

FIRST SUPPLEMENT DATED 27 MARCH 2024

TO THE BASE PROSPECTUS DATED 3 OCTOBER 2023



BFF BANK S.P.A.

(incorporated as a joint stock company (società per azioni) in the Republic of Italy)

€2,500,000,000 Euro Medium Term Note Programme

This Supplement (the “**Supplement**”) to the Base Prospectus constitutes a prospectus supplement for the purposes of Article 23(1) of Regulation (EU) 2017/1129 of 14 June 2017, as amended, and is prepared in connection with the Base Prospectus dated 3 October 2023 (the “**Base Prospectus**”) prepared by BFF Bank S.p.A. (the “**Issuer**” or the “**Bank**” or “**BFF**”) with respect to its €2,500,000,000 Euro Medium Term Note Programme (the “**Programme**”).

This Supplement has been approved by the Central Bank of Ireland (the “**Central Bank**”), as competent authority under Regulation (EU) No. 2017/1129 of 14 June 2017 (as amended, the “**Prospectus Regulation**”). The Central Bank only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subject of this Supplement. Investors should make their own assessment as to the suitability of investing in the Notes.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement is supplemental to, and should be read and construed in conjunction with, the Base Prospectus. Terms defined in the Base Prospectus (but not defined herein) shall have the same meaning when used in this Supplement.

With effect from the date of this Supplement, the Base Prospectus shall be amended and supplemented in the manner described in this Supplement and each reference in the Base Prospectus to the “Base Prospectus” shall be read and construed as a reference to the Base Prospectus as amended and supplemented by this Supplement.

This Supplement is available for viewing, and copies may be obtained from, the registered office of the Issuer, on the website of the Issuer (<https://investor.bff.com/en/home>) and by appointment from the specified offices of the Paying Agent for the time being in London.

In this Supplement, references to websites are included for information purposes only. The contents of any websites (except for the documents incorporated by reference into this Supplement to the extent set out on any such website) referenced in this Supplement do not constitute a part of or are incorporated into this Base Prospectus.

Save as disclosed in this Supplement (and in the documents incorporated by reference as described below), there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus.

This Supplement has been produced for the purpose of amending and supplementing the following sections of the Base Prospectus:

- Documents Incorporated by Reference;
- Selected Consolidated Financial Data;
- Description of the Issuer and the Group;
- Taxation;
- Subscription and Sale; and
- General Information.

DOCUMENTS INCORPORATED BY REFERENCE

The information set out below supplements the section of the Base Prospectus entitled “Documents Incorporated by Reference” on pages 61 and 62 of the Base Prospectus.

BFF Banking Group announces the 2023 adjusted consolidated net income

The press release dated 8 February 2024 entitled “*BFF Banking Group announces all time high FY23 adjusted consolidated net income*” (the “**2023 Results Press Release**”), which has been published and filed with the Central Bank and is available at: https://edge.sitecorecloud.io/bffbanking-yt799fde/media/Project/BFFWebsites/investorrelations/Eng-PDF/Press-releases/2024/February/20240208_PR_BFF-Banking-Group---Consolidated-financial-results-FY2023.pdf is incorporated by reference in its entirety into this Supplement, and shall, by virtue of this Supplement, be deemed to be incorporated by reference in, and form part of, the Base Prospectus.

The 2023 Results Press Release has not been audited or reviewed by the independent auditors of the Issuer. The unaudited results for the year ended on 31 December 2023 set out in the 2023 Results Press Release are derived from financial information produced internally by the Issuer for the relevant periods and have been compiled and prepared on a basis which is comparable with the historical financial information and consistent with the Issuer’s accounting policies.

The following table shows where the information incorporated by reference into the Base Prospectus can be found in the 2023 Results Press Release. Any other information contained in any of the documents specified below that is not included in the cross-reference list below is either not relevant to investors or is covered elsewhere in the Base Prospectus or this Supplement.

Document	Information incorporated	Page numbers
2023 Results Press Release	Entire document	1 – 11

The Board of Directors of BFF approves the Parent Company draft Annual Report, the consolidated Financial Statements as of 31st December 2023 and the Board of Directors slate

The press release dated 7 March 2024 entitled “*The Board of Directors of BFF approves the Parent Company draft Annual Report, the consolidated Financial Statements as of 31st December 2023 and the Board of Directors slate*” (the “**7 March 2024 Press Release**”), which has been published and filed with the Central Bank and is available at: https://edge.sitecorecloud.io/bffbanking-yt799fde/media/Project/BFFWebsites/investorrelations/Eng-PDF/Press-releases/2024/March/20240307_BFF---PR_BoD-approves-AR-and-dividend.pdf is incorporated by reference in its entirety into this Supplement, and shall, by virtue of this Supplement, be deemed to be incorporated by reference in, and form part of, the Base Prospectus.

The 7 March 2024 Press Release has not been audited or reviewed by the independent auditors of the Issuer.

