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Banca Ifis S.p.A.

Appraisal report pursuant to Article 2343-ter, paragraph 2, letter b) of the Italian Civil Code concerning the value of the shares of Illimity Bank S.p.A. subject to possible contribution in kind within the framework of the voluntary and totalitarian Public Purchase and Exchange Offer pursuant to Article 102 Consolidated Law on Finance (TUF)

27 March 2025

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1. Context and engagement

The information needed by way of context is set out below.

- Banca Ifis ("**Banca Ifis**" or the "**Offerer**") is a bank listed on the regulated stock market managed by Borsa Italiana, active in corporate and private banking services with a primary focus on the management of impaired loans (Npls) and specialty finance.
- On 8.1.2025, Banca Ifis announced, pursuant to Article 102, paragraph 1, of the TUF and Article 37 of the Issuers Regulation, that it had taken the decision to promote a voluntary, all-inclusive Public Purchase and Exchange Offer (the "**Offer**") for 100% of the shares issued by illimity Bank S.p.A. ("**Illimity**" or the "**Issuer**"), namely 84.067.808 ordinary shares, including treasury shares held by the Issuer¹.
- Illimity is a bank listed on the Euronext Star Milan segment, operating in corporate and private banking services with a focus on both traditional services and the management of impaired loans and specialty finance.
- For each share of the Issuer tendered to the Offer, Banca Ifis will offer a unit price ("**Price**"), not subject to adjustment, consisting of (i) a share component represented by 0,1 newly issued ordinary shares of the Offerer and (ii) a cash component equal to 1,414 Euro. Therefore, for every 10 illimity shares tendered to the Offer, 1 ordinary share of Banca Ifis will be assigned, and a cash consideration of 14,14 Euro.
- As a result, in the event of full acceptance of the Offer by all shareholders of the Issuer, 8.406.781 shares of Banca Ifis will be issued to service the contribution and a cash amount of 118.871.881 Euro will be paid.
- The Offer, which envisages the subsequent merger by incorporation of Illimity into Banca Ifis, aims to speed up the Offerer's growth path and consolidate its leadership in the Italian specialty finance market by expanding its SME customer base and entering new business segments. The transaction, as described in the press releases, relies on a robust, long-term industrial and financial vision, also guaranteed by the Offerer's stable governance.

¹ See Communication pursuant to Article 102 TUF of 8.1.2025.

- The Offer is conditional upon obtaining regulatory authorisations and the fulfilment of the conditions set forth therein, among which the 'threshold condition' is relevant, which is the attainment of a minimum level of capital sufficient to obtain control of the Issuer.
- Taken as a whole and on the basis of the official stock exchange prices as of 7.1.2025 (the day before the announcement of the offer), the Offer Price expresses a valuation per share of the Issuer of 3,55 Euro². The Consideration thus expresses a 'premium' of 5,8% over the Illimity share price on the day prior to the announcement³ and 7,9% over the average share price of the last month⁴.
- The newly issued shares of Banca Ifis at the service of the Offer will be issued in the context of a share capital increase with exclusion of option rights pursuant to Article 2441, paragraph 4, of the Italian Civil Code reserved for subscription to the subscribers to the Offer ("**Capital Increase**"), to be paid through contribution in kind of the Illimity shares tendered to the Offer ("**Contribution**").
- On 8.1.2025, the Board of Directors of Banca Ifis resolved to submit to the Extraordinary Shareholders' Meeting, convened for 17.4.2025, the proposal to delegate the Board of Directors, pursuant to Article 2443 of the Italian Civil Code to approve the Capital Increase at the service of the Offer, in one or more tranches, to be paid-in by means of the Contribution and, therefore, with the exclusion of the option right pursuant to Article 2441, paragraph 4, of the Italian Civil Code and with the issue of a maximum of 8.406.781 ordinary shares of the Offerer.
- The Board of Directors ("**BoD**") of Banca Ifis has also resolved, pursuant to Article 2440, paragraph 2, of the Italian Civil Code, to avail itself of the provisions of Articles 2343-ter and 2343-quater of the Italian Civil Code for the valuation of the shares of Illimity subject of the Offer.

