



BELIEVE, ILLIMITY'S APPOINTMENT FOR PROMOTING DIALOGUE BETWEEN BANKS, FINANCE AND BUSINESS, TOOK PLACE TODAY

**THE SECOND EDITION OF THE EVENT, "GIVING ENERGY TO THE FUTURE",
FOCUSED ON THE CURRENT AND FUTURE CHALLENGES THAT COMPANIES FACE WITH
THE ENERGY TRANSITION**

**RESEARCH RESULTS WERE PRESENTED PROVIDING A SNAPSHOT OF THE EFFECT
OF THE ENERGY SHOCK ON SMEs AND PROJECTS IN THE ENERGY FIELD**

Milan, 23 June 2023 – Today took place "Believe – Giving Energy To The Future", the second edition of the event conceived by illimity to promote dialogue between banks, finance and business.

illimity, as always, working closely with companies to provide them with support during their most complex periods, once again used this event to highlight a current issue which is of key importance for the country's economic development and sees businesses leading the role in energy transition and new sustainable growth models.

Accordingly, the second edition of Believe concentrated on the challenges arising from the energy transition, which could require Italian SMEs to make investments of an estimated 200 billion euro by 2050 (source: Cerved).

From this arose an exchange of views between financial operators, businessmen working in the energy sector and geopolitical and macroeconomic experts, all with the shared aim of identifying the tools and measures required to offer the support that banks and finance can provide more effectively.

Corrado Passera, illimity's CEO, introduced the event by emphasising that: *"illimity was created to support SMEs with potential and provide the support required to work together with them when they have to face complex challenges. Energy transition is more prevalent than ever today. A significant challenge that has to be tackled decisively and with a long-term view, as it is crucial not only for the future of businesses but also for that of the country as a whole and indeed for us all. Our aim was therefore to dedicate the new edition of Believe to this issue in the conviction that if we want to achieve concrete objectives everybody must play their part. Therefore, dialogue between businesses, banks and finance must be encouraged. By means of such dialogue we will today try to identify possible solutions to tackle this essential step, while at the same time making it the occasion for growth"*.

The event was opened by Dario Fabbri, who provided a summary of the geopolitical situation and changes in the energy scenario.

The **research promoted by illimity and carried out by Deloitte, "Finance and costly energy: measures to support SMEs hit by the increase in energy costs"**, was also presented during the event.

The price rises in raw materials in 2022 have had a significant effect on the performance of Italian SMEs. In this respect, an analysis performed on a sample of 27,000 companies showed that there was a total fall in ROE of approximately 37 billion euro in 2021-2022 and an average decrease in the profits earned by each small business of around 300,000 euro in the same period.



With this as a background, interviews were carried out with a panel of businessmen with the aim of taking a snapshot of the state of the art and planning in the energy transition field.

Over half of the panel (almost 68%) considered the energy shock to be significant, while more than 50% of the sampled businesses stated that energy price rises have had an effect of over 10% on their margins.

To deal with the new emergency scenario, 46% of businesses have restructured working hours and passed the increased costs to the customer. As far as measures introduced in the energy sphere are concerned, over a third of the companies (35.7%) have introduced technologies and procedures designed to improve efficiency, 29.5% have initiated awareness campaigns and 26.8% have introduced monitoring and energy audit systems. While 50% of the panel interviewed have currently not adopted energy efficiency policies or only adopted them in a residual manner, looking to the future though, 58% of businesses stated that they are working on new measures designed to make energy usage more efficient. More specifically, 33% of businesses are considering an increased use of green energy and the introduction of new corporate policies. Whilst, 21.5% believe that redevelopment and conversion measures for buildings could be effective.

Of all the SMEs interviewed, 86.4% do not have renewable energy production systems, while 95% stated that they are not members of energy communities and 61% do not envisage joining one in the future. Lastly, it emerged from the panel's comments that over 50% of businesses do not discuss ESG issues in any detailed form.

After describing the results of the research, Deloitte partner **Enrico Ferraresi** stressed that *“there is a growing awareness among Italian SMEs of the need for them to initiate an energy transition programme and place this at the heart of their strategies, in line with what they are already doing with digital transition. SMEs must also assign increasing importance to ESG issues and to reporting these in their financial statements, consistent with European Union legislation. But investment will be needed for this virtuous step, and the support of the banking and finance systems will be essential in this by creating a more widespread availability of finance tools including these in the guarantees that may be used in certain refinancing operations”*.

