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PRESS RELEASE

BFF announces factoring portfolio de-risking actions and revised 2026 targets ahead of new Strategic Plan and potential securitization

- **Decisive de-risking actions ahead of potential securitisation, resulting in c. €95m expected 2025 pre-tax extraordinary one-offs, also reducing non-performing exposures**
- **2024 restated equity reduced by c. €14m due to pre-June 2023 factoring cash allocation errors**
- **2025 Adjusted Net Income expected at c. €150m, up 5% YoY, with Adj. ROE at c. 23%[1] and CET1 ratio at 13.2% - 13.7%[2]. 2025 Reported Net Income expected at c. €70m, including one-offs**
- **Revised 2026 financial targets underpinned by structurally solid, profitable and growing business with an expected Adjusted Net Income of c. €160m**
- **Presentation of the new Strategic Plan in 2H 2026**

Milan, 2nd February 2026 – BFF Bank S.p.A. ("**BFF**" or the "**Bank**") informs that the Board of Directors approved extraordinary 2025 provisions to de-risk its factoring portfolio, a planned restatement of 2024 accounts and revised 2026 financial targets[3].

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[1] Adj. ROE: Adj. Net Profit / CET1.
[2] Before any dividends.
[3] As communicated on 10th February 2025 and on 2nd November 2025. For further information please refer to the FY 2024 press release published on 10th February 2025 and to the press release published on 2nd November 2025.

Ahead of a potential securitization[4], the Bank has conducted an internal review of its factoring portfolio and has taken actions (the **"Actions"**) to de-risk this portfolio and improve the predictability of its future profitability.

These Actions result in a c. €95m 2025 one-off pre-tax charge, which will also lead to a reduction of non-performing exposure ("NPE").

Conversely, the Bank has c. €53m[5] of off-balance revenues – Late Payment Interests ("LPIs"), Recovery Fees and anatocism – currently accounted when collected related to final positive court rulings on credit exposures towards the Italian public sector, which have yet to be recognised.

The Actions result in the following:

1. *Expected c. €72.2m of 2025 provisions related to negative court rulings on Italian public sector receivables:*
   - BFF has conducted a review on the entire Italian portfolio of negative court rulings related to receivables towards the Italian public sector;
   - 98%[6] of the provisions refer to court rulings under appeal;
   - BFF maintains the right to return the receivables subject to negative court rulings to the clients.

2. *Expected 2025 one-off of c. €22.4m related to prudent increase in estimated LPIs collection time:*
   - due to a 2023-2025 slowdown in collections, which still mostly followed ordinary legal actions procedures, the expected collection time of LPIs has been prudently increased from 2,100 to 2,400 days;
   - full enforcement of injunctions is expected to result in a decrease of collection time in the future;
   - 65% LPIs and Recovery Fees accrual rate is confirmed. The actual 2025 recovery rate is c. 79%.

3. *Expected 2024 equity restatement of c. €14m due to a review of cash allocation in factoring:*
   - the review has identified errors on c. €54m of pre-June 2023 cash allocations in factoring, equal to less than 0.2% of cash collections over the period;
   - the 2024 restated accounts are expected to have equity lower by c. €14m than previously reported.

[4] Please refer to page 20 of FY 2024 results presentation, page 3 of 9M 2025 results presentation and the press release published on 2nd November "*BFF has received from Bank of Italy communication on bans removal and on updated SREP requirements*". J.P. Morgan and PwC Deals Strategy FS are acting as advisors on the potential securitization.
[5] Managerial data.
[6] Managerial data.

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As a result of the above, 2025 Adjusted Profit is estimated to be c. €150m, up 5% YoY, resulting in Adj. ROE of c. 23%[7]. Reported Net Income is expected to be at c. €70m, including one-offs.

Capital generation remains strong with 2025 CET1 fully capitalised ratio estimated to be 13.2% - 13.7% and TCR ratio 16.4% - 16.9%, including the effects of extraordinary one-offs and NPE reduction.

The Bank will publish its consolidated financial results for the full year 2025 on 10th February 2026.

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BFF Board of Directors approved a more conservative 2026 budget, on the basis of lower 2025 loan growth and collection performance, revising its 2026 financial targets:

- Adjusted Net Income: c. €160m, from c. €240m;
- Earnings per share: c. €0.8, from c. €1.3;
- Cost/Income ratio (%): <50%, from <40%;
- Return on Tangible Equity: c. 24%, from >40%.

The business remains structurally solid and profitable and is expected to continue to deliver earnings growth and strong capital generation.

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In the second half of 2026, the Bank will present its new Strategic Plan, which will also benefit from the Actions undertaken.

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BFF will host a **market update call** today 2nd, February 2026, at **13:00 CET (12:00 GMT)** that can be followed after registering at this *link*.

[7] Adj. ROE: Adj. Net Profit / CET1.

This press release is available on-line on BFF Group's website www.bff.com within the *Investors > PR & Presentations > Press Releases* section.

BFF Banking Group
BFF Banking Group is the largest independent specialty finance in Italy and a leading player in Europe, specialized in the management and non-recourse factoring of trade receivables due from the Public Administrations, securities services, banking and corporate payments. The Group operates in Italy, Croatia, the Czech Republic, France, Greece, Poland, Portugal, Slovakia and Spain. BFF is listed on the Italian Stock Exchange. In 2024 it reported a consolidated Adjusted Net Profit of €143.0 million, with a 13.4% Group CET1 ratio at the end of September 2025.
www.bff.com

Contacts

Investor Relations
Caterina Della Mora
Marie Thérèse Mazzocca
+39 02 49905 631
investor.relations@bff.com

Media Relations
Alessia Barrera
Sofia Crosta
+39 02 49905 623
newsroom@bff.com

International Press
FinElk
Cornelia Schnepf
+44 7387 108 998
bff@finelk.eu

Italian Press
Image Building
Cristina Fossati
+39 02 89011300
bff@imagebuilding.it