² In particular, the Offer Price was determined on the assumption that the Issuer and the Offerer, prior to the date of payment of the Offer Price, would not approve or make any dividend distributions. It expresses a total equivalent value quantifiable, assuming full acceptance of the Offer, in about 298 Euro million.

³ This list price was 3,356 Euro.

⁴ The weighted average price was 3,291 Euro.

In this context, the undersigned Prof. Massimiliano Nova (the "**Expert**"), Registered Accountant and Auditor, has been appointed to prepare, on the basis of the available information (see § 2), the appraisal report pursuant to Article 2343-ter, paragraph 2, letter b), of the Italian Civil Code, functional to the Contribution, concerning the value of the shares constituting 100% of Illimity's capital in view of the resolution of the Capital Increase (the "**Report**").

The purpose of the report is, in particular, the expression of an independent opinion, consistent with the provisions of Article 2343-ter of the Italian Civil Code, aimed at verifying that the value of the asset subject to the Contribution is not lower than the value attributed to it for the purposes of the Capital Increase, including the share premium. In other words, the purpose of the appraisal is to prevent the transferee company's assets from being artificially increased by overvaluing the assets transferred.

2. Reference date and documentation

The reference date for the estimate is 31.12.2024, coinciding with the date of the Issuer's latest equity and economic position, approved by Illimity's Board of Directors on 12.3.2025 (the "**Reference Date**"). The Reference Date is also close to the date of the announcement of the Offer.

The financial and market parameters used in the estimate are updated to a date close to the date of issue of the Report.

Note that this document is drafted pursuant to Article 2343-ter, paragraph 2, letter b), of the Italian Civil Code and, therefore, is valid provided that the Reference Date precedes the Contribution of the Issuer's shares to the Offerer in execution of the Capital Increase by no more than six months, without prejudice to any subsequent updates that may be required by the Offerer's Directors.

As to the documentation used, the Expert did not have access to private information relating to the Issuer. Therefore, the analyses conducted were based exclusively on publicly available data and information. This aspect characterises the content and results of the appraisal analyses described in the Report, in terms of the methodological choices made, the findings revealed and the results obtained.

That being clarified, the following information was acquired and examined for the purpose of the execution of the engagement:

- Illimity's consolidated financial statements as at 31.12.2023;
- Illimity's consolidated interim reports as at 30.6.2024 and 30.9.2024;
- communication to the market dated 8.1.2025 entitled "*Voluntary public purchase and exchange offer promoted by Banca Ifis S.p.A. for the entirety of the shares of Illimity Bank S.p.A.*" dated 8.01.2025 and other subsequent communications regarding the Offer;
- press releases given by Illimity on 11.2.2025, 5.3.2025 and 12.3.2025 concerning, respectively, the presentation and update of the preliminary results for FY 2024 and the approval of the draft financial statements and consolidated financial statements as at 31.12.2024;
- recent equity reports issued by financial analysts covering Illimity's stock and consensus estimates pertaining to Illimity's economic and equity performance for the years beyond 2024;
- market data from public information and specialised databases (e.g. FactSet).

3. Work done

Consistent with customary practice in similar transactions and the engagement, the Expert performed the following main activities:

- examination of the documents and information gathered;
- analysis of Illimity's historical and current economic performance, as well as the expected trend in economic results;
- analysis of analysts' consensus estimates;
- analysis of the target market;
- identification of the measurement criteria deemed applicable in the case at hand, taking into account the indications of doctrine and practice and information constraints;
- development of the evaluation model and elaboration of sensitivity analyses;

- preparation of this Report summarising the conclusions of the work carried out.

4. Limits, assumptions and appraisal difficulties

The analysis was carried out on the basis of the following limitations, assumptions and profiles of evaluative difficulty, which must be considered when interpreting the findings and conclusions presented in the Report.

