not allow to apply models using inputs observable in active markets, it is necessary to use valuation models assuming the use of inputs that are not directly observable in the market and, therefore, requiring to make estimates and assumptions (non observable input - Level 3). In these cases, the financial instrument is measured using a given calculation method that is based on specific assumptions regarding:

- the trend in future cash flows, possibly contingent on future events whose probability of occurring can be derived from historical experience or based on behavioural assumptions;
- the Level of specific inputs not quoted on active markets: for the purposes of estimating them, information acquired from prices and spreads observed on the market shall have a higher priority. If these are not available, entities shall use historical data about the specific underlying risk factor or specialist research on the matter (e.g. reports by ratings agencies or primary market players).

In the cases described above, consideration is always given to the value of potentially making valuation adjustments taking into account the risk premiums that operators typically consider in pricing instruments. If not explicitly considered in the valuation model, valuation adjustments may include:

- model adjustment: adjustments that take into account any deficiencies in the valuation models highlighted during calibration;
- liquidity adjustment: adjustments that take into account the bid-ask spread if the model calculates a mid-price;
- credit risk adjustment: adjustments related to the counterparty or own credit risk;
- other risk adjustment: adjustments related to a risk premium "priced" in the market (e.g. relating to the complexity of valuation of an instrument).

With regard to fair value measurement, the Group adopts various methodologies, depending on the specific characteristics of the products being valued.

To measure receivables that must be measured at fair value, the method used is mainly the Discounted Cash Flow (DCF) Model to receivables mandatorily measured at fair value, discounting the expected cash flows from each loan at a market rate determined by taking into account the risk free rate (r_f) for similar maturities, the Cost of Funding (COF), the counterparty's credit risk, and the capital absorption cost. This technique is supplemented with methods for assessing the enterprise value of the borrower (e.g. multiples and comparable transactions) when the characteristics of the financing make its value dependent on the value of the company. This dependence is normally induced either by the equity convertibility of the loans or by their degree of subordination.

For the measurement of unlisted equities, mainly income and financial models are used, in particular the method defined as “Market Multiples of Comparable Companies” to which a control method such as the “Discounted Cash Flow Model” or the “Comparable Transactions Method” is compared. The latter method is applied to transactions that have similar economic and asset characteristics to the one being valued and adjusted for the economic and asset magnitudes of the asset being valued.

With specific reference to the valuation of UCITS units, the approach used takes Net Asset Value (NAV) as the starting point for determining fair value. Thereafter, it must be verified whether, in determining the NAV, the fund's assets have been measured at fair value in accordance with the applicable international standards. A discount is applied to the determined NAV using a rate that takes into account the following risk components:

- liquidity component: the liquidity discount must take into account the inability to mobilise the economic commitment in the short term.
- credit component: the credit risk discount must take into account the probability of default of the underlying asset in which the fund invests;
- other risk components: this category includes the discount of any other significant element known to the manager of the instrument at the time of measurement.

Consistent with the requirements of IFRS 13, the valuation of these instruments aims to maximise the use of observable parameters, provided these are up-to-date and deemed reliable.

For this reason, in the presence of detailed information on the funds' underlyings, the expected cash flows on them, and therefore the expected distributions from the funds (business plan), which is up-to-date and adequate in terms of granularity and reliability, the NAV adjustment factor will be determined through a Discounted Cash Flow model in which the risk components listed above are incorporated into the discount rate to be applied to the expected distributions.

For funds for which adequate detailed information on the underlyings and expected distribution flows is not available, the discount factor determined as above is applied directly to decrease the NAV.

Over-the-counter (OTC) derivatives, whose value cannot be directly observed in the market, are valued with specific models and inputs due to the asset class and characteristics of the specific financial product. The valuation of OTC derivatives takes into account, in addition to the market variables to which the instruments are sensitive, the specific risks of the counterparties with which they are traded, in particular:

- For transactions traded within clearing and margining arrangements (CSAs), counterparty risk is deemed not to be material and the valuation of instruments is based solely on the underlying risk factors according to the non-arbitrage principle;
- for transactions traded in the absence of netting and margining arrangements, valuation is performed by adding to the valuation of the instrument as if it were subject to netting and margining the adjustments related to counterparty risk (i.e. CVA - Credit Valuation Adjustment and DVA - Debt Valuation Adjustment).

The balance at 30 June 2026 of derivatives for which the counterparty risk mitigation (CSA) element is not present amounts to 35,9 million Euro for derivative assets and 21,1 million Euro for derivative liabilities, almost entirely attributable to the illimity Group.

With regard to the valuation of financial assets and liabilities measured at fair value on a non-recurring basis, and in particular for the loan portfolio, the fair value is conventionally assumed to be equal to the carrying amount for all exposures classified as impaired other than those in the Npl Segment and exposures with a residual maturity of less than one year, as it is considered that the fair value can be assimilated to the carrying amount.

For non-performing loans (bad loans, unlikely to pay, past due) other than those of the Npl Segment, the fair value is conventionally assumed to be equal to the net carrying amount and is shown in Level 3. In this regard, it should be noted that, in the recent past, significant transactions of assignments of non-performing loans have been observed on the Italian market, with prices that have discounted the specific characteristics of the portfolios sold and the different yields demanded by the buyers. The fair value determined on the basis of the aforementioned transactions would therefore be characterised by a high dispersion of values, such that the identification of a reference value would not be objective.

For the purposes of measuring performing loans at fair value, given the absence of prices directly observable on active and liquid markets, entities shall use valuation techniques based on a theoretical model meeting the requirements of IAS/IFRS standards (Level 3). The approach used to determine the fair value of performing loans is the aforementioned DCF Model applied to loans with a residual maturity of more than one year, while the nominal amount is considered for other loans with short or no maturity. Future cash flows consist of the sum of principal and interest and are discounted using a rate formed by the credit spread (coverage curve) and a market rate that reflects the characteristics of the underlying (e.g. EONIA, Euribor).

As for the receivables portfolio of the Npl Segment, which purchases and manages non-performing receivables mainly due from individuals, the specified DCF Model is used to calculate fair value. In this case, the expected net cash flows are discounted at a market rate. The market rate is calculated without considering a credit spread, since the credit risk of the individual counterparties is already incorporated in the statistical model used to estimate future cash flows with regard to collective management (non-judicial operations). The model projects the relevant cash flows based on historical evidence concerning the recovery of positions in the Group's portfolio. As for individual management (judicial operations), the projections of future cash flows are based on an internal algorithm or defined by the manager according to how the underlying receivable is being processed.

For financial liabilities at amortised cost, the fair value calculated for disclosure purposes is determined by applying the following methodologies:

- for medium- and long-term liabilities, the measurement is performed by discounting future cash flows using an interest rate that incorporates its own credit risk component;
- for on-demand liabilities with short-term or indefinite maturity, the carrying amount is a good approximation of fair value.

Measurement processes and sensitivity

In compliance with IFRS 13, save for what is specified below, for financial assets and liabilities measured at fair value categorised within Level 3, the Group tests their sensitivity to changes in one or more unobservable inputs used in the fair value measurements like, by way of example and in no means exhaustive, discount rates applied to cash flows or expected cash flows themselves.

With regard to debt security exposures measured at Level 3 fair value, amounting to 76,0 million Euro at 30 June 2026, the effects of potential changes in the parameters used are deemed not significant.

For equity securities and units of Level 3 UCITSs, respectively equal, at 30 June 2026, to 186,0 million Euro and 561,0 million Euro, it is generally not possible to perform any quantitative sensitivity analysis of fair value to changes in unobservable inputs, as either the fair value is derived from third-party sources, or it is the result of a model whose inputs are specific to the entity being valued (e.g. company assets) and for which the information necessary for a sensitivity analysis is not available.

Fair value hierarchy

Concerning recurring fair value measurements of financial assets and liabilities, the Banca Ifis Group transfers them between Levels of the hierarchy based on the following guidelines:

- for debt securities and financing:
  - the transfer from Level 3 to Level 2 takes place when the inputs to the valuation technique used are observable at the measurement date;
  - the transfer from Level 3 to Level 1 is allowed when it is confirmed that there is an active market for the instrument at the measurement date;
  - finally, they are transferred from Level 2 to Level 3 when some inputs relevant in measuring fair value are not directly observable at the measurement date;
- for equity instruments, the Level transfer takes place when:
  - observable inputs became available during the period (e.g. prices for identical assets and liabilities defined in comparable transactions between independent and knowledgeable parties). In this case, they are reclassified from Level 3 to Level 2;
  - inputs directly or indirectly observable used in measuring them are no longer available or current (e.g. no recent comparable transactions or no longer applicable multiples). In this case, the entity shall use valuation techniques incorporating unobservable inputs.

Other information

There is no further information to report than that presented in the preceding paragraphs. Specifically, at the reference date of the Condensed consolidated half-year financial statements, there is no information to be reported pursuant to IFRS 13, paragraphs 51, 93(i), 96 because:

- there are no assets measured at fair value on a “highest and best use” basis;
- no use was made of the possibility of measuring fair value at the level of the overall portfolio exposure, in order to take into account the offsetting of credit risk and market risk of a given group of financial assets or liabilities (exception under IFRS 13, par. 48).

Quantitative information

Fair value hierarchy

Assets and liabilities measured at fair value on a recurring basis: breakdown by fair value Levels

Financial assets/liabilities measured at fair value (in thousands of Euro)	30.06.2026			31.12.2025		
	L1	L2	L3	L1	L2	L3
1. Financial assets measured at fair value through profit or loss	8.667	16.257	748.775	8.885	27.401	771.806
a) financial assets held for trading	-	16.257	25	47	27.401	25
b) financial assets designated at fair value	-	-	-	-	-	-
c) other financial assets mandatorily measured at fair value	8.667	-	748.750	8.838	-	771.781
2. Financial assets measured at fair value through other comprehensive income	1.283.728	151.101	78.466	1.410.907	169.733	78.631
3. Hedging derivatives	-	52.251	-	-	60.880	-
4. Property, plant and equipment	-	-	-	-	-	-
5. Intangible assets	-	-	-	-	-	-
Total	**1.292.395**	**219.609**	**827.241**	**1.419.792**	**258.014**	**850.437**
1. Financial liabilities held for trading	-	18.160	-	-	26.566	-
2. Financial liabilities designated at fair value	-	-	-	-	-	-
3. Hedging derivatives	-	33.296	-	-	33.748	-
Total	**-**	**51.456**	**-**	**-**	**60.314**	**-**

Key:
L1 = Level 1: fair value of a financial instrument quoted in an active market;
L2 = Level 2 fair value measured using valuation techniques based on observable market inputs other than the financial instrument's price;
L3 = Level 3 fair value calculated using valuation techniques based on inputs not observable in the market.

Financial assets held for trading and financial liabilities held for trading at 30 June 2026 comprise almost exclusively trading derivatives, all of which are classified as Level 2.

Financial assets measured at fair value through other comprehensive income mainly consist of listed securities (Level 1). With regard to securities in Level 3, the amount includes shares in the Bank of Italy with a carrying amount of 50,0 million Euro.

Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value Levels

Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis (in thousands of Euro)	30.06.2026				31.12.2025			
	CA	L1	L2	L3	CA	L1	L2	L3
1. Financial assets measured at amortised cost	17.012.206	3.613.139	21.615	13.383.004	16.836.272	3.245.648	22.334	13.608.780
2. Property, plant and equipment held for investment purpose	210	-	-	210	210	-	-	210
3. Non-current assets and disposal groups	28.852	-	-	28.852	157.555	-	-	157.555
Total	**17.041.268**	**3.613.139**	**21.615**	**13.412.066**	**16.994.037**	**3.245.648**	**22.334**	**13.766.545**
1. Financial liabilities measured at amortised cost	18.376.955	2.762.907	-	15.421.753	18.716.422	2.535.144	-	16.116.854
2. Liabilities associated with assets held for sale	-	-	-	-	-	-	-	-
Total	**18.376.955**	**2.762.907**	**-**	**15.421.753**	**18.716.422**	**2.535.144**	**-**	**16.116.854**

Key:
CA = Carrying amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

For financial instruments recognised at amortised cost and classified as loans and advances to banks or customers and as financial liabilities, a fair value was determined for disclosure purposes, as required by the reference accounting standard IFRS 7.

The item "financial assets measured at amortised cost" includes debt securities due to banks and customers measured at amortised cost with a carrying amount at 30 June 2026 totalling 4.784,1 million Euro. This perimeter includes government bonds at amortised cost with a carrying amount at the end of June 2026 of 3.154,1 million Euro, corresponding to a Level 1 fair value of 3.126,7 million Euro. The balance reported at Level 3 includes customer debt securities (mainly senior tranches of securitisation securities), characterised by a total fair value of 1.121,5 million Euro. Net of this component, the remaining balance of Level 3 financial assets measured at amortised cost consists mainly of credit exposures.

"Non-current assets and disposal groups" refers:

- 23,9 million Euro relating to credit portfolios of the illimity Group;
- 5,0 million Euro relating to certain individually significant credit positions of the parent company Banca Ifis, which were disposed of in July 2026.

Level 1 amortised cost financial liabilities relate to bonds issued by the Parent Company Banca Ifis and by illimity Bank.

Disclosure on day one profit/loss

With reference to the provisions of IFRS 7 par. 28, a financial instrument must initially be recognised at a value equal to its fair value which, unless there is evidence to the contrary, is equal to the price paid/collected in trading. The above standard governs such cases by establishing that an entity may recognise a financial instrument at a fair value other than the consideration given or received only if the fair value is evidenced:

- by comparison with other observable current market transactions in the same instrument;
- through valuation techniques using exclusively, as variables, data from observable markets.

In other words, the assumption under IFRS 9, whereby fair value is equal to the consideration given or received, may be overcome only if there is objective evidence that the consideration given or received is not representative of the actual market value of the financial instrument being traded.

Such evidence must be derived only from objective and non-refutable parameters, thus eliminating any hypothesis of discretion on the part of the evaluator.

The difference between the fair value and the negotiated price, only when the above conditions are met, is representative of the day one profit and is immediately recognised in the income statement.

No such transactions were carried out as part of the Group's operations during the first half of 2026.

Group financials and income results

Statement of financial positions items

RECLASSIFIED STATEMENT OF FINANCIAL POSITION HIGHLIGHTS (in thousand Euro)	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Cash and cash equivalents	568.052	787.290	(219.238)	(27,8)%
Financial assets mandatorily measured at fair value through profit or loss	757.417	780.619	(23.202)	(3,0)%
Financial assets measured at fair value through other comprehensive income	1.513.295	1.659.271	(145.976)	(8,8)%
Receivables due from banks measured at amortised cost	644.458	700.276	(55.818)	(8,0)%
Receivables due from customers measured at amortised cost	16.367.748	16.135.996	231.752	1,4%
Property, plant and equipment and intangible assets	372.186	385.209	(13.023)	(3,4)%
Tax assets	326.347	368.495	(42.148)	(11,4)%
Other assets	594.042	831.228	(237.186)	(28,5)%
Total assets	**21.143.545**	**21.648.384**	**(504.839)**	**(2,3)%**
Payables due to banks measured at amortised cost	3.904.915	4.018.193	(113.278)	(2,8)%
Payables due to customers measured at amortised cost	10.592.570	11.256.836	(664.266)	(5,9)%
Debt securities issued	3.879.470	3.441.393	438.077	12,7%
Tax liabilities	57.292	117.272	(59.980)	(51,1)%
Provisions for risks and charges	92.811	106.877	(14.066)	(13,2)%
Other liabilities	540.838	567.266	(26.428)	(4,7)%
Consolidated equity	2.075.649	2.140.547	(64.898)	(3,0)%
Total liabilities and equity	**21.143.545**	**21.648.384**	**(504.839)**	**(2,3)%**

Cash and cash equivalents

Cash and cash equivalents include bank current accounts on demand and at 30 June 2026 amount to 568,1 million Euro, down from 787,3 million Euro at the end of 2025. This trend in the first half of 2026 is mainly due to a decrease in overnight deposits held by the Parent Company, Banca Ifis, and a decrease in liquidity provided to banks in connection with the performance of the underlying loans.

Financial assets mandatorily measured at fair value through profit or loss

Financial assets mandatorily measured at fair value through profit or loss total 757,4 million Euro at 30 June 2026. This item consists of loans and debt securities that did not pass the SPPI test, equity securities from minority shares and UCITS units.

Below is the breakdown of this line item.

FINANCIAL ASSETS MANDATORILY MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (in thousands of Euro)	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Debt securities	75.652	95.227	(19.575)	(20,6)%
Equity securities	107.568	90.228	17.340	19,2%
UCITS units	569.897	558.617	11.280	2,0%
Loans	4.300	36.547	(32.247)	(88,2)%
Total	**757.417**	**780.619**	**(23.202)**	**(3,0)%**

The overall decrease in this item compared to 31 December 2025, amounting to 23,2 million Euro, derives from the combined effect of the following dynamics:

- debt securities decrease by 19,6 million Euro (-20,6%), mainly due to the negative contribution of 18,1 million Euro resulting from the combined effect of new subscriptions, sales and the trend in redemptions and collections for the period with respect to the proprietary portfolio, to which was added the negative effect of net fair value changes amounting to 1,4 million Euro;
- the increase in equity securities amounts to 17,3 million Euro (+19,2%) and is due to the positive effect of fair value changes during the period (+7,8 million Euro) and the positive net effect of subscriptions and sales of securities (+9,5 million Euro);
- the period increase in the balance of UCITS units is 11,3 million Euro (+2,0%) following the positive contribution of net new subscriptions, net of redemptions and collections, of 20,4 million Euro, partially offset by the decrease recorded in fair value measurements (9,2 million Euro);
- the carrying amount of loans decreases by 32,2 million Euro compared to 31 December 2025 (-88,2%); this effect is mainly due to the repayment during the period of an individually significant position belonging to the illimity Group.

Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income total 1.513,3 million Euro at 30 June 2026, down 8,8% from December 2025.

Financial assets measured at fair value through other comprehensive income include debt securities characterised by a Held to Collect & Sell (HTC&S) business model, that have passed the SPPI test and equity securities for which the Group has exercised the OCI Option envisaged by IFRS 9.

FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (in thousand Euro)	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Debt securities	1.295.473	1.424.495	(129.022)	(9,1)%
of which: government securities	*1.122.848*	*1.198.777*	*(75.929)*	*(6,3)%*
Equity securities	217.822	234.776	(16.954)	(7,2)%
Total	**1.513.295**	**1.659.271**	**(145.976)**	**(8,8)%**

Debt securities owned measured at fair value through other comprehensive income amount to 1.295,5 million Euro at 30 June 2026, a decrease of 129,0 million Euro (-9,1%) compared to the balance at 31 December 2025, mainly due to the net negative effect of new investments, disposals and other collections during the period (-133,5 million Euro), as well as the increase in the fair value measurements of the proprietary portfolio (+4,5 million Euro). The related associated net negative fair value reserve amounts to 15,6 million Euro at 30 June 2026, of which 15,1 million Euro referring to Government securities.

This item also includes equity securities attributable to minority interests, which amount to 217,8 million Euro at 30 June 2026, down by 17,0 million Euro (-7,2%) compared with the balance at 31 December 2025. This change is due to the negative net effect of investments and divestments made during the period (-5,4 million Euro) and the decrease in fair value amounts recorded during the first half of 2026 (-11,6 million Euro). The net fair value reserve associated with these equity securities shows a negative value of 8,7 million Euro at 30 June 2026, a deterioration compared to the positive net reserve at the end of 2025, which was 2,5 million Euro, mainly due to the negative fair value changes recorded during the first half of 2026.

Receivables due from banks measured at amortised cost

Total receivables due from banks measured at amortised cost amount to 644,5 million Euro at 30 June 2026, down 8,0% on the figure at 31 December 2025, equal to 700,3 million Euro, mainly due to the reduction of bank deposits of the Parent Company Banca Ifis for a total of 75,6 million of Group treasury loans, against an essential stability seen in the carrying amount of debt securities of banking issuers with a “Held to Collect (HTC)” business model and which passed the SPPI Test. At 30 June 2026, these securities have a carrying amount of 379,2 million Euro, in line with the figure for December 2025, mainly due to the essential offsetting of the effects of new subscriptions and divestments on bank bonds during the period within the limits set by the policies defined by the Group.

Receivables due from customers measured at amortised cost

Total receivables due from customers measured at amortised cost amount to 16,4 billion Euro. The item includes debt securities amounting to 4,4 billion Euro, up 7,5% compared to the figure of 4,1 billion Euro at 31 December 2025. Customer debt securities include government bonds amounting to 3,2 billion Euro, up 383,3 million Euro (+13,8%) compared to the figure at 31 December 2025.

In the absence of the debt securities component, receivables due from customers amount to 12,0 billion Euro, in line with the December 2025 figure.

The main dynamics by Segment are shown below:

- the Commercial & Corporate Banking Segment stands at 7,4 billion Euro, a slight increase compared with the 7,2 billion Euro at December 2025, mainly due to the contribution of the Corporate Banking & Lending Area (+233,0 million Euro, equal to +8,4%), while the Leasing Area and Factoring Area remain substantially stable;
- receivables due from customers in the Npl Segment amount to 1,6 billion Euro, broadly in line with 31 December 2025;
- the contribution of the illimity Segment, which includes all receivables due from customers belonging to illimity Group companies, amounts to 4,6 billion Euro at 30 June 2026, of which 1,9 billion Euro relates to debt securities, a decrease of 411,9 million Euro compared to the balance of 5,0 billion Euro at 31 December 2025;
- the contribution of the Governance & Services and Non-Core Segment comes to 2,7 billion Euro, up 434,8 million Euro (+19,1%) compared with the end-of-2025 figure, mainly due to the positive change in debt securities allocated to this Segment (+345,8 million Euro).

RECEIVABLES DUE FROM CUSTOMERS BREAKDOWN BY SEGMENT (in thousand Euro)	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Commercial & Corporate Banking Segment	7.436.860	7.216.527	220.333	3,1%
- of which non-performing	*295.518*	*186.220*	*109.298*	*58,7%*
Factoring Area	2.756.019	2.772.130	(16.112)	(0,6)%
- of which non-performing	*161.261*	*65.214*	*96.047*	*147,3%*
Leasing Area	1.676.926	1.673.498	3.428	0,2%
- of which non-performing	*14.903*	*15.400*	*(497)*	*(3,2)%*
Corporate Banking & Lending Area	3.003.916	2.770.899	233.017	8,4%
- of which non-performing	*119.354*	*105.606*	*13.748*	*13,0%*
Npl Segment	1.580.787	1.592.328	(11.541)	(0,7)%
- of which non-performing	*1.531.181*	*1.540.989*	*(9.808)*	*(0,6)%*
Governance & Services and Non-Core Segment(1)	2.716.378	2.281.560	434.819	19,1%
- of which non-performing	*43.669*	*40.443*	*3.226*	*8,0%*
illimity Segment (1)	4.633.723	5.045.581	(411.858)	(8,2)%
- of which non-performing	*1.161.835*	*1.160.799*	*1.036*	*0,1%*
Total receivables due from customers	**16.367.748**	**16.135.996**	**231.752**	**1,4%**
- of which non-performing	***3.032.203***	***2.928.451***	***103.752***	***3,5%***

(1) In the Governance & Services and Non-Core Segment, at 30 June 2026, there are government securities for 2.129,5 million Euro (1.770,6 million Euro at 31 December 2025) and in the illimity Segment, at 30 June 2026, there are government securities for 1.024,5 million Euro (1.000,2 million Euro at 31 December 2025).

Total net non-performing exposures, which are significantly impacted by loans from the Npl Segment and loans from illimity Group companies (the latter allocated to the illimity Segment), stand at 3,0 billion Euro at 30 June 2026, showing slight growth compared with 31 December 2025 (+3,5%). Net of this item relative to the Npl Segment, net non-performing loans come to 1,5 billion Euro, up 113,6 million Euro compared with the 1,4 billion

Euro recorded at 31 December 2025, mainly due to the effect of the contribution made by the Commercial & Corporate Banking Segment.

For a detailed analysis of receivables due from customers, please see the section "Contribution of operating Segments to Group results" of the Interim Directors' Report on the Group.

Intangible assets and property, plant and equipment

Intangible assets come to 116,8 million Euro, down 12,2 million Euro compared with 129,0 million Euro at 31 December 2025, mainly due to the deconsolidation of certain illimity Group companies (Abilio, Quimmo Agency, Quimmo Prestige and ARECneprix) following the related transfer of control during the first half of 2026. This item refers to:

- software and internally generated intangible assets for a total of 61,1 million Euro, down from the balance of 73,7 million Euro at 31 December 2025, mainly as a result of the aforementioned impact of the transfer of control of certain illimity Group companies;
- 38,0 million Euro in goodwill following the acquisition of the former Fbs Group (value unchanged compared with that at 31 December 2025), for which an impairment test was carried out, updated at 30 June 2026, which did not reveal the need for any write-down (for further details, see the section "Accounting policies", paragraph "Other aspects", sub-paragraph "Risks and uncertainties related to the use of estimates" of these Notes);
- the provisional recognition of a positive difference to be allocated (provisional goodwill) related to the acquisition of the former Euclidea SIM S.p.A. in November 2025 (renamed Fürstenberg SIM S.p.A. as of 26 January 2026) for 17,7 million Euro. This value shows an increase of 0,5 million Euro compared to the value of 17,2 million Euro at 31 December 2025, mainly following the update of the price adjustment mechanism contractually agreed between the parties.

Tangible assets amount to 255,3 million Euro, essentially in line with the balance at 31 December 2025 (256,2 million Euro), as the downward effect of the sale of control of the aforementioned illimity Group companies was in fact offset by the positive impact of the new investments made by the Parent Company Banca Ifis in the first half of 2026.

Tax assets and liabilities

National consolidated tax regime

During 2025, an option for the national tax consolidation scheme was exercised for the three-year period 2025-2027, with Banca Ifis as consolidating company and the other Group companies resident in Italy (with the exception of the newly acquired illimity Group and Fürstenberg SIM) as consolidated companies meeting the requirements of the TUIR.

On 26 February 2026, the Board of Directors of Banca Ifis approved the extension of the tax consolidation scope, exercising the option for the national tax consolidation regime, with Banca Ifis as tax consolidating company, and the companies illimity Bank S.p.A., Fürstenberg SGR S.p.A. (formerly illimity SGR S.p.A.) and Fürstenberg SIM S.p.A. in the role of consolidated companies. For more details, please refer to the sub-paragraph "Significant events of the period" within the paragraph "Other aspects" of the "Accounting policies" section of these Notes.

Adhesion to the tax consolidation allows the taxable income of the participating companies to be offset against each other (using the losses realised during the adhesion period).

Under this tax regime, the advance payments, tax losses and profits of each company realised during the first half of 2026 constitute so-called "intercompany" receivables/payables within the meaning of the consolidated accounts. They are therefore eliminated as part of the consolidation entries and are therefore not included within the items "Other assets" and "Other liabilities" in the consolidated balance sheet of the Banca Ifis Group.

Current tax assets and liabilities include both items relating to IRES, the relative surtax and IRAP payments on account, and those relating to the IRES payable, the relative surtax and IRAP estimated for the reference period, also determined on the basis of Banca Ifis's role as tax consolidator.

Tax assets and liabilities: breakdown

These items include current and deferred tax assets and liabilities.

Tax assets amount to 326,3 million Euro, down 42,1 million Euro compared with the figure at 31 December 2025 (of which 2,7 million Euro following the sale of control of certain illimity Group companies).

More specifically, current tax assets amount to 68,0 million Euro and are down 49,8 million Euro (-42,3%) compared with the figure at 31 December 2025, of which 0,5 million Euro is due to the deconsolidation of some companies of the illimity Group.

Deferred Tax Assets (DTAs) amount to 258,4 million Euro, of which 76,7 million Euro of DTAs recognised with reference to the illimity Group, also due to the tax effect of adjustments related to the PPA on the data of the illimity Group being acquired, and are up 7,6 million Euro on 31 December 2025, mainly due to the contribution of the Parent Company Banca Ifis (which more than offset the reduction of 2,2 million Euro in the item associated with the DTAs related to the illimity Group companies whose controlling interests were sold during the first half of 2026). Deferred tax assets mainly consist of:

- 63,1 million Euro from assets recognised for value adjustments on loans to customers, potentially convertible into tax credits pursuant to Law 214/2011 (63,4 million Euro at 31 December 2025);
- 75,7 million Euro from assets recognised for prior tax losses and the ACE benefit (65,4 million Euro at 31 December 2025);
- 119,6 million Euro from tax misalignments mainly related to financial assets measured at fair value through other comprehensive income (FVOCI), provisions for risks and charges, and write-offs of goodwill and other intangible assets (121,9 million Euro at 31 December 2025).

With reference to the recoverability of deferred tax assets recognised at the reference date, please refer to the sub-paragraph “Risks and uncertainties related to estimates” in the paragraph “Other aspects” within the “Accounting policies” section of these Notes.

Tax liabilities amount to 57,3 million Euro (117,3 million Euro at 31 December 2025) and are made up as follows:

- current tax liabilities of 7,2 million Euro (69,8 million Euro at 31 December 2025), down as a result of the tax payments made in June 2026 relating to the 2025 tax year;
- deferred tax liabilities, amounting to 50,1 million Euro (47,4 million Euro as of 31 December 2025), comprising 30,1 million Euro, mainly referring to tax liabilities of the Parent Company Banca Ifis on receivables recognised for default interest that will be taxed upon collection, and the residual 19,9 million Euro relating to the illimity Group's contribution (mainly relating to taxation on adjustments connected to the PPA).

Tax assets are included in the calculation of “capital requirements for credit risk” in accordance with (EU) Regulation No. 575/2013 (CRR), as subsequently updated, which was transposed in the Bank of Italy's Circular No. 285.

Here below is the breakdown of the different treatments by type and the relevant impact on CET1 and risk-weighted assets (RWAs) at 30 June 2026:

- “deferred tax assets that rely on future profitability and do not arise from temporary differences” are subject to deduction from CET1. It should also be noted that the amount of DTA deducted from CET1, as provided for by Art. 38 par. 5 pursuant to the CRR, is offset by the corresponding deferred tax liabilities;
- the “deferred tax assets that rely on future profitability and arise from temporary differences” are not deducted from CET1 and receive instead a 250% risk weight. The amount weighted according to a factor

of 250%, as provided for in Art. 38 para. 5 pursuant to the CRR, is shown net of the offset against the corresponding deferred tax liabilities;

- the "deferred tax assets pursuant to Italian Law No. 214/2011", concerning credit risk losses, that can be converted into tax credits, receive a 100% risk weight;
- "current tax assets" receive a 0% weight as they are exposures to the Central Government.

Other assets and liabilities

Other assets amount to 594,0 million Euro at 30 June 2026, down 28,5% from 831,2 million Euro at 31 December 2025.

The other asset items are made up as follows:

- financial assets held for trading for 16,3 million Euro (a decrease on the figure of 27,5 million Euro at 31 December 2025), referring almost entirely to derivative transactions offset by mirror positions recorded among financial liabilities held for trading;
- hedging derivative liabilities, which show a positive fair value of 52,3 million Euro at 30 June 2026 (down from the balance of 60,9 million Euro at 31 December 2025). Overall, these hedging strategies concern:
  - micro fair value hedging on the price risk associated with equity securities measured at fair value through other comprehensive income;
  - micro fair value hedging on interest rate risk related to debt securities;
  - micro fair value hedge on the interest rate risk associated with debt securities issued, relating to a bond issue of illimity Bank;
  - macro fair value hedging on the interest rate risk related to illimity Bank's deposit liabilities;
- equity investments with a balance of 32,6 million Euro, down 1,0 million Euro compared with 31 December 2025, mainly as a result of the effect of the valuations in the first half of 2026. The balance is almost entirely related to equity investments in companies belonging to the illimity Group and subject, directly or indirectly, to significant influence by the Group. The balance at 30 June 2026 also reflects the transaction carried out in the period with reference to the companies Quimmo Agency and Quimmo Prestige Agency (for which, at 31 December 2025, 100% of each was held by the Banca Ifis Group through the company Abilio, with the related full consolidation of the two companies), which provided for the sale of 60% of the shares of each to COIMA and the subscription of 40% of each by illimity Bank. Following this transaction, during the first half of 2026, the configuration of the related equity investments within the Banca Ifis Group changed accordingly from "equity investments in wholly-owned subsidiaries" to "equity investments in companies subject to significant influence", resulting in a positive increase in the item equity investments for a total of 0,1 million Euro due to the subscription of 40% of each (by contrast, at 31 December 2025, these equity investments, being configured as controlled at that date, were fully reversed at the consolidated level);
- non-current assets and disposal groups totalling 28,9 million Euro, down from the balance of 157,6 million Euro at 31 December 2025, mainly due to the sales made during the first half of 2026 of a loan portfolio of the illimity Group for a consideration of 41 million Euro, in line with the carrying amount at 31 December 2025, and the sale of the stake in Hype S.p.A. held by illimity Bank. For further details on these sales, please refer to the specific section "Significant events occurred in the period" in Interim Directors' Report on the Group. The balance of this item, amounting to 28,9 million Euro at 30 June 2026, consists of 5,0 million Euro relating to certain individually significant credit positions of the Parent Company Banca Ifis, which were sold in July 2026, and 23,9 million Euro relating to loan portfolios of the illimity Group;
- other assets for 464,1 million Euro, down 15,9% from 551,7 million Euro at 31 December 2025. This item includes:
  - tax receivables amounting to 167,2 million Euro, down from the carrying amount of 262,3 million Euro at 31 December 2025 (-36,3%). The balance includes 134,9 million Euro related to tax credits for Super Ecobonus and other building tax bonuses, with a nominal amount of 148,0 million Euro;

- transitory items and the bill portfolio, amounting to 91,6 million Euro, up on the figure of 81,8 million Euro at 31 December 2025, mainly due to the contribution of the portfolio of the Parent Company Banca Ifis;
- accrued income and deferred expenses of 87,3 million Euro, the balance of which is up from 82,2 million Euro at 31 December 2025.

