

**THE BOARD OF DIRECTORS OF BANCA AKROS (BANCO BPM GROUP)  
APPROVED THE RESULTS FOR THE 2021 FINANCIAL YEAR**

- In 2021 Banca Akros earned operating income of over € 110 million, achieving the strategic target of a substantial balance in the various components of such operating income, with net operating fees and commission income rising to 64% (60% as at 31 December 2020) of the total.  
Normalised comprehensive income amounted to € 20.0 million (€ 25.6 million as at 31 December 2020), in line with the provisional targets for the period.
- As at 31 December 2021 the Common Equity Tier 1 ratio came to 18.8%, widely exceeding the regulatory limit, with a high quality of its assets. Out of total assets measured at fair value, equal to approximately € 5,670 million, financial instruments based on non-observable parameters (Level 3) came to 0.04% of the total.
- The Bank further strengthened its leadership in the brokerage activities, confirming its no. 1 position among Italian and foreign brokerage companies in bonds on behalf of third parties, with a market share of 33%, and reached the 3rd place in the equity markets ranking, with a market share of 8.65% (4th place in 2020 - Source: Assosim). It had 36 mandates as Specialist and Corporate Broker which, also due to the quality of its Equity Research, contributed to strengthening the Bank's support to Italian SMEs.
- Banca Akros supported the access to capital market by corporate entities, SMEs and financial institutions, by leading a number of significant transactions in the Debt Capital Market with a growing focus on ESG content issues: *ENEL, Senior Sustainable Linked Bond*, *Terna, Senior Green Bond*, *Telecom Italia, Senior Sustainable Linked Bond*, and *ASTM, Senior Sustainable Linked Bond*. Banca Akros also acted as Co-dealer in the placements of the 3rd and 4th issues of BTP Futura issued by MEF (Ministry of Economy and Finance) for over € 9 billion. In the Equity Capital Markets, the Bank listed on the Euronext Growth Milan (formerly AIM Italia), Almax SpA, the SPAC Industrial Stars of Italy 4 and executed an Accelerated Book Building for Salcef.
- In M&A/Corporate Finance activities, 20 buy side and sell side mandates were acquired. In May, Banca Akros acquired the entire capital of Oaklins Italy S.r.l., linked to the Oaklins international network - which includes more than 800 professionals in 45 countries - with the goal of developing its presence in cross-border M&A to support the corporate, business and financial sponsor customers of the Group.
- During 2021, hedging of financial risks (interest rate, exchange rate and commodity) was effectively developed, with a special focus on the specific cluster represented by the Group's corporate and business customers, with total traded volumes of over € 9 billion.
- The Bank operated as Arranger in various securitisation transactions in favour of financial institutions and businesses. Banca Akros also handled an innovative green securitisation transaction of performing receivables promoted by *Glennmont REBS Fund*.
- The total Investment Certificates structured by Banca Akros in 2021 amounted to € 900 million, of which around € 100 million issued by Banca Akros and placed by third-party networks. The Bank also took part in the structuring of investment products with quantitative components, for a total of over € 2 billion.

**Milan, 7 February 2021** – The Board of Directors of **Banca Akros – Corporate & Investment Bank of Banco BPM Group**, chaired by Graziano Tarantini and led by Chief Executive Officer Marco Turrina – **approved the results as at 31 December 2021**.

In a particularly challenging operating context, marked by the development of the pandemic emergency, the company management ensured the achievement of positive economic results, the careful use of regulatory capital with a prudent risk management.

"Normalised" comprehensive income, i.e. excluding the extraordinary components deriving from provisions to the extraordinary redundancy fund and with charges related to the banking system in line with forecasts, amounted to € 20.0 million (€ 25.6 million as at 31 December 2020), in line with the target for the period.

As at 31 December 2021 capitalisation levels remained very high: Common Equity Tier 1 ratio was 18.8% (24.5% as at 31 December 2020), largely exceeding the regulatory limit.

In relation to the trend in ordinary operations, in whose domain the Bank does not carry out financing transactions nor the collection of deposits from retail customers, Banca Akros further strengthened its position at the top of **brokerage activities on behalf of third parties**, positioning itself:

- **in the leading position** in third-party brokerage on the **fixed-income market** (Source: Assosim), with total trading volumes representing 33% (21% in 2020) of the market total. More specifically, the value of bonds brokered on behalf of third parties confirmed Banca Akros' positioning in first place in the following markets: DomesticMOT and EuroMOT, with market shares of 35% and 28% respectively.
- **in third place** in third-party brokerage of equities on the Italian market, improving its ranking (fourth place in 2020) among Italian and international brokers operating on the **Euronext Milan Domestic** (formerly the MTA), with a market share of 8.9%, substantially in line with the previous year (Source: Assosim). The Euronext Milan Domestic market represents a basket of 241 companies, with total capitalisation of around € 757.3 billion, equal to approximately 43% of the Italian GDP.
- **in second place** on the **ETF (ETFPLUS)** market and on the **Certificates (SEDEX)** trading market (**third place** in 2020), with market shares of 13% and 20%, respectively.