Two round table discussions were held during the course of the morning, at which professionals in the sector and businessmen exchanged views on energy transition issues, the development of renewable sources and sustainable mobility.

More specifically, the first round table, **“Financial instruments in the support of energy transition”**, was introduced by Bernardo Attolico, Chief Business Officer of SACE, who emphasised that “energy transition is a strategic issue for the country and is a challenge that SACE has accepted by making it easier for SMEs to obtain guarantees for financing extended for revival and growth projects”. On the other hand Francesca Bognin, Chief Financial Officer of RINA, noted that “we in RINA are well aware that energy transition is a path filled with opportunities and challenges, where there are various technological solutions and many others being studied. Which is why it is fundamental to nurture the idea of a strong and collaborative ecosystem in which all the players involved – financial, corporate, public and private – work together to support and grasp the opportunities that the moment provides to the benefit of all stakeholders and the community as a whole”. While Constantin Terzago, Managing Director of Mutares, added that “now is the time to relaunch the historical companies in the energy sector: Italy provides significant opportunities for international investors that are able to contribute to the development of infrastructure at a global level”. Lastly, Umberto Paolo Moretti, Head of Turnaround in illimity, concluded by recalling that “given its fundamental role in allocating capital, the banking system can channel funds to projects and businesses that contribute the most to energy transition. In addition, in the specific case of



turnaround transactions, the relaunching phase of a business can be the occasion for pursuing strategic decisions that go in this direction, while at the same time creating a competitive advantage”.

The second round table, “**Renewable sources and green mobility: how banks are rethinking their role**”, involved Alessandra Scognamiglio, senior researcher and coordinator of the ENEA task force Sustainable Agrivoltaics, who introduced the session by stating that “organised in the right way, agrivoltaics is an effective tool for encouraging the development of renewable energy because it enables the time required for energy transition to be reduced. No less importantly, it introduces an ethical concept that can create value for society as a whole”. Guido Cuzzolin, Country Manager of Ortus Italy, added that “the number of operators setting their sights on photovoltaics in Italy is rising, but the legislative structure is still confusing and there are a number of obstacles that must be overcome to enable investors to finance green projects and make the change effective”. Carlo Mereu, Co-Founder and CEO of FastWay, also spoke at the round table, stating that “we have an ambitious project: to equip Italy with a capillary network of fast-charging electric cars. In order to make this possible we need a clear legislative framework that facilitates investment and an acceleration of the country towards sustainable mobility”. Lastly, Elena Maspoli, Head of Special Situations Energy of illimity, concluded by stressing that “energy transition is a challenge worth over 100 billion euro, that we mustn’t lose. There is no shortage of funds but what is needed is a decisive effort to align interests at a public and local level. Banks should not hold back from playing their role in supporting such a strategic path for the growth of businesses and the country as a whole.”

The event also saw the intervention of **Andrea Mignanelli, CEO of Cerved**, who, summarising the results of a recently carried out survey, noted that there are currently 110,000 industrial buildings in Italy with roofs suitable for housing photovoltaic systems for self-consumption, making a total available surface area of approximately 300 sq. km..

This would make it possible to erect roof-based systems having a total power of 30 GW, thereby enabling the power of currently installed photovoltaic systems (25 GW) to be doubled and investments of 30-36 billion euro to be released. In this way, Italy would be able to move significantly closer to the Fit For 55 targets which require additional renewable electricity capacity of 75 GW to be installed by 2030.

*“Many businesses could produce photovoltaic energy but they have no idea of the production potential”, concluded **Andrea Mignanelli**. “At the same time banks would like to be involved in these cases and support them in a targeted manner. Cerved has drawn up a map of the companies that could obtain ad hoc financing, thereby providing a concrete contribution in support of energy transition, which to be implemented on a vast scale, must involve the productive system, technological innovation, politics and the financial sector”.*

The event was brought to a close by the presentation “**The energy to come**” made by **Francesca Zarri, Director Technology, R&D & Digital in Eni**, who concluded that “*there’s no single path for creating the energy to come; we must maintain a neutral approach from a technological standpoint that enables us to use all the options available in a synergic and complementary manner on the basis of their maturity and effectiveness in reducing emissions*”.



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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 ARECneprix and provides digital direct banking services through *illimitybank.com*. illimity SGR, which sets up and manages alternative investment funds, is also a member of the Group. The story of the illimity Group 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 870 employees and ended the first quarter of 2023 with assets of around 6.1 billion euro.