Other liabilities come to 540,8 million Euro, essentially in line compared with 567,3 million Euro at 31 December 2025, and mainly consist of:

- trading derivative liabilities amounting to 18,2 million Euro (mainly relating to transactions offset by opposite positions recognised under financial assets held for trading), a decrease of 8,4 million Euro compared with the balance at 31 December 2025;
- hedging derivative liabilities, which show a negative fair value of 33,3 million Euro at 30 June 2026, essentially in line with the balance at 31 December 2025 (33,7 million Euro). Overall, these hedging strategies concern:
  - micro fair value hedging on the price risk associated with equity securities measured at fair value through other comprehensive income;
  - micro fair value hedging on interest rate risk related to debt securities;
  - macro fair value hedging on the interest rate risk related to illimity Bank's deposit liabilities;
- adjustment of the value of financial liabilities subject to generic hedging, which presents a negative value of 5,2 million Euro (an increase compared with the negative balance of 2,9 million Euro at 31 December 2025) and is entirely associated with the illimity Group, as it refers to the equity counterpart at the level of hedged items of the macro fair value hedging strategies of the deposits payable by illimity Bank;
- severance indemnity payable for 8,9 million Euro, down 22,3% from 11,4 million Euro at 31 December 2025, of which -1,6 million Euro following the sale of control of certain companies of the illimity Group during the first half of 2026;
- other liabilities for 485,7 million Euro, down from the balance of 498,4 million Euro at 31 December 2025, mainly due to the closure during the period of the liability totalling 15,0 million Euro relating to the extraordinary contribution of 27,5% on what is termed the “Extra-profit reserve” established pursuant to Article 1, paragraph 69, of Italian Law No. 199 of 30 December 2005 for the Group’s banks (Banca Ifis, illimity Bank and Banca Credifarma), which was paid to the Treasury in June 2026, on the basis of the resolutions passed in February 2026 by the respective Boards of Directors and in April 2026 by the Shareholders’ Meetings of each bank (for further details on the resolution passed by the Shareholders’ Meeting of Banca Ifis on 16 April 2026, please refer to the section “Significant subsequent events” within the Interim Directors' Report on the Group). The most significant components of this item are mainly attributable to the following:
  - operating payables for 164,3 million Euro, down 25,5 million Euro compared with 31 December 2025;
  - transitory items and amounts to be credited to customers awaiting allocation amounting to 139,6 million Euro, up 40,0 million Euro compared with the end of last year.

Funding

FUNDING (in thousands of Euro)	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Payables due to banks	**3.904.915**	**4.018.193**	**(113.278)**	**(2,8)%**
- Payables due to Central banks:	501.090	721.515	(220.425)	(30,6)%
of which: MRO	*400.160*	*500.239*	*(100.079)*	*(20,0)%*
of which: Other deposits	*100.930*	*221.277*	*(120.347)*	*(54,4)%*
- Current accounts and on demand deposits	16.863	4.854	12.009	247,4%
- Term deposits	242.849	346.664	(103.815)	(29,9)%
- Loans:	3.110.268	2.907.972	202.296	7,0%
of which: Repurchase agreements	*2.721.992*	*2.546.864*	*175.128*	*6,9%*
of which: Other loans	*388.276*	*361.108*	*27.168*	*7,5%*
- Other payables due to banks	*33.845*	37.188	(3.343)	(9,0)%
Payables due to customers	**10.592.570**	**11.256.836**	**(664.266)**	**(5,9)%**
- Current accounts and on demand deposits	2.221.617	2.215.201	6.416	0,3%
- Term deposits	7.015.139	7.803.055	(787.916)	(10,1)%
- Loans	1.305.460	1.184.780	120.680	10,2%
of which: Repurchase agreements	*663.991*	*604.214*	*59.777*	*9,9%*
of which: Other loans	*641.469*	*580.566*	*60.903*	*10,5%*
- Other payables due to customers	50.354	53.800	(3.446)	(6,4)%
Debt securities issued	**3.879.470**	**3.441.393**	**438.077**	**12,7%**
Total funding	**18.376.955**	**18.716.422**	**(339.467)**	**(1,8)%**

Total funding amounts to 18,4 billion Euro at 30 June 2026, essentially in line with the figure at 31 December 2025 (18,7 billion Euro) and is represented for 57,6% by payables due to customers (60,1% at 31 December 2025), for 21,1% by debt securities issued (18,4% at 31 December 2025), and for 21,2% by payables due to banks (21,5% at 31 December 2025).

Payables due to banks come to 3,9 billion Euro, down 2,8% compared to the figure for end December 2025 mainly due to the reduction in payables due to central banks of 220,4 million Euro, which more than offset the increase in repurchase agreements payable to banks of 175,1 million Euro in the six-month period. With particular reference to payables due to Central banks:

- MRO: at 30 June 2026, an MRO transaction with the ECB with a nominal amount of 400,0 million Euro was outstanding, repaid on 1 July 2026, while the balance at 31 December 2025 related to an MRO transaction with a nominal amount of 500,0 million Euro, fully repaid at the start of January 2026;
- other deposits with central banks: at 30 June 2026, an OT (Other Type of operation) transaction with the ECB for 115 million US Dollar (or 100,9 million Euro) was also outstanding, repaid on 2 July 2026, while the comparative balance at 31 December 2025 referred to another OT transaction for 260 million US Dollar (or 221 million Euro), fully repaid at the beginning of January 2026.

Payables due to customers at 30 June 2026 total 10,6 billion Euro, down 5,9% compared to 31 December 2025, mainly due to the change in the half-year in funding through term deposits (-10,1% compared to 31 December 2025).

At 30 June 2026, debt securities issued amount to 3,9 billion Euro, up 0,4 billion Euro at 31 December 2025 (+12,7%). This increase is mainly due to the issue by Banca Ifis, on 13 January 2026, of a 400 million Euro Tier 2 subordinated debenture loan maturing in April 2036, intended to replace the other currently outstanding subordinated bonds issued by Banca Ifis and illimity Bank (for further details on this, please refer to the section “Significant events occurred in the period” in the Interim Directors' Report on the Group).

Total debt securities issued at 30 June 2026 are composed of:

- securities issued by the SPV ABCP Programme for 1,0 billion Euro and relating to the senior tranche, up 75,9 million Euro compared with 31 December 2025. It should be noted that this value refers to a new issue of senior securities maturing in June 2030 made by the vehicle on 25 June 2026, which essentially replaced the securities previously issued by this vehicle, which were subject to redemption (for more details, please refer to the section “Information on risks and related hedging policies” below, subsection “Prudential consolidation risks”, paragraph “Credit risk”, sub-paragraph “Securitisation transactions”);
- securities issued by securitisation vehicles belonging to the illimity Group (Farky SPV and Havana SPV) for a total of 4,8 million Euro;
- 2 subordinated loans issued by the Parent Company Banca Ifis for a total of 787,5 million Euro, a significant increase compared to the figure of 373,2 million Euro at 31 December 2025, due to the aforementioned issue of a new subordinated bond in January 2026 for a nominal amount of 400 million Euro;
- 5 senior bonds issued by Banca Ifis for a total of 1,5 billion Euro, essentially in line with the December 2025 figure;
- bonds issued by illimity Bank for a total of 507,7 million Euro, of which 202,1 million Euro relating to subordinated loans;
- notes issued by the Parent Company Banca Ifis for a total of 24,8 million Euro at 30 June 2026, as part of the first Euro-Commercial Paper Programme (ECP Programme) of the Banca Ifis Group, launched during the first half of 2026 and with an expected term of three years and a maximum total amount of up to 1 billion Euro. For further details on this transaction please refer to the section “Significant events occurred in the period” in the Interim Directors' Report on the Group.

As a result of the dynamics depicted above, the average funding cost at 30 June 2026 stands at 3,0%.

Provisions for risks and charges

PROVISIONS FOR RISKS AND CHARGES (in thousand Euro)	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Provisions for credit risk related to commitments and financial guarantees granted	8.069	8.538	(470)	(5,5)%
Provisions on other commitments and guarantees given	63	62	1	1,6%
Provisions for pensions	419	364	55	15,1%
Other provisions for risks and charges:	84.260	97.913	(13.653)	(13,9%)
of which: legal and tax disputes	14.132	*18.679*	(4.547)	(24,3)%
of which: personnel expenses	35.840	*48.976*	(13.136)	(26,8)%
of which: other	34.288	*30.258*	4.030	13,3%
Total provisions for risks and charges	**92.811**	**106.877**	**(14.067)**	**(13,2)%**

Below is the breakdown of the provision for risks and charges at 30 June 2026 by type of dispute compared with the amounts for the end of the prior year.

Provisions for credit risk related to commitments and financial guarantees granted

At 30 June 2026, this item amounts to 8,1 million Euro, reflecting the impairment losses on irrevocable commitments to disburse funds and financial guarantees granted by the Group and is down 5,5% compared with the figure at 31 December 2025.

Provisions on other commitments and guarantees given

At 30 June 2026, the balance of this item is 63 thousand Euro, in line with the figure of 31 December 2025.

Provisions for pensions

The item includes the internal provision related to the post-retirement medical plan in favour of certain employees of the Banca Ifis Group: this is a defined benefit plan that provides for healthcare and other benefits to employees, even after retirement. The Group is responsible for the costs and risks associated with the provision of such benefits.

At 30 June 2026, this fund has a balance of 0,4 million Euro, up 15,1% compared with 31 December 2025, due to period provisions made.

Legal and tax disputes

At 30 June 2026, provisions are entered for legal and tax disputes for a total of 14,1 million Euro, a reduction on the 18,7 million Euro recorded at 31 December 2025, mainly due to the closure of a dispute relating to the illimity Group.

Personnel expenses

At 30 June 2026, provisions for personnel-related expenses amount to 35,8 million Euro, down 26,8% from the 49,0 million Euro recorded at 31 December 2025. It should be noted that this item includes:

- the provision set aside at the end of 2025 in the original amount of 40,0 million Euro in connection with the agreement signed by the Parent Company, Banca Ifis, on 29 December 2025 with the trade unions regarding a voluntary redundancy scheme aimed at supporting the retirement of 120 employees, including through the use of the extraordinary benefits provided by the Credit Sector Solidarity Fund. Following the conclusion of the acceptance period provided for in the agreement, which expired on 31 May 2026, the voluntary acceptances finalised resulted in a quantification of the total cost of approximately 32,0 million Euro. Therefore, taking into account the registered acceptances collected as well as the specific contractual characteristics of the individual positions concerned, a reversal of provisions for personnel-related expenses was recognised for 8,0 million Euro compared to the provision made at 31 December 2025. The balance of the aforementioned provision at 30 June 2026 amounts to 31,9 million Euro, taking into account the reversals of 8,0 million Euro and the use of 0,1 million Euro relating to the terminations of employment relationships during the period;
- the provision set aside at the end of 2025 in the original amount of 8,9 million Euro relating to the illimity Group for the management of the departures of certain executives of the Group as part of the acquisition by Banca Ifis. The balance of this provision at 30 June 2026 amounts to 3,6 million Euro, taking into account the releases of 2,3 million Euro and the use of 3,0 million Euro during the half-year in light of the agreements reached.

Other provisions for risks and charges

At 30 June 2026, “Other provisions” are in place for 34,3 million Euro, up 13,3% compared with the figure recorded at 31 December 2025, which was 30,3 million Euro. At 30 June 2026, the item consists mainly of:

- 11,5 million Euro to cover risks related to outstanding disputes on tax credits for Super Ecobonus and other building tax bonuses purchased by the Banca Ifis Group;
- 3,6 million Euro for Supplementary Customer Indemnity, of which 3,4 million Euro relates to the Leasing Area;
- 2,3 million Euro for the provision for risks related to the disposal transactions carried out by the parent company Banca Ifis;
- 2,6 million Euro for the indemnity provision set aside for transactions carried out by the subsidiary Ifis Npl Investing;
- 0,4 million Euro for the complaints fund;
- 7,8 million Euro for other provisions for risks and charges related to the illimity Group, not attributable to the items referred to above.

Contingent liabilities

The most significant contingent liabilities within the meaning of IAS 37 existing at 30 June 2026, the negative outcome of which is deemed not probable by the Group and its legal advisors, although possible, are detailed below. Such disclosures are not provided with respect to situations where the likelihood of deploying resources capable of producing economic benefits is remote.

Litigation related to insolvency proceedings

During 2022, Banca Ifis was sued by the bodies of bankruptcy proceedings, which requested that it be ordered to pay 389,3 million Euro as compensation for damages for the unlawful forbearance in its capacity as lender, albeit marginal, of the companies now in proceedings. The request was made jointly and severally with 23 other institutions.

Tax dispute concerning the assumed "permanent establishment" in Italy of the Polish company Ifis Finance Sp. z o.o.

Following a tax audit, Notices of Assessment were served for the years 2013/2017 in which the "concealed permanent establishment" of Ifis Finance Sp. z o.o., the subsidiary based in Poland, was contested.

The Financial Administration hypothesised that the office in Poland was used in the Group's strategies more as a branch/office for the promotion and sale of services offered, *de facto*, by the Parent Company Banca Ifis rather than constituting an independent and autonomous legal entity in the exercise of its activity.

For all the years 2013/2017, the courts of first and second instance fully upheld the arguments of the parent company Banca Ifis, rejecting the Internal Revenue Agency's objections. In the course of 2024, the appeal was notified by the Attorney General's Office before the Court of Cassation for the years 2013/2015.

Tax litigation regarding value added tax (VAT)

For the years 2017-2019, the Revenue Agency carried out VAT audits challenging Banca Ifis for non-payment of tax on 'car leasing' transactions carried out in favour of habitual exporters on the basis of their letters of intent submitted electronically.

Banca Ifis, considering the most recent case law guidelines and the savings on penalties, settled the years 2017 and 2019 on a deflationary basis, while for the year 2018 a provision for risks and charges of 0,7 million was set aside.

Tax dispute relating to the Super-amortisation of the subsidiary Ifis Rental Services

On 17 March 2025, following a tax audit on the year 2018, the Inland Revenue served the subsidiary Ifis Rental Services with a notice of assessment contesting, on the basis of principle of law no. 2/2020, the use of the "Super-amortisation" in the amount of 4,7 million Euro, plus penalties and interest.

The Tax Court (CJT) of first instance dismissed the appeal with reference to the year 2018. The judgement failed to rule on the grounds of appeal relating to the unlawfulness of the contested notice of assessment on the grounds of incorrect identification of the objective profile (rental contract) and on the relevance or otherwise of the risks borne by the company.

On 15 June 2026, an appeal was filed with the CGT of Lombardy, with a related request for suspension of payment of the amounts pending judgement.

On 8 June 2026, the Revenue Agency also notified a deed of assessment for the tax year 2019 in the amount of 4,4 million Euro, plus penalties and interest, with similar objections.

On 30 June 2026, an appeal and request for suspension of the payment of the third party were filed.

On the basis of the discussions with the tax advisors, taking into account the arguments that will be developed in litigation, the risk of losing the case is considered possible but not probable.

Consolidated equity

Consolidated equity comes to 2,1 million Euro at 30 June 2026, down by 64,9 million Euro compared to the figure at 31 December 2025. This change is mainly attributable to:

- the profit for the period attributable to the Parent Company of 7,8 million Euro;
- the positive change of a total of 1,8 million Euro in relation to the allocation of bonuses to Top Management, linked to the "Short-Term Incentive System" ("STI") and the exercise of stock options under the "2021-2023 Long-Term Incentive Plan" (the "LTI Plan");
- the distribution of the dividend balance for FY 2025 in May 2026 for a total of 56,4 million Euro, equal to 0,92 Euro per Banca Ifis ordinary share issued and outstanding;
- the reduction of 1,9 million Euro in equity attributable to non-controlling interests, mainly as a result of the following negative effects (which more than offset the positive profitability attributable to non-controlling interests of 0,4 million Euro accrued in the period):
  - negative change of 1,0 million Euro relating to the deconsolidation of the equity attributable to non-controlling interests associated with Abilio, a former illimity Group subsidiary, previously 82% owned by illimity Bank, as a result of the sale of its controlling interest during the first half of 2026 (for more details see the section "Significant events occurred in the period" of the Interim Directors' Report on the Group);
  - a negative effect of 1,2 million Euro relating to the portion distributed to third parties of the dividend on 2025 profits by the subsidiary Banca Credifarma;
- the negative change of 1,5 million Euro related to valuation reserves for exchange rate differences;
- the negative change in valuation reserves of 5,6 million Euro generated by the measurement of related assets at fair value;
- the negative change of 9,2 million Euro related to the net effect of the micro fair value hedge of equity securities measured at fair value through other comprehensive income.

The main changes in consolidated shareholders' equity are summarised in the following tables.

EQUITY: BREAKDOWN (in thousand Euro)	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Share capital	61.819	61.819	-	0,0%
Share premiums	232.671	229.093	3.578	1,6%
Valuation reserves:	(29.617)	(16.840)	(12.777)	75,9%
- securities	*(20.318)*	*(16.650)*	*(3.668)*	*22,0%*
- defined benefit plans (e.g. severance indemnity)	*945*	*906*	*39*	*4,3%*
- exchange differences	*(6.788)*	*(5.274)*	*(1.514)*	*28,7%*
- hedging of equity securities at fair value through other comprehensive income	*(3.506)*	*4.178*	*(7.684)*	*(183,9)%*
- share of valuation reserves of equity accounted investments	*50*	*-*	*50*	*n.a.*
Reserves	1.793.932	1.604.673	189.259	11,8%
Interim dividends (-)	-	(73.296)	73.296	(100,0)%
Treasury shares (-)	(9.838)	(13.701)	3.863	(28,2)%
Equity attributable to non-controlling interests	18.879	20.803	(1.924)	(9,2)%
Net profit attributable to the Parent Company	7.803	327.996	(320.193)	(97,6)%
Consolidated equity	**2.075.649**	**2.140.547**	**(64.898)**	**(3,0)%**

CONSOLIDATED EQUITY: CHANGES	(in thousands of Euro)
Consolidated equity at 31.12.2025	**2.140.547**
Increases:	**11.626**
Profit for the period attributable to the Parent Company	7.803
Sale/assignment of treasury shares	3.332
Change in valuation reserve:	89
- defined benefit plans (e.g. severance indemnity)	*39*
- share of valuation reserves of equity accounted investments	*50*
Equity attributable to non-controlling interests (comprehensive income for the period)	402
Decreases:	**76.524**
Dividends distributed	56.379
Change in valuation reserve:	16.362
- securities (net of realisations)	*5.610*
- exchange differences	*1.514*
- hedging of equity securities at fair value through other comprehensive income (net of realisations)	*9.238*
Equity attributable to non-controlling interests:	2.326
- dividends distributed by subsidiaries to third parties	*1.151*
- other changes	*1.175*
Other changes	1.457
Consolidated equity at 30.06.2026	**2.075.649**

It should be noted that Consolidated equity at 31 December 2025 included, under the item “Reserves”, a negative reserve totalling 15,0 million Euro relating to the recognition, at the end of 2025, of the extraordinary contribution of 27,5% on the so-called “Extra-profit reserve” established pursuant to Article 1, paragraph 69, of Italian Law No. 199 of 30 December 2005 for the Group’s banks (Banca Ifis, illimity Bank and Banca Credifarma), which was paid to the Treasury in June 2026 on the basis of the resolutions passed in February 2026 by the respective Boards of Directors. The identification of the shareholders’ equity reserve to be used to pay this extraordinary contribution was submitted in April 2026 for approval by the Shareholders’ Meetings of each bank, which resolved to proceed, for each bank, with offsetting against the “Extra-profit reserve” (for further details on the resolution passed by the Shareholders’ Meeting of Banca Ifis on 16 April 2026, please refer to the section “Significant events occurred in the period” within the Interim Directors' Report on the Group). Following these resolutions, this offsetting was recorded for each bank in the Group, closing the related negative reserve established at the end of 2025 and reducing the “Extra-profit reserve” by the same amount, both of which are classified under the item “Reserves”. Therefore, these entries made during the first half of 2026 for each of the Group's banks represented a mere transfer of equity within the item “Reserves”, with no effect in terms of changes in the total balance of Consolidated equity between 31 December 2025 and 30 June 2026.

Income statements items

In connection with the acquisition of control of illimity Bank S.p.A. and the former Euclidea SIM S.p.A. (the latter renamed Fürstenberg SIM S.p.A. as from 26 January 2026), carried out during the previous year, respectively on 4 July 2025 and 21 November 2025, and the consequent inclusion in the Banca Ifis Group's scope of consolidation of these acquired companies and, in the case of illimity Bank, also of the other companies belonging to the so-called “illimity Group”, the economic figures for the first half of 2026 are not fully comparable with those of the same period of the previous year. Indeed, the comparative economic figures at 30 June 2025 do not include the contributions of the illimity Group and Fürstenberg SIM, as they relate to a period prior to the dates on which control was acquired in these business combinations. However, it should be noted that in the tables and comments to the individual economic items, the contributions of the illimity Group and of Fürstenberg SIM are presented, where relevant.

Formation of net banking income

Net banking income amounts to 386,8 million Euro, of which 113,4 million Euro relate to the contribution made by the illimity Group. Net of this effect, net banking income stands at 273,4 million Euro, down compared to 284,9 million Euro at 30 June 2025, mainly as a result of the lower contribution from net interest income and other components of net banking income.

The main components of net banking income and their changes compared to the same period of the previous year are presented below.

FORMATION OF NET BANKING INCOME (in thousand Euro)	AMOUNTS				CHANGE (1)	
	30.06.2026	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	30.06.2025	ABSOLUTE	%
Net interest income	**242.185**	***69.924***	***172.261***	**176.483**	**(4.222)**	**(2,4)%**
Net commission income	**71.316**	***27.544***	***43.772***	**44.354**	**(582)**	**(1,3)%**
Other components of net banking income	73.321	*15.913*	*57.408*	64.090	(6.682)	(10,4)%
Net banking income	**386.822**	***113.381***	***273.441***	**284.927**	**(11.486)**	**(4,0)%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Fürstenberg SIM.

Net interest income amounts to 242,2 million Euro, of which 69,9 million Euro come from the contribution of the illimity Group. Adjusting for this effect, it amounts to 172,3 million Euro, slightly down from 176,5 million Euro at 30 June 2025, as the lower contributions of the Commercial & Corporate Banking Segment and the Npl Segment were almost entirely offset by the higher margin recorded in the half-year by the Governance & Services and Non-Core Segment (+17,5 million Euro, mainly thanks to the higher contribution of the portfolio of the Governance & Services unit).

Net commissions amount to 71,3 million Euro, of which 27,5 million Euro attributable to the first-half result of the illimity Group. Net of this component, the commission margin amounts to 43,8 million Euro, substantially in line with 30 June 2025. In particular:

- commission income amounts to 90,6 million Euro, of which 33,4 million Euro related to the figure for the illimity Group. Net of this effect, commission income amounts to 57,2 million Euro, up 3,0 million Euro compared to 30 June 2025, and mainly refers to factoring commissions relating to the homonymous Area of the Commercial & Corporate Banking Segment, charged to the turnover generated by individual customers (on a non-recourse or with-recourse basis, in the flat or monthly formula), commissions for Structured Finance transactions, leasing transactions (associated with the homonymous Area of the Commercial & Corporate Banking Segment), servicing activities on behalf of third parties and other fees usually requested from customers for the services provided;
- commission expenses amount to 19,2 million Euro, and this figure includes 5,8 million Euro in commission costs associated with the illimity Group for the first six months of 2026. Without this effect, commission

expenses amount to 13,4 million Euro, up 3,6 million Euro compared with the figure at 30 June 2025, and essentially refer to commissions paid to banks and financial intermediaries such as management commissions, commissions paid to third parties for the distribution of Leasing Area products as well as the intermediation activity of affiliated banks and other credit brokers.

The other components of the net banking income amount to 73,3 million Euro at 30 June 2026, and this figure includes 15,9 million Euro of the illimity Group's contribution. Excluding this component, this economic aggregate amounts to 57,4 million Euro, a decrease of 6,7 million Euro compared to the first half of 2025. The components of the total balance of the item at 30 June 2026 are shown below:

- net gains from the sale/repurchase of financial assets and liabilities in the amount of 23,7 million Euro, which include net losses of 0,2 million Euro related to the economic effect of the disposals carried out by the illimity Group in the first half of 2026. Net of this effect, net profits amount to 23,9 million Euro (a decrease of 5,5 million Euro compared to net profits of 29,4 million Euro at 30 June 2025) and consist mainly of:
    - 12,4 million Euro related to securities transactions in Banca Ifis's proprietary portfolio, mainly due to the disposal of debt securities (up from 12,2 million Euro in the first half of 2025), almost entirely relating to government securities;
    - 12,1 million Euro from the disposal of loans in the Npl Segment (a reduction compared with the figure of 17,3 million Euro at 30 June 2025);
- positive net result of other financial assets and liabilities measured at fair value through profit or loss of 18,2 million Euro, and includes a positive contribution of 14,0 million Euro from the illimity Group, impacted by the repayment of financial assets measured at fair value. Net of this component, the item amounts to 4,2 million Euro, down by 13,8 million Euro compared with the figure at 30 June 2025, and primarily reflects the net negative changes in fair value in the first half of 2026 of the UCITS fund units of Banca Ifis and the Npl Segment, amounting to a total of 1,5 million Euro (-11,8 million Euro compared with 30 June 2025);
- dividends and similar income generated from shares in the Banca Ifis Group's proprietary portfolio in the amount of 29,4 million Euro, of which 0,6 million Euro came from dividends recorded on the proprietary portfolio of the illimity Group. Net of this contribution, the item amounts to 28,8 million Euro (+11,5 million Euro compared to the figure for the first six months of 2025);
- positive net trading result of 3,5 million Euro, of which 1,5 million Euro related to the positive result recorded by the illimity Group. Excluding this effect, the net result from trading activities is positive by 2,0 million Euro, a significant improvement (+2,4 million Euro) compared to the negative net result of 0,4 million Euro in the first half of 2025, mainly due to the better performance of trading derivatives (+1,6 million Euro compared to the balance at 30 June 2025) and the positive effect of the period in terms of exchange differences (+0,6 million Euro);
- negative net result from hedging activities of 1,4 million Euro at 30 June 2026, which includes essentially zero contribution from the illimity Group. The net result at 30 June 2025 was negative for 0,1 million Euro.

Formation of net profit (loss) from financial activities

Net profit from financial activities amounts to 322,7 million Euro, of which 91,3 million Euro related to the contribution of the illimity Group. Excluding this effect, the net profit would have been 231,5 million Euro compared with the figure of 332,0 million Euro at 30 June 2025 (-30,3%).

FORMATION OF NET PROFIT (LOSS) FROM FINANCIAL ACTIVITIES (in thousand Euro)	AMOUNTS				CHANGE (1)	
	30.06.2026	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	30.06.2025	ABSOLUTE	%
Net banking income	**386.822**	***113.381***	***273.441***	**284.927**	**(11.486)**	**(4,0)%**
Net credit risk losses/reversals	(64.118)	*(22.130)*	*(41.988)*	47.093	(89.081)	n.s.
a) financial assets measured at amortised cost	*(64.444)*	*(21.897)*	*(42.547)*	*47.391*	*(89.938)*	*n.s.*
b) financial assets measured at fair value through other comprehensive income	*326*	*(233)*	*559*	*(298)*	*857*	*n.s.*
Net profit (loss) from financial activities	**322.704**	***91.251***	***231.453***	**332.020**	**(100.567)**	**(30,3)%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Fürstenberg SIM.

Net credit risk losses amount to 64,1 million Euro at 30 June 2026, and include the credit cost for the period of the illimity Group amounting to 22,1 million Euro. Excluding the overall contribution of the illimity Group in terms of the credit cost, net credit risk losses amount to 42,0 million Euro, compared to the figure at 30 June 2025, which showed net reversals of 47,1 million Euro.

Further details of the different trends connected with the reclassified credit cost are given in the section "Contribution of operating Segments to Group results" of the Interim Directors' Report on the Group.

Formation of net profit

The breakdown of net profit for the period is summarised in the table below.

FORMATION OF NET PROFIT (in thousand Euro)	AMOUNTS				CHANGE (1)	
	30.06.2026	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	30.06.2025	ABSOLUTE	%
Net profit (loss) from financial activities	***322.704***	***91.251***	***231.453***	***332.020***	***(100.567)***	***(30,3)%***
Operating costs	***(312.478)***	***(85.395)***	***(227.083)***	***(205.245)***	***(21.838)***	***10,6%***
Profit (loss) on equity investments	*(1.245)*	*(1.144)*	*(101)*	*-*	*(101)*	*n.a.*
Gains (losses) on disposal of investments	*4.243*	*4.243*	*-*	*-*	*-*	*n.a.*
Pre-tax profit (loss) from continuing operations	***13.224***	***8.955***	***4.269***	***126.775***	***(122.506)***	***(96,6)%***
Income taxes for the period relating to continuing operations	*(5.019)*	*(3.398)*	*(1.621)*	*(38.882)*	*37.261*	*(95,8)%*
Profit (loss) for the period	***8.205***	***5.557***	***2.648***	***87.893***	***(85.245)***	***(97,0)%***
(Profit) loss for the period attributable to non-controlling interests	*(402)*	*165*	*(567)*	*(775)*	*208*	*(26,8)%*
Profit (loss) for the period attributable to the Parent Company	***7.803***	***5.722***	***2.081***	***87.118***	***(85.037)***	***(97,6)%***

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Fürstenberg SIM.

Operating costs amount to 312,5 million Euro, of which 85,4 million Euro related to the illimity Group. Adjusted for this illimity Group effect, operating costs amount to 227,1 million Euro, an increase of 10,6% compared with the figure at 30 June 2025.

OPERATING COSTS (in thousand Euro)	AMOUNTS				CHANGE (1)	
	30.06.2026	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	30.06.2025	ABSOLUTE	%
Administrative expenses:	299.590	*84.349*	*215.241*	213.926	1.315	0,6%
a) personnel expenses	*115.060*	*30.402*	*84.658*	*85.097*	*(439)*	*(0,5)%*
b) other administrative expenses	*184.530*	*53.947*	*130.583*	*128.829*	*1.754*	*1,4%*
Net allocations to provisions for risks and charges	1.961	*52*	*1.909*	(5.315)	7.224	n.s.
Net impairment losses/reversals on property, plant and equipment and intangible assets	22.628	*6.770*	*15.858*	13.628	2.230	16,4%
Other operating income/expenses	(11.701)	*(5.776)*	*(5.925)*	(16.994)	11.069	(65,1)%
Operating costs	**312.478**	***85.395***	***227.083***	**205.245**	**21.838**	**10,6%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Fürstenberg SIM.

Personnel expenses amount to 115,1 million Euro, and include 30,4 million Euro of the cost related to the illimity Group. The balance at 30 June 2026 also includes the non-recurring positive effect of 10,3 million Euro, consisting of:

- 8,0 million Euro relating to the reversals recorded by the Parent Company, Banca Ifis, during the first half of 2026 of the provisions for personnel expenses set aside at the end of 2025 in the total amount of 40,0 million Euro in connection with the conclusion, on 31 May 2026, of the period of participation provided for in the agreement signed by Banca Ifis with the trade unions regarding a voluntary redundancy scheme aimed at supporting the retirement of employees of the Bank, including through the use of the extraordinary benefits provided by the Credit Sector Solidarity Fund. Therefore, taking into account the registered acceptances received and the specific contractual characteristics of the individual positions concerned, a reversal was recognised in the provisions for personnel-related expenses with respect to the provision made at 31 December 2025;
- 2,3 million Euro relating to the illimity Group as reversals recorded in the first half of 2026 of the provisions for personnel expenses set aside at the end of 2025 for an original amount of 8,9 million Euro in connection with the management of the departures of certain executives of the illimity Group as part of the acquisition by Banca Ifis.

Net of the illimity Group's contribution, personnel expenses amount to 84,7 million Euro and are essentially in line with the same period of the previous year.

