

PRESS RELEASE

BFF has received from Bank of Italy communication on bans removal and on updated SREP requirements

Bans imposed on 29th April 2024¹, including on distribution of profits, have been lifted.

Additional Pillar II capital requirements ("P2R") have been confirmed.

Dividend policy updated by the Bank increasing by 100 bps its target capital ratio vs. previous level.

Milan, 2nd November 2025 – BFF Bank S.p.A. ("BFF" or the "Bank") announces that it has received from Bank of Italy (the "Supervisory Authority" or the "Regulator") communication on the closing of the proceedings pertaining:

1. **removal of bans** on (i) distribution of profits or other equity reserves; (ii) payment of employees variable remuneration; (iii) further expansion abroad;
2. **decision on updated capital requirements** following the conclusion of the supervisory review and evaluation process ("SREP"), which confirms the additional Pillar II capital requirements ("P2R") currently in force².

The SREP communication provides that – starting from the own funds regulatory reporting date of 31st December 2025 – BFF is to comply at consolidated level with the following capital requirements³, **unchanged vs. the ones already in force**:

- **a Common Equity Tier 1 (CET 1 ratio)** of 9.00%, consisting of a binding component of 6.50% (of which 4.50% of minimum regulatory requirements and 2.00% of additional requirements determined as a result of the SREP process) and of a capital conservation buffer component ("CCoB") of 2.50%;
- **a Tier 1 (Tier 1 ratio)** of 10.50%, consisting of a binding component of 8.00% (of which 6.00% of minimum regulatory requirements and 2.00% of additional requirements determined as a result of the SREP process) and of a CCoB component equal to 2.50%;
- **a Total Capital Ratio (TC ratio)** of 12.50%, consisting of a binding component of 10.00% (of which 8.00% of minimum regulatory requirements and 2.00% of additional

¹ As communicated to the market with press releases dated [9th May](#) (par. "Significant events after the end of 1Q24 reporting period") and [10th May 2024](#).

² As communicated to the market with the press release dated [8th August 2022](#).

³ To which the *Countercyclical Capital Buffer* ("CCyB") and the *Systemic Risk Buffer* ("SyRB") requirements are added, equal to 0.70% as of 30th June 2025.

requirements determined as a result of the SREP process) and of a CCoB component equal to 2.50%.

As of 30th June 2025, BFF had a consolidated CET 1 ratio, Tier 1 and TC ratios well above the requirements above.

The removal of the bans allows BFF to return to a normalised context with regards to shareholders remuneration, employees incentivisation and expansion into new markets, in a context of Group's sustainable growth.

With the objective of maintaining a strong level of capital, the Bank resolved to update its dividend policy increasing by 100 bps its target capital ratio. Therefore, the CET 1 reference level above which the Bank envisages the payment of dividends is 13.0%, in compliance with all other current and forward looking capital requirements.

As of 30th June 2025, the Bank had a CET 1 ratio, including the adjusted net income for the period, equal to 14.3%, with €65m excess capital vs. the target 13.0% for the purpose of dividends payment.

The Bank will apply its dividend policy starting from the 2025 annual results, with the approval process of the financial statements to be completed in April 2026.

As a result of the application of the new dividend policy, the cumulated dividends to 2026 are expected to be approximately €50m – €70m lower than the cumulated dividends target previously communicated to the market, without taking into account any extraordinary capital management action on the Bank's credit portfolio.

BFF also informs that, as part of its capital optimization plan, has already mandated leading advisors to evaluate strategic capital management options on its credit portfolio.

Today BFF Board of Directors resolved to start the regulatory process to obtain Bank of Italy's authorization for the shares' buy-back programme to support the remuneration and incentive policies.

This press release is available on-line on BFF Group's website www.bff.com within the [Investors > PR & Presentations > Press Releases](#) section.

BFF Banking Group

BFF Banking Group is the largest independent specialty finance in Italy and a leading player in Europe, specialized in the management and non-recourse factoring of trade receivables due from the Public Administrations, securities services, banking and corporate payments. The Group operates in Italy, Croatia, the Czech Republic, France, Greece, Poland, Portugal, Slovakia and Spain. BFF is listed on the Italian Stock Exchange. In 2024 it reported a consolidated Adjusted Net Profit of €143.0 million, with a 14.3% Group CET1 ratio at the end of June 2025.

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