**In specialist and corporate broker activities** for issuers listed on the Borsa Italiana markets, 36 mandates were recorded, 6 of which acquired in 2021. Of the mandates currently in force, 10 are from companies listed on the Euronext Milan Domestic market, 12 from companies listed on the Euronext STAR Milan market and 14 from companies listed on the Euronext Growth Milan market.

**Trading on own behalf and market making** were impacted by the reduction in the levels of volatility and the squeezing of returns which characterised the period; derisking activities on bonds were also reflected in a reduction in the contribution of the net interest income. Active management of positions in financial instruments ensured competitiveness in the pricing of structuring Investment Certificates and of hedging financial risks of corporate and SMEs customers of the Group.

In relation to **trading on the secondary bond market**, cash flows from institutional customers, in the government, supranational and agency bond segments, as well as corporate and financial issuers, despite feeling the effects of the slowdown in activities that characterised the main reference markets in the period, totalled € 13.2 billion. The positive contributions of "flow business" in the equity and FX segments were also confirmed. Distribution activities on the primary bond markets to institutional investors were also significant, with the participation in the placement of bonds of primary issuers; note should also be taken of the major contribution to the placement of the 3<sup>rd</sup> and 4<sup>th</sup> issues of the BTP Futura, in April and November respectively, with total funding of more than € 9 billion, in which Banca Akros was selected by M.E.F. and acted as Co-dealer.

**In Investment Certificate operations**, credit spreads tightened, which reduced the duration of products. In the reference period the total Investment Certificates structured by Banca Akros amounted to € 900 million, of which around € 100 million were issued by Banca Akros and placed by third-party networks. The Bank also took part in the structuring of investment products with quantitative components, for a total of over € 2 billion.

The year saw a positive continuation of **coverage and development of Corporate, Business & Financial Institutions customers** in relation to the offering of the specialist products and services of the Bank, in coordination with the Parent Company. In particular, customer financial risk hedging instrument activities were developed, with a special focus on the specific reference cluster, namely the Mid Corporate segment. Interest rate, exchange rate and commodity derivative products amounted to around € 4 billion for exchange rate and commodity risk hedges and around € 5 billion for interest rate risk hedges.

The Bank stepped up the development of **M&A/Corporate Finance** activities targeted to entrepreneurial families and businesses, as well as private equity funds, expanding its commercial offering due to access to the global network of Oaklins through the acquisition of Oaklins Italy in May 2021. The network, which includes over 800 professionals in 45 countries throughout the world, enables the Banco BPM Group to extend its support to corporate, business and financial sponsor customers also for cross-border operations.

With regard to M&A activities, the Bank carried out several assignments and assisted in takeover bids and issuing fairness opinions. The main activities performed in 2021 are illustrated below:

- (i) as regards M&A operations with entrepreneurial families, we note the transfer of control of **Inrail** to Autostrada del Brennero, assistance to **Lisap** in the acquisition of Parisienne Italia, advisory services to **Landi Renzo** in the acquisition of 49% of Metatron, assistance to **S3K** for the search for the private equity fund HLD, advisory services to the shareholders of **ATK** in the transfer of a majority stake to the Progressio fund and the advisory services to **EGM** in transferring the rolled product business unit to KME Italy;
- (ii) as regards operations on behalf of private equity funds, we note the assistance to **NB Aurora** in the acquisition of a minority stake in Veneta Cucine, as well as to **White Bridge** in the acquisition of Antichi Sapori dell'Etna (Pisti).

Advisory services were also provided to the majority shareholder in the **Panaria** takeover bid and to **ION** in the **Cerved** takeover bid, as well as to **CDP** in issuing the fairness opinion on the **Sia-Nexi** exchange ratio and to **Linkem** in issuing the fairness opinion on the Tiscali - Linkem Retail exchange ratio.

As regards Oaklins Italy, since May 2021 five transactions have been carried out, and, specifically: on the sell side, the sale of **Pinsalab** to Deutsche Invest Capital, the sale of **Zephyr** to Dea capital and VSL Club, and the sale of **DMR** Group and **Weingrill**; on the buy side, assistance to **Bee2Link** in the acquisition of Terranova Web Systems.

In June, Banca Akros was accredited by **CDP** as an **intermediary** for the performance of preliminary assessment, execution and management activities for the loans of the **Relaunch Fund**.

In the **Debt Capital Market**, note should be taken of the Bank's participation in the placement with institutional investors of the following bond issues in the **Corporate segment**: **ENEL**, fixed-rate multi-tranche **Senior Sustainable Linked Bond**, for a total of € 3,250 million, with the role of Joint Bookrunner; **Terna**, fixed-rate **Senior Green Bond** maturing in 2029 for a total of € 600 million, with the role of Joint Bookrunner; **Marcolin**, fixed-rate Senior Bond maturing in 2026 for a total of € 350 million, with the role of Joint Global Coordinator; **Gamenet**, fixed-rate Senior Bond for a total of € 575 million, with the role of Joint Bookrunner; **Inwit**, fixed-rate Senior Bond maturing in 2031 totalling € 500 million, with the role of Other Bookrunner; **Atlantia**, fixed-rate Senior Bond maturing in 2028 for a total of € 1,000 million, with the role of Other Bookrunner; **Autostrade per l'Italia**, fixed-rate Senior Bond maturing in 2030 for a total of € 1,000 million, with the role of Other Bookrunner, **Telecom Italia**, fixed-rate **Senior Sustainable Linked Bond** maturing in 2029 for a total of € 1,000 million, with the role of Joint Bookrunner; **Almaviva**, fixed-rate Senior Secured Bond maturing in 2026, with the role of Other Bookrunner and **ASTM** fixed-rate multi-tranche **Senior Sustainable Linked Bond** totalling € 3,000 million, with the role of Joint Bookrunner.