The number of Banca Ifis Group employees at 30 June 2026 is 2.369, while the comparative figure at 30 June 2025 was 2.043 resources. The growth is mainly attributable to the new staff associated with the business combinations carried out by the Banca Ifis Group during the second half of 2026, i.e. 339 staff members relating to the illimity Group and 17 new staff members related to the acquisition of the former Euclidea SIM (now Fürstenberg SIM). The figure for the illimity Group's personnel is net of the resources associated with the companies of that Group that were deconsolidated during the first half of 2026 following the sale of their control, namely ARECneprix, Abilio, Quimmo Prestige and Quimmo Prestige Agency.

Other administrative expenses at 30 June 2026 amount to 184,5 million Euro, of which 53,9 million Euro related to the contribution for the illimity Group. Without this contribution, the figure would amount to 130,6 million Euro, essentially in line with 30 June 2025.

The performance of this item is detailed in the table below.

OTHER ADMINISTRATIVE EXPENSES (in thousand Euro)	AMOUNTS				CHANGE (1)	
	30.06.2026	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	30.06.2025	ABSOLUTE	%
Expenses for professional services	**65.292**	***5.475***	***59.817***	**60.720**	**(903)**	**(1,5)%**
Legal and consulting fees	47.651	*3.491*	*44.160*	43.192	968	2,2%
Fees to auditing firms	1.267	*658*	*609*	624	(15)	(2,4)%
Outsourced services	16.374	*1.326*	*15.048*	16.904	(1.856)	(11,0)%
Direct and indirect taxes	**22.772**	***4.291***	***18.481***	**18.903**	**(422)**	**(2,2)%**
Expenses for purchasing goods and other services	**84.456**	***40.302***	***44.154***	**39.624**	**4.530**	**11,4%**
Customer information	4.372	*10*	*4.362*	3.301	1.061	32,1%
Software assistance and hire	42.488	*29.822*	*12.666*	11.215	1.451	12,9%
Postage and archiving of documents	1.551	*62*	*1.489*	1.400	89	6,4%
Property expenses	7.968	*2.636*	*5.332*	5.224	108	2,1%
Advertising and inserts	8.418	*488*	*7.930*	7.597	333	4,4%
Business travel and transfers	2.977	*233*	*2.744*	2.703	41	1,5%
Car fleet management and maintenance	2.670	*130*	*2.540*	1.849	691	37,4%
Telephone and data transmission expenses	1.482	*158*	*1.324*	1.579	(255)	(16,1)%
Securitisation costs	5.121	*3.836*	*1.285*	722	563	78,0%
Other sundry expenses	7.409	*2.927*	*4.482*	4.034	448	11,1%
Charges related to the banking system	**63**	***39***	***24***	**21**	**3**	**14,3%**
Non-recurring administrative expenses	**11.947**	***3.840***	***8.107***	**9.561**	**(1.454)**	**(15,2)%**
Total other administrative expenses	**184.530**	***53.947***	***130.583***	**128.829**	**1.754**	**1,4%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Fürstenberg SIM.

The sub-item “expenses for professional services” amount to 65,3 million Euro at 30 June 2026, of which 5,5 million Euro for expenses related to the illimity Group. Net of this effect, the sub-item amounts to 59,8 million Euro, substantially in line with 30 June 2025. Expenses for professional services consist mainly of:

- costs for “legal and consulting services”, which amount to 47,7 million Euro in the first half of 2026, of which 3,5 million Euro for costs related to the illimity Group. Stripping the balance from this effect, it amounts to 44,2 million Euro, up 2,2% from the same period of the previous year's figure, mainly due to higher consulting costs;
- costs for “outsourced services”, which amount to 16,4 million Euro at 30 June 2026 and include 1,3 million Euro in costs for outsourcing activities within the illimity Group. Without this contribution, costs for outsourced activities amount to 15,0 million Euro, a decrease of 1,9 million Euro compared to the figure for the same period last year. The change is mainly attributable to lower recovery costs related to the Npl Segment.

The sub-item “indirect taxes and duties”, amounting to 22,8 million Euro, includes 4,3 million Euro relating to expenses for indirect taxes and duties of the illimity Group. Net of this effect, the sub-item amounts to 18,5 million Euro, a reduction of 2,2% compared with the figure at 30 June 2025.

The sub-item “expenses for purchasing goods and other services” amounts to 84,5 million Euro, of which 40,3 million Euro related to the contribution of the illimity Group. Excluding this contribution, the sub-item amounts to 44,2 million Euro, an increase of 11,4% compared to 30 June 2025. The factors that mainly influence the balance of this sub-item are:

- costs for “software support and rental”, which amount to 42,5 million Euro and include the effect of the illimity Group in the amount of 29,8 million Euro. Net of this, these costs amount to 12,7 million Euro and are up 12,9% compared to the figure for 30 June 2025;
- “property expenses”, amounting to 8,0 million Euro and including 2,6 million Euro for the contribution of the illimity Group. After deducting this contribution, the expenses in question amount to 5,3 million Euro, essentially in line with June 2025;
- expenses for “advertising and inserts”, which increase from 7,6 million Euro in June 2025 to 8,4 million Euro in June 2026, of which 0,5 million Euro for the illimity Group’s promotional costs. Excluding this effect, the balance is equal to 7,9 million Euro (+0,3 million Euro compared to 30 June 2025).

The sub-item “charges related to the banking system” includes costs incurred during the period for the operation of the banking system guarantee funds, and amounts to 63 thousand Euro at 30 June 2026, of which 39 thousand Euro represented the contribution of the illimity Group.

The sub-item “non-recurring administrative expenses” shows a negative net balance at 30 June 2026 by 11,9 million Euro and includes the non-recurring operating costs attributable to the first half of 2026 related mainly to the integration of the illimity Group companies into the Banca Ifis Group. The comparative figure at 30 June 2025 was a negative 9,6 million Euro and mainly related to the operating costs incurred for the Voluntary totalitarian tender and exchange offer on all shares of illimity Bank, submitted by Banca Ifis in January 2025.

Net provisions for risks and charges at 30 June 2026 show a balance of 2,0 million Euro, including a substantially zero contribution from the illimity Group, while the comparative balance at 30 June 2025 was 5,3 million Euro. Refer to the previous section “Statement of financial position items” for details on changes in the provisions for liabilities and charges during the period.

Net value adjustments on tangible and intangible assets and relating to period amortisation/depreciation are 22,6 million Euro at 30 June 2026 and include amortisation/depreciation pertaining to the illimity Group amounting to 6,8 million Euro. Without these effects, the balance amounts to 15,9 million Euro, up 16,4% compared to the figure for the same period of the previous year, mainly following the coming into production of the investments in tangible and intangible assets made by the Banca Ifis Group during 2025 and the first half of 2026 and their consequent amortisation/depreciation.

Other net operating income, amounting to 11,7 million Euro at 30 June 2026, includes the contribution of the illimity Group, represented by net income of 5,8 million Euro. Excluding this effect, other net income amounts to 5,9 million Euro, down 11,1 million Euro compared to the figure at 30 June 2025, mainly because the comparative figure included “one-off” income of 4,6 million Euro related to the recovery of late payment expenses from customers belonging to the Public Administration. The item refers mainly to revenue from the recovery of expenses charged to third parties. The relevant cost component is included in other administrative expenses, namely under legal expenses and indirect taxes, as well as recoveries of expenses associated with leasing operations.

At 30 June 2026, there are net losses on equity investments of 1,2 million Euro, mainly attributable to the illimity Group. Specifically, this figure incorporates the effect, in terms of a net loss of 1,1 million Euro, which reflects the valuation for the first half of 2026 of equity investments subject to significant influence by illimity Bank.

In the first half of 2026, there were also net gains from the sale of investments in the amount of 4,2 million Euro, entirely relating to the illimity Group. In particular, the item mainly includes the comprehensive effect of the transfer of control during the first half of 2026 of certain companies of the illimity Group, namely ARECneprix, Abilio, Quimmo Agency and Quimmo Prestige Agency. Again, for further information on these transactions, see the section “Significant events occurred in the period” in the Interim Directors' Report on the Group.

Profit from current operations before tax amounts to 13,2 million Euro, and incorporates the illimity Group's earnings before tax gains of 9,0 million Euro.

Income taxes for the nine months ended 30 June 2026 amount to 5,0 million Euro, and include 3,4 million Euro in respect of taxes of the illimity Group (including the tax effect related to the PPA). Overall, the tax rate is 37,95%, up from 30,67% at 30 June 2025.

Stripping minority profits for 0,4 million Euro, net profit attributable to the Parent Company amounting to 7,8 million Euro, including the positive contribution from the illimity Group of 5,7 million Euro and the non-recurring effects linked to reversals on provisions for personnel expenses and costs incurred for the integration process of the illimity Group companies, which are summarised under the item “non-recurring income and expenses”.

Information on Risks and Risk Management Policies

Risk governance organisation

The prudential supervisory provisions for banks continue to strengthen the system of rules and incentives that allow to measure more accurately potential risks connected to banking and financial operations as well as maintain internal capital levels more suited to the effective level of risk exposure of each intermediary.

Concerning risk governance, the Group regularly reviews the strategic guidelines set out in the so-called Risk Appetite Framework. Meanwhile, the Pillar 2 of the provisions includes the ICAAP (Internal Capital Adequacy Assessment Process) and ILAAP (Internal Liquidity Adequacy Assessment Process) processes, pursuant to which the Group autonomously assesses, respectively, its own current and expected capital adequacy in relation to both so-called Pillar 1 risks (credit risk, counterparty risk, market risk and operational risk) and other risks (banking book interest rate risk, concentration risk, etc.), and its adequacy as far as the governance and management of liquidity risk and funding is concerned.

In the period following the acquisition of Illimity Bank and pending the completion of the integration, the Banca Ifis Group initiated specific activities aimed at ensuring the orderly integration of the new corporate perimeter into the risk management and control frameworks. In particular, there will be alignment of risk management and monitoring policies with the principles of sound and prudent management already adopted by Banca Ifis. With regard to financial and non-financial risks, the strategic guidelines of the parent company Banca Ifis were naturally extended, or managed through specific transitional provisions, to the new subsidiary illimity Bank and the other companies of the illimity Group and, therefore, the latter months of 2025 saw an alignment of the two companies' strategies and procedures. As of September 2025, the parent company Banca Ifis implements monitoring at a consolidated level of the strategic indicators defined within the parent company's Risk Appetite Framework, including the new subsidiary illimity Bank and the other companies of the illimity Group. In addition, during the first quarter of 2026, a Risk Appetite Framework was prepared, containing indicators and thresholds appropriately calibrated in line with the risk appetite of the Banca Ifis Group as a whole.

With reference to 31 December 2025 and in compliance with the obligations in the Pillar 3 provisions, the Banca Ifis Group published, along with the 2025 Consolidated Financial Statements, information on its capital adequacy, its exposure to risks, and the general characteristics of the systems it has put in place to identify, measure and manage these risks. The document is published on the website www.bancaifis.it in the Investor Relations section and remains valid at the date of approval of this Consolidated Half-Year Financial Report at 30 June 2026.

With reference to the above and pursuant to Circular No. 285 of 17 December 2013 as amended - Supervisory Provisions for banks - the Banca Ifis Group has set up an Internal Control System that aims to guarantee a reliable and sustainable generation of value in a context of sensible risk control and taking, so as to protect the Group's capital adequacy as well as its financial position and performance.

The Banca Ifis Group's Internal Control System consists of a series of rules, functions, structures, resources, processes, and procedures aimed at ensuring the following goals are achieved consistently with the principle of sound and prudent management:

- executing business strategies and policies;
- containing risk within the limits set out in the Group's Risk Appetite Framework ("RAF");
- safeguarding the value of assets and protecting the Bank from losses;
- maintaining effective and efficient business processes;
- ensuring the reliability and security of corporate information and IT procedures;
- preventing the risk that the Group might become involved, including involuntarily, in unlawful activities (and specifically those associated with money laundering, usury, and terrorist financing);
- ensuring operations comply with the law and supervisory regulations as well as internal policies, rules and procedures.

Audits involve all personnel to varying degrees and constitute an integral part of day-to-day operations. They can be classified according to the relevant organisational structures. Some types of audits are highlighted below:

- line audits aim to ensure operations are carried out correctly. These audits are carried out by the operational structures themselves, incorporated in procedures, or performed as part of back office operations. The operational structures are primarily responsible for the risk management process: as part of their day-to-day operations, they shall identify, measure or assess, monitor, mitigate, and report the risks arising from ordinary operations in accordance with the risk management process; they shall comply with the operational limits assigned to them in accordance with the risk objectives and the procedures that form part of the risk management process;
- risk and compliance controls ("second line of defence") are intended to ensure the risk management process is correctly implemented in accordance with the operational limits assigned to the various functions, and that business operations comply with regulations - including corporate governance rules;
- internal auditing ("third line of defence") is aimed at identifying breaches of procedures and regulations as well as regularly assessing the comprehensiveness, adequacy, functionality (in terms of both efficiency and effectiveness), and reliability of the internal control and IT systems on a regular basis based on the nature and extent of the risks.

The role of the different players involved in the Internal Control System (the Board of Directors, the Control and Risks Committee, the Director in charge of the Internal Control and Risk Management System, the Supervisory Body pursuant to Italian Legislative Decree No. 231/2001, Internal Audit function, Risk Management function, Compliance function, Anti-Money Laundering function) in addition to the Manager charged with preparing the Company's financial reports according to the connotation of banking reality with listed shares, are described in detail in the "Report on corporate governance and shareholding structure" prepared in accordance with the third paragraph of Article 123 bis of Italian Legislative Decree No. 58 of 24 February 1998 ("TUF"), as amended, the latest edition of which was approved by the Banca Ifis Board of Directors on 12 March 2026, jointly with the 2025 consolidated financial statements, and published on the website www.bancaifis.it in the "Corporate Governance" section.

Risk culture

The Parent Company facilitates the development and dissemination at all levels of an integrated risk culture in relation to the various types of risk and extended to the entire Group. Specifically, working together with the different corporate functions and the Human Resources function, it has developed and implemented training programmes to raise awareness about risk prevention and management responsibilities among employees.

In this context, the Parent Company's control functions (Risk Management, Compliance and Anti-Money Laundering) are active parties in the training processes as far as they are concerned. A culture of widespread responsibility is promoted, with capillary staff training, aimed both at acquiring knowledge of the risk management framework (approaches, methodologies, operational applications, rules and limits, controls), and at internalising the Group's value profiles (code of ethics, behaviour, rules of conduct and relations).

This macro-section "Information on risks and related hedging policies" of the Notes to the financial statements provides information on the following risk profiles, the relevant management and hedging policies implemented by the Group, and trading in derivative financial instruments:

- credit risk;
- market risks:
    - interest rate risk;
    - price risk;
    - currency risk;
- liquidity risk;
- operational risks.

Management of risks linked to climate change

In this regard, over the years, the Banca Ifis Group has activated processes and defined specific responsibilities to identify and manage the main risks relating to climate change and other ESG topics.

With specific reference to climate and environmental risks, the Bank of Italy's analysis of expectations on climate and environmental risks and, subsequently, the Guidelines on the Management of Environmental, Social and Governance Risks (ESG risks) published by the European Banking Authority (EBA) gave rise to the launch of a structured programme with the aim of integrating environmental factors into corporate strategies, governance and control systems, the risk management framework and disclosure. A further strategic objective is to incorporate the relevant risks into the company's main valuation processes.

The multi-year plan to align with supervisory expectations on climate-related and environmental risks, put into place by Banca Ifis and delivered to the Bank of Italy at the beginning of 2023, is divided into project streams involving several areas.

The activities already carried out by Banca Ifis include a materiality assessment used to identify climate risk factors and the causal mechanisms whereby these factors are transferred to traditional risks (transmission channels).

With regard to risk factors, physical risks and transition risks are recognised. In particular, with regard to physical risks, chronic or acute adverse weather events were analysed, and among these, those relevant to the context in which Banca Ifis operates were identified. These effects were analysed on the basis of various elements such as, for example, the georeferencing of the portfolio, the company's operations and, more generally, the main assets considered important for business continuity. With regard to transition risks, the identified drivers are grouped into three categories: technological innovation, changing regulation and consumer preferences.

The table below describes the main categories and respective risk drivers associated with physical and transitional climate risks and their time frame.

Risk type	Risk drivers		Time frame
Transition risks	Regulatory	Global policy (e.g. Paris Agreement) can limit activities and segments with a high level of emissions and environmental risk. As an example, the regulation on Energy Performance Certificates may impact the value of portfolio properties	Medium-term
	Technological	The transition to low-impact technologies requires a higher cost for companies to retrofit plants and production facilities, potentially impacting the business model and the ability to generate revenues and profits	Medium-term
	Market	A shift in consumer preferences towards more climate-friendly consumption potentially impacts all mayor sectors associated with high energy consumption and/or high levels of pollution	Medium-term
Physical risks	Acute	Heat waves, fires, floods, droughts, landslides, earthquakes	Short-term
	Chronic	Extreme temperatures, soil erosion, water stress, sea level rise	Medium-term/Long-term

The findings of the materiality assessment exercise indicate an overall moderate exposure to climate and environmental risks.

In line with the Bank of Italy's expectations on climate and environmental risks (in particular Expectation VI), in the first half of 2026, the Parent Company Banca Ifis independently conducted an update of the Climate Stress Test analyses, which were subsequently included in the ICAAP Report. The study of the effects of climate and environmental risks on credit risk was conducted by analysing the possible impact of severe climate change on the Income Statement through the deterioration of credit quality and risk parameters.

The “Net Zero” climate scenario was adopted for the year, in the updated version published in December 2025 by the external provider, which represents one of the most severe scenarios in the short term in terms of economic growth. The scenario assumes the coordinated introduction at global level of particularly stringent climate policies aimed at limiting the increase in the global average temperature to 1,6°C by 2060 and achieving net zero CO_2 emissions by 2050.

The scenario incorporates both the effects of transition risks and those attributable to long-term climate impacts. With regard to transition risks, particularly incisive regulatory interventions are envisaged, including the introduction of a global carbon tax and measures aimed at accelerating the decarbonisation of the economy. The increase in costs associated with carbon emissions is partially offset by a greater propensity to invest and by increases in productivity resulting from the adoption of more efficient and sustainable technologies.

In order to adequately reflect the current geopolitical and macroeconomic environment, the scenario was further stressed by incorporating the effects of a deterioration in tensions in the Middle East. In particular, shocks relating to energy commodity prices, financial markets, supply chains and interest rates were included. On a prudential basis, the price of oil was assumed to be 140 Dollar per barrel for the whole of 2026, leading to further inflationary pressures and a worsening of the economic growth outlook.

The final result is a scenario characterised by a low probability of occurrence but consistent with the purposes of a prudential stress test. In terms of severity, although particularly challenging, the climate scenario is slightly less negative than that typically used in the EU-Wide Stress Test.

Compared to the baseline scenario, Italy's economic growth shows a cumulative contraction of around 0,5% over the two years, compared to a reduction of 7,8% in the adverse scenario of the EU-Wide Stress Test. Italian inflation, on the other hand, increases by 5,2% (compared to 4,8% in the EU-Wide adverse scenario), an effect mainly attributable to pressures on energy prices and the introduction of the carbon tax, which exacerbates the dynamics of costs related to energy supply.

The exposures considered in the Climate Stress Test exercise coincide with those included in the ICAAP scope and cover almost the entire portfolio of receivables due from customers, including the exposures attributable to illimity Bank and the other companies of the illimity Group. The impacts on credit risk were estimated using the same methodological infrastructure adopted for the ICAAP. This approach makes it possible to isolate the effects of the climate scenario and to ensure that the results obtained are comparable with those of the other stress testing exercises.

In addition to the Climate Stress Test exercise, the results of which were reported in the ICAAP package, in 2025 the Group, starting 2025, decided to directly integrate climate factors in the estimation of PD and LGD parameters used for the calculation of lump-sum write-downs. In particular, a specific climate scenario was introduced to estimate the forward-looking component. More details on the weight applied and the description of the scenario are provided in the paragraph “Measurement of expected losses” in the section “Prudential consolidation risks”, “Credit risk”, “Credit risk management policies” of this macro section “Information on risks and related hedging policies”.

The other risks (market risk, liquidity risk and operational risk) are also discussed in more detail in the Sustainability Statement included in the 2025 Consolidated financial statements (see 1.1 ESRS 2 - General Information, section 1.1.4 Managing Impacts, Risks and Opportunities: Double materiality analysis, DP 20), the analyses conducted by the Group led to the identification of moderate impacts for operational risks, while market risk and liquidity risk were considered as non-material.

Risks of accounting consolidation

Quantitative information

The gross exposures reported in the following tables account for the positive impact of the breakdown of the difference between the fair value as measured in the business combination and the carrying amount of the receivables recognised by the subsidiaries over time.

Credit quality

Distribution of financial assets by portfolio and credit quality (carrying amounts)

Portfolio/Quality	Bad loans	Unlikely to pay	Non-performing past due exposures	Performing exposures	Total
1. Financial assets measured at amortised cost	1.321.017	1.519.926	191.260	13.980.003	17.012.206
2. Financial assets measured at fair value through other comprehensive income	-	-	-	1.295.473	1.295.473
3. Financial assets designated at fair value	-	-	-	-	-
4. Other financial assets mandatorily measured at fair value	-	4.300	-	75.652	79.952
5. Financial assets under disposal	875	27.977	-	-	28.852
Total 30.06.2026	**1.321.892**	**1.552.203**	**191.260**	**15.351.128**	**18.416.483**
Total 31.12.2025	**1.354.984**	**1.541.446**	**114.519**	**15.454.147**	**18.465.096**

Excluded from this table are on-demand receivables from banks (which are classified under the item "Cash and cash equivalents", in accordance with Bank of Italy instructions), equity securities and UCITS units.

Distribution of financial assets by portfolio and credit quality (gross and net amounts)

Portfolio/Quality	Non-performing			Performing			Total (net exposure)
	Gross exposure	Overall impairment losses/reversals	Net exposure	Gross exposure	Overall impairment losses/reversals	Net exposure	
1. Financial assets measured at amortised cost	3.326.461	(294.258)	3.032.203	14.065.454	(85.450)	13.980.003	**17.012.206**
2. Financial assets measured at fair value through other comprehensive income	-	-	-	1.297.634	(2.161)	1.295.473	**1.295.473**
3. Financial assets designated at fair value	-	-	-	X	X	-	**-**
4. Other financial assets mandatorily measured at fair value	4.300	-	4.300	X	X	75.652	**79.952**
5. Financial assets under disposal	34.213	(5.361)	28.852	-	-	-	**28.852**
Total 30.06.2026	**3.364.974**	**(299.619)**	**3.065.355**	**15.363.088**	**(87.611)**	**15.351.128**	**18.416.483**
Total 31.12.2025	**3.255.603**	**(244.654)**	**3.010.949**	**15.614.874**	**(283.217)**	**15.454.147**	**18.465.096**

Excluded from this table are on-demand receivables from banks (which are classified under the item "Cash and cash equivalents", in accordance with Bank of Italy instructions), equity securities and UCITS units.

Disclosure on structured entities (other than securitisation vehicles)

There were no unconsolidated structured companies at 30 June 2026 other than the securitisation company falling within the Banca Ifis Group's scope.

Risks of prudential consolidation

Credit risk

General aspects

In accordance with the guidelines approved by the Parent Company's Governing Body and the changes in the supervisory regulatory framework, the Group seeks to strengthen its competitive position in the market offered to small and medium enterprises (SMEs). The aim is to increase its market share in the following segments: trade receivables, including for entities with specialist needs such as pharmacies, leasing, tax receivables, and distressed loans, providing high-quality and highly customisable financial services while keeping credit risk under control and profitability in line with the level of quality offered. A complementary reference market for the Banking Group's lending activities is also the Private segment, with a product offer mainly oriented towards operating leases, salary-backed loans (CQS/CQP) or operations related to the pharmaceutical sector, carried out by the subsidiary Banca Credifarma, a banking operator specialising in granting advances, medium/long-term loans and financial services to pharmacies.

As at the date of this document, the banking Group's business activities are conducted in the following areas:

- the factoring business is characterised by the direct assumption of risks related to granting advances and loans, as well as guarantees, if any, on trade receivables of mainly SMEs. As part of its operations, the factoring segment purchases receivables due from public health service and local authorities outright;
- Corporate Lending and Structured Finance operations, which focus on offering medium and long-term financing and secured and unsecured products to support companies operating in Italy in their organic or inorganic growth through extraordinary operations to reposition or expand their business, establish alliances or pursue integrations, promote restructuring processes, or introduce new investors and partners into the company. The clients of this segment are usually corporations;
- investments in non-financial companies and in units of intermediaries;
- medium/long-term loans to SMEs operating in the main production sectors, covered by the public guarantee, conceived by the Ministry of Economic Development (MED) of the Central Guarantee Fund;
- the leasing segment targets mainly small economic operators as well as SMEs. In general, finance leases help independent contractors and businesses finance company cars and commercial vehicles as well as facilitate equipment investments for businesses and resellers. Meanwhile, long-term leases mainly focus on equipment finance - specifically on office and IT products and, to a lesser extent, industrial and healthcare equipment;
- the acquisition of non-performing loans (Npls) by the subsidiary Ifis Npl S.p.A., mainly from retail customers;
- servicing (master and special services), management of Npl portfolios with collection both judicial and non-judicial, consultancy in due diligence activities and authorised investors in Npl transactions, mainly managed by the subsidiary Ifis Npl Servicing;
- the granting of loans to retail customers, including through the definition and refinancing of transferred non-performing loans, to be settled through salary- or pension-backed loan schemes, managed by the subsidiary Cap.Ital.Fin.;
- short- and medium-term lending to pharmacies by the subsidiary Banca Credifarma, including through the disposal of receivables due from Italy's National Health Service as well as public- and private-sector healthcare providers;
- management of the proprietary portfolio, carried out mainly via financial investments in bonds, mostly government bonds, and listed equities;
- securitisation activities, which are aimed at segment operators, in particular originators and investors, by offering finance through investments in asset-backed securities (ABS) and other exposures to securitisation schemes, and by taking on the roles of arranger and sponsor in the context of such transactions with a view to cross-selling. Investments are mainly concentrated in senior and mezzanine

tranches with underlying performing assets and with a favourable trade-off in terms of expected profitability compared to risk weighting.

Given the particular business of the Group's companies, credit risk is the most important element to consider as far as the general risks assumed by the Group are concerned. Maintaining an effective credit risk management is a strategic objective for the Banca Ifis Group, pursued by adopting integrated tools and processes that ensure proper credit risk management at all stages (appraisal, lending, monitoring and management, and interventions on troubled loans).

Credit risk management policies

As part of its lending operations, the Banca Ifis Group is exposed to the risk that an unexpected change in the creditworthiness of a counterparty may cause an unforeseen change in the relevant credit exposure, requiring to write off all or part of the receivables. This risk is always inherent in conventional lending operations, regardless of the form of financing.

The main reasons for non-compliance are the lack of the borrower's independent capacity to service and repay the debt (due to lack of liquidity, insolvency, etc.) and the occurrence of circumstances that affect the borrower's economic and financial conditions, such as the “country risk”.

With regard to impaired purchased receivables (POCI), an additional risk to which the Group is exposed is the risk of inadequate collection, i.e., losses incurred due to the failure to collect receivables from defaulting counterparties.

Organisational aspects

The principles and guidelines that the Banca Ifis Group intends to follow in granting credit are expressed in the 'Group Credit Policy'. Inside, we find:

- the roles and responsibilities of the corporate bodies and organisational structures involved in the loan process;
- the definition of the credit strategies and rules with reference to segments of customers, counterparties and types of comparable transactions, the limits of reliance assigned to non-banking counterparties, the limits to exposure assigned to the various types of economic businesses, the identification of the Most Significant Transactions (MSTs) for the preventive verification that they are indeed consistent with the risk limits and objectives defined in the Group Risk Appetite Framework (RAF), the limits to the risk assigned to transactions with related parties and/or company representatives, pursuant to Art. 136 of the Consolidated Law on Banking. The monitoring, review and update of the credit rules and strategies involve:
    - the Parent Company’s CLO (Chief Lending Officer) Area, in coordinating the process of formulating proposed reviews and updates to the credit policies to be submitted for the approval of the Parent Company's Board of Directors;
    - the Parent Company’s Risk Management function in monitoring the results achieved by the Group in terms of volumes and overall effective positioning on the credit market in line with the defined credit strategies;
- the most qualifying elements in the credit process, with specific reference:
    - to the definition of risk categories to be assigned to customers, according to the different risk profile that can be attributed to the technical loan forms involved, closely linked to the operative processes connected with the “Group System of delegated powers” on the assumption of the credit risk;
    - to the examination of all useful information, both internal and external, functional to the determination of the customer's credit rating and future solvency of the debtor, measuring the credit risk firstly using normal sources for the repayment of exposure and, thereafter, considering the use of the accessory guarantees connected with the credit intervention;

- the monitoring and review of the model used to define credit faculties or the matrix of faculties for granting credit and the related limits;
- the structuring of the credit process, in its comprehensive cycle, into two macro processes of "investigation and disbursement of credit" and "monitoring and collection of debt".

On an operative level, the various Group companies structure the specific operating procedures for the application of credit rules into Organised Procedures or Operative Notes.

Within the Banca Ifis Group, the Corporate Bodies of Banca Ifis and the other banks and financial subsidiaries play a key role in managing and controlling credit risk, ensuring an appropriate supervision of credit risk within the scope of their responsibilities by identifying strategic guidelines as well as risk management and control policies, assessing their efficiency and effectiveness over time, and defining the duties and responsibilities of the corporate functions involved in the relevant processes.

Under the current organisational structure, specific central areas are involved in credit risk management and governance, ensuring, with the appropriate level of segregation, the performance of management operations as well as first and second line of defence controls by adopting adequate processes and IT applications.

Overall, despite some differences deriving from the various products/portfolios, the lending process follows a shared organisational approach with various operational stages and roles, responsibilities, and controls at different levels.

Specifically, Banca Ifis's organisational structure consists of the following Business Units, dedicated to different activities, centralised in the Co-General Manager Chief Commercial Officer (CCO):

- Commercial & Corporate Banking Underwriting dedicated, both with reference to the initial granting of credit and renewal and review activities, to assessing the creditworthiness of the counterparties as well as the risk inherent in the transactions and approving credit facilities in compliance with the powers assigned to it by the Board of Directors and formalised in the Group's System of Delegated Authorities for the assumption of credit risk;
- Commercial Banking, dedicated to the promotion of financing services to domestic and foreign companies and to the care of the correct relationship with the counterparties developed directly or indirectly, as well as the debtors (domestic or foreign) acquired as part of the operations carried out;
- Corporate & Investment Banking, dedicated to Structured Finance transactions or investments in performing non-financial companies and intermediaries;
- Pharmacies, directly manages existing portfolio relationships with domestic pharmacy counterparties in close cooperation with the organisational units of the subsidiary Banca Credifarma;
- Insurance, dedicated to the insurance products offered to its customers;
- Leasing & Rental, dedicated to offering and managing leasing and renting products;
- Marketing & Business Strategy, supporting the business units reporting to the Co-General Manager Chief Commercial Officer;
- Tax Credit & Distressed Financing, dedicated to the following activities:
  - the purchase of tax credits from companies in insolvency proceedings, in voluntary liquidation and from performing companies;
  - affording financial support to companies, not already customers of the Banca Ifis Group, that are in a state of temporary financial strain but with prospects of continuity;
- Individuals, dedicated to the development of products, services and business opportunities related to transactional and funding banking services in relation to the Private customer segment;
- Anti-Fraud, dedicated to overseeing the transversal coordination of the Group structures that manage the offer of products to customers with respect to the execution of controls on the prevention and assessment of fraud attempts and the implementation of response actions.

Finally, at the reporting date the lending process include the operations of the following subsidiaries:

- Ifis Npl Investing S.p.A., company dedicated to the acquisition and transfer of non-performing loans (Npls), mainly originated by financial institutions and banks;
- Ifis Npl Servicing S.p.A., company specialising in the management of Npls and servicing and recovery activities on behalf of third parties;
- Cap.Ital.Fin. S.p.A., which provides salary- or pension-backed loans (CQS/CQP), payment delegation (DP) as well as salary or pension deductions and distributes financial products such as mortgages and personal loans;
- Banca Credifarma S.p.A., a banking operator mainly targeting the pharmacy and healthcare sectors and operating in the business of granting advances, medium- and long-term loans and financial services to pharmacies;
- Ifis Finance Sp. z o.o. and Ifis Finance I.F.N. S.A., factoring companies operating in Poland and Romania respectively;
- Ifis Rental Services S.r.l., an unregulated entity specialising in operating leases;
- Illimity Bank S.p.A. and the other companies included in the so-called "illimity Group' (subject to acquisition by Banca Ifis on 4 July 2025), which make available to companies:
    - a Corporate Banking offering, through Structured Finance, Turnaround & Credit Opportunities, and Factoring services.
    - services in Investment Banking, from Capital Markets operations to Securitisation;
- Fürstenberg SIM S.p.A. (formerly Euclidea SIM S.p.A., a company acquired by Banca Ifis on 21 November 2025), a securities brokerage company offering portfolio analysis and management services.