- The appraisal analyses are based exclusively on publicly available information and documents pertaining to Illimity. Due to the nature of the engagement, the responsibility for the quality and correctness of the data and documents used lies solely with the Issuer's management and the person who compiled the information used.
- The Expert relied fully on the truthfulness, accuracy, correctness and completeness of all publicly available documents and information, financial and otherwise, without having carried out any independent verification thereof.
- The engagement did not include the performance of audit procedures as defined by the established Auditing Standards, nor a review of internal controls or other verification procedures. Accordingly, the Expert does not express any opinion or any other form of opinion on Illimity's financial statements or any other financial information, and on its operational or internal controls, administrative, organisational and accounting structures, including its internal control and risk management system.
- In particular, the Expert should point out that the audit report to Illimity's draft financial statements for 2024, communicated on 12.3.2025, is not yet available, and that the writer relied fully on the correctness and reasonableness of the accounting data represented therein.
- The Expert assumed that the documents and information used had been prepared in good faith, as well as on a basis reflecting the beliefs and expectations shared by the Issuer's management and their compliance with applicable laws and regulations. Nothing contained in this Report is or shall be construed as a promise or indication as to the future performance of the companies involved in the Offer.

- As part of the valuation model, the Expert used data on market prices and parameters that may be subject to fluctuations, even significant ones, due to market turbulence and volatility. This aspect, intrinsic and which cannot be eliminated in business valuations, is such that it has the potential to affect the results of appraisal analyses and its possible variations over time.
- The Report refers to 31.12.2024 and is based on external information available up to the date of issue. The Expert points out that market or company developments after today could influence, even significantly, the conclusions drawn in the Report. Therefore, should any events occur that would lead to significant changes in the financial, economic and asset information of the companies analysed, some of the assumptions of the analyses carried out and, therefore, also the assessments and conclusions expressed in this report, could be affected. Except as expressly provided, the Expert assumes no obligation to update, revise or reconfirm the conclusions contained therein.
- The Expert points out that, by its very nature, valuation analysis is not a mere application of criteria and formulae, but is the result of a complex process of analysis and estimation in which elements of subjectivity are also reflected and which must be interpreted in a unified and holistic manner.
- The estimates set forth in the Report are based on the totality of the information and analyses contained therein; therefore, no part of the Report may be considered or otherwise used in isolation from it in its entirety.
- The analyses aimed at estimating the value of the Issuer's shares were carried out under the assumption of business continuity and under the so-called 'stand-alone' assumption, i.e. maintaining normal operating conditions. Therefore, the Issuer's shares were valued on a stand-alone basis, without taking into account extraordinary management operations and any possible specific synergies that could result from the transaction.
- The Report presents the purposes required by Art. 2343-ter of the Italian Civil Code and is therefore oriented towards defining the maximum limit of the capital increase, including the premium, of the Offerer. Therefore, the Report does not provide an opinion on the fairness of the Offer Price nor on the

strategic rationale of the transaction, which remain the responsibility of the Offerer's governing bodies.

- The Report is prepared in the context of the Contribution under consideration and may not be used for purposes other than those for which it was prepared. Under no circumstances shall the Expert be liable for any loss or damage, of whatever nature or kind, suffered by third parties as a result of the improper and unauthorised use of this document.
- The activity carried out by the Expert, summarised above in § 3, did not result in any involvement in the management of Banca Ifis and/or in the appreciation of the transaction's economic viability. Furthermore, the activity performed did not include assistance and/or advice of a legal, tax, regulatory and contractual nature.

5. Description of Illimity and balance sheet as at 31.12.2024

The Contribution formally relates to a 'tier one' asset consisting of the shares representing the entire capital of Illimity. Moreover, beneath the legal screen constituted by the share package, the substantive object of the Contribution is the 'second-tier' asset, i.e. the assets and economic substance of the Issuer.

Illimity was established in 2018 following the acquisition of Banca Interprovinciale and the completion of the merger with Spaxs as a bank active in the provision and management of credit. In particular, it provides credit to SMEs, buys and manages impaired loans through its platform and offers digital banking services.

