BFF Group overview

September 2017

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BFF Banking Group: A Bank Like No Other

Leading financial services provider to suppliers of the European Healthcare and Public Administration sectors

Market leader in large and underpenetrated markets	€240bn market
Solid and resilient business model with compelling assets and earnings growth	>20% CAGR 2013-2016[(1)]
Low risk profile coupled with solid capital position	15bps Cost of Risk[(2)] 19.0% TC ratio[(3)]
Superior cash generation with proven track record of high profitability and dividend	30% RoTE[(4)] 100% payout
Significant growth potential through excess capital, invested platform and access to funding	Excess capital allows 26% RWA growth & 100% payout €0.8bn of liquidity
Management fully aligned with public market shareholders	7.6% direct stake post IPO 8% hurdle rate on stock options

Source: Annual Reports

Notes: (1) 2013 income statement normalised for change in LPI accounting; 2016 net income adjusted to exclude extraordinary costs and including 12 months of Magellan. (2) 1H17 annualised. (3) Referring to Banking Group as of 30/06/2017 (4) 1H17 annualised and based on net income adjusted to exclude extraordinary items

Leading Provider of Credit Management and Working Capital Solutions to Public Sector Suppliers, to Tackle the Payment Delays From the Public Administration in Southern Europe and CEE

BFF BANKING GROUP

Endemic Delay in Payments in the Public Sector

- Some European countries have endemic delays in payments due to Public Administration suppliers, because of:

1. Mismatch between centralised tax collection and decentralised public spending
   - Only 16% of total public expenditure for goods and services in Italy is controlled by Central Government
2. Administrative complexity: 22,948 Italian public entities[(1)], 18,838 Spanish public entities[(2)] and 4,069 Portuguese public entities[(3)]
3. Commercial debt not classified as public debt, allowing financial flexibility to governments

€240bn of Public Sector expenditures in the countries we operate in[(4)]

Public expenditure in good and services (€bn)[5]

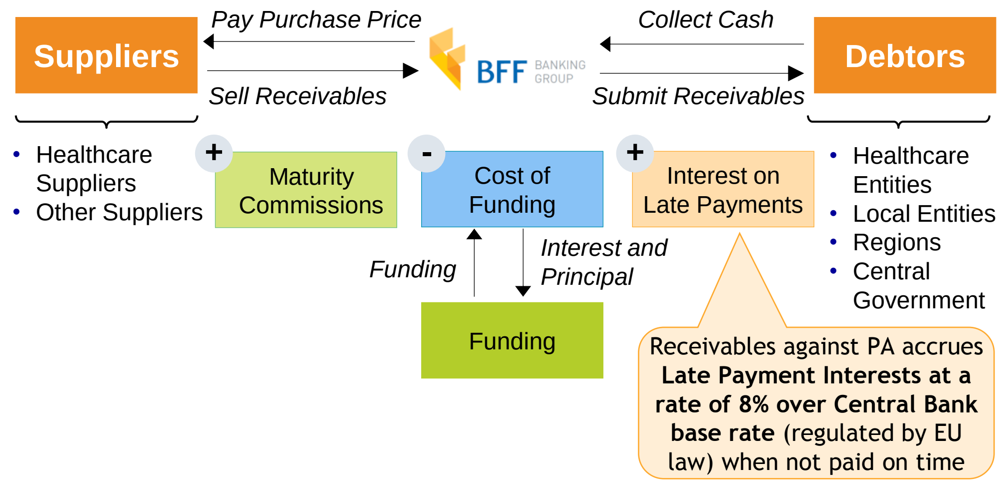
Source: Eurostat
Notes: (1) Souce IPA, Indice delle Pubbliche Amministrazioni; (2) Source IGAE, Intervencion General de la Administracion del Estado; (3) Source Associação Nacional Municípios Portugueses, Direcção Geral do Orçamento and Commissao Nacional de Eleicoes; (4) Exchange rate as of 31/12/16; (5) Data as of 2016.

BFF Banking Group's Services Offered

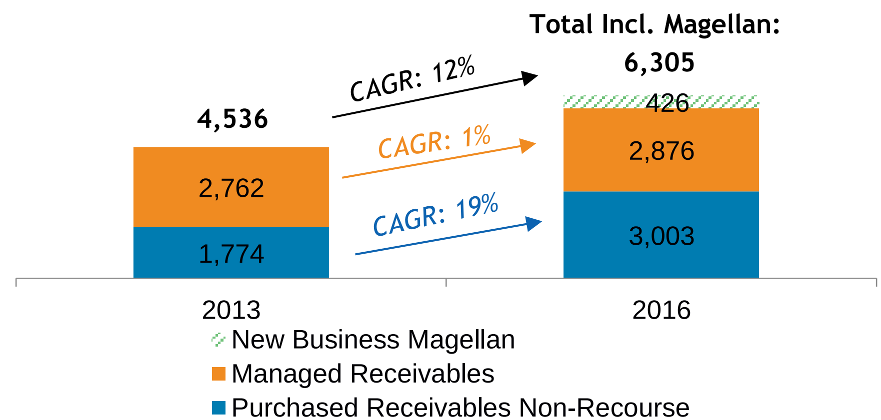
General Overview

- Three business lines:
  - **Non Recourse Factoring ("Purchased")** (Funded business, 82% of gross revenues[1])
  - **Credit Collection Management** (Unfunded business, 4% of gross revenues[1])
  - **Financing** to healthcare entities and Local Government in CEE (funded business, 12% of gross revenues[1])

Focus on Non-recourse Factoring - Revenues Model



Total New Business Volumes (€m)[2]



Source: Annual Report

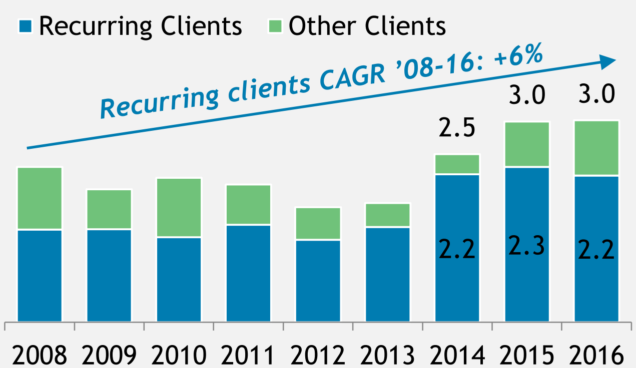
Notes: (1) Based on Banking Income gross of interest expenses and commission expenses and including Magellan only for 7 months. The remaining 2% is related to the interest income on financial assets (2) Data for Magellan are converted into EUR assuming an FX of 4.4103 (31/12/2016).