Ordinary credit organisational aspects

Each organisational unit develops and manages business relationships and opportunities in its respective segment by working together with the branches located throughout Italy, in accordance with the strategic guidelines and objectives set by the Board of Directors.

As for the lending process, each business unit identifies the opportunities for new transactions in accordance with the lending policies in force and the defined risk appetite; in this context, it examines loan applications and formalises a proposal to be submitted to the competent decision-making bodies, ensuring lending policies and controls are implemented correctly and analysing the applicant's creditworthiness in accordance with existing internal regulations.

The proposals to grant lines of credit and/or purchase receivables are submitted to the competent decision-making bodies, which, based on the powers delegated to them, express their decision - which always refers to the overall exposure towards the counterparty (or any related groups).

Banca Ifis's branches have no independent decision-making power for the purposes of assuming credit risk; Branches manage ordinary operations with customers under the constant monitoring of the central structures in accordance with the limits and procedures established by the Head Office's competent bodies.

In carrying out their operations, the subsidiaries can independently take certain decisions within the operational and organisational limits defined by the Parent Company Banca Ifis.

The line of credit is then finalised: the Bank finalises the agreement, obtains guarantees, if any, and grants the credit line. Throughout these stages, the business units are aided by specific supporting units responsible for preparing the agreement in accordance with the terms of the approval as well ensuring all activities leading to the granting of the credit facility are properly carried out.

The operational management of receivables, carried out for performing customers, mainly consists in the ordinary management and monitoring conducted by dedicated structures at each of the Group's companies with the aim of constantly and pro-actively reviewing borrowers. In addition, a specific organisational unit within the Parent Company performs monitoring activities at the Group level to identify counterparties with performance issues, so as to anticipate problems and provide adequate reporting to the competent corporate functions.

If the credit position is in an objective situation of distress, it is transferred to specific functions specialised in managing and recovering non-performing exposures.

Purchased impaired credit (POCI) organisational aspects

"Purchased or Originated Credit Impaired (POCI) Financial Assets" means the exposures that were non-performing at the date they were acquired or originated.

POCI financial assets include also the exposures acquired as part of sales (of either individual assets or portfolios) and business combinations.

Interest is accounted for by applying a credit-adjusted effective interest rate, i.e. the rate that, upon initial recognition, discounts all the asset's estimated future cash collections considering also lifetime expected credit losses ("ECL lifetime").

The Bank regularly reviews said expected credit losses, recognising impairment losses or gains through profit or loss. Favourable changes in lifetime ECLs are recognised as an impairment gain, even if said lifetime ECLs are lower than those incorporated into cash flow estimates at initial recognition.

POCIs are conventionally presented at initial registration in Stage 3.

If, as a result of an improvement in the counterparty's credit standing, the POCI assets become "performing", they are allocated to Stage 2.

Such assets are never classified in Stage 1 because the expected credit loss must always be calculated considering a time horizon equal to the residual maturity (in other words, a "lifetime" horizon must always be maintained and not a 12-month horizon, as is the case for Stage 1 positions).

"Acquired impaired assets" include loans acquired by the subsidiaries Ifis Npl Investing and Ifis Npl Servicing at values significantly lower than their nominal amount, as well as non-performing assets resulting from the various IFRS 3 business combinations carried out by the Banca Ifis Group during the various years (such as those relating to illimity Bank S.p.A., the former GE Capital Interbanca Group, the former Fbs Group, the companies Credifarma S.p.A., Cap.Ital.Fin. S.p.A., Farbanca S.p.A. and Revalea S.p.A. as well as the former Aigis Banca business). These non-performing assets are included within the POCI perimeter on the basis of the existence, for each individual relationship, of impaired credit quality at the time of the relative acquisition, as required by IFRS 9.

With reference to the process for the acquisition of non-performing loan portfolios (POCI) adopted by the structures of the Npl Segment, similar organisational stages are envisaged as for ordinary credit, which can be summarised as follows:

- origination: the Bank identifies the counterparties from which it plans to purchase the portfolios and assesses the economic expediency of said transactions;
- due diligence, as part of which highly-skilled analysts assess the quality of the portfolio being transferred and the relevant organisational impact. Once the due diligence is completed, the terms and conditions are set for offering/acquiring the receivables portfolio and how to manage it (individual or collective method), assessing the relevant impact on operating structures;
- Approval: this stage includes the preparation of the file, the decision-making process, and the implementation of the approval by the competent decision-making body;
- finalisation: the parties prepare and finalise the purchase agreement, and the relevant consideration is paid.

Purchases are made directly by originators and/or SPVs (primary market) or, in some circumstances, by operators who have purchased on the primary market and who intend to dispose of their investment for various reasons (secondary market). Receivables - deriving from traditional consumer credit operations, credit cards and special purpose loans - are mainly unsecured; there are also current account balances in the event of transfers by banks.

Right after the acquisition, pending the completion of information retrieval operations to help decide the most appropriate debt recovery method, the receivable is classified in a so-called “staging” area and measured at cost with no contribution to profit or loss.

After this phase, which normally lasts 6-12 months, the positions are directed towards the form of management most appropriate to their characteristics (non-judicial and judicial operations), which carries out an activity closely related to the transformation into paying positions and the collection of receivables.

Collection operations for receivables deriving from purchases of distressed retail loans are the responsibility of resources within certain Banca Ifis Group subsidiaries (including Ifis Npl Investing and Ifis Npl Servicing), as well as of a broad and proven network of debt collection companies and financial agents operating across Italy.

The non-judicial operations consist mainly in the activation of the credit through the debtor's subscription of bills of exchange or voluntary settlement plans; the judicial operations consist, instead, in the transformation through legal action aimed at obtaining from the court the garnishment order of one-fifth of the pension or salary (the existence of which is the necessary prerequisite for the start of this form of transformation) or the sale on the market of the asset to guarantee the credit (secured management). Specific information regarding these operations is provided below.

Finally, there is also an assessment of the expediency of selling non-performing loan (Npl) portfolios, mainly represented by processing codes, statute-barred loans or loans owned by deceased debtors, to be submitted for approval to the competent decision-making bodies, consistently with the established profitability targets and after analysing the relevant accounting, reporting, legal, and operational impacts. To do so, it relies on the in-depth inquiries conducted by the Parent Company's competent business functions within their area of expertise.

Non-judicial operations

As for the positions not eligible for judicial operations, after completing the groundwork for processing them, they are classified in a “collective” portfolio pending that the recovery process through call centres or recovery networks can culminate with a collection of settlement plans referred to above (in the form of a proposal/acceptance from customer to bank). At this stage, the positions are measured at amortised cost, calculated as the present value of expected cash flows determined on the basis of a proprietary statistical model developed by the Risk Management function on the basis of historical internal data, referred to as “curve model”; this model projects collection expectations onto clusters of homogeneous receivables based on the recovery profile historically observed (macro region, amount of credit, seniority of the file with respect to the DBT date, transferor), in addition to prudential adjustments, such as, by way of example, the cap of simulated cash flows for debtors who are older than the life expectancy present in the mortality tables provided by Istat. This method of valuing debt collection flows means that the expected collection profile is decreasing as time passes with respect to the date of purchase of the credit, until the asset value of the credit is reduced to zero when it reaches the tenth year from the date of purchase.

With regard to the 'massive curve' model, during 2025, re-estimation activities were carried out to revise the model design in its entirety and to include the cash flows collected by management in more recent years. In particular, the estimation process was revised in order to ensure greater robustness and prudence, also incorporating the considerations outlined in previous validation reports, and the number of recovery curves was reduced through a new risk differentiation process aimed at selecting only the explanatory and statistically significant variables.

This model was subjected in parallel to development, as per internal procedure, to validation by the function responsible for validating internal models.

Expectations of collection also take into account the probability of obtaining a settlement plan net of the relative probability of default.

There are two types of settlement (collection) plans that can be entered into:

- bills of exchange: the set of credit positions for which the debtor has signed a settlement plan supported by the issue of bills of exchange. It should be noted that the volume of bills of exchange (internal

collection) in the portfolio has been steadily decreasing, since, as a strategic choice, amicable plans with this payment method are no longer collected. Any new collection is therefore exclusively the result of purchased paying practices;
- Demonstrations of Will (MdV): the practices for which the recovery process has led to the collection of a voluntary formalised settlement plan by the debtor.

The moment the position obtains a paying settlement plan ("active plans"), i.e. after having observed the payment of at least three times the value of the average instalment of the plan, the cash flows of the "curve model" are replaced by the cash flows of the "deterministic model", which projects the future instalments of the settlement plan agreed with the debtor net of the historically observed default rate and taking into account also in this case a cap to the simulated cash flows if the age of the debtor exceeds what is indicated in the mortality tables of Istat in relation to life expectancy.

Positions that do not obtain a paying settlement plan remain valued by means of the "curve model"; this means that as time passes, the probability of collection is reduced also by means of the plan and consequently the expected cash flows are reduced down until zeroing.

As already started in 2021, again in the years from 2022 to 2025 and the first half of 2026, management took part in a new closure method, known as "balance and write-off of positions", in order to anticipate recovery while granting a reduction in the amount due (write-off) to the debtor. This method of collection does not replace the methods described above, but involves certain campaigns on specific positions identified by management.

Judicial operations

Positions that meet the requirements (presence of a job or a pension) for judicial processing are initiated in the relevant operations. This also includes (minority) practices that are processed in a logic of real estate attachment of property.

Judicial processing, understood as real estate enforcement action against third parties, is characterised by several legal steps aimed at obtaining an enforcement title, which as a whole usually last 18-24 months (the durations and the relative volatility depend on the court in which the case is handled) and are thus as follows:

- obtaining a court order;
- writ;
- attachment of property; and
- garnishment order.

These positions are measured at amortised cost, calculated as the present value of expected cash flows determined on the basis of two proprietary models developed by the Risk Management function on the basis of historical internal data, referred to as "pre-garnishment order Legal Factory model" and "garnishment model".

As regards the pre-garnishment order model, 2025 saw the conclusion of re-estimation activities aimed at updating the time series, assessing relevant changes in processes to be taken into account in the definition of the scope, quantifying target variables (e.g. modules duration, migration probability, instalment, expenses, rate of economic effectiveness of pensioners) as well as fine-tuning the methodological framework (e.g. revision of the long list of each module, clustering techniques and quantification of estimates). This model was subjected in parallel to development, as per internal procedure, to validation by the function responsible for validating internal models.

In addition to the above, judicial operations involve also collection efforts, i.e. foreclosure proceedings, which consist of several stages and apply to portfolios originated in corporate, banking, or real estate segments.

Management, measurement and control systems

Credit risk is constantly monitored by means of procedures and instruments that can rapidly identify particular anomalies.

Over time, the Banca Ifis Group has implemented instruments and procedures allowing to specifically evaluate and monitor risks for each type of customer and product.

If the applicant passes the evaluation process and is granted a credit facility, the Group starts monitoring the credit risk on an ongoing basis, ensuring repayments are made on time and the relationship remains regular, reviewing the information that the Italian banking system reports to the Central Credit Register or select databases as well as the reputational profile, and examining the underlying causes for each one of these aspects.

With reference to portfolio control activities, as mentioned above, loans to customers are monitored by specific units within the aforesaid business units, which are entrusted with the continuous and proactive verification of the customers entrusted (first-level controls); they are flanked by additional second-level control activities, carried out centrally by the Parent Company's Risk Management, with the aim of identifying anomalous situations to be alerted to the reference structures. The controls are both massive, based on the use of trend analysis models, and specific on individual positions identified through sampling criteria guided by management risk indicators.

Credit risk exposures to companies are assigned a rating based on models developed in-house. These models are differentiated by segment to ensure that appropriate models are applied on homogeneous population from the point of view of characteristics and risk level. There are therefore models for corporations, differentiated by two size clusters, and a model for partnerships and sole proprietorships. The rating models are composed of different modules that investigate different areas of information depending on the type of counterparty and are integrated with qualitative information of different nature.

The rating class represents a fundamental driver for the calculation of write-downs on performing loans; in addition to directly linking the expected loss to the specific risk level of the individual counterparty, rating models enable the activation of the quantitative stage allocation criterion, which, by comparing the riskiness at the time of granting and the current riskiness, makes it possible to assess the significant increase in risk and thus the Stage 2 allocation of the position. The framework for determining expected loss also includes satellite models functional to the introduction of forward-looking elements into the estimates of risk parameters in full compliance with the requirements of IFRS 9.

Risk Management plays a crucial role as part of the second line of defence in measuring and monitoring operations.

Concerning credit risks, the Risk Management function:

- oversees, monitors and assesses credit risks, carrying out audits and analysis in accordance with the relevant guidelines; specifically, it:
  - assesses credit quality, ensuring compliance with credit guidelines and strategies by continuously monitoring credit risk indicators;
  - constantly monitors exposure to credit risk and compliance with the operating limits assigned to the operating structures in relation to the assumption of credit risk;
  - verifies, by means of second-level controls, the correct implementation of performance monitoring on individual exposures, in particular on non-performing exposures, and assesses the consistency of classifications and the adequacy of provisions;
  - monitors exposure to concentration risk and the performance of exposures classified as “Large Exposures”;
- performs quantitative analyses to support the business units in using risk measures;
- oversees the supervision of the value of collateral as well as personal and financial guarantees;
- analyses consistency with the Group's RAF in the areas of asset quality and credit cost.

The Banca Ifis Group pays particular attention to the concentration of credit risk with reference to all the Group's companies, both at an individual and consolidated level. Banca Ifis's Board of Directors has mandated the Top Management to take action to contain “Large exposures”. In line with the directives of the Board, those positions that are at risk and engage the Group to a considerable extent are subject to systematic monitoring.

Concerning the credit risk associated with investments in securities and equity, the Group constantly monitors their credit quality, and Parent Company Banca Ifis's Board of Directors and Top Management receive regular reports on this matter.

In the context of Basel 3 principles for calculating capital requirements against first-pillar credit risks, Banca Ifis chose to adopt the Standardised Approach. To calculate capital requirements for single-name concentration risk, which falls under second-pillar risks, the Group adopts the Granularity Adjustment method as per Annex B, Title III of Circular No. 285 of 17 December 2013, with a capital add-on calculated using the ABI method to measure geo-segmental concentration risk.

In order to assess its vulnerabilities in terms of capital and liquidity management, the Parent Company Banca Ifis has developed quantitative and qualitative techniques with which it assesses its exposure to exceptional but plausible events. These analyses, known as stress tests, measure the impact in terms of risk deriving from a combination of changes in economic-financial variables under adverse scenarios on the Bank and its subsidiaries. These analyses significantly concern credit risk.

The stress tests allow to assess the Group's resiliency by simulating and estimating the impact of adverse circumstances, providing crucial insights into its exposure to risks, the adequacy of the relevant mitigation and control systems, and it ability to deal with unexpected losses -- including in a forward-looking manner and in terms of planning. In order to perform stress tests, the Group has internally developed methodologies that allow, also by exploiting synergies with satellite models used under IFRS 9, to project asset quality in line with adverse macroeconomic scenarios and assess the impact in terms of various credit quality indicators, such as the incidence of impaired credit or the increase in loan adjustments.

For regulatory purposes, the Parent Company Banca Ifis conducts stress tests when defining the Risk Appetite Framework (RAF) and preparing the Recovery Plan as well as the ICAAP and ILAAP report at least on an annual basis, as required by applicable prudential supervisory regulations. In this context, it assesses, among other things, the sustainability of lending strategies under adverse market conditions.

Measurement of expected credit losses

This section describes the methodological approaches currently in place for determining impairment losses on the Banca Ifis Group's performing portfolio. It should be noted that there are some differences in the collective impairment management process between the illimity Group's perimeter and the remaining perimeter of the Banca Ifis Group, and these differences will be disclosed, with priority given to providing a comprehensive overview of the Parent Company's framework. Activities aimed at achieving convergence in valuation metrics are planned for the second half of 2026.

With reference to the measurement of expected losses, during the first half of 2026 the usual update of the macroeconomic scenarios used for the application of forward-looking components was carried out. The details of these scenarios are given in the following paragraphs of this section. Scenarios and their weighting are aligned with those of the illimity Group perimeter. The routine maintenance activities of the IFRS 9 impairment framework had no significant impact either in absolute terms or in terms of the level of portfolio coverage.

The expected loss defined on the basis of the model is potentially supplemented with managerial adjustments (so-called "post-model adjustments" or "overlays") in order to factor in certain valuation elements not adequately captured by the models in use.

Below is an explanation of the framework used by the Group to measure expected losses, including any changes made to the models and criteria applied for calculating expected losses as part of the ongoing model revision process are illustrated below, depending on the type of intervention (SICR valuation, estimation of forward-looking information and other model changes).

According to IFRS 9, all financial assets not measured at fair value through profit or loss and other than the POCI, for which reference is made to the information given previously, represented by debt securities and loans, and off-balance sheet exposures (commitments and guarantees granted) must be subject to the impairment model based on expected losses (ECL - Expected Credit Losses).

The most significant aspects that characterise this approach, concern:

- the classification of loans into three different levels (or "Stages") to which different methods correspond for calculating the losses to be recorded; Stage 1 includes performing positions that have not undergone a significant increase in credit risk otherwise placed in Stage 2; Stage 3 includes all positions classified as non-performing, bad loans, unlikely-to-pay, non-performing past due in accordance with the criteria and rules specifically adopted by the Group;
- the calculation of the expected loss calculated at 12 months for Stage 1 or for the entire useful life of the credit (lifetime) for Stages 2 and 3;
- the requirement to use a Point-in-Time, rather than a Through-the-Cycle, approach for regulatory purposes;
- forecast information regarding the future dynamics of macroeconomic factors (forward looking) considered to have the potential to influence the debtor's situation.

In this context, the Group has adopted a method for determining the "significant" increase in credit risk with respect to the initial recognition date, which involves classifying the instruments in Stages 1 and 2, combining statistical (quantitative) and performance (qualitative) elements, as part of the estimate of impairment of performing loans. Please note that no probation period is applied for the exit of performing positions from Stage 2.

To identify the "significant" increase in credit risk, the Banca Ifis Group applies the following quantitative and qualitative transfer criteria to the loan portfolio according to the type of counterparty defined by segmenting receivables into portfolios:

- the only quantitative transfer criteria is what is termed "PD comparison" for which, in order to identify the "significant increase in credit risk" on exposures within rated portfolios, the Group used an approach backed by quantitative analyses, under which the exposure is allocated to Stage 2 if the change in the one-year PD between the origination and the measurement date exceeds a given threshold. The decision to use a 1-year PD comparison instead of a lifetime approach, also determined in consideration of the solution provided by the impairment engine's outsourcer, is supported by analyses that show a high correlation between the SICR metrics calculated from a lifetime perspective and those calculated from a 1-year perspective. This threshold is assigned on the basis of the origination rating (if available) and the type of product for each relationship and is represented by the change in PD by which the credit risk of the relationship is to be considered significantly increased. Therefore, if the change in PD between origination and the reference date exceeds the threshold associated with the ratio, that ratio is allocated to Stage 2. The identification of the thresholds derives from a statistical approach involving the analysis of the 1-year PD distributions on homogeneous risk clusters in order to optimise the allocation to Stage 2 of counterparties that might show signs of deterioration and the return to Stage 1 of counterparties with a real improvement in internal rating;
- qualitative transfer criteria:
    - "Rebuttable presumption – 30 days past due": IFRS 9 establishes that, regardless of how the entity assesses significant increases in credit risk, there is a rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due. The entity can rebut this presumption if it has reasonable and supportable information that demonstrates that the credit risk has not increased significantly since initial recognition even though the contractual payments are more than 30 days past due. However, the Ifis Group has not pursued this option;
    - Forbearance: according to this criterion, a financial instrument is allocated to Stage 2 when the Group classifies the exposure as forborne;
    - "Watchlist": the criterion envisages the transfer to Stage 2 of positions already under examination, as part of the process for defining especially risky positions during credit monitoring;

- "ECB Backstop": the criterion transfers to Stage 2 positions with PDs at the "reporting date" that are 200% higher than ("threefold") at the "origination date" or with PDs at the "reporting date" that are 20% higher.

The Stage allocation criteria described are part of the IFRS 9 framework of the Parent Company Banca Ifis, and there may be differences compared to the system in place at illimity Bank and the other illimity Group companies at 30 June 2026. In particular, the quantitative criterion within the illimity Group is based on delta notches, and there are no backstop criteria based on ECB standards.

With reference to debt securities, the method used for the allocation of relationships in the various Stages is based, contrary to what is set out above for credit exposures, on quantitative drivers (so-called delta notch), on internal assessments carried out by the Risk Management function in agreement with the functions involved, and on a practical rule expressly permitted by IFRS 9 (LCRE - Low Credit Risk Exemption). With regard to the latter, the regulation states that to determine whether a financial instrument is low credit risk, an entity may use its internal credit risk ratings or other methodologies consistent with a globally agreed definition of low credit risk, which take into account the risks and the type of financial instruments being assessed. In particular, an exposure is deemed to have 'low credit risk' if the financial instrument has a low risk of default, i.e., if the borrower has a strong ability to meet its contractual cash flow obligations in the short term and if adverse changes in longer-term economic and business conditions could reduce, but will not necessarily reduce, the borrower's ability to meet its contractual cash flow obligations.

Consistent with the provisions of the standard, in fact, the Banca Ifis Group has decided to adopt the assumption that the credit quality of an investment grade government issue can be assumed not to have significantly deteriorated, even in the presence of information on credit risk measures at the date of origination, thus availing itself of the Low Credit Risk Exemption (LCRE) option. Therefore, only securities with an investment grade rating at the reference date are allocated to Stage 1, while mono-tranches associated with defaulted securities are allocated to Stage 3.

Specifically, the formula used to calculate the impairment of the tranches allocated to Stage 1 and 2 is consistent with the approach to credit exposures. The stage allocation of performing debt securities requires using an external rating of the issue; the securities are allocated to the different stages based on specific criteria associated with this type of portfolio. Debt security exposures are classified in Stage 3 in cases where the credit risk is impaired to the extent that the security is considered impaired.

The measurement of expected credit losses (ECLs) accounts for cash shortfalls, the probability of default (PD), and the time value of money. Specifically, the Group measures the loss allowance for the financial instrument as:

- expected losses within 12 months for positions that have not suffered a significant deterioration in creditworthiness (Stage 1); in other words, the Group estimates non-payments resulting from possible default events within the following 12 months, weighted by the probability that such events will occur;
- expected "Lifetime" losses for positions that have suffered a significant deterioration in creditworthiness (Stage 2); in this case, the Group estimates the cash shortfalls resulting from default events that are possible over the expected life of the financial instrument, weighted by the probability of that default occurring and discounted at the measurement date.

To ensure its collective impairment calculations are in the closest possible compliance with regulatory requirements, the Group has defined a specific methodological framework subject to backtesting at least annually as well as to validation by the function in charge of validating internal models. This involved developing quantitative methods and analyses based on proprietary datasets as well as qualitative methods and analyses to essentially model the following risk parameters and the methodological aspects relevant to the calculation of impairment under IFRS 9:

- estimation of the Probability of Default (PD), which expresses the probability of a default event occurring in the credit position over a given time frame. The estimation methodology involves using an appropriate estimator to calculate the Cumulative Default Rate (hereinafter also CDR), i.e. the historically observed probability of a default event occurring within a given time horizon. CDRs are then interpolated using an appropriate functional form;

- estimation of Loss Given Default (LGD), which expresses the estimated loss percentage in the event of default of the credit position. A “workout LGD” approach based on internal data was chosen; therefore, this parameter is defined on the basis of historical recovery evidence observed for each perimeter where possible;
- definition of Stage allocation transfer logic, which includes the recalibration of SICR thresholds;
- calculation of expected losses including point-in-time elements: the credit parameters are calibrated on a horizon that considers the entire economic cycle, therefore, in accordance with IFRS 9, a PIT (point-in-time) adjustment is necessary to reflect the current condition in the parameters;
- calculation of expected losses including forward-looking elements: the credit parameters are calibrated to a horizon that considers the entire economic cycle; therefore, in accordance with IFRS 9, it is necessary to include forward-looking elements to reflect expectations on the future development of the economic cycle.

With regard to the illimity Group, the methodologies developed for estimating and calibrating the PD parameter are different and also exhibit differences within the illimity Group’s portfolio (internal ratings, external ratings, “portfolio” approaches). These differences can be attributed not only to technical aspects related to the structure of the illimity Group’s assets, but also to the specific characteristics of the individual businesses in terms of their risk profile and management rules.

Following the acquisition of illimity Bank, work is underway to align the collective impairment framework with a view to extending the Group’s standards to the portfolio of acquired receivables as well. As at 30 June 2026, full alignment was pursued with regard to macroeconomic scenarios and the related weightings used for conditioning risk parameters.

In developing the above methods, the Group has considered multiple solutions, the current and prospective complexity of its portfolio, as well as how to maintain and update risk parameters.

The time series underlying the estimation of risk parameters are updated annually; calibrations involving the forward-looking scenarios are updated at least once a year on the basis of changes in the environment. As far as EAD is concerned, there is no internal modelling, and the value of EAD is equal to the carrying amount adjusted by the application of the credit conversion factor or CCF (Credit Conversion Factor) applied for the entire duration of the exposure.

Concerning the PD of exposures to banks, central governments, and public-sector entities (low default portfolios), the Group used default rates associated with migration matrices based on public information provided by the ratings agency Moody's or external providers.

LGD is estimated on historical proprietary evidence with the exception of a few residual transactions (due to the lack of sufficient objective historical data given the recent business or given the particular type of counterparty - i.e. banks, central governments and territorial entities) for which an industry LGD was used. The cash flows used in estimating LGD are discounted at the Effective Interest Rate (EIR).

In order to determine the risk parameters adopting a forward looking approach, the Group has adopted econometric models (based on the stress test framework - “satellite” models), aimed at forecasting the evolution of the institute’s risk factors (i.e. mainly PD and migrations between statuses for credit risk) on the basis of a joint forecast of the evolution of the economic and financial indicators (macroeconomic scenario). The satellite models used meet the need to identify the existence of a significant relationship between the general economic conditions (i.e. macroeconomic and financial variables) and a proxy variable of the risk factor (target variable) i.e. the credit rating of counterparties (which represents the respectively probability of default as a summary of the PD factor), which in its aggregate form at an institute level is represented by a careful calibration of the deterioration rates recorded by the Bank of Italy.

By exploiting the identified relationship between target variable and macroeconomic factors, it is therefore possible to obtain forecast values of deterioration rates by applying future projections of explanatory variables retrieved from external information providers, also used for institutional information purposes and by the Strategic Planning function under the scope of their activities. In compliance with IFRS 9, the Risk Management function employs macroeconomic scenarios describing three contexts characterised by increasing levels of forecast severity and criticality: a “baseline” scenario, an “adverse” scenario and a “climate” scenario. These scenarios produce three different satellite model forecasts, making weighting necessary: for the current year, it was decided to balance the weights of the baseline, adverse and climate scenarios in view of the uncertainty of the macroeconomic environment, which sees on the one hand, in the geopolitical context, one of the main factors of instability, and on the other, the possible onset of non-negligible risks connected with the evolution of the global economic activity.

The Risk Management function has therefore included the forecasts defined by its satellite models in the structures at the end of the PD lifetime.

The satellite models developed for PD were also applied in a mirror-image manner to the Danger Rate, i.e. the migration between credit states, used in LGD, which in its point-in-time & forward-looking configuration gives a multi-period structure to LGD.

Measurement of expected losses (ECL)

With reference to the inclusion of Forward Looking factors feeding into the IFRS 9 provisioning process, through the use of satellite models, the Risk Management function in the first half of 2026 updated the macroeconomic scenarios by procuring them from an external info provider and comparing them with official sources.

The updated scenarios reflect a macroeconomic environment characterised by a high degree of uncertainty, mainly due to the continuing geopolitical tensions in the Middle East and their effects on energy markets and global supply chains. The central scenario incorporates the assumption of a gradual normalisation of market conditions following the recent disruptions to trade flows and maritime traffic on the main energy routes, while maintaining more subdued expectations of economic growth and temporarily higher inflation levels than forecast at the start of the year.

In line with the framework adopted by the Group, three distinct macroeconomic scenarios were considered, weighted according to the probability of occurrence: a base scenario (60%), an adverse scenario (30%) and a climate scenario (10%):

- the base scenario represents the most likely development of the macroeconomic environment and assumes a gradual easing of geopolitical tensions and their effects on energy commodity markets. In this context, the Italian economy would experience moderate growth, with GDP increasing by 0,3% in 2026, 0,8% in 2027 and 0,9% in 2028. Inflation, supported in the short term by rising energy prices, would stand at 3,0% in 2026 and then converge towards lower levels in the following two years;
- the adverse scenario, called “Prolonged Iran War”, instead assumes a significant deterioration in the international geopolitical scenario, characterised by the continuation of the conflict, a prolonged disruption of the main global energy routes and persistent pressure on oil and gas prices. This scenario would lead to a marked slowdown in global economic activity, associated with a sharp rise in inflation and more restrictive monetary policies. For the Italian economy, GDP is expected to contract by 1,0% in 2026 and by 0,2% in 2027, accompanied by a significant increase in government bond yields and a worsening of financing conditions;
- the climate scenario, identified as “Short-Term Disasters and Policy Stagnation”, envisages the occurrence of extreme weather events of high intensity and frequency, in a context characterised by limited progress in mitigation and adaptation policies. The succession of adverse weather events has negative effects on production capacity, capital endowment and economic growth, with a contraction of Italian GDP of 1,0% in 2026 and 1,2% in 2027, followed by a gradual recovery in the medium term.

The scenarios and their weightings were used to determine the forward-looking components of the expected losses and are aligned between the perimeter of the Banca Ifis Group and that of the illimity Group.

FINANCIAL INDICATORS FINANCIAL YEAR END (%)	Base case			Adverse scenario			Climate scenario		
	2026	2027	2028	2026	2027	2028	2026	2027	2028
Italian real GDP growth (decline) y/y	0,3%	0,8%	0,9%	(1,0)%	(0,2)%	1,7%	(1,0)%	(1,2)%	1,2%
Italian unemployment	5,3%	5,7%	6,0%	5,5%	6,1%	6,2%	5,3%	6,2%	6,4%
Euribor 3M	2,3%	2,2%	2,1%	2,6%	2,0%	1,7%	2,0%	1,1%	1,1%
10-year BTP yield	3,7%	3,8%	3,9%	6,4%	7,0%	6,2%	4,4%	4,5%	4,2%
Brent barrel oil price growth (reduction) y/y	30,5%	(22,3)%	(15,3)%	81,1%	(31,5)%	(24,9)%	35,2%	(21,5)%	(16,5)%
Italian inflation	3,0%	1,6%	1,7%	5,3%	2,0%	0,5%	3,6%	1,9%	0,8%

With reference to the probability of occurrence of the scenarios, in line with what was done for FYs 2024 and 2025 and with the continued significant uncertainty of the geopolitical and macroeconomic environment, the base case was assigned a 60% probability of occurrence, while the adverse scenario was assigned a 30% probability and the climate scenario 10%. As a matter of prudence, no "best case" scenarios were considered.

In order to provide information that enables a clear understanding of the elements of judgement used by management and their impact, sensitivity analyses were carried out. The inclusion of forward-looking factors for the measurement of expected losses is, in fact, a particularly complex exercise, as it requires the formulation of macroeconomic forecasts, the selection of scenarios and their relative probabilities of occurrence, and the definition of a model capable of expressing the relationship between the aforementioned macroeconomic factors and the default rates of the exposures under assessment.

For this reason, in order to be able to appreciate the impact on expected losses resulting from the selection of different macroeconomic scenarios, and in compliance with the recommendations formulated by ESMA, sensitivity analyses are provided below, in terms of ECL. These analyses were conducted by assigning a 100% weighting to each individual macroeconomic scenario ("base", "adverse" and "climate") with respect to the multi-scenario approach followed for the purpose of preparing this document.

The selection of a multi-factor sensitivity, obtained by varying several parameters simultaneously and implicit in the choice of considering alternative macroeconomic scenarios, is justified by the fact that there are innumerable interrelationships between the different macroeconomic factors such that a sensitivity analysis based on a single factor would be less representative (e.g. the change in GDP would be correlated with changes in many other macroeconomic variables).

The basis for sensitivity analyses is represented by expected losses (ECLs) on the Banca Ifis Group's credit exposures to customers (including the illimity Group scope), i.e. cash loans and guarantees. In particular, this is the ECL determined on the basis of the models in use.

More specifically, the 100% "adverse" weighting would lead to an impact on the model ECL of approximately +1,6%, the 100% "baseline" weighting would lead to an impact of approximately -1,0%, while the 100% "climate" weighting would have an impact of approximately +1,4%.