Illimity's activities are currently structured in five business areas:

- (i) distressed credit: this division deals with the purchase and management of impaired loans (Npls) on the primary and secondary markets;
- (ii) growth credit: this division aims to serve companies with a low credit standing but good potential;
- (iii) investment banking: this division is responsible for the definition and execution of capital markets activities, derivatives trading and the structuring of structured finance transactions;
- (iv) b-ilty: this division offers digital banking products and services;

- (v) digital: finally, this division is responsible not only for managing the IT infrastructure, but also for managing the funding platform.

It should be specified that during 2024, Illimity started reorganising its business model hinged on the gradual abandonment of the management of impaired loans as its core business (in 2023, this business covered 46% of turnover compared to 31% in 2024) in favour of so-called 'corporate banking' linked to traditional banking services, with a focus on credit and services to SMEs in the performing, restructuring and revitalisation areas (in 2023, this business covered 29% of turnover compared to 35% in 2024).

With regard to Illimity's results of operations and assets as of 31.12.2024, the following can be summarised.

- On 11.2.2025, the Board of Directors announced that it had approved the preliminary results for FY 2024, in light of *“the completion of the strategic repositioning towards a business focused on SME lending and the extraordinary impacts recorded in the last quarter of the year”*⁵. These results showed increasing operating profitability (+21% y-o-y) and some adjustments and write-downs (totalling 118 million Euro) recorded in Q4 2024⁶.
- In a subsequent press release of 5.3.2025, Illimity announced that it had *“become aware of new elements concerning the potential outcome of a litigation affecting the valuation of a specific senior securitisation note related to non-performing asset transformation transactions carried out at early 2024”* and acknowledged the emergence of further impairments totalling approximately 53,5 million Euro⁷.
- Finally, in a press release dated 12.3.2025, the Board of Directors approved the draft of the annual and consolidated financial statements as at 31.12.2024. In line with previous press releases, the growth in assets (amounting to 8,4 billion Euro, +16% year-on-year) and operating profitability

⁵ See Illimity's release given on 11.2.2025.

⁶ These adjustments include, in particular, goodwill write-downs of 39 million Euro, provisions for risks and charges of 20 million Euro, and adjustments on securitisation notes and fund units of 59 million Euro.

⁷ See Illimity's release given on 5.3.2025.

was confirmed, while the extraordinary adjustments and write-downs recorded in 2024 were confirmed in the amount of 172 million Euro, leading to a consolidated net loss of 38,4 million Euro.

- Despite the extraordinary interventions related to the impairments, the bank's capital position is indicated by the Board of Directors as "very solid"⁸, as evidenced by risk-weighted assets (RWA) of 5.192 million Euro (up from 2023), a primary regulatory capital (CET1 Capital) of approximately 720 million Euro, a phased-in CET1 ratio of 13,9% (13,4% fully phased in) and a phased-in total capital ratio of 17,8% (17,3% fully loaded).

The balance sheet of Illimity as at 31.12.2024 is shown below.

Table 1 - Illimity's balance sheet as at 31.12.2024

| €/mln | 31.12.2024 |
|--|--------------|
| Cassa e disponibilità liquide | 387 |
| Impeghi verso banche e altre istituzioni finanziarie | 306 |
| Impeghi verso clientela | 4.712 |
| Attività finanziarie Held To Collect (HTC) | 942 |
| Attività finanziarie Held To Collect & Sell (HTCS) | 748 |
| Attività finanziarie valutate al FVTPL | 563 |
| Partecipazioni | 140 |
| Avviamento | 34 |
| Immobilizzazioni immateriali | 31 |
| Altre attività (incluse imm. mat e attività fiscali) | 538 |
| Totale attività | 8.403 |
| Debiti verso banche | 865 |
| Debiti verso clientela | 5.307 |
| Titoli in circolazione | 1.052 |
| Patrimonio netto | 899 |
| Altre passività | 279 |
| Totale passività | 8.403 |

The above table shows the representation of Illimity's main consolidated balance sheet figures and reflects the following items in particular:

- the bank's total assets amount to 8.403 million Euro (up 16% from 2023);
- loans to customers exceeded 4.700 million Euro (up 16% from 2023), despite early repayments of over 500 million Euro, with a mix increasingly focused on loans to SMEs against a repositioning that gradually reduced direct exposure in the Npe portfolio (-72% from 2023);

⁸ See Illimity's release given on 12.3.2025.