The following table shows where the information incorporated by reference into the Base Prospectus can be found in the 7 March 2024 Press Release. Any other information contained in any of the documents specified below that is not included in the cross-reference list below is either not relevant to investors or is covered elsewhere in the Base Prospectus or this Supplement.

Document	Information incorporated	Page numbers
7 March 2024 Press Release	Entire document	1 – 5

SELECTED CONSOLIDATED FINANCIAL DATA

The information set out below supplements the section of the Base Prospectus entitled “Selected Consolidated Financial Data – Alternative Performance Measures” on pages 186 and 187 of the Base Prospectus.

Alternative Performance Measures

This Supplement (including the documents incorporated by reference therein) contains the following alternative performance measures as defined by the European Securities and Markets Authority’s Guidelines on Alternative Performance Measures (ESMA/2015/1415), (“APMs”) which are used by our management to monitor our financial and operating performance.

With reference to the interpretation of these APMs, the Issuer draws attention to the matters illustrated below:

- these indicators are constructed exclusively from BFF Group’s historical data and are not indicative of our future performance;
- the APMs are not required by IFRS and are not audited;
- these financial measures should not be seen as a substitute for measures defined according to IFRS and are not indicative of the Issuer’s historical operating results, nor are they meant to be predictive of future results;
- reading of these APMs should be carried out together with the Issuer's financial information included in the 2023 Results Press Release;
- it is to be noted that, since not all companies calculate APMs in the same manner, these are not always comparable to measurements used by other companies.

Any examination by investors of the Non-IFRS without considering the above limitations may create a misunderstanding of the Issuer’s business, capital and financial condition and results of operations and lead to incorrect, inappropriate or inadequate investment decisions. Therefore, investors should not place undue reliance on this data.

APMs used by the Issuer are processed with continuity and consistency of definition and representation for all periods for which financial information included in this Supplement.

This type of key metrics is used by management to assess financial performance. These metrics are not a measurement of our financial performance under IFRS and should not be considered as alternatives to total comprehensive income/(loss) or other performance measures derived in accordance with IFRS, or as alternatives to cash flow from operating activities as measures of liquidity. These amounts have not been audited or reviewed by any independent auditors.

The tables below set forth certain key economic, operating and financial indicators for the indicated periods. The financial information set out in this section is derived from financial information produced internally by the Issuer for the relevant periods and such information has not been audited or reviewed.

	As of and for the year ended	
	December 31,	
	2023	2022
	<i>(in € million)</i>	
Adjusted Net Profit	183.2	146.0
Depositary Bank (AuD)	58,842	49,524
Global Custody (AuC)	111,343	153,065
Loan Portfolio	5,617	5,442
Number of transactions (#operations/mln)	767	675
Off-balance sheet reserves and late payment interest	606	530

Adjusted Net Profit

The following table sets forth the breakdown of the calculation of the Adjusted Net Profit shown in the table above for the years ended 31 December 2023 and 2022. The financial information set out in this section is derived from financial information produced internally by the Issuer for the relevant periods and such information has not been audited or reviewed.

	For the year ended	
	December 31,	
	2023	2022
	<i>(in € millions)</i>	
Reported Net Profit	171.7	232.0
Exchange rates movement (offset at the comprehensive income and equity level)	-	(1.7)
Stock Options & Stock Grant plans	2.4	3.3
Transaction/restructuring costs/M&A ⁽¹⁾	3.0	3.9
Extraordinary Resolution Fund contribution and FITD	1.2	0.5
Extraordinary Tax Items	1.3	4.9
Group CEO settlement agreement	1.7	-
Customer contract amortisation	1.9	3.1
Change in assets value, including LPI and “Recovery cost”	-	(100.1)
Adjusted Net Profit	183.2	146.0

⁽¹⁾ Transaction/restructuring costs and M&A represents two different accounting items, grouped in a single line for representation purposes.

DESCRIPTION OF THE ISSUER AND THE GROUP

1. On pages 194 - 195 of the Base Prospectus, the paragraphs entitled “Shareholders, share capital, dividend policy and subsidiaries – Share Capital” and “Shareholders, share capital, dividend policy and subsidiaries – Shareholders” shall be amended by and updated to the following paragraphs.

“Share Capital

As of 31 December 2023, the Issuer had an authorised share capital of €143,946,902.25, fully subscribed and paid in, represented by 186,944,029 ordinary shares without nominal value and in dematerialised form.

Shareholders

As a result of an accelerated bookbuilding transaction, whereby approximately 14 million ordinary shares of BFF held by Equinova were sold on the market in March 2022 (see “Our History - Accelerated Bookbuilding of the Issuer’s shares”) the Bank’s free float reached nearly 100% of the share capital.