Credit risk mitigation techniques

Credit risk mitigation techniques include instruments that contribute to reducing the loss that the Group would incur in the event of counterparty default; specifically, they refer to guarantees received from customers, both collateral and personal, and to any contracts that may lead to a reduction in credit risk.

In general, as part of the process of granting and managing credit, for certain types of lines, the release by customers of suitable guarantees to reduce their risk is encouraged. They can be represented by:

- collateral encumbering assets, such as pledges on financial assets, mortgages on real estate (residential/non-residential); and/or

- personal guarantees (typically sureties) on a third party where the person (natural or legal) acts as guarantor of the customer's debt position in the event of insolvency.

In particular:

- as part of factoring operations, when the type and/or quality of factored receivables do not fully satisfy requirements or, more generally, the invoice seller is not sufficiently creditworthy, the bank's established practice is to hedge the credit risk assumed by the Group by obtaining additional surety bonds from the shareholders or directors of the invoice seller. As for the account debtors in factoring relationships, wherever the Bank believes that the elements available to assess the account debtor do not allow to properly measure/assume the related credit risk, or the proposed amount of risk exceeds the limits identified during the debtor's assessment, the Bank adequately hedges the risk of default of the account debtor. Guarantees issued by correspondent factors and/or insurance policies underwritten with specialised operators are the main hedge against non-domestic account debtors in non-recourse operations;
- in loans to businesses, where possible, suitable guarantees are acquired from the Central Guarantee Fund or other companies coming under the public scope, such as SACE S.p.A.;
- in regard to Structured Finance, collateral is acquired according to the counterparty's standing as well as the term and type of the facility. Said collateral includes mortgage guarantees, liens on plant and equipment, pledges, surety bonds, credit insurance, and collateral deposits;
- as for finance leases, the credit risk is mitigated by the leased asset. The lessor maintains the ownership until the purchase option is exercised, ensuring a higher recovery rate in the event the client defaults;
- as for operations concerning distressed loans and purchases of tax receivables arising from insolvency proceedings, as well as the relevant business model, generally no action is implemented to hedge credit risks;
- salary-backed loans have low risk, considering the particular characteristics of this product: it requires having insurance against the customer's risk of death and/or loss of employment as well as imposing a lien on the severance indemnity (TFR) earned by the customer as additional collateral for the loan.
- lending to pharmacies involves an advance as well as a transfer or debt collection mandate, with the possibility of deducting subsequent advances from existing credit facilities.

In line with that established by the Liquidity Decree (Italian Decree Law No. 23 of 8 April 2020), the Group has benefited from the guarantees offered by the state Guarantee Fund for the type of customer and loans envisaged by the Decree, with cover that can reach 100%. This guarantee enables a reduction in the RWAs relative to the credit risk, proportionally to the share of exposure covered by the Fund.

The acquired Npl portfolios include positions secured by mortgages on properties with a lower level of risk than the total portfolio acquired.

When calculating the overall credit limit for an individual customer and/or legal and economic group, the Bank considers specific criteria when weighing the different categories of risks and guarantees. Specifically, when measuring collateral, it applies prudential "spreads" differentiated by type of guarantee.

The Group continuously verifies the quality and adequacy of the guarantees acquired on the loan portfolio, with second level monitoring carried out by the Parent Company's Risk Management function and carried out under the scope of the Single File Review (SFR).

Non-performing credit exposures

Management strategies and policies

The Group adopts a business model that has peculiar features compared to most other Italian banking institutions, which largely operate as general banks.

This peculiarity of the business is reflected in the processes and management structures, generating flows and stock dynamics that are reflected in assets and related indicators.

Nonetheless, the Parent Company believes that adopting "systemic" operational and structural ratios, and maintaining its indicators at the highest level of excellence, is a mark of quality and a value to be pursued as a specific goal in order to strengthen its corporate structure as well as improve its internal processes.

Among these, the quality of assets is a top priority that must be expressed both in the ability to provide credit, minimizing the risks of deterioration of exposures, and in the ability to manage non-performing exposures, optimising recovery performance in terms of amount and related timing.

In this sense, the Group's action is oriented in two directions:

- constant efforts to improve not only the processes for selecting and granting loans, but also the processes for managing performing loans, referring, where appropriate, to the commercial and/or selection policies of individual transactions, in order to contain the generation of non-performing loans in the best possible way;
- proactive management of performing credit that shows signs of difficulty and management of the recovery of impaired credit aimed at maximising value, in compliance with quantitative thresholds consistent with the objectives set.

In managing these aspects, the Group must, however, necessarily take into account the different segments of business and related types of credit, classifying solutions and actions consistent with the specificities of the individual segments, in order to ensure the best result in terms of value protection and speed of solution.

Regardless of the current outlook, the pursuit of the objective of a general limitation in the stock of non-performing loans remains and is expected to take place through a differentiated strategy in relation to the specificity of the individual portfolios concerned (taking into account the type of counterparty and the specificity of the individual products). In general, the action that will be taken is essentially based on the following goals, which it has been pursuing for some time now:

- containment of the default rate in order to reduce the inflow of non-performing positions by extending and strengthening the monitoring of lending aimed at anticipating, and possibly preventing, deterioration of positions;
- improvement of performing loan recovery rates thanks to the extended use of the instruments provided for in the renewed Code for Business Crisis and Insolvency;
- leveraging the expertise within the Banca Ifis Group and the virtuous collection processes currently in place to maximise collection rates;
- reducing the stock of non-performing loans by considering mass sales of the more dated stock or selective sales of individual significant positions as well as applying existing write-off policies.

The non-performing positions or the performing positions that in any case present significant problems are handled directly by specific organisational units of the Group.

Write-offs

As specified by IFRS 9, a total or partial write-off is an event that results in derecognition when there is no longer a reasonable expectation that the financial asset will be recovered. It may occur before the lawsuit for recovery of the financial asset has concluded and does not necessarily imply a waiver of the legal right to collect the debt.

A receivable is derecognised when it is considered unrecoverable and the Group forfeits the legal right to collect it. For instance, this occurs when insolvency proceedings are settled, the borrower dies without heirs, a court issues a final ruling that the debt does not exist, etc.

As for total or partial derecognition without a forfeiture of the right to collect the receivable, to avoid continuing to recognise receivables that, even though they are still managed by debt collection structures, are highly unlikely to be recovered, at least every half-year, the Bank identifies the exposures to be derecognised that have all specific characteristics defined for each product.

At the Group level, relationships to be subject to derecognition are identified which simultaneously present the following characteristics:

- the receivable has been written off;
- the receivable has been classified as a bad loan for more than 5 years;
- the counterparty has filed for bankruptcy, been put into administrative liquidation (LCA), or is subject to any insolvency proceedings.

The derecognition of bad debts is a good management practice. It allows structures to concentrate on receivables that are still recoverable, guarantees an adequate representation of the ratio between anomalous receivables and total receivables and ensures a correct representation of balance sheet assets.

At an organisational level, the operating methods used by the various Group structures to eliminate credit exposures and to report to Top Management are described in detail in the Group's credit monitoring and recovery policies.

Purchased or Originated Credit Impaired (POCI) Financial Assets

Organisational aspects

For organisational aspects relating to impaired financial assets acquired or originated (referred to as "POCI"), please refer to the specific paragraph above in the subsection "Organisational aspects" of this section "Prudential consolidation risks".

Quantitative information

The outstanding nominal amount of Ifis Npl Investing's proprietary portfolio is 16.181 million Euro. At the time of purchase, the nominal amount of these receivables was approximately 17.858 million Euro, and they were acquired for 1.325 million Euro, i.e. an average price equal to 7,42% of the historical nominal amount. In the first half of 2026, a nominal amount of 480 million Euro in receivables were acquired for 86 million Euro, i.e. an average price equal to 17,9%. The POCI outstanding portfolio has a weighted average ageing of 68 months compared to their original acquisition date.

As regards the individual phases of processing of Npl receivables, as described in paragraph "Organisational aspects" above in relation to credit risk, the carrying amount at 30 June 2026 of the positions in out-of-court management comes to 492,4 million Euro, whilst the carrying amount of the positions under legal management comes to 932,9 million Euro. In addition, there are receivables under post-purchase management, where all the activities of researching information preparatory to the routing of the position towards the most suitable transformation methods are carried out. Specifically, the receivable is classified in a so-called "staging" area and recognised at cost with no contribution to profit or loss. As a rule, 6-12 months later, the positions are directed towards the most appropriate form of management, depending on their characteristics. The carrying amount of receivables under post-acquisition management is 113,0 million Euro at 30 June 2026.

Therefore, the total carrying amount at 30 June 2026 of Ifis Npl Investing's proprietary portfolio is 1.538,3 million Euro. This figure includes POCI belonging to the proprietary portfolio of Ifis Npl Investing, which are classified as non-impaired at 30 June 2026, with a carrying amount of 7,1 million Euro.

Finally, Ifis Npl Investing seizes market opportunities in accordance with its business model by selling portfolios of positions yet to be processed to third parties. In the first half of 2026, several sales of portfolios were completed to leading players whose business is purchasing Npls. Overall, receivables were sold with a carrying amount of 10,9 million Euro, in respect of a comprehensive price of sale of 23,0 million Euro, resulting in net profits of 12,1 million Euro.

In addition to the proprietary portfolio of Ifis Npl Investing, as a result of the acquisition of illimity Bank, there are outstanding at 30 June 2026 POCI belonging to illimity Group companies with a carrying amount of 1.016,3 million Euro, which refer to both the Npl purchase activity carried out by the illimity Group and the additional impaired assets that emerged as a result of the business combination related to the acquisition of the illimity Group (i.e. the assets that were classified as impaired at the date of purchase, 4 July 2025).

In addition to the aforementioned POCI belonging to the proprietary portfolio of Ifis Npl Investing and to the perimeter of the illimity Group, there are additional POCI with a carrying amount at 30 June 2026 of 22,2 million Euro, mainly referring to business combinations carried out by the Banca Ifis Group in previous years (excluding the aforementioned receivables arising from the business combination relating to the illimity Group).

Financial assets subject to business renegotiations and forborne exposures

Throughout the life of the financial assets, and specifically of receivables, the parties to the agreement subsequently agree to modify the original contractual terms. When, during the life of an instrument, the contractual terms are modified, the Group shall assess whether the original asset must continue to be recognised (so-called "modification without derecognition") or, conversely, the original instrument must be derecognised and a new financial instrument recognised in its place.

Generally, modifications of a financial asset result in its derecognition and the recognition of a new asset when they are "substantial". The "substantiality" of the modification shall be assessed considering both qualitative and quantitative factors. In some cases, it will become apparent, without conducting complex analyses, that the changes introduced substantially modify the characteristics and/or contractual cash flows of a specific asset, whereas in other cases, additional analyses (including quantitative analyses) will be required to appreciate their impact and assess whether to derecognise the asset and recognise a new financial instrument.

The (quali-quantitative) analyses aimed at defining the "substantiality" of the contractual modifications made to a financial asset shall therefore consider:

- the purposes for which the modifications were made: for instance, renegotiations for business reasons and forbearance measures due to the counterparty's financial difficulties:
  - the former, intended to "retain" the customer, involve a borrower that is not in financial distress. This case includes all renegotiations aimed at adjusting the cost of debt to market conditions. These transactions result in changes to the original contractual terms, usually at the request of the borrower, that concern aspects associated with the cost of debt, giving rise to an economic benefit for the borrower. Generally, the Group believes that, whenever it enters into a renegotiation in order to avoid losing the client, this renegotiation shall be considered as substantial, since, in its absence, the customer could obtain financing from another intermediary and the Group would see estimated future revenue decline;
  - the latter, offered for "credit risk reasons" (forbearance measures), are part of the Group's attempt to maximise the recovery of the cash flows of the original receivable. Following the modifications, usually the underlying risks and rewards have not been substantially transferred: therefore, the accounting presentation that provides the most relevant information to users of the financial statements (expect for the following discussion about objective factors) is the one made through "modification accounting" - whereby the difference between the carrying amount and the present value of modified cash flows discounted at the original interest rate is recognised through profit or loss - rather than derecognition;
- the existence of specific objective factors affecting the substantial modifications of the characteristics and/or contractual cash flows of the financial instrument (including, but not limited to, the modification of the type of counterparty risk the entity is exposed to) that are believed to require derecognising the asset because of their impact (estimated to be significant) on the original contractual cash flows.

As at 30 June 2026, the impact on the Banca Ifis Group of trade renegotiations or concessions constituting "modification without derecognition" under IFRS 9 is essentially nil.

Securitisation transactions

This section does not include securitisation transactions in which the originator is a bank belonging to the same prudential group and the total liabilities issued (e.g. ABS securities, loans during the warehousing phase, etc.) by the vehicle companies are subscribed at the time of issue by one or more companies belonging to the same prudential group. In other words, self-securitisations fully subscribed by companies belonging to the Banca Ifis Group's prudential consolidation, such as those of the vehicles Ifis Npl 2021-1 SPV S.r.l., Emma S.P.V. S.r.l. and Indigo Lease S.r.l.), are dealt with in a later section on liquidity risk to which reference should be made.

The Banca Ifis Group has prepared a “Group Policy for the Management of Securitisation Transactions in the Role of Originator/Promoter/Investor”, with which it regulates the process of managing securitisation transactions in the event that it intervenes in the role of “originator” (i.e. a party that participated in the original contract that created the obligations that originated the securitised exposures or that acquired the exposures of a third party and subsequently proceeds to their securitisation) of “investor” (i.e. a person underwriting the securities) or “sponsor” (i.e. a person structuring the transaction as defined in Art. 2 of EU Regulation 2017/2402). For each potential case, the policy sets out the responsibilities of the organisational units and corporate bodies, with reference to both the due diligence process and the ongoing monitoring of the transaction.

Outstanding securitisation transactions at 30 June 2026 are listed below.

Ifis ABCP Programme securitisation

In 2016, Banca Ifis launched a three-year revolving securitisation of trade receivables due from account debtors. After Banca Ifis (originator) initially reassigned the receivables for 1.254,3 million Euro, in 2018, the vehicle named Ifis ABCP Programme S.r.l. issued 850 million Euro, increased to 1.000 million Euro, worth of senior notes subscribed for by the investment vehicles owned by the banks that co-arranged the transaction, simultaneously with the two-year extension of the revolving period. An additional tranche of senior notes, with a maximum nominal amount of 150 million Euro, initially issued for 19,2 million Euro, and that was subsequently adjusted based on the composition of the assigned portfolio, was subscribed for by Banca Ifis. In 2019, this portion was first partially repaid by the vehicle, then sold to a third-party bank for a total residual value of 98,9 million Euro. The difference between the value of the receivables portfolios and the senior notes issued represents the credit granted to the notes' bearers, which consists in a deferred purchase price (DPP).

At the end of June 2024, this securitisation was restructured to a value of 1,2 billion Euro. This 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. Overall, the restructuring involved maintaining the current structural features, net of the extension of the revolving period for a period of 24 months, the extension of the final maturity date of the securities and a revision of the economic conditions applied. The securities of the securitisation are today listed on the ExtraMOT PRO segment of Borsa Italiana. This restructuring transaction did not have any impact on the Banca Ifis Group's economic and equity position.

In June 2026, the transaction was restructured again, resulting in an increase in the maximum value as well as in the number of investors. In this case, on 25 June 2026, the vehicle Ifis ABCP Programme S.r.l. issued new senior notes, subscribed for by the investment vehicles owned by the banks that co-arranged the transaction, with a final maturity date of June 2030, a total nominal amount of 1.400,0 million Euro and a corresponding initial issue value of 1.082,1 million Euro. The Parent Company Banca Ifis subscribed to these senior securities for a portion equal to 5% of the total issued, corresponding to a nominal amount of 70,0 million Euro and an initial issue amount of 54,1 million Euro. For this new issue too, the difference between the value of the receivables portfolios and the senior notes issued constitutes the credit granted to the notes' bearers in the form of a deferred purchase price (DPP).

Banca Ifis acts as servicer, performing the following tasks:

- following collection operations and monitoring cash flows on a daily basis;
- reconciling the closing balance at every cut-off date;
- verifying, completing and submitting the service report with the information on the securitised portfolio requested by the vehicle and the banks at every cut-off date.

As part of the securitisation programme, the Bank sends the amount it collects to the vehicle on a daily basis, while the new portfolio is assigned approximately six times each month; this ensures a short time lapse between the outflows from the Bank and the inflows associated with the payment of the new assignments.

Only part of the securitised receivables due from account debtors are recognised as assets - especially for the portion that the Bank has purchased outright, resulting in the transfer of all risks and rewards to the buyer. Therefore, the tables in the quantitative disclosure show only this portion of the portfolio.

In compliance with IAS/IFRS accounting standards, currently the securitisation process does not involve the substantial transfer of all risks and rewards, as it does not meet derecognition requirements. In addition, the vehicle Ifis ABCP Programme S.r.l. was consolidated because, following an analysis of the requirements set forth in IFRS 10, it was found to be subject to the control of Banca Ifis (for further details, see the paragraph on “Scope and methods of consolidation” of the section on “Accounting policies” of these Notes).

The maximum theoretical loss for Banca Ifis is represented by the losses that could potentially arise within the portfolio of assigned receivables, and the impact would be the same as if the securitisation programme did not exist; therefore, the securitisation has been accounted for as follows:

- the securitised receivables purchased outright were recognised under “receivables due from customers”, subitem “factoring”;
- the funds raised from the issue of senior notes subscribed for by third parties were recognised under “debt securities issued” of the balance sheet liabilities;
- the interest on the receivables was recognised under the same item of the income statement “interest receivable and similar income”;
- the interest on the notes was recognised under “interest due and similar expenses”, sub-item “debt securities issued”;
- the arrangement fees were fully recognised in profit or loss in the year in which the programme was launched.

Other securitisations

As at 30 June 2026, the Banca Ifis Group holds a portfolio of securities issued by securitisation vehicles for a total of 1,3 billion Euro, of which 1,1 billion Euro measured at amortised cost, 151,1 million Euro measured at fair value through other comprehensive income and 75,4 million Euro measured at fair value through profit or loss. Such data includes:

- multi-originator securitisations in which the Group assumed, together with other banks, also the role of originator. The Group subscribed for securities with a carrying amount at 30 June 2026 of 536,9 million Euro. For more details, please refer to the paragraph “Financial assets sold and derecognised in full” below, within the subsection “Disposal transactions” of this section on “Prudential consolidation risks”;
- single-tranche securities characterised by a carrying amount at 30 June 2026 of 26,4 million Euro (32,6 million Euro at 31 December 2025);
- securities with underlying non-financial assets with a carrying amount at 30 June 2026 of 11,6 million Euro.

This securitisation portfolio totalling 1,3 billion Euro includes 1,0 billion Euro in balances from third-party securitisations of the illimity Group. With reference to these securitisations deriving from the illimity Group, the valuations of the senior notes were subject to specific assessments involving the relevant corporate functions. In particular, the business functions are responsible for evaluating the future recovery flows of the underlying Npl loans. These recovery flows were revised both as a result of ordinary events (e.g. servicer reviews), and to take into account extraordinary events (i.e. specific judgements relating to credits whose recovery is judicial), as well as the results of the due diligence carried out in the context of the acquisition by the Banca Ifis Group. These assessments were also the subject of specific periodic audits.

Disposals

Financial assets sold and not fully derecognised

Transfer transactions that did not result in the derecognition of the underlying financial assets are represented by:

- securitisation transactions of credit exposures to customers;
- repurchase agreements (repos) on securities owned, mainly classified in the portfolios "Financial assets measured at fair value through other comprehensive income" and "Financial assets measured at amortised cost".

In the case of repurchase agreements, the non-derecognition of the security, which is the subject of a spot sale, derives from the fact that the Group retains substantially all the risks and rewards associated with the security, having the obligation to repurchase it forward at a contractually agreed price. The securities being transferred therefore continue to be shown in the accounting portfolios to which they belong; the consideration for the transfer is recognised under "Financial liabilities measured at amortised cost: a) payables due to banks or b) payables due to customers", depending on the type of counterparty. In this regard, it should be noted that the following tables do not represent repurchase agreements on securities not recorded in the balance sheet, if the availability of the same results from reverse repurchase agreements.

For securitisation transactions, described in paragraph "C. Securitisation transactions" above, the non-derecognition follows the Group's subscription of the tranches of junior securities or similar exposures, which entail the risk of first losses for the Group and, likewise, the benefit associated with the return on the portfolio of transferred assets. In exchange for the transfer, the consideration received is recognised as a balancing entry to a liability to the special purpose vehicle, net of any tranches of securities subscribed or drawdowns of forms of liquidity support in favour of the vehicle in order to make principal payments. The loan thus recorded to the special purpose vehicle will be reduced by the sums collected by the originator, as "servicer", and transferred to the same vehicle.

Financial assets sold and not derecognised in full with recognition of continuing involvement

The Group has not entered into any disposal transactions for which disclosure is required under IFRS 7.

Financial assets sold and fully derecognised

At 30 June 2026, the Group held securitised securities and mutual fund units acquired as a result of transactions involving the sale of financial assets that were derecognised in full during the first half of 2026 and in previous years. These transactions involved the transfer of financial assets, consisting of loans, by the Group, to securitisation special purpose entities or mutual funds and their derecognition in accordance with IFRS 9, following verification that the originator itself (the Parent Company Banca Ifis or other Group companies) had substantially transferred the risks and rewards of the transferred assets and had simultaneously retained no control over those assets. Instead of these derecognised assets, securitised securities or fund units received in the same transactions have been recognised as financial assets.

Below is information provided on multi-originator sales of loan portfolios, in particular of "unlikely to pay" loans - that are attributable to the assignment of loans to a mutual fund with allocation of the relevant shares to the assigning intermediaries or securitisation SPVs.

The following table provides details of the funds and other assets held (e.g. securitisation securities), showing the fund management company (or vehicle company in the case of securitisation transactions) of the carrying amount at 30 June 2026.

Transaction name	Carrying amount at 30.06.2026 (in thousand Euro)	Asset management company or SPV
Fondo Keystone	37.234	Kryalos SGR
illimity Credit & Corporate Turnaround Fund	5.005	Fürstenberg SGR (formerly illimity SGR)
City Regeneration Fund	8.243	Redo SGR
IDeA Corporate Credit Recovery (CCR) I – Comparto Crediti	4.452	Dea Capital Alternative Funds SGR
IDeA Corporate Credit Recovery (CCR) II – Comparto Crediti	5.926	Dea Capital Alternative Funds SGR
IDeA Corporate Credit Recovery (CCR) II – Comparto Shipping	62	Dea Capital Alternative Funds SGR
BCC NPLs 2020	22.215	BCC NPLs 2020 S.r.l.
BCC NPLs 2021	3.066	BCC NPLs 2021 S.r.l.
Luzzatti POP NPLs 2024 S.r.l.	8.977	Luzzatti POP NPLs 2024 S.r.l.
Luzzatti POP NPLs 2025 S.r.l.	28.608	Luzzatti POP NPLs 2025 S.r.l.
Fondi Olympus	271.661	Finint Investments SGR
Fondo UTP Italia	19.999	Sagitta SGR
Fondo UTP Persefone	12.750	P&G SGR
Fondo iREC	31.878	Fürstenberg SGR (formerly illimity SGR)
Fondo Granulare NPL	3.233	Fürstenberg SGR (formerly illimity SGR)
Fondo UTP Restructuring	16.523	Sagitta SGR
Vela 1	239.496	Vela 2023 SPV S.r.l.
Vela 2	93.374	Bolina SPV S.r.l.
Vela 3	119.976	Zefiro SPV S.r.l.
Mela	12.886	Aporti S.r.l. - Comparto V
Bela	10.052	Bela 2022 SPV S.r.l.

Transactions completed during the first half of 2026

Fondo Keystone

A closed-end mutual investment fund reserved for professional investors for the management and optimisation of mainly unlikely-to-pay (UTP) receivables, established in February 2022 by Kryalos SGR and aimed at maximising the recovery, including through the use of new finance, of the receivables contributed to the fund.

In January 2026, illimity Bank subscribed for units with a total initial fair value of 39,4 million Euro in connection with the sale of certain impaired “single name” loans to the fund. The value of illimity Bank's stake in the fund is approximately 9.1%.

The carrying amount of the fund at 30 June 2026 is 37,2 million Euro.

Transactions concluded in previous years

“illimity Credit & Corporate Turnaround” fund

Restructuring fund managed by Fürstenberg SGR (which, before 18 December 2025 was called illimity SGR), established in 2021 with the objective of purchasing non-performing loans owed by banks to companies engaged in restructuring processes.

The subscription of the fund's shares by the Parent Company Banca Ifis took place in April 2024 with an investment of 7,4 million Euro, an amount coinciding with the price of the sale of loans due in respect of an automotive company. At the time of subscription, the Parent Company's investment amounted to 3,3% of the fund, and subsequently various closures took place, which did not affect Banca Ifis, and which reduced the fund's participation to 2,68%.

A first distribution was received in 2024. The carrying amount of the units held by Banca Ifis at 30 June 2026 is 5,0 million Euro.

City Regeneration Fund

A closed-end real estate alternative investment fund reserved for professional investors established in November 2020 with the objective of making sustainable investments in real estate initiatives aimed at urban regeneration and having a social impact, with a focus on Social Housing, Senior Living and Student Housing.

In November 2023, Banca Ifis sold its claim against a single debtor, the owner of the largest urban regeneration project in Italy, with a nominal amount of 9,2 million Euro and a carrying amount of 5,9 million Euro. For this transaction, Banca Ifis received units of the City Regeneration Fund, entered at a fair value of 6,3 million Euro.

As at 30 June 2026, the carrying amount of the Banca Ifis share was 8,2 million Euro.

IDeA CCR I - Comparto Crediti

Fund established in January 2016, with the objective of purchasing non-performing loans and instruments claimed by banks from companies involved in restructuring processes.

Banca Ifis became a shareholder in July 2019, as part of the last closing realised by the fund, through the subscription of units worth 15,9 million Euro, in conjunction with the sale to the fund of receivables and equity instruments owed to an operator in the automotive segment. Banca Ifis's share of the Fund is 13,66% of the sub-fund. In 2024, having reached maturity, the fund was put into liquidation. The sub-fund's management team is focused on selling the last asset in the portfolio from which the final redemption of units will be derived.

The carrying amount at 30 June 2026 is 4,5 million Euro.

IDeA CCR II - Comparto Crediti

Fund established in 2017, a replica of the CCR I fund launched previously, with the objective of purchasing non-performing loans and instruments claimed by banks from companies involved in restructuring processes.

In 2017, Banca Ifis subscribed units for a total initial value of 8,8 million Euro in conjunction with the assignment to the Fund of its claim against a single debtor operating in the manufacturing sector.

At the time of subscription, Banca Ifis's share in the sub-fund was 3,72%. As a result of the subsequent closings implemented by the Fund, in which Banca Ifis did not participate, the Fund's shareholding in the sub-fund was reduced to 0,44%.

In December 2024, Banca Ifis subscribed a further 209,910 units in the fund for an equivalent amount of 3,8 million Euro in conjunction with the assignment to it of its claim against a company operating in the furnishings sector. At the time of subscription, the new units represented 0,64% of the total units issued. Following further closures by the end of the year, the percentage dropped to 0,53% for a value of 3,1 million Euro.

Over the years, various distributions have been made in favour of shareholders. The carrying amount at 30 June 2026 is 5,9 million Euro.

IDeA CCR II - Comparto Shipping

Sub-fund established in 2018 within the CCR II Fund launched in 2017, specifically for non-performing loans arising from transactions with ship operators. The sub-fund is denominated in US dollars.

The subscription of the sub-fund's shares by Banca Ifis took place in December 2018 with an investment of 37,7 million Dollar, an amount coinciding with the price of the sale of ship mortgage-backed loans to as many operators. Banca Ifis's shareholding represents 19,34% of the sub-fund's units.

Over the years, the Fund has made significant distributions from the proceeds realised through the restructuring of receivables, repossession of ships and the subsequent sale of part of them, greatly anticipating the recovery expected by shareholders. The carrying amount at 30 June 2026 is 0,1 million Euro.

In addition to the above, again with a view to pursuing de-risking activities, Banca Ifis participated in two multi-originator securitisation transactions in 2020 and 2021, respectively.

“BCC NPLs 2020” securitisation

multi-originator transaction whereby, in November 2020, 90 banks, 88 of which belong to the Iccrea Cooperative Banking Group and two banks outside the group (Banca Ifis and Banca Popolare Valconca), completed the sale of an equal number of portfolios of non-performing loans classified as bad loans at the date of sale for a total credit claim of 2,3 billion Euro (of which 249,0 million Euro related to the portfolio sold by Banca Ifis) in favour of a vehicle company (“BCC NPLs 2020 S.r.l.”) set up pursuant to Law 130/1999 through the realisation of a securitisation backed by the State guarantee on the liabilities issued (referred to as “GACS”) pursuant to L.D. No. 18 of 14 February 2016.

BCC NPLs 2020 S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of approximately 585 million Euro, structured into the following classes:

- 520 million Euro of Senior Securities (of which a nominal 55 million Euro subscribed by Banca Ifis), maturing in January 2045 and with Baa2 and BBB ratings issued by Moody's Italia S.r.l. and Scope, respectively;
- 41 million Euro in Mezzanine Notes maturing in January 2045, with rating Caa2 and CC assigned respectively by Moody’s Italia S.r.l. and Scope;
- 24 million Euro in Junior Notes maturing in January 2045, unrated.

The mezzanine securities and the junior securities were subscribed by independent investors having no relationship and/or ties with the originator banks, it being understood that each originator bank, including the Parent Company Banca Ifis, undertook to maintain a share of at least 5% of the nominal amount of each tranche of securities issued in the context of the transaction.

In the context of this transaction, the Parent Company Banca Ifis benefited from the accounting and prudential derecognition of the transferred assets. The carrying amount at 30 June 2026 is 22,1 million Euro for senior units, and 163 thousand Euro for mezzanine units, and junior units are of negligible value.

“BCC NPLs 2021” securitisation

Multi-originator transaction whereby, in November 2021, 77 banks, 74 of which belong to the Iccrea Cooperative Banking Group and 3 banks outside the group (Banca Ifis, Cassa di Risparmio di Asti and Guber Banca), completed the sale of an equal number of portfolios of non-performing loans classified as bad loans at the date of sale for a total credit claim of 1,3 billion Euro (of which 86,9 million Euro related to the portfolio sold by Banca Ifis) in favour of a vehicle company (“BCC NPLs 2021 S.r.l.”) set up pursuant to Law 130/1999 through the realisation of a securitisation backed by the State guarantee on the liabilities issued (referred to as “GACS”) pursuant to L.D. No. 18 of 14 February 2016.

BCC NPLs 2021 S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of 336,5 million Euro, structured into the following classes:

- 284 million Euro of Senior Securities (of which a nominal 7,8 Euro subscribed by Banca Ifis), maturing in April 2046 and with Baa2, BBB and BBB ratings issued by Moody's Italia S.r.l., Scope and Arc Rating S.A., respectively;
- 39,5 million Euro in Mezzanine Notes maturing in April 2046, with rating Caa2, CCC and CCC+ assigned respectively by Moody's Italia S.r.l., Scope and Arc Rating S.A., respectively;
- 13 million Euro in Junior Notes maturing in April 2046, unrated.

The mezzanine securities and the junior securities were subscribed by independent investors having no relationship and/or ties with the originator banks, it being understood that each originator bank, including the Parent Company Banca Ifis, undertook to maintain a share of at least 5% of the nominal amount of each tranche of securities issued in the context of the transaction.

In the context of this transaction, Banca Ifis benefited from the accounting and prudential derecognition of the transferred assets. The carrying amount at 30 June 2026 is 3,0 million Euro for senior units, and 91 thousand Euro for mezzanine units, and junior units are of negligible value.

Luzzatti POP NPLs 2024

In December 2024, the subsidiary Ifis Npl Investing took part in the multi-originator securitisation transaction called “Popolari NPLs 2024” involving loans owned by nine banks or financial intermediaries, including Ifis Npl Investing, deriving from mortgage or unsecured non-performing loans. The transaction was finalised with the acquisition of the loans by the special purpose vehicle company Law No. 130/1999 called Luzzatti POP NPLs 2024 S.r.l. and entailed for Ifis Npl Investing the sale of a non-performing loans portfolio (entirely made up of unsecured positions undergoing amicable collection) for a carrying amount of 10,3 million Euro and a residual nominal amount of 24,3 million Euro.

The securities were issued in three classes: a senior class offered for subscription to each of the originators at par and pro-rata and with an investment grade BBB area rating; a mezzanine class and a junior class both placed by IMI on the institutional market net of a 5% share subscribed by the originators in accordance with the provisions on the maintenance of a significant net economic interest (referred to as “risk retention”). Following Ifis Npl Investing's pro-rata subscription of the senior securities, they were sold to the parent company Banca Ifis, net of a 5% share retained by Ifis Npl Investing.