- held-to-collect financial assets amount to 942 million Euro and include the securities portfolio valued at amortised cost;
- “Held To Collect & Sell” financial assets amount to 748 million Euro and include the securities portfolio and receivables of the specialised credit division, which are subject to potential disposal;
- due to customers amounted to around 5.300 million Euro and corresponded to about 63% of total liabilities (an increase of 18,2% compared to 2023);
- consolidated equity amounted to € 899 million, net of the loss for FY 2024.

6. The measurement criteria adopted

6.1 General principles

As indicated in § 1, this estimate is part of the Offer launched by Banca Ifis on Illimity, which could lead to the Contribution of Illimity's shares to Banca Ifis and the related Capital Increase.

As is well known, value estimates in the context of contribution transactions are generally anchored to compliance with the codified rules set forth in Articles 2343, paragraph 1 and 2343-ter of the Italian Civil Code. Therefore, contribution estimates must be inspired by a general approach of reasoned prudence, to be interpreted consistently with the economic substance of the transaction.

In this context, the typical purpose of the Report is the expression of an independent professional opinion aimed at verifying that the value of the contributed assets is not lower than the value attributed to them for the purposes of the planned Capital Increase. In this case, given that the actual extent of the Capital Increase is not yet known, which will only be determinable at the time of its execution depending on the acceptance of the Offer, the estimate aims to define, under current conditions, the minimum value of the contributed asset that will have to be used for the purposes of determining the share capital and the premium in the Capital Increase in service of the Offer.

The general principles that should guide, according to doctrine and practice, contribution estimates are as follows:

- the valuation process must be inspired by a reasonably prudent attitude, since the purpose of the valuation is to assure creditors and third parties of the actual value of the transferee's capital;
- the unit of valuation is the total of the contributed assets. Therefore, the valuation must be carried out in a unitary logic on the organised complex of assets, understood as a functioning entity (going concern) capable of producing income;
- the relevant value configuration is the market value of the assets, understood as *"the price at which the same [asset or liability] could reasonably be expected to be negotiated, at the reference date after an appropriate marketing period, between independent and motivated parties acting in an informed, prudent manner, without being exposed to particular pressure (obligations to buy or sell)"*⁹. This is the notion of value frequently referred to in practice as economic value or fair value (herein after, simply "value")¹⁰;
- the value must be determined in accordance with the fundamental requirements of business valuations, i.e. the rationality, objectivity, demonstrability and neutrality of the valuation procedure adopted;
- the value must be determined under current business and environmental conditions ("stand-alone" value) and with the exclusion of the expected economic benefits that may arise from the contribution ("as-is" value).

Moreover, the Contribution is, in the case in point, in the context of a takeover bid. Therefore, in substantive terms, it must be considered that the Contribution can only take place if the Offer Price is deemed adequate and satisfactory for the recipients (and thus for the shareholders of Illimity). It follows that the prudential principles guiding the contribution estimates must also be interpreted having regard to the economic substance of the proposed transaction and taking into

⁹ See Italian Valuation Standards (PIV), § I.6.3.

¹⁰ Moreover, in view of the purpose of valuation by contribution, the market value is typically declined, in the case of contribution, by the lower of the intrinsic value (which appreciates the earning capacity of the business from the perspective of the holder) and the value resulting from a transfer to a third party (which appreciates, from the external perspective of the market participants, the best and most advantageous use of the business).

account its specificities and therefore with the objective of verifying, based on the available information and according to reasonable expectations, that the value attributed to the Issuer's shares expresses a recoverable amount¹¹ for a generic investor from a stand-alone perspective and therefore disregarding specific synergies or efficiencies achievable by a given buyer and/or possible integration costs but considering, where applicable, the average control premium recognised in similar transactions.

