

PRESS RELEASE

LAUNCH OF THE ELITE INTESA SANPAOLO BASKET BOND: 3 OUTSTANDING ITALIAN COMPANIES ISSUE THE FIRST BOND

- **Illiria Group (Udine), Sigma (Naples) and Cittadini dell'Ordine (Bolzano) are the first three companies to issue a bond under the ELITE Intesa Sanpaolo Basket Bond Programme**
- **Bonds totalling up to 1 billion euro in several tranches involving up to 200 SMEs are expected to be issued**
- **Companies participating in the ELITE Intesa Sanpaolo Basket Bond can take advantage of the ELITE Intesa Sanpaolo Lounge, a collaborative growth programme dedicated to SMEs**

Milan, 16 October 2019 – Illiria Group (Udine), Sigma (Naples) and Cittadini dell'Ordine (Bolzano) are the first three companies to participate in the **ELITE Intesa Sanpaolo Basket Bond** Programme, an initiative that involves the issue of bonds by SMEs and their subsequent securitisation through "Notes" intended for institutional investors. The Programme, which is structured into a series of tranches, envisages issuing up to €1 billion in bonds and aims to involve a total of around 200 SMEs from throughout Italy.

The Udine-based **Illiria Group**, which posted consolidated revenues of around 53 million euro in 2018, is a leader in the vending machine sector, focused mainly on the Friuli Venezia Giulia region. **Sigma**, based in Naples and with a turnover of about 30 million euro in 2018, is one of the most important vending machine industry players with a focus on central and southern Italy, and **Cittadini dell'Ordine**, with a consolidated turnover of about 53 million in 2018, is one of the largest private security companies in Italy with registered office in Bolzano and administrative headquarters in Cesena. The Illiria Group has issued a 10 million euro bond, while Sigma and Cittadini dell'Ordine have each issued a 3 million euro bond. At present, issues totalling approximately 70 million euro are being negotiated.

With this instrument, ELITE and Intesa Sanpaolo intend to support the growth and investment plans of worthy SMEs through innovative financial solutions that simultaneously increase the visibility of companies vis-à-vis institutional investors while also enhancing their reputation and financial expertise.

The bonds will be fully subscribed by Intesa Sanpaolo, which may subsequently transfer the risk to the market. ELITE works with Intesa Sanpaolo to present the transaction to the companies interested in issuing

the bonds, while Banca IMI, the Group's investment bank, is entrusted with structuring the transactions. The Intesa Sanpaolo Group is assisted by the Grimaldi law firm for the structuring and the issuing of the bonds.

Companies participating in the **ELITE Intesa Sanpaolo Basket Bond** have the opportunity to take advantage of the ELITE Intesa Sanpaolo Lounge, an educational programme that offers companies a set of tools and services designed to accelerate their organisational and managerial development and to support them in their efforts to raise capital by encouraging the growth and heightening the cultural awareness of the companies of the forms of funding available, including public and private capital markets.

Luca Peyrano, CEO of ELITE, commented: *"We are pleased that Intesa Sanpaolo chose ELITE as its partner for this first important alternative finance project, promoting an innovative tool for enhancing the value of the outstanding companies in our country. A commendable model of collaboration that demonstrates the importance of systematic actions to produce benefits for businesses and contributes to the development of the capital market. ELITE has always strived to work closely with the banking system and financial intermediaries, and has confirmed its commitment to alternative finance by offering companies innovative tools for accessing the capital market to encourage greater diversification with regard to the sources of funding and greater capitalisation of companies".*

Stefano Barrese, Head of Intesa Sanpaolo's Banca dei Territori Division, commented: *"Our support for SMEs includes a new alternative tool that was successfully developed thanks to a partner like ELITE, which helps these companies implement a more advanced form of governance and grow in size. The basket bond is a new offering from Intesa Sanpaolo which is diversified according to the needs and issuance possibilities of individual companies. It provides access to the capital market and improves visibility with institutional investors that our SMEs would not be able to attract on their own due to their small size".*

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ELITE is the London Stock Exchange Group's international platform. Founded in Italy in 2012 in collaboration with Confindustria, it aims to accelerate the growth of innovative SMEs through a process of organisational development and governance. Today ELITE is a global network of over 1,295 companies from 43 different countries that together represent an aggregate turnover of 90

billion euro, employ more than 510,000 people and represent more than 35 different sectors: from industry to food, and from technology to consumer goods.

Intesa Sanpaolo

Intesa Sanpaolo is one of the soundest and most profitable banks in Europe, offering commercial banking, corporate investment banking, asset management and insurance services. It is the leading Bank in Italy, with approximately 12 million customers who are assisted through both digital and traditional channels. The Group's international subsidiary banks serve 7.2 million customers across Eastern Europe, the Middle East and North Africa. Intesa Sanpaolo is considered one of the most sustainable banks in the world. For the Group, creating value means being a driver of social and economic growth.

As regards the environment, the Group has set up a 5-billion-euro fund for the circular economy. Intesa Sanpaolo supports major economic inclusion and poverty reduction projects, including an impact fund of 1.2 billion euro for loans available to social groups who struggle to access credit. Intesa Sanpaolo has a high level of involvement in cultural initiatives, organised by itself or in collaboration with other entities in Italy and further afield. These include permanent and temporary exhibitions showcasing the Bank's impressive artistic heritage at the Gallerie d'Italia, the Group's museums located in Milan, Naples and Vicenza.

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