The amount of senior securities at 30 June 2026 is 8,2 million Euro for Banca Ifis and 0,4 million Euro for Ifis Npl Investing, while the carrying amount of mezzanine and junior securities held by Ifis Npl Investing is essentially null.

In order to support the rating of the senior securities, Ifis NPL Investing and the other assignors finalised a Limited Recourse Loan with the special purpose vehicle Luzzatti POP NPLs 2024 S.r.l., aimed mainly at financing, in a manner commensurate with the price of the portfolio respectively sold, the initial cash reserve of the vehicle. As at 30 June 2026, the amount disbursed by Ifis Npl Investing was 0,3 million Euro.

Luzzatti POP NPLs 2025

In December 2025, the subsidiary Ifis Npl Investing took part in the multi-originator securitisation transaction called “Popolari NPLs 2025” involving loans owned by various banks or financial intermediaries, including Ifis Npl Investing, deriving from mortgage or unsecured non-performing loans. The transaction, worth a total of 333 million Euro, was finalised with the acquisition of the loans by the special purpose vehicle company Law No. 130/1999 called Luzzatti POP NPLs 2025 S.r.l., and entailed for Ifis Npl Investing the sale of a non-performing loans portfolio with a carrying amount of 23,5 million Euro.

The bonds were issued in three classes:

- a senior class totalling 35 million Euro, offered for subscription to each of the originators at par and pro rata and with a BBB+ rating;
- a mezzanine class and a junior class, respectively for 6 million Euro and 1 million Euro, both placed by IMI on the institutional market net of a 5% share subscribed by the sellers in accordance with the provisions on the maintenance of a significant net economic interest (the so-called “risk retention”).

Following Ifis Npl Investing's pro-rata subscription of the senior securities, they were sold to the parent company Banca Ifis, net of a 5% share retained by Ifis Npl Investing.

The amount of senior securities at 30 June 2026 subscribed by the Group is 25,8 million Euro for Banca Ifis and 1,4 million Euro for Ifis Npl Investing, while the carrying amount of mezzanine and junior securities held by Ifis Npl Investing totals 15 thousand Euro.

In order to support the rating of the senior securities, Ifis NPL Investing and the other assignors finalised a Limited Recourse Loan with the special purpose vehicle Luzzatti POP NPLs 2025 S.r.l., aimed mainly at financing, in a manner commensurate with the price of the portfolio respectively sold, the initial cash reserve of the vehicle. As at 30 June 2026, the amount disbursed by Ifis Npl Investing was 1,4 million Euro.

Fondi Olympus

Closed-end alternative investment mutual funds reserved for professional investors established in September 2023 by Finint Investments SGR and aimed at optimising and enhancing the economic, income and financial profile of the assets raised during the start-up phase of the Funds' operations with underlying non-performing loans and real estate assets.

In 2023, illimity Bank subscribed for units with a total initial fair value recognition value of 354,5 million Euro in connection with the sale of a portfolio of assets consisting of non-performing loans, securitisation notes, real estate and equity financial instruments to the funds. The value of illimity Bank's stake in the two funds is approximately 48%. Another leading Italian bank participates in the fund, holding 52% of the shares of the two funds.

Over the years, various distributions have been made in favour of shareholders. The carrying amount of the two funds at 30 June 2026 is 271,7 million Euro.

Fondo UTP Italia

A closed-end alternative investment fund reserved for professional investors, established in November 2022 by Sagitta SGR, for the investment in mortgage and unsecured unlikely to pay loans contributed (or acquired) by banks and/or servicers.

In 2023, illimity Bank subscribed to units with a total initial fair value of 29,3 million Euro in connection with the sale of an asset portfolio of non-performing loans to the fund. illimity Bank's stake in the fund was initially around 7,2% (later diluted by subsequent contributions from other banks). Other leading Italian banks participate in the fund.

Over the years, various distributions have been made in favour of shareholders. The carrying amount of the fund at 30 June 2026 is 20,0 million Euro.

Fondo Persefone

A closed-end alternative investment fund for professional investors established in March 2022 by illimity SGR (now Fürstenberg SGR). It focuses on the management and optimisation of non-performing loans portfolios, mainly in the form of UTPs (unlikely to pay), secured by real estate assets.

In 2023, illimity Bank subscribed to units with a total initial fair value of 13,5 million Euro in connection with the sale of an asset portfolio of non-performing loans to the fund. illimity Bank's stake in the fund was initially around 12% (later diluted to approximately 10% by subsequent contributions from other banks). Other leading Italian banks participate in the fund.

During the year, distributions have been made in favour of shareholders. The carrying amount of the fund at 30 June 2026 is 12,8 million Euro.

Fondo iREC

A closed-end alternative investment fund for professional investors established in March 2022 by illimity SGR (now Fürstenberg SGR). It focuses on the management and optimisation of non-performing loans portfolios, mainly in the form of UTPs secured by real estate assets.

In 2022, illimity Bank subscribed, in a series of successive contributions, to units with a total initial fair value of 20,6 million Euro in connection with the sale of an asset portfolio of non-performing loans to the fund. Subsequently, in the course of 2023, illimity Bank contributed additional non-performing loans to the fund for a recognised value of approximately 20 million Euro, resulting in an increase of its shareholding to 24,5% (a share that was eventually diluted to 17% due to subsequent contributions by other shareholders). Other leading Italian banks participate in the fund.

Over the years, various distributions have been made in favour of shareholders. The carrying amount of the fund at 30 June 2026 is 31,9 million Euro.

Fondo Granulare NPL

A closed-end alternative investment fund for professional investors established in June 2024 by illimity SGR (now Fürstenberg SGR). It focuses on the management and optimisation of non-performing loans portfolios mainly of small and medium-sized enterprises (SMEs).

In 2024, illimity Bank subscribed to units with a total initial fair value of 3,8 million Euro in connection with the sale of an asset portfolio of non-performing loans to the fund. The value of illimity Bank's stake in the fund is approximately 22%. Other leading Italian banks participate in the fund.

The carrying amount of the fund at 30 June 2026 is 3,2 million Euro.

Fondo UTP Restructuring

A closed-end alternative investment fund reserved for professional investors set up in February 2024 by Sagitta SGR, established through the contribution of 'single name' non-performing loans from leading Italian banks to Italian mid-large corporates.

In 2024, illimity Bank subscribed for units with a total initial fair value of 29,5 million Euro in connection with the sale of certain impaired 'single name' loans to the fund. The value of illimity Bank's stake in the fund was initially around 12,8% (later diluted to 11,4% due to subsequent contributions by other banks). Other leading Italian banks participate in the fund.

The carrying amount of the fund at 30 June 2026 is 16,5 million Euro.

"Vela 1" securitisation

Securitisation transaction finalised in March 2024 whereby illimity Bank sold a portfolio of performing loans (mainly consisting of PPC - Public Procurement Claims) and a portfolio of non-performing loans to the vehicle Vela 2023 SPV S.r.l..

Vela 2023 SPV S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of approximately 442 million Euro:

- senior notes: total nominal 353,6 million Euro (80% of total notes issued) fully subscribed/purchased by illimity Bank;
- mezzanine notes: total nominal 46,2 million Euro (10,45% of total notes issued) subscribed/purchased by a third-party investor for 95% (43,9 million Euro) and by illimity Bank for 5% (2,3 million Euro in compliance with regulatory risk retention obligations);
- junior notes: total nominal 42,2 million Euro (9,55% of total notes issued) subscribed/purchased by a third-party investor for 95% (40,1 million Euro) and by illimity Bank for 5% (2,1 million Euro in compliance with regulatory risk retention obligations);

In favour of illimity Bank there is also an additional remuneration consisting of a detachable coupon, up to a further nominal maximum of 25 million Euro cash flows, subordinate to the full repayment of the senior notes.

The mezzanine and junior securities were underwritten by an independent, third-party investor with no relationship and/or ties to illimity Bank. In the context of this transaction, illimity Bank benefited from the accounting derecognition of the transferred assets.

The carrying amount at 30 June 2026 was 239,5 million Euro, entirely referring to the senior notes as the mezzanine notes, the detachable coupon and the junior notes were fully impaired. These notes are classified as purchased credit-impaired (POCI) financial assets.

"Vela 2" securitisation

Securitisation transaction finalised in June 2024 whereby illimity Bank sold a portfolio of non-performing loans to the vehicle Bolina SPV S.r.l.

Bolina SPV S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of 185,2 million Euro:

- senior notes: total nominal 148,2 million Euro (80% of total notes issued) , fully subscribed/purchased by illimity Bank;
- junior notes: total nominal 37 million Euro (20% of total notes issued) subscribed/purchased by a third-party investor for 95% (35,1 million Euro) and by illimity Bank for 5% (1,9 million Euro in compliance with regulatory risk retention obligations);

The junior notes were underwritten by an independent, third-party investor who has no relationship and/or ties with illimity Bank. In the context of this transaction, illimity Bank benefited from the accounting derecognition of the transferred assets.

The carrying amount at 30 June 2026 is 93,4 million Euro for the senior notes, while the junior notes were fully impaired. These notes are classified as purchased credit-impaired (POCI) financial assets.

"Vela 3" securitisation

Securitisation transaction finalised in July 2024 whereby illimity Bank sold a portfolio of non-performing loans to the vehicle Zefiro SPV S.r.l.

Zefiro SPV S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of approximately 272,8 million Euro:

- senior notes: total nominal 218,2 million Euro (80% of total notes issued) fully subscribed/purchased by illimity Bank;
- junior notes: total nominal 54,6 million Euro (20% of total notes issued) subscribed/purchased by a third-party investor for 95% (51,9 million Euro) and by illimity Bank for 5% (2,7 million Euro in compliance with regulatory risk retention obligations);

The junior notes were underwritten by an independent, third-party investor who has no relationship and/or ties with illimity. In the context of this transaction and its specific features, illimity Bank proceeded to derecognise the transferred assets for accounting purposes.

The carrying amount at 30 June 2026 totals 120,0 million Euro for the senior notes, while the junior notes were fully impaired. These notes are classified as purchased credit-impaired (POCI) financial assets.

"Mela" securitisation

Securitisation transaction finalised in June 2021 whereby illimity Bank sold to the vehicle Aporti S.r.l. - Comparto V a portfolio of non-performing loans.

Aporti S.r.l. - Comparto V financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of 78,2 million Euro:

- senior notes: total nominal 64,7 million Euro (82,7% of total notes issued) fully subscribed/purchased by illimity Bank;
- mezzanine notes: total nominal 9,5 million Euro (12,1% of total notes issued) subscribed/purchased by a third-party investor for 95% (9 million Euro) and by illimity Bank for 5% (0,5 million Euro in compliance with regulatory risk retention obligations);
- junior notes: total nominal 4 million Euro (5,2% of total notes issued) subscribed/purchased by a third-party investor for 95% (3,8 million Euro) and by illimity Bank for 5% (0,2 million Euro in compliance with regulatory risk retention obligations);

The mezzanine and junior notes were underwritten by an independent, third-party investor who has no relationship and/or ties with illimity Bank. In the context of this transaction, illimity Bank benefited from the accounting derecognition of the transferred assets.

Approximately 30,1% of the senior note was therefore sold on the market in December 2021, as a result of which illimity Bank holds approximately 69.86% of the senior note issued by the vehicle Aporti S.r.l.- Comparto V.

The carrying amount at 30 June 2026 totals 12,9 million Euro, of which 12,8 million Euro for senior notes and 0,1 million Euro for mezzanine notes, while the value of junior notes was immaterial.

"Bela" securitisation

Securitisation transaction finalised in April 2022 whereby illimity Bank sold a portfolio of non-performing loans to the vehicle Bela 2022 SPV S.r.l..

Bela 2022 SPV S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of 74,1 million Euro:

- senior notes: total nominal 60 million Euro (81% of total notes issued) fully subscribed/purchased by illimity Bank;
- mezzanine notes: total nominal 10 million Euro (13,5% of total notes issued) subscribed/purchased by a third-party investor for 95% (9,5 million Euro) and by illimity Bank for 5% (0,5 million Euro in compliance with regulatory risk retention obligations);
- junior notes: total nominal 4,1 million Euro (5,5% of total notes issued) subscribed/purchased by a third-party investor for 95% (3,9 million Euro) and by illimity Bank for 5% (0,2 million Euro in compliance with regulatory risk retention obligations);

The mezzanine and junior notes were underwritten by an independent, third-party investor who has no relationship and/or ties with illimity Bank. In the context of this transaction, illimity Bank benefited from the accounting derecognition of the transferred assets.

The carrying amount at 30 June 2026 is 10,1 million Euro, entirely referring to the senior notes as the mezzanine and junior notes were fully impaired. These notes are classified as purchased credit-impaired (POCI) financial assets.

Covered bond transactions

The Banca Ifis Group did not engage in any covered bond transactions.

Prudential consolidation - models for measuring credit risk

The Banca Ifis Group does not have internal portfolio models on credit risk (VaR methodology).

Market risks

Interest rate risk and price risk - supervisory trading book

General aspects

In the first half of 2026, the investment strategy continued, as regulated in the "Banca Ifis Proprietary Portfolio Management Policy" and in the "Policy for Managing Securitisation & Structured Solutions investment operations" is structured to coincide with the risk appetite formulated by the Board of Directors under the scope of the Risk Appetite Framework (RAF) and laid out in the "Group Market Risk Management Policy", as well as with the system of objectives and limits.

Consistent with the conservative "stance" outlined in the above-mentioned documents, for the first half of 2026, the overall investment strategy focused on risk containment, implemented mainly by seeking out securities characterised by high liquidity and a strategy of steady returns over the medium term. During the course of the period, however, it was decided to gradually increase the duration of the portfolio, with a simultaneous increase in the value invested, in order to pursue greater stability of interest flows in the face of expected declining future returns. The change in portfolio composition was accompanied by continuous monitoring of the exposure of the risks it generated. Compliance with the risk limits set by the Banca Ifis Group has always been verified on an ongoing basis by the Risk Management function. With the acquisition of illimity Bank, the strategic guidelines of the Parent were naturally extended to the new subsidiary and the other companies of the illimity Group and, therefore, the latter months of 2025 and the first quarter of 2026 saw an alignment of the two companies' strategies and procedures.

It should also be noted that starting 2024, certain hedge accounting (micro fair value hedge) transactions were put in place on certain equity securities measured at fair value with an impact on overall profitability, realised through combinations of call and put options and maturing within 36 months. The purpose of these transactions is to reduce the price risk of the underlying securities, and they continued during 2025 and the first half of 2026.

The component relating to the "trading book" from which the market risk in question originates was marginal with respect to the total investments in the banking book both in absolute terms of the risk values recorded and with respect to the established limits. The trading book mainly comprises options and futures deriving from hedging transactions and ancillary enhancements to the investment strategy in assets that are part of the "banking book" and "discretionary trading" portfolio, characterised by short-term speculation and marginal exposure.

Within the trading portfolio, there are also derivative transactions with corporate customers of the Banca Ifis Group as counterparty (almost entirely related to illimity Bank). These positions are managed 'by the book', continuously monitoring and managing the risk of Greeks generated by the portfolio. The risk metrics observed were extremely low.

Management procedures and measurement methods concerning interest rate risk and price risk

The guidelines on the assumption and monitoring of market risk are laid out on a Group level in the "Group Market Risk Management Policy", which also indicates, for the purpose of a more rigorous and detailed representation of the process activities, the metrics used for the measuring and monitoring of this risk.

In particular, the measurement and assessment of market risks is based on the various characteristics (in terms of time frame, investment instruments, etc.) of the investment strategies used in the documents "Banca Ifis Proprietary Portfolio Management Policy" and "Policy for Managing Securitisation & Structured Solutions investment operations", which defines and details the strategies to be pursued in terms of portfolio structure, operative instruments and assets.

Under this scope, the monitoring of the consistency of the Group's portfolio risk profiles in respect of the risk/return objectives is based on a system of limits (both strategic and operational), which envisages the combined use of various different indicators. More specifically, the following are defined:

- Maximum Acceptable Loss;
- Maximum negative gross financial impact;
- VaR (Value at Risk) limit;
- limits of sensitivity and Greeks;
- any limits to the type of financial instruments admitted;
- any composition limits;
- OCI reserve stock.

Respect for the limits assigned to each portfolio is checked daily.

The summary indicator used to assess exposure to the risks in question is the Value at Risk (VaR), which represents market best practice for monitoring risks arising from financial market operations. It should be noted, however, that VaR and the limits derived from it, while not used by the Group as a proprietary internal model for determining capital requirements, are used on an ongoing basis for management assessment purposes. In a broader perspective relative to financial market operations, the banking portfolio is also prudentially monitored according to the logic of market risks and subject to specific limits, i.e., the positions to which an HTC&S (Held to

Collect and Sell) business model is associated and recorded at fair value through other comprehensive income (FVOCI), as well as the positions recorded at fair value with impact on the income statement (FVTPL), whose changes in value could have significant impacts on the Group's reserves (and consequently on the carrying amounts) and/or income statement.

VaR is a statistical measure to estimate the loss that could occur as a result of adverse movements in risk factors.

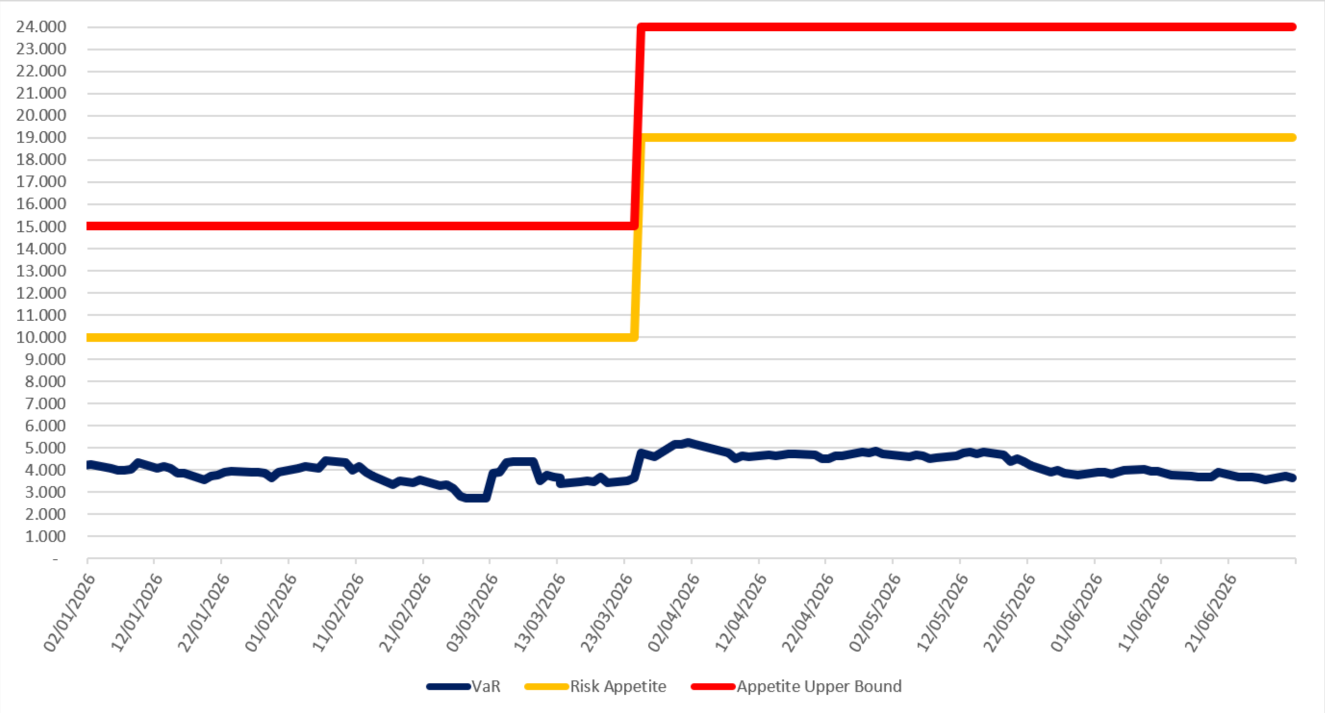
Specifically, the VaR is measured using a confidence interval of 99% and a holding period of 1 day; it expresses the "threshold" of daily losses that, on the basis of probabilistic hypotheses may only be surpassed in 1% of cases. The approach used to calculate the VaR is historical simulation. With this approach, the portfolio is re-valued, applying all variations to the risk factors recorded the previous year (256 observations). The values thus obtained are compared with the current portfolio value, determining the relevant series of hypothetical gains or losses. The VaR is the average of the second and third worst results.

The VaR is also divided, for monitoring purposes, amongst the risk factors referring to the portfolio.

In addition to the risk indications deriving from the VaR, the Expected Shortfall (ES), which expresses the daily loss that exceeds the VaR figure, and the Stressed VaRs, which represent VaR calculated in a particularly turbulent historical period, which in the specific case corresponds to the Italian debt crisis of 2011-2012 and the 2020 Covid-19 pandemic, are also used for monitoring purposes.

The forecasting capacity of the risk measurement model used is verified through a daily backtesting analysis in which the VaR for the positions in the portfolio at t-1 is compared with the profit and loss generated by such positions at t.

During the first half of 2026, Group VaR utilisation was well below the assigned limit at all times, partly as a result of the low volatility experienced by the various asset classes, as can be seen in the chart below. The figure at the end of June 2026 stands at 3,6 million Euro, against risk appetite levels of approximately 19 million Euro.



Interest rate risk and price risk - banking book

General aspects, management procedures and measurement methods concerning the interest rate risk and the price risk

The assumption of a significant interest rate risk is in principle unrelated to the management of the Group. However, it contributes to the generation of business income through the exercise of maturity swaps in accordance with the guidelines and limits governed by internal policies. In terms of breakdown of the balance sheet with reference to the types of risk in question, in respect of the liabilities, the main funding source is still the on-line savings accounts and current accounts (in particular Rendimax and illimityBank.com) structured into the technical forms of fixed-rate customer deposit accounts for the restricted component and the non index-linked variable rate that can be unilaterally revised by the Group in respect of the rules and contracts, for the technical forms of unrestricted demand and on-call current accounts. The other main components of funding concern fixed-rate bond funding, variable-rate securitisation operations, repurchase agreements at both fixed and variable rate and loans with the Eurosystem (referred to as LTRO, MRO and other types of ECB operations) at variable rates.

As for the assets, loans to customers still largely have floating rates as far as both trade receivables and corporate financing are concerned.

As for the operations concerning distressed retail loans mainly carried out by the subsidiaries Ifis Npl Investing and Ifis Npl Servicing, the first is characterised by a business model focused on acquiring receivables at prices lower than their nominal amount, there is a potential interest rate risk associated with the uncertainty about when the receivables will be collected.

As at 30 June 2026, the comprehensive bond portfolio mainly comprises government securities for a percentage of 89%; the modified average duration and average maturity of the portfolio are respectively 4,3 years and 6,3 years. A number of derivative positions are, however, recognised on these securities under hedge accounting, aimed at reducing the portfolio's interest rate risk (micro fair value hedge). Therefore, the average effective duration of the portfolio, including derivatives, at 30 June 2026 was 2.5 years.

The Capital Markets function is appointed to guarantee the rate risk management, which, in line with the risk appetite established, defines what action is necessary to pursue this. The Risk Management function is responsible for proposing the risk appetite, identifying the most appropriate risk indicators and monitoring the relevant performance of the assets and liabilities in connection with the pre-set limits. Top Management makes annual proposals to the Parent Company Banca Ifis Board as to the policies on lending, funding and the management of interest rate risk, as well as suggesting appropriate actions by which to ensure that operations are carried out consistently with the risk policies approved by the Group.

The Risk Management function periodically reports to the Parent Company's Board of Directors on the interest rate risk position by means of a specific monthly report prepared for the Parent Company's management.

The interest rate risk falls under the category of second-pillar risks. The guidelines on the assumption and monitoring of interest rate risk are laid out on a Group level in the “Group Banking Book Credit Spread and Interest Rate Risk Management Policy”, which also indicates, for the purpose of a more rigorous and detailed representation of the process activities, the metrics used for the measuring and monitoring of the risk in question. Monitoring is carried out at the consolidated level, including the new perimeter of the illimity Group to which the same measurement methodologies and processes already used for the rest of the Banca Ifis Group are applied.

Starting from 2023, the Banca Ifis Group hedges the interest rate risk. In particular, the Group adopts various “fair value hedge” type strategies, in which the hedging instruments are IRS plain vanilla derivative contracts and the “hedged items” are certain debt securities measured at amortised cost or at fair value through other comprehensive income. The acquisition of illimity Bank also led to the absorption of some derivatives under hedge accounting on previously unhedged instruments in the Banca Ifis Group. Specifically, in addition to the derivatives just mentioned on asset securities, there are hedges on a bond, again in the micro fair value hedge area, and some hedging transactions on customers' time deposits in the macro fair value hedge area.

The classification of the bonds held as "Financial assets measured at fair value through other comprehensive income" introduces the risk that the Group's reserves may fluctuate as a result of the change in their fair value. There is also a residual portion in equity securities, which belong to the major European indexes and are highly liquid, including "Financial assets measured at fair value through other comprehensive income". A part share of these assets are economically hedged through derivatives that are part of the trading book, not represented in the accounts through hedge accounting.

Below is the sensitivity analysis for the main balance sheet items, both assets and liabilities, with evidence of the effect of a 1 basis point movement up or down, also showing the relative duration alongside.

Macro item (figures in thousands of Euro)	Sensitivity -1bps	Sensitivity +1bps	Duration
1. On-balance-sheet assets	**4.252**	**(4.248)**	**2,11**
1.1 Debt securities	2.352	(2.350)	3,69
1.2 Loans to banks	2	(2)	0,02
1.3 Loans to customers	1.898	(1.896)	1,47
2. On-balance-sheet liabilities	**(2.037)**	**2.036**	**1,10**
2.1 Payables due to customers and securities issued	(1.830)	1.829	1,25
2.2 Payables due to banks	(207)	207	0,53
3.1 Hedging derivatives - variable leg	**456**	**(455)**	**1,40**
3.2 Hedging derivatives - fixed leg	**(1.136)**	**1.136**	**3,49**
Total	**1.534**	**(1.531)**	**0,63**

The following table shows the sensitivity analysis with reference to the impact at the level of the economic item "Net interest income", and consequently at the level of the pre-tax result for the period, of a change of 1 basis points up or down, set forth at the level of the associated interest-bearing asset components.

Macro item (figures in thousands of Euro)	Sensitivity -1 bps	Sensitivity +1 bps
Debt securities	(149,6)	149,6
Receivables due from banks	(79,2)	79,2
Receivables due from customers	(681,1)	681,0
Payables due to customers and debt securities issued	504,1	(504,0)
Payables due to banks	259,4	(259,3)
Hedging derivatives	(40,2)	40,2
Total	**(186,7)**	**186,7**

It should be noted that, as required by regulations, the values proposed in the above tables represent sensitivity analyses referring to a 12-month time horizon.

Foreign exchange risk

General aspects, management procedures and measurement methods of the currency risk

The assumption of currency risk, intended as an operating element that could potentially improve cash management performance, is not part of the Group's policies. The Banca Ifis Group's foreign currency operations largely involve collections and payments associated with factoring operations and in hedging assets in foreign currencies, like units of UCITS. In this sense, the assets in question are generally hedged with deposits and/or loans from other banks in the same currency, thus eliminating for the most part the risk of losses associated with exchange rate fluctuations. In some cases, synthetic instruments are used as hedging instruments.

A residual currency risk arises as a natural consequence of the mismatch between the clients' borrowings and the Capital Markets function's funding operations in foreign currency. Such mismatches are mainly a result of the difficulty in correctly anticipating financial trends connected with factoring operations, with particular reference to cash flows from account debtors vis-à-vis the maturities of loans granted to customers, as well as the effect of interest on them.

However, the Capital Markets function strives to minimise such mismatches every day, constantly realigning the size and timing of foreign currency positions.

Currency risk related to the Bank's business is assumed and managed according to the risk policies and limits set by the Parent Company's Board of Directors, with precise delegations of power limiting the autonomy of those authorised to operate, as well as especially strict limits on the daily net currency position.

The business functions responsible for ensuring the currency risk is managed correctly are: the Capital Markets function, which, amongst other duties, directly manages the Bank's funding operations and currency position; the Risk Management function, responsible for selecting the most appropriate risk indicators and monitoring them with reference to pre-set limits; and the Top Management, which every year, based on the Capital Markets function's proposals, shall consider these suggestions and make proposals to the Banca Ifis Board of Directors regarding policies on funding and the management of currency risk, as well as suggest appropriate actions during the year in order to ensure that operations are conducted consistently with the risk policies approved by the Group.

As regards the subsidiaries Ifis Finance Sp. z o.o. and Ifis Finance I.F.N. S.A., which operate on the Polish and Romanian markets, respectively, exposures in Polish zloty and leu from factoring activities are financed by funding in the same currency.

With the acquisition of the Polish subsidiary, Banca Ifis has assumed the currency risk represented by the initial investment in Ifis Finance Sp. z o.o.’s share capital for an amount of 21,2 million Zloty and the subsequent share capital increase for an amount of 66 million Zloty.

As instead for the Rumanian subsidiary Ifis Finance I.F.N. S.A., Banca Ifis assumed the exchange rate risk on its own at the time of its incorporation through the initial payment into the share capital totalling 14,7 million Romanian Leu and at the time of the payments of 9,6 million Leu, 24,7 million Leu and 49,0 million Leu as a capital increase respectively during the second half of 2022 and the first and second half of 2023.

The Risk Management function is committed to monitoring the set limits, aimed at verifying that the Group's exchange rate risk remains low. As at 30 June 2026, the total net position amounts to 5,6 million Euro (or 0,2% of own funds), with a maximum single-currency exposure of 2,9 million Euro.

Currency risk hedging

As far as the illimity Group is concerned, the exchange rate risk arising from the exposures of the banking portfolio is eliminated by systematically balancing them out, by funding/borrowing transactions in the same currency as the original transaction, and marginally through exchange rate derivative financial instruments. Relative to the residual perimeter, considering the size of this investment and the foregoing on the management method, the Bank did not deem it necessary to hedge the ensuing currency risk.

Derivative instruments and hedging policies

Derivative instruments held for trading

Financial derivatives

Please see the paragraph above on “Market risks”.

Credit derivatives

The Banca Ifis Group does not hold credit derivatives.

Hedges

Fair value hedging

The Banca Ifis Group's hedges are designed to reduce the Bank's overall exposure to interest rate risk caused by movements in the interest rate curve, as well as to the price risk, caused by market fluctuations. Specifically, the hedging strategies relate to:

- a “package” of specific hedges on fixed-rate securities in the Group's Proprietary Portfolio with which a “HTC” (Held to Collect) business model is associated. These are:
  - bank debt securities that pass the “SPPI test” prescribed by IFRS 9, and are therefore classified in the balance sheet item “Financial assets measured at amortised cost - receivables due from banks”;
  - government bonds issued by the Italian government (BTPs) that pass the “SPPI test” prescribed by IFRS 9, and are accordingly classified in the balance sheet item “Financial assets measured at amortised cost - receivables due from customers”;
- specific hedges on certain fixed-rate securities in the Group's Proprietary Portfolio with which a “HTC&S” (Held to Collect & Sell) business model is associated. These are Italian and foreign government securities that pass the “SPPI test” prescribed by IFRS 9, and are therefore classified in the balance sheet item “Financial assets measured at fair value through other comprehensive income”;
- specific hedges on certain equity securities for which the Banca Ifis Group has exercised the “OCI Option” envisaged by IFRS 9, and that are therefore classified in the balance sheet item “Financial assets measured at fair value through other comprehensive income”;
- specific hedges on a bond issue of illimity Bank, classified under “debt securities issued” in the liabilities;
- general hedges on certain deposit liabilities of illimity Bank, which are classified under the liability item 'Due to customers'.

In hedge accounting, the Group applies standard IFRS 9 and, at the reference date of these Condensed consolidated half-year financial statements, adopts specific hedges (micro fair value hedges) and general hedges (macro fair value hedges).

Within the micro fair value hedge, debt securities and equity securities on the asset side are hedged, as well as debt securities issued in the liabilities. Instead, macro fair value hedges cover deposits due to customers.

The main types of hedging derivatives used are:

- plain interest rate swaps (IRS), which are not listed on regulated markets but are traded on over-the-counter (OTC) circuits;
- put and call options.

Cash flow hedging

As at 30 June 2026, the Banca Ifis Group does not engage in cash flow hedges.

Foreign investment hedges

As at 30 June 2026, the Banca Ifis Group does not engage in net investment hedging in a foreign entity.

Hedging instruments

The main causes of ineffectiveness of the model adopted by the Group for verifying the effectiveness of hedges are attributable to the following phenomena:

- mismatch between the notional amount of the derivative and the underlying hedged item recognised at the time of initial designation or generated thereafter, such as in the case of any partial disposals of the hedged securities;
- application of different curves on the hedging derivative and the hedged item for the purpose of performing the effectiveness test on fair value hedges. Derivatives are discounted to Overnight curves, while hedged items are discounted to the indexation curve of the hedging instrument;
- inclusion in the effectiveness test of the value of the variable leg of the hedging derivative, assuming a fair value hedge.