6.2 Choice of measurement criteria

As mentioned, the subject of this estimate is the value of the 84.067.808 ordinary shares of Illimity (including treasury shares) subject to the Offer and constituting, as of today's date, the entire share capital of the Issuer.

That being said and in light of the foregoing considerations, the choice of the measurement criteria¹² used to determine the value of Illimity's shares was made considering the purpose of the engagement, the nature of the Issuer's business, the overall reference context, as well as the limitations dictated by the data and information actually available.

In the case in point, as already noted, in the absence of private information regarding the Issuer's strategic plans and future performance, analyses were developed solely on the basis of publicly available data and information. In particular, Illimity's historical and current results were observed (also in light of the various announcements regarding the results for FY 2024), the stock's stock

¹¹ The recoverable amount of an asset is defined by IAS 36 as the higher of fair value (net of disposal costs) and value in use.

¹² Business doctrine and professional practice have developed different methods for estimating the value of the economic capital of companies. Of these, we would briefly mention: (i) the equity methods, which estimate the value of capital on the basis of the current value of the assets and liabilities that make up the company's assets; (ii) the income methods, which estimate the value of capital on the basis of the prospects for generating income; (iii) the mixed equity-income methods, which combine the principles of the capital methods with those of the income methods (iv) financial methods, which are based on the company's prospective cash flows; (v) multiples methods, which determine the value of capital on the basis of multipliers implicit in the stock market prices and/or transactions of companies comparable to the one being estimated; (vi) the stock market price and analysts' target prices method (considered relevant for listed companies); (vii) methods based on expected dividends (i.e. the "Dividend Discount Model").

price trend and, to the extent relevant, consensus forecasts and recommendations provided by financial analysts.

On the basis of this information, it was deemed appropriate to use multiple criteria in preparing the appraisal analyses. In particular, the following were considered:

1. the stock exchange listing method (§ 7.1);
2. the stock market multiples method (§ 7.2);
3. the regression analysis method (§ 7.3);
4. the analysts' Target Price method (§ 7.4).

In this regard, it should be noted that, in the absence of specific and complete information regarding Illimity's prospective results and/or consensus data that have been settled and updated also in light of recent events and circumstances that led to the update of the 2024 results, the financial valuation method based on expected dividends (the "Dividend Discount Model" or "DDM"), frequently adopted for banking companies, was not deemed validly usable. This is because, in the absence of sufficiently detailed information, the application of such a criterion would have entailed the use of highly subjective and discretionary assumptions and technical parameters, and thus the criterion would not have satisfied the requirements of objectivity and rationality that must guide a contribution estimate.

7. The estimated value of Illimity's shares

7.1 The stock exchange listing method

The stock exchange listing method identifies a fundamental reference for the purpose of estimating the market value of the shares of a listed company in the value attributed by the stock market in which those shares are traded, observed over significant time horizons.

According to this approach, the stock market prices of liquid shares of companies listed in efficient markets are a reliable indicator of the capital value of the

company, as they tend to reflect all the information available to investors in relation to the company¹³.

In the case in point, reference was made to the stock market prices of the Illimity share, observed along different time horizons starting from 7.1.2025, which coincides with the day before the transaction was announced. This date is significant because the Illimity share prices do not yet incorporate the direct and/or indirect effects of the announcement of the Offer to the market.

Specifically, stock market prices were observed over the following time horizons:

- official price as at 7.1.2025;
- average of official prices in the month before 7.1.2025;
- average of official prices in the three months prior to 7.1.2025¹⁴.

The choice of time horizons is intended, on the one hand, to incorporate sufficiently up-to-date information on the Issuer's economic framework into the estimates, and on the other hand, to mitigate any short-term fluctuations.

7.2 The stock market multiples method

The criterion of stock market multiples is based on the observation of current multiples, calculated on the basis of stock market data, determined with reference to a sample of companies deemed comparable to the one being valued¹⁵.

In the case in point, the application of the stock market multiples criterion required the following steps: (i) the choice of multipliers to be applied, (ii) the identification

¹³ This is because the level of quotations expresses the result of a systematic process of negotiation by market participants and reflects their expectations regarding the company's profitability, equity strength, riskiness and prospective growth profiles.