With regard to the **Equity Capital Markets**, the Bank acted as Global Coordinator and Specialist in the **IPO** of **Almawave**, the largest IPO transaction on the AIM Italia in the first half of 2021 (excluding SPACs) for a total of € 30 million collected, as well as Global Coordinator, NOMAD and Specialist in the IPO of the SPAC **Industrial Stars of Italy 4** for a value of € 138 million. In addition, Banca Akros acted as **Sponsor** in the transfer of **Fine Foods & Pharmaceuticals N.T.M** from the AIM Italia market to the STAR Segment, as the Intermediary in Charge of Coordinating the Collection of Subscriptions in the Takeover Bids of **Panaria** and **Carraro**, and as Co-Lead Manager in the share capital increase of **Autogrill**. The Bank also carried out an **Accelerated Book Building** on **Salcef** shares, in the role of Joint Global Coordinator, all for a capital increase for a total value of € 32 million.

In the **Financial Institutions segment**, Banca Akros participated, as Joint Bookrunner, in the placement of the following bond issues by the Parent Company **Banco BPM**, placed with institutional customers: the fixed-rate Subordinated AT1 Bond, for a total of € 400 million, the fixed-rate Subordinated Tier 2 bond, maturing in 2031, for a total of € 300 million and the fixed-rate Social Senior Preferred bond, maturing in 2026, for a total of € 500 million.

It should also be noted that, as Joint Bookrunner, the Bank handled the issue of the fixed-rate Senior Bond of **Anima Holding** maturing in 2028, for a total of € 300 million, as Bookrunner the issue of the fixed-rate Senior Bond of **Nexi**, maturing in 2026, for a total of € 1,050 million, as Joint Lead Manager the issue of the Senior Tranche of the floating-rate STS securitisation of consumer loans originated by **Agos Ducato** (Sunrise 2021-2) maturing in 2046, for a total of € 603.4 million, and as Joint Lead Manager the issue of the Senior Tranche of the floating-rate STS securitisation of lease contracts (12 SPV), maturing in 2041, for a total of € 474.7 million.

In the **SSA issuers** segment (Supranational and Sovereign Entities and Government Agencies), Banca Akros acted as Joint Bookrunner, in the issue of the fixed-rate Senior Bond of **AMCO**, maturing in 2028, for a total of € 750 million, and as Sole Bookrunner in the issue of the fixed-rate Senior Bond of **Cassa Depositi e Prestiti**, maturing in 2024.

Banca Akros has also been involved in more than twenty issues by leading Italian and foreign issuers, including the European Investment Bank (**EIB**) and the German Kreditanstalt Für Wiederaufbau (**KfW**).

In the segment of **performing securitisations** the Bank managed, as Joint Arranger, the following "STS" securitisations: "**Sunrise 2021-1**" and "**Sunrise 2021-2**", two securitisations of consumer loans originated by **Agos Ducato**, for around € 1,400

million and around € 850 million, respectively; and “Alba 12 SPV S.r.l.”, a securitisation of loans deriving from lease contracts originated by **Alba Leasing**, for around € 1,113 million.

Banca Akros also assisted the following securitisations, as Co-Arranger: **Credimi** - in the securitisation of performing receivables deriving from loans to SMEs for a total of € 200 million, and **an Italian financial institution**, in the securitisation of performing receivables deriving from loans to SMEs for a total of around € 170 million.

In the segment of corporate securitisations, the Bank managed, as Arranger, **Unoenergy** in its first securitisation of receivables deriving from the supply of natural gas and electricity for a total of € 50 million and a **company operating in the sale of steel**, in its first securitisation for a total of € 30 million. Moreover, the Bank held the role of Financial Advisor in the first three-year programme of securitisation of trade receivables, up to a maximum nominal value of € 295 million over three years, originated by **Generalfinance**.

In the **Green** segment, acting as Arranger, Banca Akros also handled an innovative green securitisation transaction of performing receivables originating from project finance loans for renewable energy plants, promoted by **Glennmont REBS Fund**, for a total of around € 26 million.

In the **non-performing securitisation** segment, acting as Joint Arranger, Banca Akros handled the securitisation of a portfolio of non-performing receivables belonging to **Banco BPM** (“Project Rockets”), for a total of around € 1,510 million, and a Multioriginator securitisation of a portfolio of non-performing receivables belonging to **12 Italian banks**, for a total amount of around € 790 million (“Luzzatti POP NPLS 2021”) for which the GACS guarantee on the senior notes was requested.

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