ILLIMITY BANK S.P.A.

ILLUSTRATIVE REPORT OF THE BOARD OF DIRECTORS ON ITEMS 2 OF THE AGENDA OF THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF ILLIMITY BANK S.P.A. OF 29 APRIL 2025, IN SINGLE CALL

Prepared pursuant to article 125-ter of Legislative Decree no. 58 of 24 February 1998 as amended and article 84-ter of Consob Regulation no. 11971/1999 as amended
Approved by the Board of Directors on March 12, 2025

This report can also be consulted on the Bank's website www.illimity.com

Shareholders,

You are called to attend the Annual General Meeting at 9:00 a.m. CET on 29 April 2025 in single call, to discuss and adopt resolutions on the following agenda:

1. *[omissis]*
2. **Approval of the , to a subsequent Shareholders' Meeting to be convened by December 31st 2025, of the appointment of the Corporate Bodies referred to in point 3 of the agenda. Resolutions pertaining thereto and arising therefrom.**
3. *[omissis]*
4. *[omissis]*
5. *[omissis]*
6. *[omissis]*
7. *[omissis]*

This illustrative report has accordingly been prepared pursuant to article 125-ter of Legislative Decree no. 58 of 24 February 1998 as amended (the "**TUF**") and article 84-*ter* of Consob Regulation no. 11971/1999 as amended (the "**Issuers' Regulation**") and provides a description of items 2 on the agenda of the Shareholders' Meeting, as well as the relative draft resolutions that you are called to adopt.

Shareholders,

We are calling you to a General Meeting of the Shareholders of illimity Bank S.p.A. (the "**Bank**", "**illimity**" or also the "**Company**"), convened for April 29, 2025 in a single call (the "**Meeting**"), to resolve on item 2 on the agenda concerning the postponement of the Bank of the appointment of the of the Company (*i.e.* Board of Directors and the Audit and Internal Control Committee) to a subsequent meeting, with the consequent continuation in office of the entire current Board of Directors and the Audit and Internal Control Committee.

It is preliminarily noted that the appointment of the Corporate Bodies of the Bank is placed on the agenda as item 3, in case the postponement proposal subject of this Report is not approved by the Shareholders' Meeting.

As of the date of this Report, the authorization process related to the voluntary public purchase and exchange offer (the "**Offer**" or also the "**OPAS**") announced on January 8, 2025 by means of the communication pursuant to Article 102 of Legislative Decree No. 58/1998 (the "**Communication 102**" and the "**TUF**") by Banca IFIS S.p.A. (the "**Offeror**") on all illimity shares, whose acceptance period is currently expected to close - as per the timing published by the Offeror - in July 2025, subject to obtaining the preliminary authorizations required by the applicable regulations in relation to the Offer (with completion of the mandatory purchase procedures and exercise of the purchase right pursuant to Articles 108 and 111 TUF, where applicable, in August / September 2025).

It is also recalled that, as indicated in Communication 102, the Offer involves all illimity shares with the aim of acquiring the entire share capital of the Bank, or at least a participation equal to 66.67% (so-called Threshold Condition), and obtaining the delisting of illimity shares from the Euronext Milan market of Borsa Italiana S.p.A.. Moreover, as also indicated by the Offeror in Communication 102, the aforementioned Threshold Condition is waivable by the Offeror, at its discretion and, to the extent known by the Bank, without any minimum acceptance threshold for the OPAS as a condition for the effectiveness of the Offer.

Until the completion of the Offer, there will remain a situation of uncertainty both on the effectiveness of the Offer (given the effectiveness conditions set by the Offeror and indicated in Communication 102), and on the results of the same and, consequently, on the ownership structures of the Bank which could undergo potentially significant changes (taking into account, among other things, the fragmented shareholding that characterizes it today) as a result of the OPAS itself, as well as on the maintenance of the status of issuer listed on a regulated market (taking into account that the Offeror has indicated that it pursues the objective of delisting and that therefore it will proceed, if the conditions are met, to comply with the mandatory purchase obligation pursuant to Article 108 TUF and to exercise the purchase right pursuant to Article 111 TUF). For more information, please refer to Communication 102 available on the Offeror's website (*www.bancaifis.it*).

Given the above framework, in order to allow a more efficient alignment of the composition of the C Bodies with the ownership structures of the Bank which - as mentioned - could undergo an evolution that is not foreseeable today, and to avoid a double renewal of the C Bodies in a particularly short time frame (given the timing currently anticipated for the OPAS), with negative repercussions and unnecessary burdens of activities and costs that would result (including fit & proper assessments), the Board of Directors has deemed it in line with the principles and best practices of corporate governance, as well as more efficient and in the interest of the Bank itself, to leave to the Shareholders the possibility to express themselves on the postponement of the appointment of the Board of Directors and the Audit and Internal Control Committee to a useful moment subsequent to the completion of the Offer (including, where applicable, the mandatory purchase procedures and exercise of the purchase right pursuant to Articles 108 and 111 TUF) and, in any case, indicatively by December 31, 2025. In the event of approval of this proposal by the Shareholders, therefore, the Board of Directors would proceed, in the near future (taking into account the completion of the OPAS and the consequent definition of a more complete information *framework* by the closing of the current 2025 financial year), to call a new Shareholders' Meeting for the appointment of the C Bodies.

In this regard, it is hoped that in the months following the Annual General Meeting, the current situation of uncertainty regarding the effectiveness and outcomes of the Offer and, consequently, the ownership structure of the Bank can be overcome, thus outlining a comprehensive and complete information framework, suitable for allowing the Board of Directors to define the methods and timing for convening the new General Meeting for the appointment of the Corporate Bodies.

If the Shareholders' Meeting approves the postponement proposal subject of this Report, the Board of Directors and the Audit and Internal Control Committee will therefore remain in office until the Shareholders' Meeting that will be convened after the completion of the OPAS as indicated above and the discussion and voting on the resolution proposals indicated in item 3 on the agenda of the Meeting of April 29, 2025 (as also specified in the Notice of Meeting) will not proceed.

* * *

The Board of Directors therefore submits the following proposed resolution to the Shareholders' Meeting.

PROPOSAL

"*The Ordinary General Meeting of the Shareholders of illimity Bank S.p.A. (the "**Bank**" or "**illimity**"),*

- *examined the Illustrative Report prepared by the Board of Directors,*

resolves

- *to defer to a subsequent Shareholders' Meeting – to be convened after the completion of the voluntary public purchase and exchange offer communicated by Banca Ifis S.p.A. on the shares of illimity (including, where applicable, the mandatory purchase procedures and exercise of the purchase right pursuant to Articles 108 and 111 of Legislative Decree No. 58/1998) and presumably by December 31, 2025 – the appointment of the Board of Directors and the Audit and Internal Control Committee of the Bank;*
- *to confer a mandate to the Chairperson of the Bank, following a resolution of the Board of Directors, to identify the date on which to call the Shareholders' Meeting, also taking into account the definition of a more complete information framework by the closing of the current financial year 2025, in implementation of the aforementioned resolution."*

Milan, 12 March 2025

On behalf of the Board of Directors

The Chair