Solid Business Model…

Suppliers

- Long-standing relationship with top suppliers to the PA (leading multinational and national suppliers) → top 10 clients have been BFF clients for more than 16 years
- Majority of clients have outsourced their credit management activities to BFF → significant barrier to entry
- Significant recurring business with established clients

BFF excl. Magellan Non-Recourse Volumes (€bn)



Recurring clients[(1)] represented on average more than 70% of total volume

- **Highly experienced senior management team with a long tenure in the Group** (> 12 years on average)
- **Advanced and scalable IT platform developed in-house**

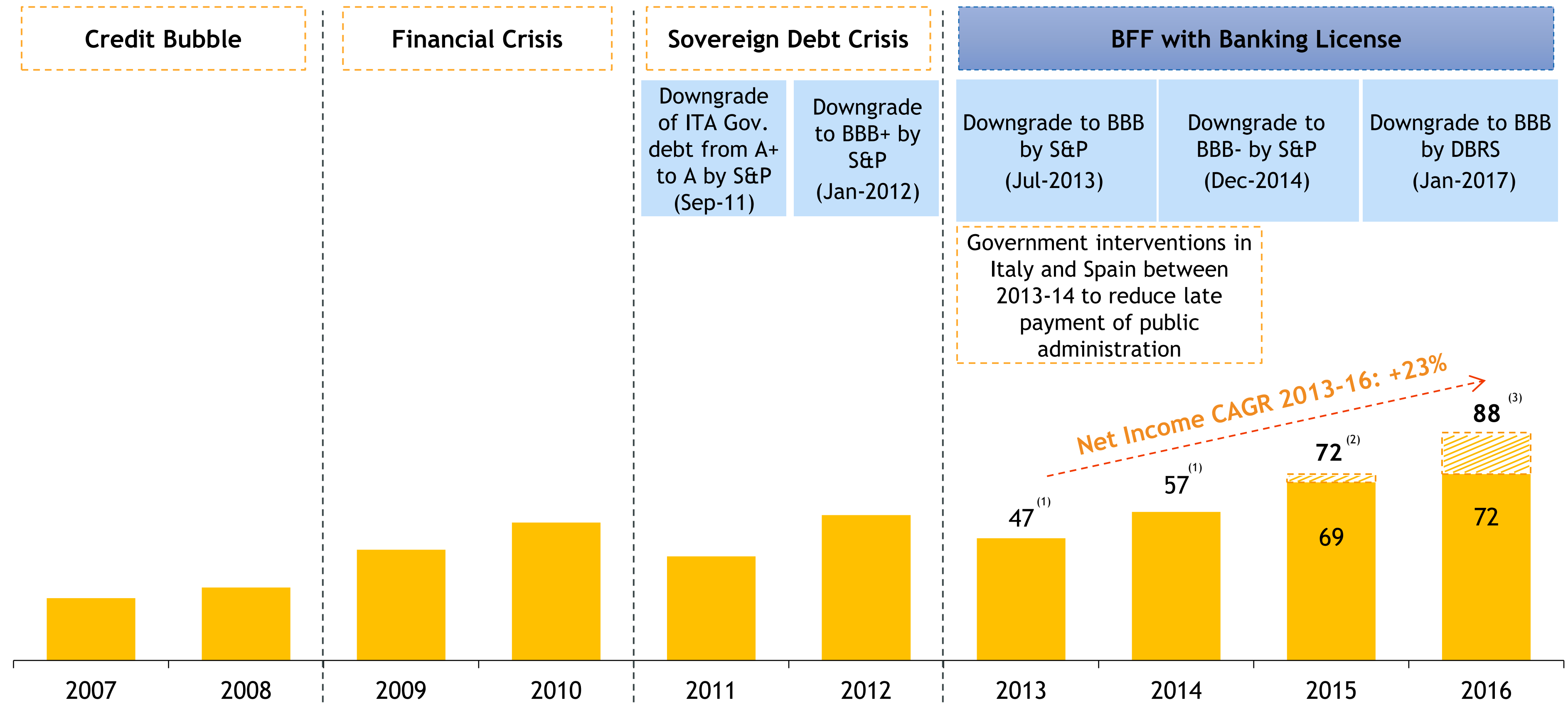
Debtors

- Long track record in dealing with Public entities and deep knowledge of the payment dynamics → better collection
- A proprietary database built over 30 years of experience enabling for an accurate estimate of collection time and credit risk → better pricing
- Short term duration of the receivables purchased allowing constant repricing
- Negligible Cost of Risk
- Low risk of underlying receivables (commercial debt vs. sovereign debt)

Source: Company data
Note: (1) Recurring non-recourse clients defined as clients who concluded at least 1 transaction per year in the 2014 - 2016 period.

…Able to Grow Profitably through Every Season

Net Income (2007-2016)



IT Lira 500m (€260k) invested in 1985 - c.€450m dividend distributed

Source: annual reports, Factset.

Notes: (1) 2014 net income normalised for change in LPI accounting; (2) Adjusted to exclude extraordinary costs. For 2015 adjusted net income includes ca. €0.3m ordinary contribution to Fondo Interbancario and Resolution Fund and excludes €0.7m of extraordinary contribution to Resolution Fund; (3) Excluding €11m of extraordinary expenses and including €4m Magellan 5 months contribution.

We Operate in an Underpenetrated €240bn Market, with Leadership Position in Many Geographies…

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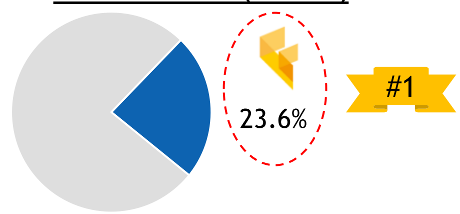
Key Considerations

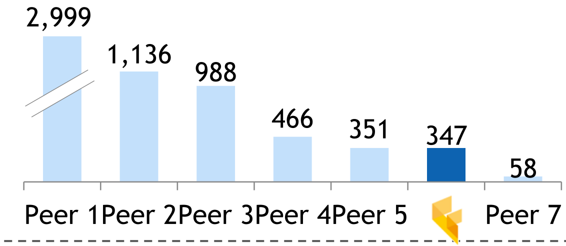
- **Total potential market is** the public sector expenditure in goods & services, **c. €240bn in Italy, Poland, Spain, Portugal, Slovakia and Czech Republic**
- In Southern Europe, stable expenditures despite austerity measures
- Growing market in CEE

BFF Positioning

Non-recourse Factoring outstandings with PA & NHS (€7.3bn)