¹⁴ Data source: FactSet database. The averages were calculated as mathematical averages and volume-weighted averages traded.

¹⁵ It should be noted that the identification of a sample of comparable companies often represents a necessarily discretionary and partly subjective procedure which, among other things, may result in the inclusion in the sample considered of companies that are not directly and/or fully comparable with the reality being assessed in terms of activity, size and economic-financial profile.

of comparable companies, (iii) the calculation of multipliers for these companies, (iv) the application of multipliers to the relevant economic quantities of Illimity.

It should be noted that the method of multiples is based on the assumption of similarity between the entity being estimated and those making up the sample, so its significance always depends on the comparability of the sample.

With regard to the application steps, the following is noted:

- the Price/Net Profit ('P/E') multiple was used, i.e. a multiplier widely used in professional practice for estimating the market value of companies operating in the banking sector, as it relates the market cap figure derived from stock market indications to the company's net result (net profit);
- with regard to the selection of the sample, a number of factors were taken into account, including, in particular, the functioning of the reference sector, size, geographical diversification, profitability and intensity of trading on the stock market, etc. At the end of this process, a sample was selected consisting of both the main listed Italian banks carrying out traditional activities and a group of operators (Italian and foreign) specialised in specialty finance;
- the P/E multiple of the companies in the sample was calculated with regard to both actual (2024)¹⁶ and prospective (2025 and 2026) results based on the consensus of financial analysts¹⁷;
- multiples were summarised using the median figure of the sample, which was applied to Illimity's 'adjusted' 2024¹⁸ net result and the expected consensus results for 2025 and 2026¹⁹.

7.3 The regression analysis method

The regression analysis method estimates the value of the company based on the correlation between the return on equity and the multiple between market capitalisation and equity. This correlation can be appreciated through a linear regression of data on expected net profitability (expressed by the 'return on

¹⁶ Values taken from draft 2024 financial statements and/or related press releases.

¹⁷ Consensus source: FactSet.

¹⁸ The adjusted 2024 net result was taken from the indications in the Press Release of 12.3.2025, p. 8.

¹⁹ These figures were derived from consensus estimates of financial analysts (source: FactSet).

tangible equity' or 'ROTE' index) and the ratio of market capitalisation to tangible net worth ('P/TBV') for a sample of comparable listed companies. The underlying logic of the method is that the market value of capital should be proportionally related to the return on investment.

In the case in point, the application of the regression analysis method consisted of the following steps:

- determination of the sample on which to perform the regression analysis. In this case, reference was made to the same sample used in the application of the multiples method;
- calculation, for the sampled companies, of the ROTE and P/TBV indicators, relevant for the construction of the regression line. In particular, reference was made to P/TBV multiples and ROTE 2024 and 2025²⁰, while analyses referring to 2026 were not possible due to the lack of statistical significance of the regression line;
- determination of Illimity's ROTE for the two years considered;
- application of the regression parameters for the purpose of determining the Illimity value.

7.4 The Target Price method

The Target Price criterion estimates the market value of the shares on the basis of target price indications expressed in recent research published by financial analysts covering the stock.

The main characteristic of this methodology lies in the possibility of identifying a value reference attributable to the shares of the company being valued that is deemed reasonable by the market.

In the case in point, it should be noted that coverage on Illimity's stock is limited to four analysts, two of whom did not issue reports following the announcement of Illimity's 2024 results. Therefore, the references of the two reports issued after 5.3.2025 were considered.

²⁰ Source: consensus data provided by FactSet.

8. Conclusion

Taking into account the context and the purpose of the engagement (§1), having recalled the entire contents of the Report - including specifically the reference date and the documentation considered (§2), the type of work performed (§3) and its limitations and constraints (§4) - and in consideration of the results achieved by the application of the valuation methods previously mentioned, it is deemed that the value, referred to 31.12.2024 and including the control premium, of the Illimity share subject to the possible Contribution in kind in the context of the Capital Increase to service the Offer is no less than 3,45 Euro per share.

Prof. Massimiliano Nova