The table below sets out the shareholders of the Issuer, as of 31 December 2023, including each shareholder’s percentage shareholding, based on communications pursuant to Article 120 of Legislative Decree No. 58 of 24 February 1998, as amended:

Name	Percentage of share capital
Free Float ⁽¹⁾	93.75
Groups’ management ⁽²⁾	5.98
Treasury shares.....	0.26
Total	100.000

Source: CONSOB and BFF internal records. Percentages are calculated on total issued shares as of 31 December 2023.

(1) (i) As of 18 September 2023, Capital Research and Management Company held 5.2% of the Bank’s share capital; and (ii) as of 13 November 2023, JPMorgan Asset Management Holdings Inc. held 3.2% of the Bank’s share capital.

(2) As of 31 December 2023, pursuant to MAR rules, the Group’s CEO Massimiliano Belingheri and his closely associated persons held (directly or indirectly) 5.8% of the Bank’s share capital. The remaining management’s stake refers to BFF shares held by the 4 Vice Presidents in force as of that date, and by their respective closely associated persons.

As of 10 March 2023, pursuant to rules governing the disclosure of major shareholdings, The Bali Trust held indirectly 4.8% of the Bank’s share capital. The Bali Trust is an irrevocable trust with Massimiliano Belingheri and his heirs as beneficiaries.”

2. On page 208 of the Base Prospectus, the following paragraphs shall be added at the end of the section entitled “Recent Developments”.

“Purchase of stake in Generalfinance S.p.A.

On 4 October 2023, the Bank purchased a 7.7% stake (equal to 5.43% of voting rights) into the share capital of Generalfinance S.p.A.

The transaction represents an investment in a financial intermediary offering factoring services, mainly to distressed, financially-constrained companies.

Bank of Italy inspection

On 11 September 2023, the Bank of Italy started an inspection on the Issuer.

The inspection was completed on 12 January 2024 and the Issuer is waiting to receive the inspection report.

BFF’s ratings affirmed by Moody’s

On 22 November 2023, the rating agency Moody’s France SAS has affirmed BFF’s credit ratings, following its recent rating action in the outlook of Italy’s Baa3 government bond rating to stable from negative and the change of Italy’s Macro Profile.

Moody's France SAS is established in the European Union and registered in accordance with Regulation No. 1060/2009/EC of the European Parliament and the Council dated 16 September 2009 relating to credit rating agencies, and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at <http://www.esma.europa.eu/supervision/credit-rating-agencies/risk>.

ESG Ratings

On 21 November 2023, Standard Ethics Ltd., an independent sustainability rating agency, at the end of the analysis conducted for the first time in solicited form, upgraded the Bank's Corporate Standard Ethics Rating (SER) to "E+" from the previous "E" assigning a "Positive" Outlook.

On 29 January 2024, Morningstar Sustainalytics completed its independent annual assessment, with the Group scoring 17.0 in ESG risk rating, with an improvement versus the previous analysis, confirming the "Low Risk" category.

ESG ratings may vary amongst ESG ratings agencies as the methodologies used to determine ESG ratings may differ. The Issuer's ESG ratings are not necessarily indicative of its current or future operating or financial performance, or any future ability to service the Notes and are only current as of the dates on which they were initially issued. ESG ratings shall not be deemed to be a recommendation to buy, sell or hold the Notes. Currently, the providers of such ESG ratings are not subject to any regulatory or other similar oversight in respect of their determination and award of ESG ratings. Prospective investors must determine for themselves the relevance of any such ESG rating information contained in this Base Prospectus or elsewhere in making an investment decision"

TAXATION

On pages 226 of the Base Prospectus, the paragraph entitled “Wealth Tax on securities deposited abroad” shall be amended by and updated to the following paragraph.

“Wealth Tax on securities deposited abroad

Pursuant to Article 19(18) of Decree 201, Italian resident individuals, non-profit entities, including also trust and foundations, *società semplici* and similar partnerships (pursuant to art. 5 of Italian Presidential Decree No. 917 of 22 December 1986) holding the Notes outside the Italian territory are required to pay an additional tax at a rate of 0.20 per cent (“**IVAFE**”). Starting from 2024, the rate has been increased to 0.40% in case the Notes are held in territories having a preferential tax regime as listed by Italian Ministerial Decree dated 4 May 1999.

This tax is calculated on the market value of the Notes at the end of the relevant year or, if no market value figure is available, the nominal value or the redemption value or in the case the nominal or redemption values cannot be determined, on the purchase value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).”

SUBSCRIPTION AND SALE

On pages 232 – 233 of the Base Prospectus, the paragraph entitled “Singapore” shall be amended by and updated to the following paragraph.

“Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.”

GENERAL INFORMATION

On page 234 of the Base Prospectus, the paragraph entitled “Share Capital of the Issuer” shall be amended by and updated to the following paragraph.

“Share Capital of the Issuer

As of 31 December 2023, the Issuer had an authorised share capital of €143,946,902.25, fully subscribed and paid in, represented by 186,944,029 ordinary shares without nominal value and in dematerialised form.”