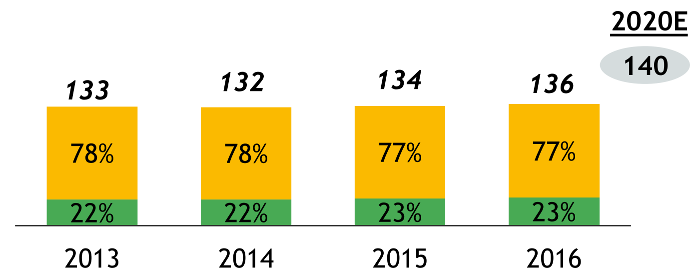
#1 Independent Player

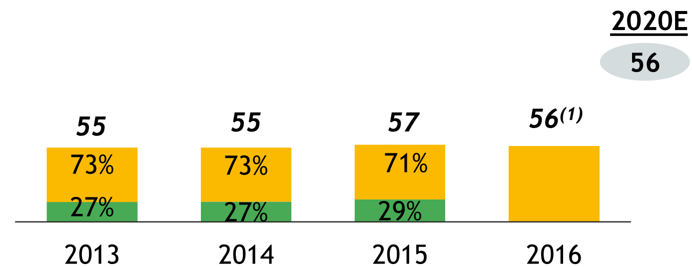


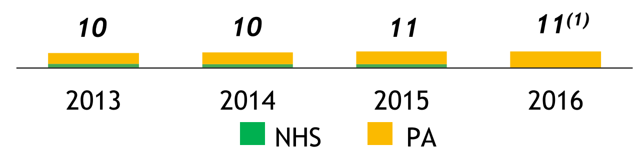
- **#1 Independent Player**
- **Sole specialised player in Portugal**

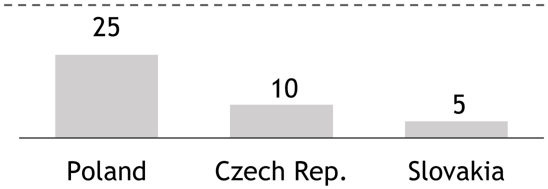
- **Leader in alternative financing in Poland**
- **Sole specialised player in Slovakia**
- **One of the few specialist in Czech Republic**

Total Public Expenditure in Goods and Service (€bn)









Source: PwC, IMF, DEF 2016 and 2017, Ministero de Sanidad, Servicios Sociales e Igualdad, Ministerio de Hacienda y Administraciones Públicas, and Actualizacion del Programa de Estabilidad 2016-2019 – Reino de Espana, Instituto Nacional de Estatistica – Portugal

Notes: (1) Breakdown not available.

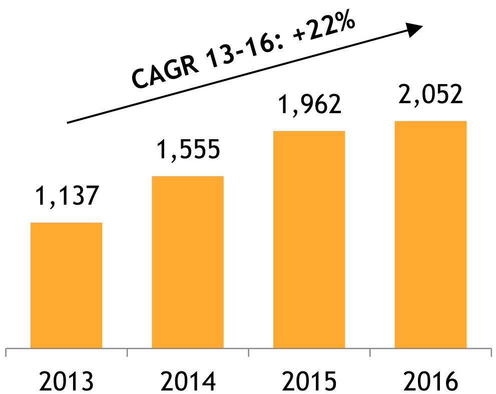
…With a Growing Business, Increasingly Diversified…

Key Considerations

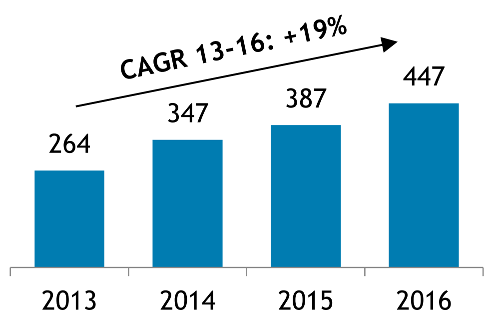
- Significant customer loans growth (CAGR 13-16 of +22%) **with higher contribution from less capital intensive segments** (non NHS public administration)
- **+10% y/y total customer loan growth in 1H17,** with Magellan up by 29%
- **Increased geographic diversification** with >25% exposures in non domestic markets
- **Set up for entry in Greece completed.** First deal expected in Q3

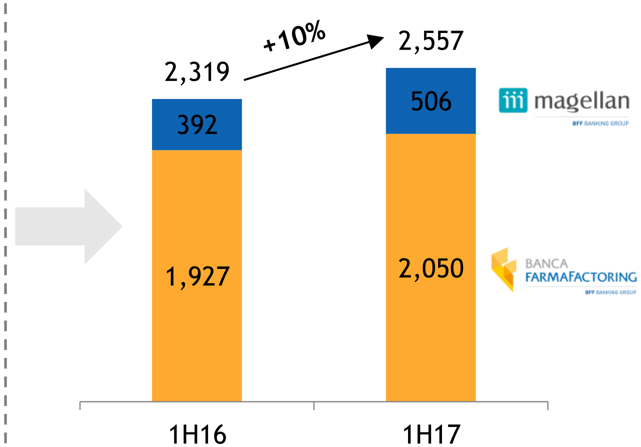
Customer Loans Evolution (€m)

BFF ex Magellan (€m)

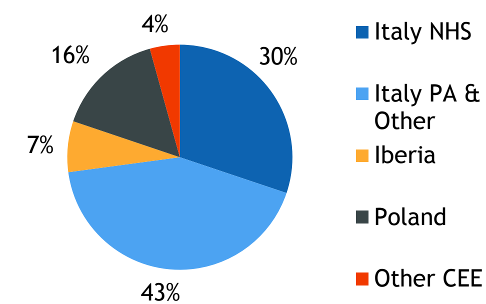


Magellan (€m)





1H17 Customer Loans by geography



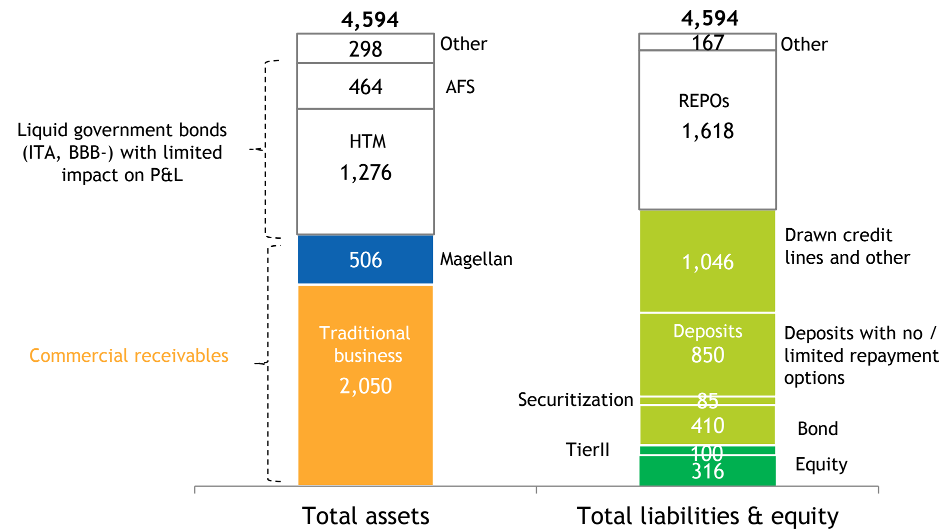
…and with a Fortress Balance Sheet and Low Risk Profile…