The ineffectiveness of the hedge is promptly detected for the purposes:

- the determination of the effect on the income statement or directly on comprehensive income (in the case of fair value hedges on equity securities measured at fair value through other comprehensive income);
- assessing whether or not hedge accounting rules can continue to be applied.

The Group does not use dynamic hedges, as defined in IFRS 7, paragraph 23C.

Items hedged

The main types of items covered were, at the date of this document, debt and equity securities on the assets side, and debt securities issued and deposits on the liabilities side. These types are hedged in micro fair value hedge relationships (except for deposit liabilities which are hedged through macro fair value hedges), using interest rate swaps (IRS) and put and call options as hedging instruments.

The interest rate risk or price risk is generally hedged for all or most of the term of the bond.

To verify the effectiveness of the hedge, the Group uses a prospective effectiveness test measured through the ratio of the delta fair value of each hedging instrument and the related hedged item based on sensitivity analysis where there is a parallel shock of the curve for debt securities, while the verification of the effectiveness of the hedge on equity securities is carried out through a prospective test on a -20% shock in the price of the underlying asset. The verification of hedging effectiveness through the prospectus described above is performed prior to the designation of the hedging relationship, as an ex-ante estimate, and is subsequently monitored on an ongoing basis and reported periodically to senior management.

Other information on derivative instruments (trading and hedging)

There are no offsets in the portfolio for derivatives whose netting agreements meet the criteria set forth in IAS 32 par. 42.

Liquidity risk

General aspects, management procedures and measurement methods of the liquidity risk

The liquidity risk refers to the possibility that the Group fails to service its debt obligations due to the inability to raise funds or sell enough assets on the market to address liquidity needs. The liquidity risk also refers to the inability to secure new adequate financial resources, in terms of amount and cost, to meet its operating needs and opportunities, hence forcing the Group to either slow down or stop its operations, or incur excessive funding costs in order to service its obligations, significantly affecting its profitability.

At 30 June 2026, financial sources mainly consisted of equity, on-line funding (mainly Rendimax and illimityBank.com products), consisting of on-demand and time deposits, medium/long-term bonds issued as part of the EMTN programme, medium/long-term securitisation transactions, as well as funding from corporate customers. Funding in the form of repurchase agreements (PCT), entered into with leading banks, continued to be a significant source of funding in the first half of 2026. Lastly, with regard to funding from the Eurosystem (LTRO, MRO and other types of operations with the ECB), the Parent Company participates in weekly auctions on an ongoing basis. At 30 June 2026, there was an MRO transaction with a nominal amount of 400,0 million Euro, repaid on 1 July 2026, and an OT (Other Type of operation) transaction for 115 million USD, repaid on 2 July 2026.

The Group's activities consist of factoring operations, which focus mainly on trade receivables and receivables due from Italy's public administration maturing within the year, and medium/long-term receivables deriving mainly from Leasing, Corporate banking, Structured Finance and Workout, Restructuring & Recovery operations; security portfolio management, mainly comprising eligible and readily liquid Italian government securities are also important.

As for the Group's operations concerning the Npl Segment and the segment relative to purchases of tax receivables arising from insolvency proceedings, the characteristics of the business model imply a high level of variability concerning both the amount collected and the date of actual collection. Therefore, the timely and careful management of cash flows is particularly important. To ensure expected cash flows are correctly assessed, also with a view to correctly pricing the transactions undertaken, the Group carefully monitors the trend in collections compared to expected flows.

The Group is constantly striving to improve the state of its financial resources, in terms of both size and cost, so as to have available liquidity reserves adequate for current and future business volumes.

As part of the continuous process of adjusting procedures and policies concerning liquidity risk and taking into account the evolution of the reference prudential supervisory provisions, the governance, monitoring and management of risk are formalised in the “Group Liquidity Risk Management Policy”, consistent with the Group's guidelines for integrated risk management, defined in the Risk Appetite Framework, which identifies strategic indicators for the risk of species.

The amount of high-quality liquidity reserves (mainly consisting of the balance of the management account with the Bank of Italy and the free portion of eligible securities) makes it possible to meet regulatory requirements (with respect to the limits of LCR and NSFR) and internal requirements relating to prudent management of liquidity risk.

The objective of the Group's operational liquidity management is to ensure the Banca Ifis Group's ability to meet its cash payment commitments over the short-term time horizon. The essential condition for normal business continuity in banking is the maintenance of a sustainable imbalance between cash inflows and outflows in the short term. From a management point of view, the reference metric in this respect is the difference between the cumulative net cash flow and the Counterbalancing Capacity, i.e. the cumulative net liquidity balance, understood as the liquidity reserve to cope with short-term stress conditions. This is calculated using the Maturity Ladder Operative (MLO), which is divided into time buckets ranging from 1 day to 1 year. This management metric is complemented by the regulatory measure of the Liquidity Coverage Ratio (LCR). From a very short-term perspective, the Group adopts the intraday liquidity analysis and monitoring system with the aim of ensuring the normal development of the Bank's treasury day and its ability to meet its intraday payment commitments.

The Group's structural liquidity management aims to ensure the financial balance of the structure by maturity over the time horizon of more than one year. Maintaining an adequate ratio of medium- to long-term liabilities to assets is aimed at avoiding pressure on short-term funding sources, both current and prospective. The reference metrics refer to the regulatory indicator of the Net Stable Funding Ratio (NSFR) and, management-wise, to the gap ratios, which measure both the ratio of total funding and loans with maturities over 1 year and over 3 and 5 years.

In addition to the above-mentioned indicators, Banca Ifis monitors liquidity risk through the continuous monitoring of a structured set of strategic and management indicators, aimed at ensuring a complete, timely and always up-to-date representation of the relevant risk profile.

The Banca Ifis Group, therefore, has implemented a control framework (with the relevant reporting) that provides for monitoring activities on an intraday, daily, weekly, monthly and quarterly basis, aimed at monitoring all liquidity profiles, both in the short and medium to long term, under 'normal business' conditions and through stress scenario simulations. The purpose of their adoption is to verify the adequacy of the capital and liquidity position, i.e. to assess specific areas of vulnerability in risk exposure. Stress tests are conducted daily on the consolidated perimeter and include macroeconomic and idiosyncratic scenarios, for the purpose of determining the Survival Period, as well as combined scenarios.

The main indicators used by the Banca Ifis Group to assess its liquidity profile are as follows:

- Liquidity Coverage Ratio (LCR), which is the short-term liquidity indicator and corresponds to the ratio of the amount of High Quality Liquidity Assets to total net cash outflows over the next 30 calendar days. As of 2018, the indicator is subject to a minimum regulatory requirement of 100%;
- Net Stable Funding Ratio (NSFR), which is the 12-month structural liquidity indicator and corresponds to the ratio of the available amount of stable funding to the required amount of stable funding. For this indicator, the regulatory minimum requirement has been set at 100% as of 2021.

Below are the two indicators in the reporting period compared with the previous year.

	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
LCR	720%	290%	767%	747%	708%	557%
NSFR	130%	125%	121%	118%	117%	n.d.

Both indicators thus remain well above regulatory limits, confirming a more than adequate liquidity position in terms of both operational and structural liquidity. Furthermore, the forward-looking assessments carried out show that the acquisition of illimity Bank is consistent with maintaining, in the medium to long term, levels of regulatory liquidity indicators (LCR and NSFR) in line with the system benchmark and above applicable regulatory requirements.

With specific reference to climatic and environmental risk factors, the materiality analysis conducted led to their quantification as non-material, due to the low impact of these factors in terms of available cash reserves and related cash outflows on the Group's funding.

The corporate functions of the Parent Company responsible for ensuring the correct application of the liquidity policy are the Capital Markets function, which is responsible for the direct management of liquidity, the Risk Management function, which is responsible for proposing the risk appetite, identifying the most appropriate risk indicators and monitoring their performance in relation to the set limits and supporting the activities of Top Management. The latter has the task, with the support of the Capital Markets function, of proposing funding and liquidity risk management policies to the Board of Directors on an annual basis and suggesting during the course of the year any appropriate measures to ensure that activities are carried out in full compliance with approved risk policies.

In compliance with supervisory provisions, the Group also has a Contingency Funding Plan aimed at protecting it from losses or threats arising from a potential liquidity crisis and guaranteeing business continuity even in the midst of a serious emergency arising from its own internal organisation and/or the market situation.

The liquidity risk position is the subject of periodic reporting prepared by the Risk Management function for the Board of Directors of Banca Ifis.

The Banca Ifis Group carries out the Internal Liquidity Adequacy Assessment Process (ILAAP) exercise on an annual basis, for the purposes of the Supervisory Review and Evaluation Process (SREP). The objective of the ILAAP process is to assess the adequacy of the liquidity and funding risk profile and the governance, management and monitoring of this risk. With reference to the Polish and Rumanian subsidiaries, treasury operations are coordinated by the Parent Company.

Self-securitisation transactions

It should be noted that during the first half of 2026, the two self-securitisation transactions relating to the illimity Group, called Colt SPV and Energia Sostenibile SPV, were closed, for which illimity Bank had subscribed for all the securities issued by the relevant vehicle. Therefore, at 30 June 2026, illimity Bank no longer has any outstanding self-securitisation transactions of which it is the originator.

For the remaining self-securitisation transactions outstanding at 30 June 2026 for the Banca Ifis Group, please refer to the following.

Ifis Npl 2021-1 Spv

In March 2021, Banca Ifis realised for financing purposes, through its subsidiary Ifis Npl Investing, the very first securitisation in Italy of a non-performing portfolio mainly comprising unsecured loans backed by assignment orders. The transaction is an innovative solution for this type of non-performing exposure, where the debt collection procedure through compulsory enforcement (attachment of one fifth of the salary) is at an advanced stage. The transaction aimed to collect funding for Ifis Npl Investing of up to 350 million Euro in liquidity on the institutional market, without deconsolidating the underlying credits. The loan portfolios concerned by the transaction (a portfolio of secured loans and an unsecured portfolio backed by assignment orders) owned by the subsidiary Ifis Npl Investing, was transferred to a newly-established SPV called Ifis Npl 2021-1 Spv S.r.l., which issued senior, mezzanine and junior notes. These tranches were initially fully subscribed by Ifis Npl Investing, and subsequently the senior tranches (net of the 5% retained by Ifis Npl Investing as originator pursuant to the retention rule) were sold to Banca Ifis.

As at 30 June 2026 the Banca Ifis Group had therefore subscribed all the notes issued by the vehicle. It should be noted that the senior tranches held by Banca Ifis were used for long term repurchase agreements transactions with leading banking counterparties.

On the basis of the contractual terms underlying the securitisation in question, there is no substantial accounting transfer ("derecognition" in accordance with IFRS 9) of all the risks and rewards relating to the receivables being sold to the vehicle company.

Emma S.P.V.

The securitisation transaction called Emma, prepared by the former Farbanca (now renamed Banca Credifarma following the merger by incorporation of the former Credifarma in April 2022), became part of the Banca Ifis Group as a result of the acquisition of control of this company during 2020.

In March 2018, the former Farbanca autonomously completed this securitisation for a total nominal amount of 460 million Euro. The loan portfolio transferred regarded performing exposures relative to secured credit, mortgage and unsecured loans, characterised by average seasoning of 7 years. The transaction, structured by Banca IMI (Intesa Sanpaolo Group) was completed with the acquisition of loans by the SPV pursuant to Italian Law No. 130/1999, called Emma S.P.V. S.r.l. The securities were issued in three classes: a senior class for an amount of 322 million Euro (fully subscribed by institutional investors through private placement), a mezzanine class of 46 million Euro and a junior class of 96 million Euro (both subscribed fully by the former Farbanca).

This transaction was restructured during June 2021. The restructuring, which provided for the extension of the revolving period and a size increase in the transaction up to a total of 540 million Euro, was carried out with the involvement of the Parent Company Banca Ifis and Intesa Sanpaolo as co-arrangers. Following this restructuring, the securities were issued in three partly paid classes: the senior class, with a nominal amount of 397,5 million Euro, was fully subscribed by Duomo Funding Plc while the mezzanine and junior classes, with a nominal amount respectively of 53,0 million Euro and 90,1 million Euro, were fully subscribed the former Farbanca (now Banca Credifarma), which also fulfils the retention obligations in accordance with the CRR, as originator.

As a result of the revolving structure of the transaction, a further 312 new loans were assigned during 2023, for a total equivalent value of 104,7 million Euro (residual outstanding stipulated amount, including unpaid principal and interest and expenses on past due and unpaid instalments).

During 2025, the Parent Company Banca Ifis purchased all senior securities from Duomo Funding Plc. Therefore, at 30 June 2026, the securities issued by the vehicle were fully subscribed by the Banca Ifis Group and, consequently, from a consolidated point of view, this transaction was a self-securitisation.

The above securitisation transaction does not meet the requirements for derecognition in accordance with IFRS 9, not configuring a substantial transfer of all risks and related benefits. Therefore, the assets transferred and not cancelled with reference to the loans concerned by said securitisation, not meeting the requirements envisaged for derecognition, were "restored" to the consolidated accounts of the Banca Ifis Group.

Indigo Lease

In 2016, the Banca Ifis Group, through the originator company, the former Ifis Leasing S.p.A. (incorporated into Banca Ifis since May 2018) finalised a securitisation that involved selling a portfolio of performing loans totalling 489 million Euro to the special purpose vehicle Indigo Lease S.r.l.

The securitisation was rated by the agencies Moody's and DBRS, which will also perform the annual monitoring throughout the term of the transaction.

The initial purchase price of the assigned receivables portfolio, equal to 489 million Euro, was paid by the vehicle to the merged entity, the former Ifis Leasing using funds raised from the issue of senior notes for an amount of

366 million Euro. These received an AA3 (sf) rating from Moody's and an AA (sf) rating from DBRS, and their redemption is connected to the collections realised on the receivables portfolio. In addition, the vehicle issued 138 million Euro in junior notes that were acquired by the former Ifis Leasing and did not receive a rating. In addition, the latter received a specific servicing mandate to collect and manage the receivables.

During 2017, following the transaction restructuring, a revolving system was launched involving monthly assignments of new credit to the SPV, until July 2021. At the same time, the maximum nominal amount of the senior and junior notes was increased respectively to 609,5 and 169,7 million Euro. In the same period, Banca Ifis acquired all the senior notes issued by the vehicle. Following the May 2018 merger of the former Ifis Leasing, for incorporation into Banca Ifis, the latter also became the subscriber of the junior notes.

A second restructuring took place in June 2021, with confirmation of the nominal amount of the securities and simultaneous extension of the revolving period until July 2023.

In July 2023, Banca Ifis finalised the restructuring of the securitisation, which entailed the extension of the revolving period for a further two years and an increase in the principal outstanding amount of the senior securities, as well as the derating and delisting of the same from the Luxembourg Stock Exchange (as of 20 July 2023), in addition to obtaining STS (Securitisation “Simple, Transparent and Standardised”) status pursuant to EU Regulation 2017/2402 (Securitisation Regulation).

As part of the transaction, Banca Ifis sold to UniCredit Bank AG the entire amount of senior securities, corresponding to a nominal amount of 609,5 million Euro and a principal amount outstanding of 400 million Euro. The junior securities, with a principal amount outstanding of 147,6 million Euro, were fully retained by Banca Ifis as originator.

During 2025, the Parent Company Banca Ifis carried out a further restructuring of the transaction, following which the securities related to the senior tranche were subscribed by the Parent Company. Therefore, as of 30 June 2026, the securities issued by the vehicle were fully subscribed by the Parent Company Banca Ifis, and therefore this transaction was a self-securitisation.

The above securitisation transaction does not meet the requirements for derecognition in accordance with IFRS 9, not configuring a substantial transfer of all risks and related benefits. Therefore, the assets transferred and not cancelled with reference to the loans concerned by said securitisation, not meeting the requirements envisaged for derecognition, were “restored” to the consolidated accounts of the Banca Ifis Group.

Securitisation transactions

As for the securitisations outstanding at 30 June 2026 and their purpose, see the comments in the previous paragraph on “Credit risk”.

Operational risks

General aspects, management procedures and measurement methods of the operational risk

Operational risk is the risk of losses arising from inadequate or dysfunctional processes, human resources, internal systems or external events. This definition does not include strategic risk and reputational risk, but it does include legal risk (i.e. the risk of losses deriving from failure to comply with laws or regulations, contractual or extra-contractual liability, or other disputes), IT risk, risk of non-compliance, fraud risk, risk of money laundering and terrorist financing, and the risk of financial misstatement.

The main sources of operational risk are, for example, operational errors, inefficient or inadequate operational processes and controls, internal and external frauds, the lack of compliance of internal regulations to the external regulations, the outsourcing of business functions, the quality of physical and logical security, inadequate or unavailable hardware or software systems, the growing reliance on automation, staff below strength relative to the size of the business, and inadequate human resources management and training policies.

Risk management is articulated through structured processes, such as:

- Loss Data Collection, i.e. the collection and recording of losses resulting from operational risk events;

- periodic Risk Self Assessment and Model Risk Self Assessment campaigns, aimed at providing an overall view of risks in terms of frequency, potential impact and organisational safeguards;
- the definition and monitoring of processes, indicators and risk thresholds, in order to detect changes in the exposure to operational risks (including, where applicable, the risk of fraud) at an early stage.

For the definition of the Risk Appetite Framework (RAF), as part of the ICAAP Report and Recovery Plan, stress analyses are also conducted to verify the resilience of the Group in adverse scenarios.

To calculate capital requirements against operational risks, the Banca Ifis Group adopted the Standardised Measurement Approach (SMA) envisaged by supervisory regulations.

The Parent Company's Risk Management function, in cooperation with other corporate functions, also oversees the risks associated with the outsourcing of corporate functions, assesses the risks associated with the introduction of new products and services, and analyses the operational impact of massive changes to contractual conditions.

Alongside operational risk, reputational risk is also managed. Reputational risk represents the current or prospective risk of a decrease in profits or capital deriving from a negative perception of the Group's image by customers, counterparties, shareholders, investors or the Supervisory Authorities. The management of reputational risk, like that of operational risk, is entrusted to the parent company's Risk Management function. This function defines the overall framework, which includes specific evaluation processes and a set of risk indicators monitored on an ongoing basis, in accordance with regulatory requirements and industry best practices. The objective is to ensure effective control of reputational risk, through the identification, assessment and monitoring of risks assumed or potentially assumed by the Group's various organisational units.

With specific reference to monitoring the evolution of ICT and Security risks and assessing the effectiveness of ICT resource protection measures, the Banca Ifis Group has defined a framework aimed at ensuring the identification, assessment and monitoring of ICT and Security risks, while ensuring adequate communication to the relevant hierarchical levels. In compliance with the regulatory requirement, the Group has opted for a shared responsibility model by assigning tasks to the Risk Management and Compliance corporate control functions, in relation to the roles, responsibilities and competences of each of the two functions. In particular, the Risk Management function conducts ICT and security risk analysis processes in accordance with the organisational and methodological framework approved by the Board of Directors of Banca Ifis, which takes the form of IT risk measurement activities on IT services and the processes they support, with the aim of detecting potential threats and vulnerabilities that could compromise the availability, integrity and confidentiality of information. Added to this activity is the definition and monitoring of a set of ICT and Security risk indicators and related thresholds that can promptly highlight the emergence of potential vulnerabilities. In addition, the framework provides for risk assessment on projects involving substantial changes to information systems, to ensure that technological developments are consistent with the acceptable level of risk and the protection measures in place.

Finally, the Group adopts a structured approach to managing the risks associated with IT services provided by third parties, in line with the relevant regulatory framework, DORA. Risk analyses, conducted both pre-contractually and on an ongoing basis, ensure an adequate assessment of the main risk profiles, including concentration risk, and support the protection of business continuity, data security and overall compliance.

All these processes are accompanied by the Risk Management function's commitment to the dissemination of a culture geared towards proactive risk management.

The Banca Ifis Group has internal policies and regulations and ensures that they are regularly updated. These documents define the methodological framework, how risks are identified, assessed and mitigated, and the responsibilities of the functions involved. They are the reference to ensure a structured, consistent and regulatory-compliant approach.

Concerning the companies of the Banca Ifis Group, please note that currently the management of operational, reputational, ICT and security risks is guaranteed by the strong involvement of the Parent company Banca Ifis, which makes decisions in terms of strategies and risk management. The overall risk management framework was therefore extended, on the basis of the principle of proportionality, by adopting the same methodological approach and IT tools developed at the Parent company.

Insurance company risks

The Banca Ifis Group does not engage in transactions that give rise to risks to be reported in this section.

Risks of the other entities

There were no additional material risks for the other entities included in the scope of consolidation that are not part of the Banking Group other than those reported in the section dedicated to the Banking Group.

Related-party transactions

In compliance with the provisions of Consob resolution No. 17221 of 12 March 2010 (as subsequently amended by means of Resolution No. 17389 of 23 June 2010) and the provisions of Bank of Italy Circular 263/2006 (Title V, Chapter 5), the "Group Policy covering transactions with related parties, associates and corporate representatives pursuant to Art. 136 of the Consolidated Law on Banking" was prepared. This document is publicly available on Banca Ifis's website, www.bancaifis.it, in the "Corporate Governance" Section.

During the first half of 2026, there were no transactions with related parties during the period that materially affected the Group's financial position or results.

With regard to transactions of greater significance carried out with related parties as defined by the Group's policies pursuant to Article 4 of the Consob regulation on related party transactions, see the specific paragraph in the section below entitled "Information on related-party transactions" of this section.

At 30 June 2026, the Banca Ifis Group is controlled by Fürstenberg Scogliera Holding S.A. and consists of the Parent Company Banca Ifis S.p.A. and its subsidiaries. For full details of these companies, please refer to the list in the section "Accounting policies", paragraph "Scope and methods of consolidation" of these Notes.

The types of related parties, as defined by IAS 24, that are relevant for the Banca Ifis Group include:

- the parent company Fürstenberg Scogliera Holding S.A.;
- associated companies and jointly controlled companies (joint ventures);
- key management personnel of the parent company or the parent company Fürstenberg Scogliera Holding S.A.;
- close relatives of key management personnel of the Parent Company and the companies controlled by (or associated to) them or their close relatives.

With reference to the scope of associated companies and jointly controlled companies (joint ventures) at 30 June 2026, the following changes are reported compared to the situation at 31 December 2025:

- exit from the scope of:
  - Hype (which at 31 December 2025 was classified as a joint venture), following the sale of 50% of the shares in February 2026;
  - LAISA - Società tra Avvocati per Azioni (which at 31 December 2025 was listed as an associate), whose 9,99% interest previously held by ARECneprix was sold in June 2026 (before the sale of ARECneprix itself by illimity Bank, which took place on 30 June 2026);
  - Redacta S.T.A.a.r.l. (which at 31 December 2025 was listed as an associate), whose 33% stake previously held by Ifis Npl Servicing was sold in June 2026;
  - Lexbridge S.p.A. in liquidation (formerly Justlex Italia S.T.A.P.A.) as during the first half of 2026, in addition to the 20% stake held by Ifis Npl Investing, a further 80% stake was subscribed by Ifis Npl Servicing, thus establishing a control relationship pursuant to IFRS 10 and, therefore, changing the configuration of the company in question from "associated company" at the end of 2025 to "wholly-owned subsidiary" at 30 June 2026;
- entry into the perimeter of the associated companies of Quimmo Agency and Quimmo Prestige Agency (which at 31 December 2025 were listed as wholly-owned subsidiaries), following the sale of their control during the first half of 2026 with the retention, through subscription by illimity Bank, of a 40% interest in each, which qualifies as significant influence.

For more details on the aforementioned changes in terms of associated companies and joint ventures, please refer to the section "Significant events occurred in the period" of the Interim Directors' Report on the Group and to the paragraph "Scope and methods of consolidation" within the section "Accounting policies" of these Notes.

Here below is the information on the remuneration of key management personnel as well as transactions undertaken with the different types of related parties.

Information on the remuneration of key management personnel

The definition of key management personnel, as per IAS 24, includes all those persons having authority and responsibility for planning, directing and controlling the activities of the Parent Company Banca Ifis, directly or indirectly, including the Bank's Directors (whether executive or otherwise).

In compliance with the provisions of the Bank of Italy's Circular No. 262 of 22 December 2005 as subsequently updated, key management personnel also include the members of the Board of Statutory Auditors.

Key management personnel in office at 30 June 2026

Figures in thousands of Euro	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments	
					Stock options	Other share-based payments
Administrative and auditing bodies [1]	4.266	-	53	-	-	103
Other managers [2]	2.870	7	119	176	-	236
Total at 30.06.2026	**7.136**	**7**	**172**	**176**	**-**	**339**

(1) These refer to positions on the Board of Directors (or similar bodies) and the Board of Statutory Auditors of the Parent Company Banca Ifis.
(2) They refer to managers with the position of Co-General Manager or other Key Manager of the Parent Company Banca Ifis.

Information on related-party transactions

Here below are the assets, liabilities, guarantees and commitments outstanding at 30 June 2026, broken down by type of related party pursuant to IAS 24.

Related party transactions: balance sheet and off-balance sheet items

Items (figures in thousands of Euro)	Company Parent	Jointly controlled companies and associates	Key Managers	Other related parties	Total	% of the item financial statements
Financial assets at fair value through profit or loss	-	7.089	-	99	**7.188**	**0,9%**
Financial assets at fair value through other comprehensive income	-	406	-	2.208	**2.614**	**0,2%**
Receivables due from banks measured at amortised cost	-		-	10.007	**10.007**	**1,6%**
Receivables due from customers measured at amortised cost	-	3.698	4.203	16.752	**24.653**	**0,2%**
Equity investments	-	32.596	-	-	**32.596**	**100,0%**
Property, plant and equipment	-	-	-	991	**991**	**0,4%**
Non-current assets and asset groups under disposal	-	-	-	-	**-**	**0,0%**
Other assets	3.560	-	-	487	**4.047**	**0,9%**
Total assets	**3.560**	**43.789**	**4.203**	**30.544**	**82.096**	**0,4%**
Payables due to customers measured at amortised cost	2.129	2.862	1.958	18.606	**25.555**	**0,2%**
Other liabilities	1.209	6.244	53	-	**7.506**	**1,5%**
Valuation reserves	-	(189)	-	-	**(189)**	**0,6%**
Total liabilities	**3.338**	**8.917**	**2.011**	**18.606**	**32.872**	**0,2%**
Commitments and guarantees (off-balance sheet)	**-**	**-**	**663**	**-**	**663**	**n.a.**

Related party transactions: income statement items

Items (figures in thousands of Euro)	Company Parent	Jointly controlled companies and associates	Key Managers	Other related parties	Total	% of the item financial statements
Interest receivable and similar income	-	136	36	119	**291**	**0,1%**
Interest due and similar expenses	-	-	(13)	(9)	**(22)**	**0,0%**
Commission income	-	-	-	20	**20**	**0,0%**
Commission expense	-	-	-	-	**-**	**0,0%**
Net result of other financial assets and liabilities measured at fair value through profit or loss	-	-	-	22	**22**	**0,1%**
Net credit risk losses/reversals	-	-	-	121	**121**	**(0,2)%**
Administrative expenses	(1.416)	(38.911)	(491)	(23)	**(40.841)**	**13,6%**
Other operating income and expenses	-	39	-	-	**39**	**0,3%**
Gains (losses) on equity investments	-	(1.015)	-	-	**(1.015)**	**81,5%**

Other information

With reference to Paragraph 8 of Article 5 “Public disclosure of related-party transactions” of the Consob Regulation containing provisions on related party transactions (adopted by Consob with Resolution No. 17221 of 12 March 2010, as amended), for the Banca Ifis Group, there were no significant transactions concluded in the first half of 2026.

Share-based payments

Below are the equity-based payment arrangements, as defined by IFRS 2, for the Banca Ifis Group's staff.

A variable remuneration arrangement is in place for all employees.

Remuneration and incentive policies are defined for all Group personnel, without prejudice to more detailed requirements for members of staff that have a material impact on the Group's risk profile (i.e. the "Key Personnel" or "KP"). The latter are periodically identified by the Parent Company at least once a year.

Variable pay is subject to malus/clawback mechanisms that may cause the amount to be as low as zero if certain conditions are met.

Access gate

Access to the variable portion for all personnel is subject to compliance with the conditions for access (the "gate") provided for by the following indicators measured at year-end:

- Return On Risk-Adjusted Capital (RORAC) at Group level, defined as the ratio between consolidated net profit and Capital absorbed by Pillar 1 risks (i.e. 8% of Pillar 1 Risk Weighted Assets), above the tolerance threshold defined annually in the Banca Ifis Group's Risk Appetite Framework (RAF) at consolidated level;
- compliance with the tolerance threshold, higher than the minimum regulatory limit, of the Group's Liquidity Coverage Ratio (LCR) indicator, as defined annually in the Banca Ifis Group's RAF at a consolidated level in compliance with current supervisory regulations;
- compliance with the tolerance threshold, higher than the minimum regulatory limit, of the Group's Net Stable Funding Ratio (NSFR) indicator, as defined annually in the Banca Ifis Group's RAF at a consolidated level in compliance with current supervisory regulations;
- Consolidated Total Capital Ratio above the tolerance threshold defined annually in the Banca Ifis Group RAF at consolidated level, which exceeds the Overall Capital Requirement announced by the Supervisory Body as part of the "Capital Decisions" following the periodic Supervisory Review and Evaluation Process (SREP).

Failure to meet one of these conditions will result in variable pay not being awarded.

Without prejudice to the opening of the access gates, in the presence of adverse scenarios, exceptional and unforeseeable situations, as well as in the event of a 20% lower-than-expected Gross Profit figure for the Consolidated Financial Statements, the Banca Ifis Board of Directors may assess, on the proposal of the Remuneration Committee, subject to the opinion of the Control and Risks Committee, a redefinition of the amounts of variable remuneration for the various categories of staff, with a consequent pro-rata reduction. It should be noted that, in addition to the aforementioned Group gates, the subsidiaries Fürstenberg SGR and Fürstenberg SIM are subject to additional entry gates and short-term system activation criteria:

- for Fürstenberg SGR, the additional gate is that the company's regulatory capital is greater than or equal to 2 times the minimum capital requirement at 31 December 2026;
- for Fürstenberg SIM, the additional gate is that the company's own funds are greater than or equal to 1,5 times the regulatory requirement at 31 December 2026.

Remuneration of the Parent Company's CEO

Without prejudice to the opening of the gates to the payment of variable remuneration described above, the variable remuneration of the Chief Executive Officer of the Bank is linked to the achievement of specific qualitative and quantitative performance targets.

In particular, the CEO is the recipient of a Short-Term Incentive System ("STI"). He was also assigned a "2021-2023 Long Term Incentive Plan" (the "LTI Plan"), which vested on 31 December 2023, for which please refer to the disclosure in the specific paragraph in this section.

With reference to the Short-term Incentive (STI) System, the objectives envisaged for 2026 for the CEO represent a combination of quantitative and qualitative criteria, referring to the Group's results, as well as qualitative aspects relating to strategic action.

The performance scorecard includes the declination of the following KPIs:

- Economic-financial KPIs with a weight of 65%, structured over three specific drivers (profitability, credit cost and efficiency), consistent with the Group's 2026 objectives;
- KPI of strategy and sustainability with a weight of 35%, which aim to assess the achievement of strategic directives, as well as the achievement of Group objectives in the ESG area.

The short-term variable remuneration cap payable to the CEO is set at 60% of fixed remuneration; variable remuneration accrues on the basis of the degree of achievement of objectives, with it being paid on a linear progression between 60% and 100% of the target bonus.

This variable component is paid in the amount of 40% with a non-deferred payment (up front) and in the amount of 60% with a deferred payment over a period of five years (starting from the year following the year in which the up front portion accrues), in accordance with the provisions of the relevant supervisory regulations for variable remuneration of particularly high amounts.

The deferred portion of variable remuneration (amounting to 60%) shall be paid as follows:

- 55% (i.e. 33% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the further retention period of 1 year;
- 45% (i.e. 27% of the total variable remuneration) in cash, subject to annual revaluation at the legal rate in force over time.

The portion of variable remuneration up front (40%) and is paid as follows:

- 50% (i.e. 20% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the further retention period of 1 year;
- 50% (i.e. 20% of total variable remuneration) paid in cash.

Short-Term Incentive Plan (“STI”)

The Group annually defines a short-term incentive plan (the “Short-Term Incentive Plan” or “STI”), the payment of which, subject to the opening of such access gates, is linked to the achievement of specific qualitative and quantitative performance objectives, assigned to the recipients of the plan. These objectives, on whose level of achievement the award depends, are set out in an individual performance scorecard.

In view of the process of integrating illimity into the Group and the resulting transitional phase of progressively harmonising the remuneration systems, for FY 2026, the relevant incentive scheme is structured in such a way as to ensure consistency, a phased approach and continuity of application.

