

**ILLIMITY, THROUGH ITS JV WITH VEI GREEN,
PURCHASES A PORTFOLIO OF NON-PERFORMING LOANS
IN THE GREEN ENERGY SECTOR FROM WRM GROUP
AND HITS ITS FIRST INVESTMENT TARGET OF 100 MILLION EURO**

NEW INVESTMENT TARGET OF 300 MILLION EURO

Milan, 8 July 2021 – Through Spicy Green (“JV”), a securitisation vehicle created together with **VEI Green II S.p.A.** for distressed credit in the energy sector, **illimity Bank S.p.A.** (“illimity” or the “Bank”) has completed the purchase from **WRM Group** (“WRM”) of a portfolio of distressed loans arising from lease agreements and medium-long term loans.

The portfolio has a gross book value (“GBV”) of ca. 83 million euro and is secured on photovoltaic assets with an overall capacity of over 45 MWp over 43 plants. In this transaction, WRM sold to Spicy Green its entire loan portfolio held through the securitisation vehicle Luce SPV.

neprix, a subsidiary of illimity, will be in charge of portfolio management in its role as special servicer, while VEI Green will be responsible for asset management using a model designed to enhance the value of the know-how of each player to the benefit of the investments.

With this transaction, illimity and VEI Green reaffirm their strategic positioning in the energy sector and the JV reaches its initial investment target of 100 million euro (Net Book Value or “NBV”) one year after its set-up, setting 300 million euro (NBV) as its new investment target for the period between 2021-2025, in line with the new Strategic Plan of the Bank.

WRM’s aim is to capitalise on its direct experience in the energy sector, focusing on fast charging for electric vehicles, energy production and energy efficiency of the real estate activities managed by its funds in the retail and industrial sectors.

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illimity Bank S.p.A.

illimity is the high-tech banking group founded and headed by Corrado Passera that was created with the aim of responding to specific market needs by way of an innovative and specialist business model. More specifically, illimity extends financing to high-potential SMEs, purchases distressed corporate loans and services these through its platform, neprix, and provides digital direct banking services through illimitybank.com. illimity SGR, which sets up and manages alternative investment funds, the first of which dedicated to UTP loans, is also a member of the illimity Group. The story of illimity began in January 2018 with the launch of the special purpose acquisition company SPAXS S.p.A., which ended with a record 600 million euro being raised on the market. SPAXS subsequently acquired Banca Interprovinciale S.p.A., with the resulting merger between the two giving rise to “illimity Bank S.p.A.” which has been listed on the Italian Stock Exchange since 5 March 2019 (ticker “ILTY”), first on the MTA exchange and since September 2020 on the Star segment. The banking group, headquartered in Milan, can already count on over 600 employees and ended 2020 with assets exceeding 4 billion euro.

VEI Green II S.p.A.

VEI Green II began operations at the end of 2018 thanks to the support of the shareholder PFH, setting up 3 co-investment platforms in the renewable energy sector: the greenfield (in grid parity) through the VEI Greenfield platform, the incentivised brownfield through the ForVEI II platform and the distressed through the JV with illimity; each of these has the objective – together with the efficient deployment of its shareholder’s capital – of managing the additional funds collected at the level of single platform, ensuring a balanced risk/return strategy. VEI Green II’s management team consists of professionals with consolidated experience in the sector who are capable of managing both the way in which the financial aspects are structured and matters of a technical and technological nature, as well as all the legal and administrative profiles typical of the infrastructure sector (and in particular the energy sector), and have a consolidated track record in M&A, development activities and in the full-circle management of the asset class.

WRM Group

WRM Group, founded in 2009 and managed by Time and Life S.A., the holding company established under Luxembourg law, is an independent investment group with offices in London, Luxembourg and Milan. WRM Group’s activity is focused in Europe on Special Situations, Private Equity and Real Estate, with an event-driven investment philosophy directed mainly towards the creation of value in situations where the companies or properties to be acquired are under financial and/or operating distress. Targets are unlisted companies or listed companies with limited liquidity. The main value catalysts are sales of non-core divisions by large or medium-sized companies, inadequate capital structures with excessive financial leverage and situations involving low levels of managerialisation in family companies with succession problems, which are increasingly aware of the importance of attracting external expertise with attentive governance and a process-oriented approach. The investment strategy is implemented with a preference for situations where control is obtained, with no particular industry specialisation. The company’s track record to date covers Food & Beverage, Commercial and Residential Real Estate, ICT, Telecoms & Media, Financial Services, the Large-Scale Retail Trade and Renewable Energy, with an approach focused on risk minimisation.