Key Considerations

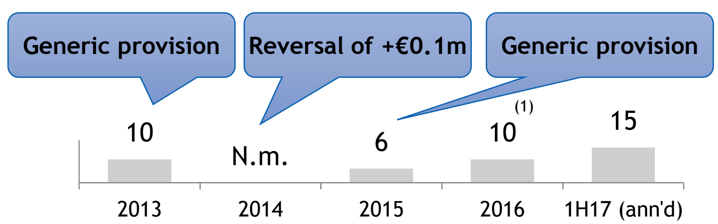
- **A fortress balance sheet**
  - Conservative asset / liability management approach: loan book funding duration higher than that of receivables
  - Commercial receivables funded through a well diversified funding base with a short maturity of the asset side allowing for fast repricing
  - Strong liquidity position with a **LCR of 153%** as of June 2017

  Low risk profile
  - Negligible credit risk profile: **CoR at c.15 bps**
  - Historically recovery of the credit exposure also in default situations
- **High creditworthiness of the counterparties:**
  - Mostly multinational and large corporates

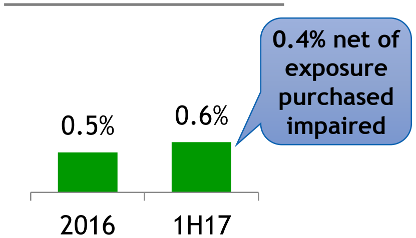
Breakdown of Balance Sheet 1H17 (€m)



Cost of Risk (bps)



NPL ratio



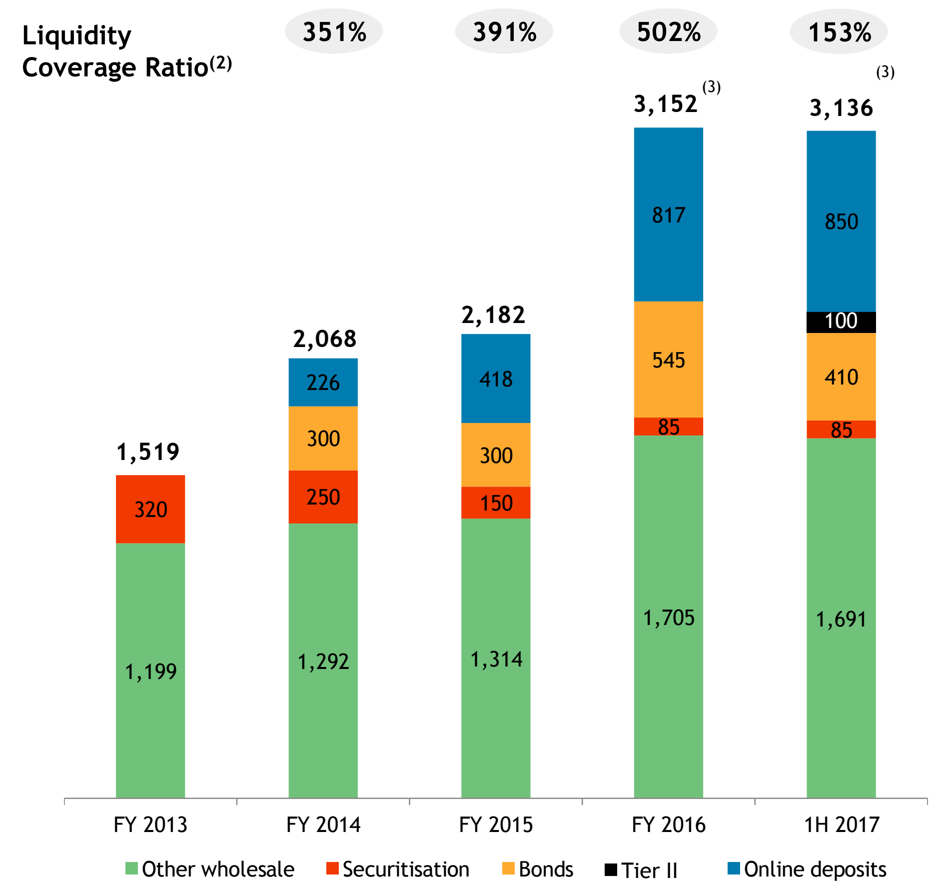
Source: Annual report and press release
Notes: (1) Based on 2016 numbers including Magellan for 12 months (i.e. -€2.7m of total provisions).

… Couple With a Diversified Funding Base…

Key Considerations

- **Balanced funding profile with deposits accounting for 36% of drawn funds:**
  - **€850m deposits** gathered as of June 2017, c. 2x versus FY2015
- **Access to capital markets:**
  - **€100m Tier 2** 5.875% coupon bond issued on 2nd March 2017
  - **€200m 5Y senior unsecured** 2.0% coupon bond issued on 29th June 2017
- **Group undrawn funding at c. €0.8 bn**

Available Funding[1] (€m)