In this context, a single “2026 Short-Term Incentive Plan” has been adopted, applicable to all the “Group key staff”, regardless of the company to which they belong, in order to ensure a uniform alignment with the Group's strategic and performance objectives.

Medium/long-term incentive systems

The Group's incentive system may also include medium-long term incentive systems, functional to aligning management towards the achievement of the medium-long term business and strategic plans adopted over time by the competent bodies. During the current financial year, the Group may evaluate the possible terms of a new medium- to long-term plan, to be structured in strict compliance with regulatory requirements, including in terms of the ratio between fixed and variable remuneration, identification of KPIs, methods of disbursement, etc., and then to be submitted for approval to the Shareholders' Meeting (also pursuant to Article 114-bis of the TUF), subject to disclosure within the terms of the law.

The previous medium-long term incentive scheme prepared by the Banca Ifis Group, called the "2021-2023 Long Term Incentive (LTI) Plan", vested on 31 December 2023 and, at the date of this document, there are still stock options granted under this plan. For more details, please refer to the following.

Long Term Incentive (LTI) Plan 2021-2023 for the Chief Executive Officer, Co-General Managers and other Group employees

LTI Plan for the CEO

The Chief Executive Officer of Banca Ifis is the recipient of a Long Term Incentive (LTI) Plan 2021-2023, approved by the Board of Directors on 24 June 2021 and by the Shareholders' Meeting of the Parent Company on 28 July 2021 and which vested on 31 December 2023. The Plan provided for the assignment to the CEO, free of charge, of a certain number of options that gives the right to purchase, at a unit exercise price (the "strike price") equal to 12,92 Euro, a corresponding number of Banca Ifis shares.

The Plan granted the CEO of the Parent Company the right to receive up to a maximum of 696.000 options at the end of the vesting period and on achievement of the objectives of the Plan.

Considering the vesting of the Plan on 31 December 2023 at the end of the three-year vesting period (2021-2023), and the options became exercisable after an additional year of retention, subject to the circumstance that the relationship between the Bank and the CEO is still in place, and that pre-determined quantitative and qualitative, financial and non-financial targets, linked to the Group's long-term strategies, have been achieved.

The final results confirmed the attainment of the minimum level with reference to the TSR objectives and the maximum level with reference to the economic-financial and ESG indicators. Consequently, on the basis of the resolution of the Shareholders' Meeting of Banca Ifis of 18 April 2024, the Chief Executive Officer was assigned 609.000 option rights, which became exercisable after a one-year retention period in accordance with the regulatory time-line.

Options are granted to the CEO 40% as up front and 60% as deferred over 5 years.

During 2025, the CEO exercised 243.600 option rights at a strike price of 12,92 Euro, receiving 243.600 Banca Ifis shares as an allotment, while during the first half of 2026, the CEO exercised 73.080 option rights at a strike price of 12,92 Euro, receiving 73.080 Parent Company shares as an allotment.

LTI Plan for Co-General Managers and other Group employees

As envisaged in the Plan approved by the Shareholders' Meeting of 28 July 2021, and in execution of the mandate granted to the Board of Directors on that occasion, on 9 June 2022, the latter resolved to include 13 "additional beneficiaries" in the LTI Plan, apart from the CEO, assigning them the same objectives already envisaged for the Chief Executive Officer and illustrated in the 2022 Remuneration Policy. These additions to the Plan were then approved by the Shareholders' Meeting of Banca Ifis on 28 July 2022.

Also for these additional beneficiaries, represented by high-level managers (including 12 key managers and Co-General Managers), the Plan provided for the assignment of a certain number of options that will entitle them to purchase, free of charge and always at a strike price per share of 12,92 Euro, a corresponding number of Banca Ifis shares.

A further addition to this Plan, proposed by the Board of Directors and approved by the Shareholders' Meeting held on 20 April 2023, concerned operational aspects of the Plan's mechanics (which otherwise remains unchanged in all its essential and structural elements, as already approved at the aforementioned Shareholders' Meetings). In particular, the integration consisted in recognising the possibility for beneficiaries, at the opening of each option exercise window, to postpone the exercise of all or part of any options that may have vested and may already be exercised in that window in the subsequent "exercise windows" provided for by the Plan.

It is also noted that during 2023, the resignation of an executive with strategic responsibility included in the Plan took place, with the consequent loss of his status as a beneficiary of the Plan

As a result of the aforementioned changes in 2022 and 2023, the Plan's beneficiaries, apart from the CEO, total 12, including 11 executives with strategic responsibilities, and the maximum amount of options assignable is 300.000.

This Plan also vested on 31 December 2023 at the end of the vesting period, and the options will become exercisable after an additional year of retention, subject to the circumstance that the relationship between the Group and the beneficiaries is still in place, and that pre-determined quantitative and qualitative, financial and non-financial targets, linked to the Group's long-term strategies, have been achieved. The options will be exercisable upon attainment of the targets under the Plan and for a total number of up to a maximum of 300.000 options (320.000 original) in total that can be allocated to the 12 additional beneficiaries.

The aforementioned options are counted for each of the beneficiaries, for the purpose of calculating the ratio between fixed and variable remuneration, 50% for FY 2022 and the remaining 50% for FY 2023.

For the TSR and gross profit targets, the calculation was carried out for the two-year vesting period, while for the other targets the calculation was based on the results achieved at 31 December 2023 (thus considering the entire duration of the 2021 - 2023 Plan).

The outcome of the Plan's finalisation found that the TSR objectives were not achieved in view of the two-year vesting period instead of the three-year period; the other objectives were achieved at the maximum level. Consequently, by resolution of the Shareholders' Meeting of Banca Ifis of 18 April 2024 for the remaining 12 beneficiaries, a total of 225.000 option rights were assigned, which will be exercisable at the end of the one-year retention period.

During 2025, these additional beneficiaries exercised 135.000 option rights at a strike price of 12,92 Euro, receiving 135.000 Banca Ifis shares as an allotment, while during the first half of 2026 they exercised 22.500 option rights at a strike price of 12,92 Euro, receiving 22.500 Parent Company shares as an allotment.

Accounting representation at 30 June 2026 of the 2021-2023 LTI Plan

At an accounting level, this stock option plan has been accounted for in accordance with the provisions of IFRS 2 for equity settled transactions. In view of the difficulty of reliably assessing the fair value of the services received as consideration for stock options, reference is made to the initial fair value of the latter.

The fair value of the payments settled by the issuance of these options for the services covered by the LTI Plan is recognised as an expense in the income statement under "Administrative Expenses: a) Personnel Expenses" as an offsetting entry to "Reserves" in Equity on an accrual basis in proportion to the vesting period over which the service is provided. For the first half of 2026, there are no costs recorded in the Income Statement, as the vesting period ended at the end of 2023. The shareholders' equity reserve offsetting costs recorded in previous years, associated only with the stock options actually granted by resolution of the shareholders' meeting of 18 April 2024, amounted to a total of 2,2 million Euro at 31 December 2024. During 2025, a total of 378.600 options were exercised at a strike price of 12,92 Euro (of which 243.600 were exercised by the CEO and 135.000 by the other beneficiaries), with an associated stock option reserve totalling 1,1 million Euro. Therefore, the remaining stock option reserve at 31 December 2025 amounted to 1,1 million Euro. During the first half of 2026, a total of 95.580 options were exercised at a strike price of 12,92 Euro (of which 73.080 were exercised by the CEO and 22.500 by the other beneficiaries), with an associated stock option reserve totalling 0,2 million Euro. Accordingly, the remaining stock option reserve at 30 June 2026 amounts to 0,9 million Euro.

Methods of payment of variable remuneration

The allocation of Banca Ifis shares affects, in addition to the Chief Executive Officer, the employees identified as Key Personnel pursuant to Circular No. 285/2013 and Delegated Regulation No. 923/2021 where the variable component of remuneration is above 50 thousand Euro or represent more than a third of the annual total remuneration.

For the purpose of assigning variable remuneration in financial instruments, or in Banca Ifis shares, the Bank calculates the fair value of the share - at the time of the assignment - based on the average stock market price with reference to the month prior to the date of approval of the Banca Ifis Financial Statements by the Shareholders' Meeting (or, in the case of assignment of variable remuneration for any reason subsequent to the Shareholders' Meeting, from the date of the event, this being understood to mean any dates of signing of agreements or in the absence thereof, the dates of approval by the competent bodies of the related awards). The number of shares is determined by rounding to the nearest integer.

Variable cash remuneration subject to time deferral (vesting period) is revalued annually at the legal rate in force at the time.

Other information

For more details on the Banca Ifis Group's equity-based payment arrangements, refer to the “2026 Report on Remuneration Policy and Remuneration Paid”, prepared pursuant to Article 123 ter of the TUF, available on the corporate website www.bancaifis.it, where the remuneration policy valid for the Group for FY 2026 is illustrated.

Segment reporting

In accordance with standard IFRS 8, a company must provide information that allows users of the financial statements to assess the nature and effects on such of the balance of the business it pursues and the economic contexts in which it operates. The contribution therefore needs to be highlighted as made by the various operating Segments to forming the Group’s economic result.

Identification of the operating Segments is consistent with the methods adopted by the Management to take operative decisions and is based on internal reporting, used in order to allocate the resources to the various segments and analyse the relevant performance.

In line with the structure used by Management to analyse the Group's results, the information by Segment is broken down as follows:

- Commercial & Corporate Banking Segment, which represents the Group's commercial offer dedicated to companies (with the exception of the offer to companies provided by the companies of the so-called “illimity Group”, which is specifically included in the illimity Segment, except for treasury, which is centralised in the Governance & Services and Non-Core Segment) and also includes personal pension- or salary-backed loans (CQS/CQP). The Segment consists of the Factoring, Leasing and Corporate Banking & Lending Business Areas. Within the Corporate Banking & Lending Area, this Segment includes the contribution from Fürstenberg SIM (formerly Euclidea SIM), a company acquired on 21 November 2025;
- Npl Segment, dedicated to non-recourse factoring and managing distressed loans, servicing and managing non-performing, secured loans, with the exception of Npls belonging to the “illimity Group” (which are specifically included in the illimity Segment);
- illimity Segment, which includes the contribution of the operative business units of all companies included within the illimity Group headed by illimity Bank;
- Governance & Services and Non-Core Segment, which provides the segments operating in the Group's core businesses with the financial resources and services necessary to perform their respective activities. The Segment includes Group treasury, including operations by illimity Bank, and proprietary securities desk activities, as well as some corporate loans portfolio assigned for run-off insofar as held to be non-strategic to the Group's growth.

The Segments of the financial-equity numerical are attributed on the basis of homogeneous allocation criteria in order to take into account both the specificity of the various segments and the need to guarantee effective monitoring of business performance over time.

Moreover, considering the foregoing, the Segment information in relation to the items of the income statement shows the results at the level of the net profit.

STATEMENT OF FINANCIAL POSITION DATA (in thousand Euro)	COMMERCIAL & CORPORATE BANKING SEGMENT				NPL SEGMENT	GOVERNANCE & SERVICES AND NON-CORE SEGMENT	ILLIMITY SEGMENT	TOTAL CONS. GROUP TOTAL
	TOTAL COMMERCIAL & CORPORATE BANKING SEGMENT	*of which: FACTORING AREA*	*of which: LEASING AREA*	*of which: CORPORATE BANKING & LENDING AREA*				
Other financial assets mandatorily measured at fair value through profit or loss								
Amounts at 30.06.2026	171.932	*874*	-	*171.058*	50.007	53.590	481.888	**757.417**
Amounts at 31.12.2025	164.082	*949*	-	*163.133*	58.253	56.918	501.366	**780.619**
% Change	*4,8%*	*(7,9)%*	-	*4,9%*	*(14,2)%*	*(5,8)%*	*(3,9)%*	***(3,0)%***
Financial assets measured at fair value through other comprehensive income								
Amounts at 30.06.2026	1.226	-	-	*1.226*	-	1.077.791	434.278	**1.513.295**
Amounts at 31.12.2025	873	-	-	*873*	-	1.114.264	544.134	**1.659.271**
% Change	*40,4%*	-	-	*40,4%*	-	*(3,3)%*	*(20,2)%*	***(8,8)%***
Receivables due from customers [(1)]								
Amounts at 30.06.2026	7.436.860	*2.756.019*	*1.676.926*	*3.003.916*	1.580.787	2.716.378	4.633.723	**16.367.748**
Amounts at 31.12.2025	7.216.527	*2.772.130*	*1.673.498*	*2.770.899*	1.592.328	2.281.560	5.045.581	**16.135.996**
% Change	*3,1%*	*(0,6)%*	*0,2%*	*8,4%*	*(0,7)%*	*19,1%*	*(8,2)%*	***1,4%***
Goodwill								
Amounts at 30.06.2026	17.711	-	-	*17.711*	38.020	-	-	**55.731**
Amounts at 31.12.2025	17.248	-	-	*17.248*	38.020	-	-	**55.268**
% Change	*2,7%*	-	-	*2,7%*	*0,0%*	-	-	***0,8%***
Other assets								
Amounts at 30.06.2026	78.778	*78.778*	-	-	-	220.995	164.288	**464.061**
Amounts at 31.12.2025	114.656	*114.656*	-	-	-	195.170	241.914	**551.740**
% Change	*(31,3)%*	*(31,3)%*	-	-	-	*13,2%*	*(32,1)%*	***(15,9)%***

(1) In the Governance & Services and Non-Core Segment, at 30 June 2026, there are government securities for 2.129,5 million Euro (1.770,6 million Euro at 31 December 2025) and in the illimity Segment, at 30 June 2026, there are government securities for 1.024,5 million Euro (1.000,2 million Euro at 31 December 2025).

RECLASSIFIED INCOME STATEMENT DATA AT 30.06.2026 (in thousands of Euro)	COMMERCIAL & CORPORATE BANKING SEGMENT				NPL SEGMENT	GOVERNANCE & SERVICES AND NON-CORE SEGMENT	ILLIMITY SEGMENT	CONS. GROUP TOTAL
	TOTAL COMMERCIAL & CORPORATE BANKING SEGMENT	*of which: FACTORING AREA*	*of which: LEASING AREA*	*of which: CORPORATE BANKING & LENDING AREA*				
Net interest income	**107.069**	**46.342**	**27.113**	**33.614**	**84.317**	**10.379**	**59.923**	**261.688**
Net commission income	**48.734**	**29.402**	**6.151**	**13.181**	**(1.705)**	**(4.829)**	**29.116**	**71.316**
Other components of net banking income	12.535	(69)	-	12.604	12.275	32.840	15.895	73.545
Net banking income	**168.338**	**75.675**	**33.264**	**59.399**	**94.887**	**38.390**	**104.934**	**406.549**
Net credit risk losses/reversals	(60.252)	(34.196)	(3.428)	(22.628)	29	(942)	(22.445)	(83.610)
Net profit (loss) from financial activities	**108.086**	**41.479**	**29.836**	**36.771**	**94.916**	**37.448**	**82.489**	**322.939**
Operating costs	**(106.813)**	**(59.172)**	**(19.339)**	**(28.302)**	**(90.437)**	**(27.793)**	**(83.760)**	**(308.803)**
Charges related to the banking system	-	-	-	-	-	(63)	-	(63)
Net allocations to provisions for risks and charges	(2.344)	(2.215)	(286)	157	55	(113)	206	(2.196)
Non-recurring expenses and income	-	-	-	-	-	(107)	(1.544)	(1.651)
Gains (losses) on equity investments	-	-	-	-	-	(100)	(1.145)	(1.245)
Gains (losses) on disposal of investments	-	-	-	-	-	-	4.243	4.243
Pre-tax profit (loss) from continuing operations	**(1.071)**	**(19.908)**	**10.211**	**8.626**	**4.534**	**9.272**	**489**	**13.224**
Income taxes for the period relating to continuing operations	406	7.556	(3.875)	(3.275)	(1.721)	(3.518)	(186)	(5.019)
Profit (loss) for the period	**(665)**	**(12.352)**	**6.336**	**5.351**	**2.813**	**5.754**	**303**	**8.205**
(Profit) loss for the period attributable to non-controlling interests	-	-	-	-	-	(402)	-	(402)
Profit (loss) for the period attributable to the Parent Company	**(665)**	**(12.352)**	**6.336**	**5.351**	**2.813**	**5.352**	**303**	**7.803**

As specifically regards the Npl Segment, below is the breakdown of net loans by credit quality.

STATEMENT OF FINANCIAL POSITION DATA (in thousand Euro)	AMOUNTS		CHANGE	
	30.06.2026	31.12.2025	ABSOLUTE	%
Net bad loans	1.108.229	1.136.236	(28.007)	(2,5)%
Net unlikely to pay	418.560	400.758	17.802	4,4%
Net non-performing past due exposures	4.392	3.995	397	9,9%
Total net non-performing exposures to customers (Stage 3)	**1.531.181**	**1.540.989**	**(9.808)**	**(0,6)%**
Total net performing exposures (Stages 1 and 2)	49.606	51.339	(1.733)	(3,4)%
- of which: proprietary loans acquired	*7.113*	*7.826*	*(713)*	*(9,1)%*
- of which: loans and current accounts vs customers	*4.466*	*3.164*	*1.302*	*41,2%*
- of which: debt securities	*35.857*	*37.439*	*(1.582)*	*(4,2)%*
- of which: receivables related to servicer activities	*2.170*	*2.910*	*(740)*	*(25,4)%*
Total on-balance-sheet receivables due from customers	**1.580.787**	**1.592.328**	**(11.541)**	**(0,7)%**
- of which: owned receivables acquired measured at amortised cost	***1.538.294***	***1.548.815***	***(10.521)***	***(0,7)%***

For a more detailed analysis of the results of the operating Segments, please refer to the section “Contribution of operating Segments to Group results” of the Interim Directors' Report on the Group.

It should be noted that operating activities and income are predominantly generated in Italy, confirming the Banca Ifis Group's rootedness in the national territory, considered as its primary sphere of action. The impact of foreign assets and operating income is negligible.

With particular reference to what ESMA emphasised regarding the relevance, in the current context of geopolitical uncertainty and trade barriers, of the disclosure on geographic areas on major customers required by paragraphs 33 and 34 of IFRS 8, it is specified that for the Banca Ifis Group, foreign revenues are very limited and limited to those recorded by the foreign companies Ifis Finance Sp. z o.o. and Ifis Finance I.F.N. S.A., resident in Poland and Romania respectively. It should also be noted that for the Banca Ifis Group, there are no cases falling under the definition of 'revenue with major customers' pursuant to paragraph 34 of IFRS 8, i.e. revenue with individual external customers exceeding 10% of total revenue.

Venice - Mestre, 4 August 2026

For the Board of Directors

The CEO

Frederik Herman Geertman

Attestations and reports

Banca Ifis

Certification of the Manager Charged with preparing the Company's financial reports

Certification of the consolidated half year simplified financial statements at June 30th, 2026 pursuant to the provisions of art. 154-bis, paragraph 5, of the legislative decree 58 of February 24, 1998 and art. 81 ter of Consob Regulation no. 11971 of 14 May 1999 as amended

1. We, the undersigned, Frederik Herman Geertman – CEO and Massimo Luigi Zanaboni – in his capacity as Manager charged with preparing the financial reports of Banca Ifis S.p.A., having also taken into account the provisions of Art. 154-bis, paragraphs 3 and 4, of the Italian Legislative Decree no.58 dated 24 February 1998, hereby certify:

    i. the adequacy in relation to the characteristics of the Company;

    ii. the effective implementation

    of the administrative and accounting procedures for the preparation of Banca Ifis's consolidated half year simplified financial statements, over the course of the period from January 1st, 2026 to June 30th, 2026.

2. The adequacy of the administrative and accounting procedures in place for preparing the consolidated half year simplified financial statements at June 30th, 2026 has been assessed through a process established by Banca Ifis S.p.A. on the basis of the guidelines set out in the *Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission* (CoSO), an internationally accepted reference framework.

3. The undersigned further confirm that:

    3.1 the consolidated half year simplified financial statements as at June 30th, 2026:

    a) are prepared in compliance with International Accounting Standards, endorsed by the European Commission as for European regulation no. 1606/2002 of the European Parliament and Council of July 19th, 2002;

    b) correspond to the related books and accounting records;

    c) provide a true and correct representation of the financial position of the issuer and the group of companies included in the scope of consolidation.

    3.2 The Group consolidated interim management report includes a reliable analysis of the significant events that took place in the first six months of the financial year and their impact on the half year simplified financial statement, together with a description of the main risks and uncertainties for the remaining six months of the financial year.

    The Group consolidated interim management report also includes a reliable analysis of the disclosure on significant related party transactions.

Venice - Mestre, 4 August 2026

CEO	Manager Charged with preparing the Company's financial reports
Frederik Herman Geertman	Massimo Luigi Zanaboni

Report of the Independent Auditors limited to the Condensed consolidated half-year financial statements

Review report on consolidated condensed interim financial statements

To the Shareholders of

Banca Ifis SpA

Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of Banca Ifis SpA and its subsidiaries (the "Banca Ifis Group") as of 30 June 2026, comprising the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cashflow statement and related notes. The directors of Banca Ifis SpA are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the accounting standard IAS 34 as issued by the International Accounting Standards Board and adopted by the European Union applicable to interim financial reporting. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution 10867/1997. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated condensed interim financial statements.

PricewaterhouseCoopers SpA

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated condensed interim financial statements of Banca Ifis Group as of 30 June 2026 are not prepared, in all material respects, in accordance with the accounting standard IAS 34 as issued by the International Accounting Standards Board and adopted by the European Union applicable to interim financial reporting.

Milan, 4 August 2026

PricewaterhouseCoopers SpA

Signed by

Pierfrancesco Anglani

(Partner)

This review report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

Annexes

Banca Ifis

Reconciliation between reclassified consolidated financial statements and consolidated financial statements

RECONCILIATION BETWEEN ASSETS ITEMS AND RECLASSIFIED ASSETS ITEMS (in thousands of Euro)			30.06.2026	31.12.2025
Cash and cash equivalents			**568.052**	**787.290**
+	*10.*	*Cash and cash equivalents*	*568.052*	*787.290*
Financial assets mandatorily measured at fair value through profit or loss			**757.417**	**780.619**
+	*20.c*	*Financial assets measured at fair value through profit or loss: c) other financial assets mandatorily measured at fair value*	*757.417*	*780.619*
Financial assets measured at fair value through other comprehensive income			**1.513.295**	**1.659.271**
+	*30.*	*Financial assets measured at fair value through other comprehensive income*	*1.513.295*	*1.659.271*
Receivables due from banks measured at amortised cost			**644.458**	**700.276**
+	*40.a*	*Financial assets measured at amortised cost: a) receivables due from banks*	*644.458*	*700.276*
Receivables due from customers measured at amortised cost			**16.367.748**	**16.135.996**
+	*40.b*	*Financial assets measured at amortised cost: b) receivables due from customers*	*16.367.748*	*16.135.996*
Property, plant and equipment and intangible assets			**372.186**	**385.209**
+	*90.*	*Property, plant and equipment*	*255.337*	*256.210*
+	*100.*	*Intangible assets*	*116.849*	*128.999*
Tax assets			**326.347**	**368.495**
+	*110.a*	*Tax assets: a) current*	*67.957*	*117.727*
+	*110.b*	*Tax assets: b) prepaid*	*258.390*	*250.768*
Other assets			**594.042**	**831.228**
+	*20.a*	*Financial assets measured at fair value through profit or loss: a) financial assets held for trading*	*16.282*	*27.473*
+	*50.*	*Hedging derivatives*	*52.251*	*60.880*
+	*70.*	*Equity investments*	*32.596*	*33.580*
+	*120.*	*Non-current assets and disposal groups*	*28.852*	*157.555*
+	*130.*	*Other assets*	*464.061*	*551.740*
Total assets			**21.143.545**	**21.648.384**

RECONCILIATION BETWEEN ASSETS AND LIABILITIES ITEMS AND RECLASSIFIED ASSETS AND LIABILITIES ITEMS (in thousands of euros)			30.06.2026	31.12.2025
Payables due to banks			**3.904.915**	**4.018.193**
+	*10.a*	*Financial liabilities measured at amortised cost: a) payables due to banks*	*3.904.915*	*4.018.193*
Payables due to customers			**10.592.570**	**11.256.836**
+	*10.b*	*Financial liabilities measured at amortised cost: b) payables due from customers*	*10.592.570*	*11.256.836*
Debt securities issued			**3.879.470**	**3.441.393**
+	*10.c*	*Financial liabilities measured at amortised cost: c) debt securities issued*	*3.879.470*	*3.441.393*
Tax liabilities			**57.292**	**117.272**
+	*60.a*	*Tax liabilities: a) current*	*7.150*	*69.848*
+	*60.b*	*Tax liabilities: b) deferred*	*50.142*	*47.424*
Provisions for risks and charges			**92.811**	**106.877**
+	*100.a*	*Provisions for risks and charges: a) commitments and guarantees granted*	*8.132*	*8.600*
+	*100.b*	*Provisions for risks and charges: b) pensions and similar obligations*	*419*	*364*
+	*100.c*	*Provisions for risks and charges: c) other provisions for risks and charges*	*84.260*	*97.913*
Other liabilities			**540.838**	**567.266**
+	*20.*	*Financial liabilities held for trading*	*18.160*	*26.566*
+	*40.*	*Hedging derivatives*	*33.296*	*33.748*
+	*50.*	*Value adjustment to financial liabilities with generic hedges (+/-)*	*(5.242)*	*(2.936)*
+	*80.*	*Other liabilities*	*485.731*	*498.447*
+	*90.*	*Post-employment benefits*	*8.893*	*11.441*
Consolidated equity			**2.075.649**	**2.140.547**
+	*120.*	*Valuation reserves*	*(29.617)*	*(16.840)*
+	*150.*	*Reserves*	*1.793.932*	*1.604.673*
+	*155.*	*Interim dividends (-)*	*-*	*(73.296)*
+	*160.*	*Share premiums*	*232.671*	*229.093*
+	*170.*	*Share capital*	*61.819*	*61.819*
+	*180.*	*Treasury shares (-)*	*(9.838)*	*(13.701)*
+	*190.*	*Equity attributable to non-controlling interests (+/-)*	*18.879*	*20.803*
+	*200.*	*Profit (loss) for the period (+/-)*	*7.803*	*327.996*
Total liabilities and equity			**21.143.545**	**21.648.384**

RECONCILIATION BETWEEN THE CONSOLIDATED INCOME STATEMENT AND THE RECLASSIFIED CONSOLIDATED INCOME STATEMENT (in thousands of Euro)		30.06.2026	30.06.2025
Net interest income		**261.688**	**242.510**
+ 30.	*Net interest income*	*242.185*	*176.483*
	+ 10. Interest receivable and similar income	*506.702*	*368.452*
	+ 20. Interest due and similar expenses	*(264.517)*	*(191.969)*
+ 130.a (partial)	*Net impairments/reversals of impairments of the Npl Segment to the extent representative of business operations*	*19.503*	*66.027*
Net commission income		**71.316**	**44.354**
+ 60.	*Net commission income*	*71.316*	*44.354*
	+ 40. Commission income	*90.552*	*54.196*
	+ 50. Commission expense	*(19.236)*	*(9.842)*
Other components of net banking income		**73.545**	**64.096**
+ 70.	*Dividends and similar income*	*29.411*	*17.257*
+ 80.	*Net profit (loss) from trading*	*3.463*	*(437)*
+ 90.	*Net result from hedging*	*(1.430)*	*(118)*
+ 100.a	*Gains (losses) on sale/buyback of: a) financial assets measured at amortised cost*	*18.246*	*28.078*
- 100.a (partial)	*Profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment*	*224*	*6*
+ 100.b	*Gains (losses) on sale/buyback of: b) financial assets measured at fair value through other comprehensive income*	*5.782*	*1.478*
+ 100.c	*Gains (losses) on sale/buyback of: c) financial liabilities*	*(361)*	*(159)*
+ 110.b	*Net result of other financial assets and liabilities measured at fair value through profit or loss: b) other financial assets mandatorily measured at fair value*	*18.210*	*17.991*
Net banking income		**406.549**	**350.960**
+ 120.	*Net banking income*	*386.822*	*284.927*
+ 130.a (partial)	*Net impairments/reversals of impairments of the Npl Segment to the extent representative of business operations*	*19.503*	*66.027*
- 100.a (partial)	*Profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment*	*224*	*6*
Net credit risk losses/reversals		**(83.610)**	**(19.160)**
+ 130.a	*Net credit risk losses/reversals related to: a) financial assets measured at amortised cost*	*(64.444)*	*47.391*
- 130.a (partial)	*Net impairments/reversals of impairments of the Npl Segment to the extent representative of business operations*	*(19.503)*	*(66.027)*
+ 130.b	*Net credit risk losses/reversals related to: b) financial assets measured at fair value through other comprehensive income*	*326*	*(298)*
+ 100.a (partial)	*Profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment*	*(224)*	*(6)*
+ 200.a (partial)	*Net provisions for credit risk on commitments and guarantees issued other than by the Npl Segment to the extent representative of business operations*	*235*	*(220)*
Net profit (loss) from financial activities		**322.939**	**331.800**
+ 150.	*Net profit (loss) from financial activities*	*322.704*	*332.020*
+ 200.a (partial)	*Net provisions for credit risk on commitments and guarantees issued other than by the Npl Segment to the extent representative of business operations*	*235*	*(220)*

RECONCILIATION BETWEEN THE CONSOLIDATED INCOME STATEMENT AND THE RECLASSIFIED CONSOLIDATED INCOME STATEMENT (in thousands of Euro)			30.06.2026	30.06.2025
Administrative expenses			**(297.876)**	**(204.344)**
a) personnel expenses			**(125.356)**	**(85.097)**
+	*190.a*	*a) personnel expenses*	*(115.060)*	*(85.097)*
-	*190.a (partial)*	*Charges for staff leaving incentives*	*(10.296)*	*-*
b) other administrative expenses			**(172.520)**	**(119.247)**
+	*190.b*	*b) other administrative expenses*	*(184.530)*	*(128.829)*
-	*190.b (partial)*	*b) other administrative expenses: non-recurring charges*	*11.947*	*9.561*
-	*190.b (partial)*	*b) other administrative expenses: contributions to resolution and deposit protection funds*	*63*	*21*
Net impairment losses/reversals on property, plant and equipment and intangible assets			**(22.628)**	**(13.628)**
+	*210.*	*Net impairment losses/reversals on property, plant and equipment*	*(9.980)*	*(6.679)*
+	*220.*	*Net impairment losses/reversals on intangible assets*	*(12.648)*	*(6.949)*
Other operating income/expenses			**11.701**	**16.994**
+	*230.*	*Other operating income/expenses*	*11.701*	*16.994*
Operating costs			**(308.803)**	**(200.978)**
+	*240.*	*Operating costs*	*(312.478)*	*(205.245)*
-	*190.a (partial)*	*Charges for staff leaving incentives*	*(10.296)*	*-*
-	*190.b (partial)*	*b) other administrative expenses: non-recurring charges*	*11.947*	*9.561*
-	*190.b (partial)*	*b) other administrative expenses: contributions to resolution and deposit protection funds*	*63*	*21*
-	*200.*	*Net allocations to provisions for risks and charges*	*1.961*	*(5.315)*
Charges related to the banking system			**(63)**	**(21)**
+	*190.b (partial)*	*b) other administrative expenses: contributions to resolution and deposit protection funds*	*(63)*	*(21)*
Net allocations to provisions for risks and charges			**(2.196)**	**5.535**
+	*200.b*	*Net allocations to provisions for risks and charges: b) other net allocations*	*(2.196)*	*5.535*
Non-recurring expenses and income			**(1.651)**	**(9.561)**
+	190.a (partial)	Charges for staff leaving incentives	10.296	-
+	*190.b (partial)*	*b) other administrative expenses: non-recurring charges*	*(11.947)*	*(9.561)*
Gains (losses) on equity investments			***(1.245)***	**-**
+	*250.*	*Profit (loss) on equity investments*	*(1.245)*	*-*
Gains (losses) on disposal of investments			***4.243***	**-**
+	*280.*	*Gains (losses) on disposal of investments*	*4.243*	*-*
Pre-tax profit (loss) from continuing operations			**13.224**	**126.775**
+	*290.*	*Pre-tax profit (loss) from continuing operations*	*13.224*	*126.775*
Income taxes for the period relating to continuing operations			**(5.019)**	**(38.882)**
+	*300.*	*Income taxes for the period relating to continuing operations*	*(5.019)*	*(38.882)*
Profit (loss) for the period			**8.205**	**87.893**
+	*330.*	*Profit (loss) for the period*	*8.205*	*87.893*
(Profit) loss for the period attributable to non-controlling interests			**(402)**	**(775)**
+	*340.*	*Profit (loss) for the period attributable to non-controlling interests*	*(402)*	*(775)*
Profit (loss) for the period attributable to the Parent Company			**7.803**	**87.118**
+	*350.*	*Profit (loss) for the period attributable to the Parent Company*	*7.803*	*87.118*

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