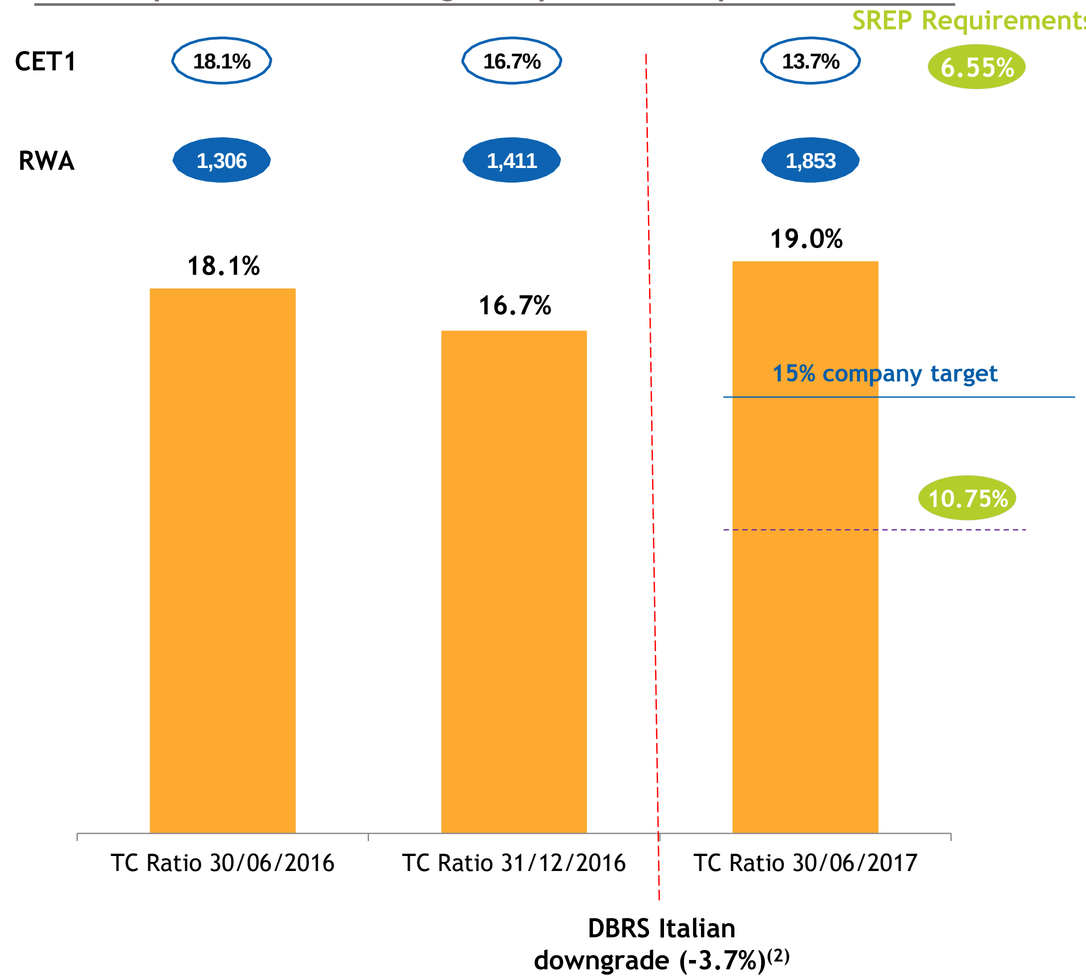


Notes: (1) Excluding ECB funds and REPOs. (2) Based on utilized credit lines; 2013, 2014 and 2015 excluding Magellan, December 2016 and 1H17 including Magellan; (3) Not considering financing for Magellan acquisition 355 m PLN.

… and Backed by a Strong Capital Position…

- Robust capital position maintained also after the cash acquisition of Magellan, the full 2016 net income pay-out and the DBRS Italian downgrade
- **Banking Group Total Capital ratio equal to 19.0%**
  - €38m adjusted net income not included in the capital ratios (equal to 206 bps of additional CET1 and total capital) available for dividend distribution
  - 400bps Total Capital in excess of 15% target available to sustain RWA growth
- **Banking Group CET1 ratio of 13.7%,** 2x the CET1 SREP requirement of 6.55%
- **Conservative RWA calculation** based on standard model and with Italian exposure to NHS and other PA risk weighted at 100%[(2)]
- **Operational risks RWA will decrease** by c.€38m at the end of 2017 (+0.4% impact on TC ratio and +0.3% on CET1 ratio)

Total Capital Ratio - Banking Group ex TUB Capital Ratio[(1)]



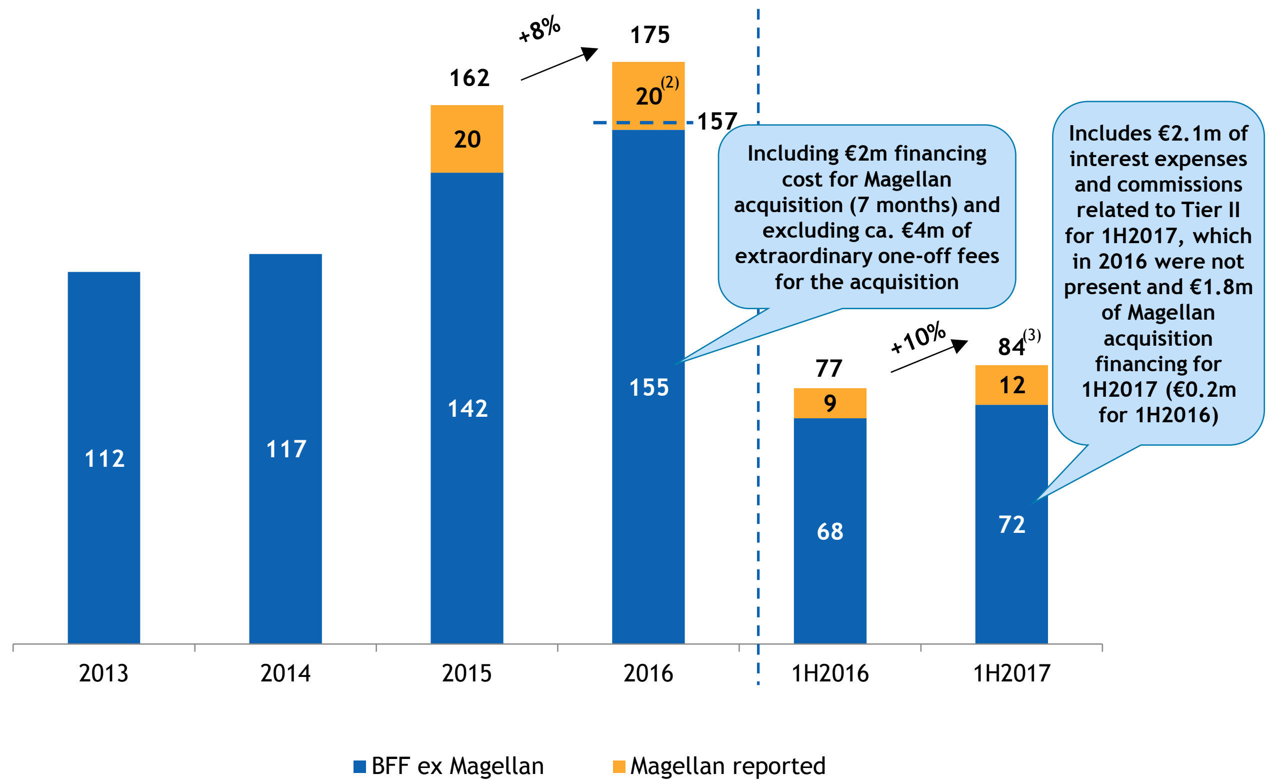
(1) CRR Total Capital Ratio and CET1 Ratio: 15,0% and 10,1%. These ratios are subject to approval by BFF Luxembourg S.àr.l. (2) Following the DBRS downgrade, starting from March 2017, capital ratios are calculated based on a higher risk weighting factor (from 50% to 100%) for the Italian exposure to NHS and other PA different from local and central government

Positive Trend in Revenues

Key Considerations

- **Net banking income adjusted increased by 8% in 2016 to €175m (including Magellan and €2m financing costs):**
  - **C.11% increase of net banking income for BFF only** (net of one-off and financing costs of Magellan) thanks to higher average outstanding and to lower interest expense driven by a diversified funding base
- **+ 10% growth in 1H2017 vs. 1H2016** thanks to:
  - Higher average stock of loans
  - Good LPI collection

Adjusted Net Banking Income(1) (€m)



Notes: (1) Including 12 months of Magellan for 2015 and 2016 data and adjusted for extraordinary items; (2) €20m Magellan NBI (i) includes €12m relative to the 7 months post BFF's acquisition (as in BFF reported consolidated accounts) and (ii) pro-forma for €8m relative to the 5 months before the acquisition; (3) does not include €25.2m one-off impact of change in LPI accounting from 40% to 45% on 1/1/2017, -€3.6m of change in exchange rates impact for 1H2017 (€1.0m in 1H2016) and €0.3m commissions related to Magellan acquisition for 1H2016. Includes €2.1m of interest expenses and commissions related to Tier II for 1H2017, which in 2016 were not present and €1.8m of Magellan acquisition financing for 1H2017 (€0.2m for 1H2016).

Potential for Further Funding Cost Optimization

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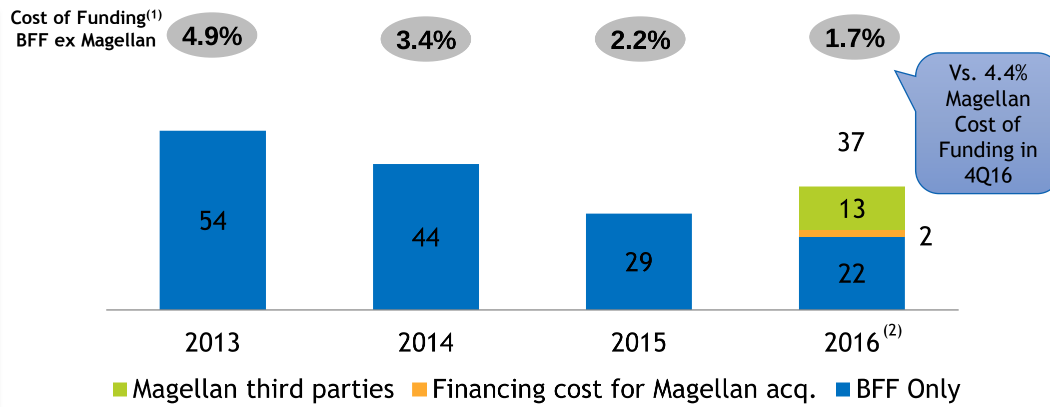
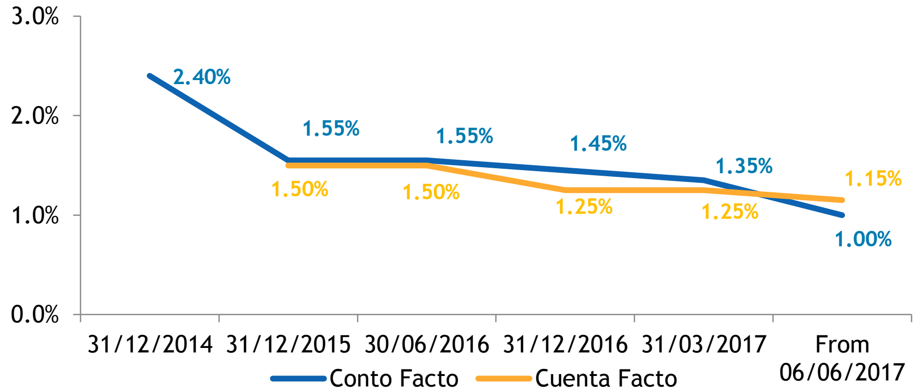
Key Considerations

- **Reduction in cost of funding continued** with an average cost of funding of 2.04% in 1H17, more than offsetting Tier 2 issuance and Magellan acquisition cost
- **Good visibility on further cost of funding reduction**
  - From 6th June 2017, 12m interest on online deposits offered dropped to 1.00% in Italy and 1.15% in Spain
  - Repayment at maturity of €300m 2.75% coupon 3y bond on 12th June 2017, new €200m 2.0% coupon 5y bond issued on 29th June
  - Further funding synergies at Magellan level thanks to renegotiation of terms and conditions of local funding: 29% of Magellan funding still to be refinanced due to maturity structure

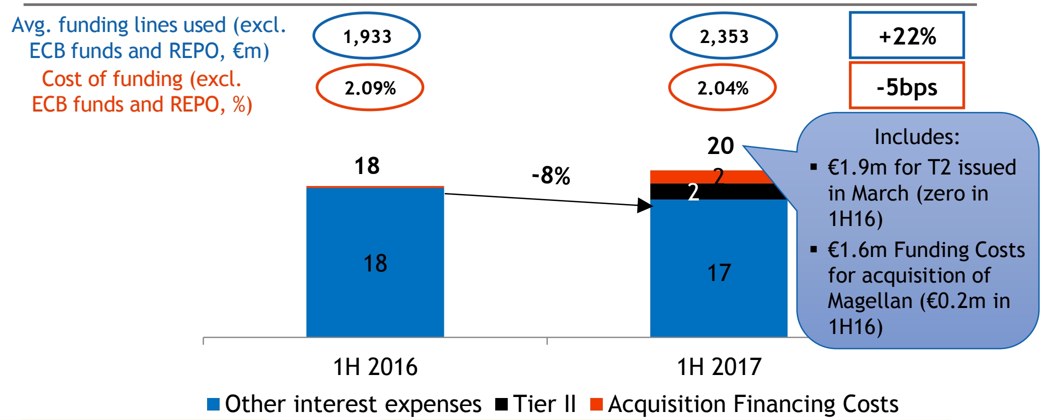
Interest Expenses (€m)



12-months Online Deposits Interest Offered to New Money and Deposit Renewals



Cost of funding (BFF + Magellan - %)



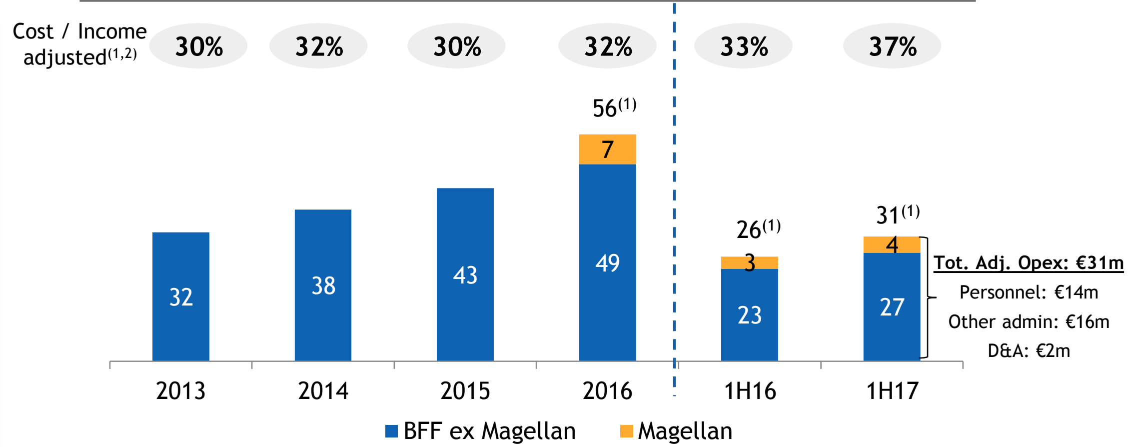
Notes: (1) Excluding ECB funds and REPOs; (2) Including 12 month Magellan and excluding funding synergies.

Already Invested in the Business to Capture Future Growth Potential

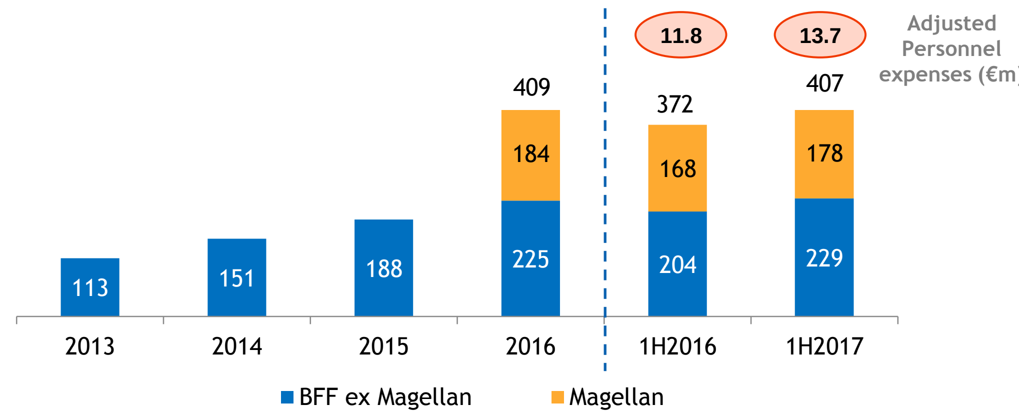
Key Considerations

- BFF heavily invested over the last three years in infrastructure and people **to support growth**
- Managed to maintain an efficient cost structure with **best in class Cost / Income ratio around 37%, also post Magellan acquisition**
- **Investments in infrastructures now largely made:**
  - Stable employee base versus YE2016 figures but growing versus 1H16
  - Stable operating costs in 2Q17 (€15.5m in 2Q17 vs €15.6m in 1Q17)

Operating Costs Adjusted for Extraordinary Items(1) (€m)



Number of employee



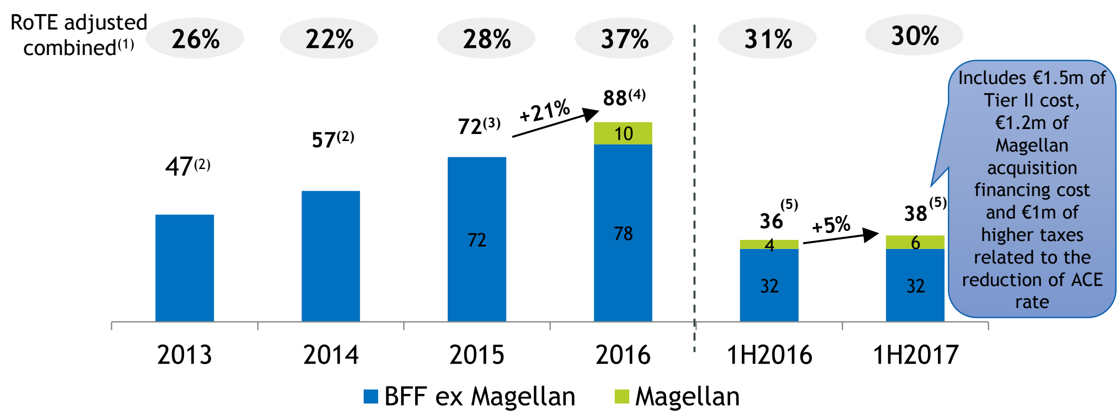
Notes: (1) Adjusted to exclude extraordinary costs: 1H17 gross extraordinary costs of €3.9m (€1.5m related to stock option plan (pro-rata) related to IPO; €2.4m related to the IPO process),1H16 gross extraordinary costs of €6.6m (€1.4m related to IPO; €5.2m related to Magellan acquisition); 2016 gross extraordinary costs of €12.6m: €3.5m related to IPO, €2.2m extraordinary contribution to Resolution Fund and the rest for the Magellan acquisition; 2015 adjusted number includes ca. €0.3m ordinary contribution to Fondo Interbancario and Resolution Fund and excludes €0.7m of extraordinary contribution to Resolution Fund. (2) C/I computed as operating expenses (administrative expenses + staff expenses + amortization on tangible and intangible assets) divided by net banking income; Source: Company data

High Profitability and Significant Dividend Capacity

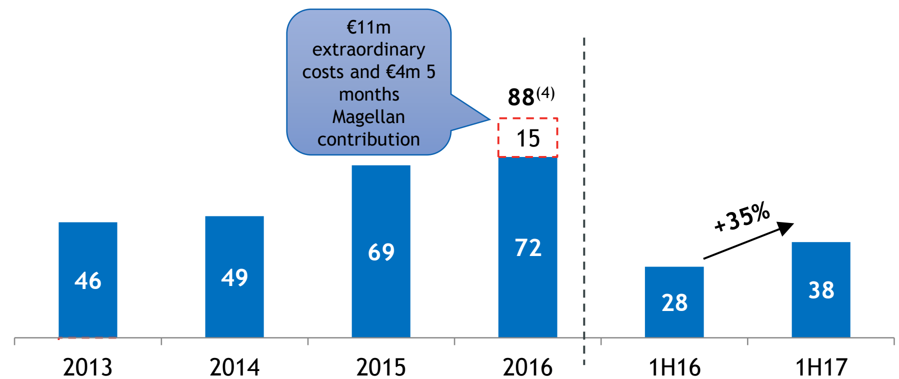
Key Considerations

- Almost doubled net income in the last 4 years to €88m (incl. Magellan)
  - Significantly improved return on capital thanks to an efficient use of capital with **2016 RoTE adjusted combined at 37%**
- **The Group's dividend policy is to distribute up to 100% of consolidated earnings in excess of 15% Total Capital ratio target**
  - Historical attractive dividend flows despite strong RWA growth with **more than €240m dividend paid between 2013 - 2016 and with a pay-out ratio of over 95% on average and 16% CAGR**
  - Dividend capacity 2017: **distributable income of €38m, +35% y/y growth**

Net Income adj(1) (€m)



Dividend capacity (€m)



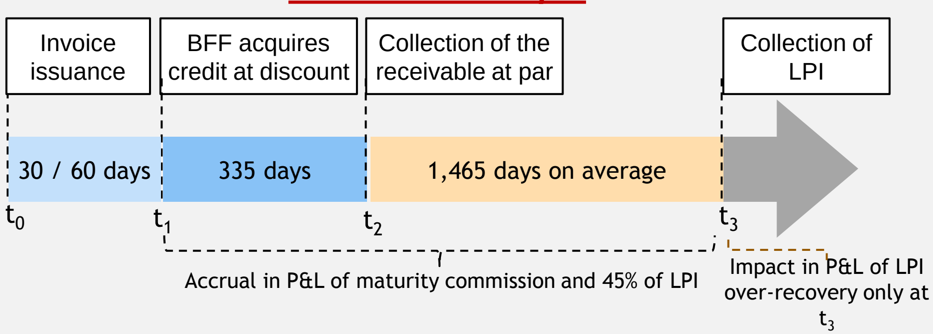
Notes: (1) RoTE = NI adjusted/tangible equity; (2) 2013 and 2014 NI pro-forma for change in LPI accounting; (3) 2015 adjusted NI includes c. €0.3m ordinary contribution to Fondo Interbancario and Resolution Fund and excludes €0.7m of extraordinary contribution to Resolution Fund; (4) NI adjusted for €11m extr. costs and €4m for 5 months Magellan contribution. (5) 1H17 excluded extr. items net of taxes of: €17.8m related to the change in LPI accounting from 40% to 45%; €1.7m costs related to IPO; €1.1m costs related to stock option plan; €2.5m post tax negative effect from exchange rate movements on the debt for the acquisition of Magellan, offset at the comprehensive income and equity level by a corresponding increase in value of the Magellan asset, given the natural hedging put in place at the time of the acquisition; 1H16 excluded extr. items net of taxes of: €0.9m costs related to IPO; €3.8m costs related to Magellan acquisition; €0.6m positive exchange rate difference. Source: Company data

High Visibility of Future Revenues from LPI

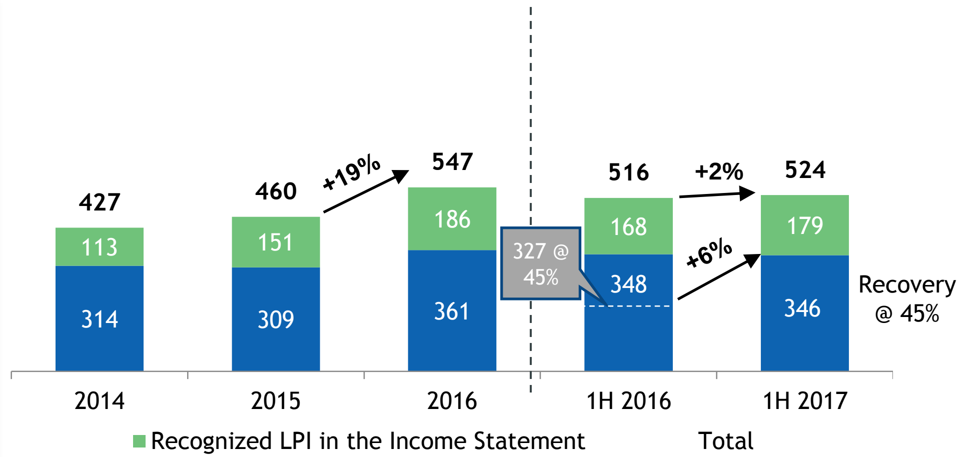
Key Considerations

- **The full impacts on BFF's P&L originated by the LPIs and related to the significant growth of purchased receivables over the last years will be fully visible only in the coming years:**
  - LPI on current outstandings and on already collected receivables generate revenues for 5 years (€33m deferred as of 31 Dec 2016)
  - The full P&L impact related to a higher LPI recovery rate vs. the assumed 45% (40% before 2017) will become visible only at collection date of the LPI
- **Significant increase in LPI stock in 2016 (+19% vs. 2015)** is expected to be visible in the coming years: **€524m as of 1H 2017 (+2% vs. 1H 2016)**
- **1H17 unrecognized LPI +6% vs 1H16,** adjusted for 45% assumed recovery rate

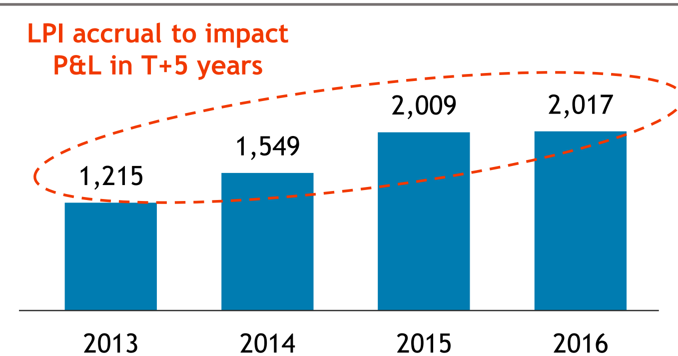
Illustrative example



LPI Stock Evolution (Excl. Magellan) (€m)



Outstanding Evolution (Excl. Magellan) (€m)



Infrastructure, Funding and Capital Ready to Support Growth and Attractive Dividend Flow

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RoTE: 30%(1) **Total Capital ratio: 19.0%** **Target Total Capital ratio: 15%**

1 Invested in the business for growth …	Significant investment in infrastructure and expanded employee base to support business expansion
2 … with plenty of funding …	Ample liquidity (€0.8bn at year end) and access to multiple deposit and wholesale markets
3 … and raised capital to grow	4.0% of excess capital after the Tier II issuance to self fund growth while maintaining 100% payout ratio

Highly capital generative model able to self fund superior growth and deliver attractive dividend as already proven over the last years:

- The 19.0% total capital ratio allows full net income distribution until RWA grow by 26%
- Given its high RoTE, BFF can maintain both high growth and high payout ratio after full deployment of the excess capital

Notes: (1) 1H17 RoTE annualised = (net income adjusted *2)/tangible equity (capital + reserves + 1Q17 extraordinary earnings set aside for capital – intangible assets).

Management Fully Aligned With Public Market Shareholders

Management have been shareholders of the business since 2006
Senior executives have been in the bank on average for more than 12 years

Yearly management bonus

- ✓ Paid only if budget achieved, zero otherwise
- ✓ 50% in shares or stock options for risk takers
- ✓ Multiplied up to 140% if EBTDA risk adjusted is +10% or higher than budget

Large direct stock ownership

- ✓ Management owns 7.6% stake post IPO (31 shareholders)
- ✓ 1 year lock up
- ✓ All manager shareholders have non compete agreement

Stock options with 8% hurdle rate

- ✓ 3.75% pool allocated at IPO
- ✓ Strike price equal to IPO price + 8% compounded returns
- ✓ 3 years vesting
- ✓ Broad coverage throughout the organisation (60+ people)

BFF 2020 "Strategic Targets"

BFF BANKING GROUP

The leading provider of credit management and receivables purchasing for the NHS and the Public Administrations Suppliers in the EU

Further consolidate leadership in Italy

- Continue to develop tailor-made offering to serve specific customer needs
- High quality services for large clients covering the full healthcare value chain
- Increase penetration into adjacent segments of non-healthcare suppliers to the NHS and PA
- Invest in IT platform

Further expand business outside Italy both in the NHS and PA, increasing geographical diversification

Maintain a high quality portfolio thanks to a continuous focus on large clients and stringent underwriting standards

- Maintain disciplined underwriting approach
- Continue serving blue-chip customer base

Maintain a solid balance sheet with best-in-class capital position and attractive leverage profile