

BFF receives Bank of Italy regulatory measure

Milan, 29th March 2026 – BFF Bank (“**BFF**” or the “**Bank**”) informs that, on 28th March 2026, it received a regulatory measure from the Bank of Italy (the “**Regulator**” or the “**Supervisory Authority**”) pursuant to Articles 69-*octiesdecies et seq.* of the Consolidated Banking Act (“**TUB**”) in the context of the supervisory inspection.

The Bank of Italy has appointed, pursuant to Article 75bis of the TUB, Prof. Avv. Raffaele Lener and Mr. Francesco Fioretto as Commissioners to temporarily support the Board of Directors, with the aim of assisting it in the prompt remediation process of the operational and accounting framework and in managing the remedial actions within the *factoring* business and the internal control system, which had already been initiated by the Bank.

The Board of Directors and the Board of Statutory Auditors therefore continue to retain full powers and unchanged decision-making authority.

The findings and the related remedial actions underway extend to the internal control system and organizational oversight measures, with particular reference to accounting systems and credit management processes. The evidence identified to date forms part of a broader context of irregularities and issues, the full extent of which is currently being determined.

As part of this general inspection, which is still ongoing, the Bank of Italy has identified issues relating to the *factoring and lending* business and to the prudential classification of credit exposure. These findings could result in additional past due exposure of up to c. €0.8bn related to the potential inclusion of late payment interests within the so-called “contagion” exposure, and up to c. €0.5bn arising from the potentially more stringent interpretation of the mechanisms related to the suspension of the counting of past due days. These impacts are not necessarily cumulative.

The past due exposure identified is related to public sector receivables, with a negligible *loss given default*. Even in the scenario outlined above, the Bank continues to comply with its CET1 regulatory requirement. A comprehensive assessment of the impacts and issues identified in relation to capital requirements and provisioning is currently underway.

As already communicated in February 2026, in 2025 an incorrect cash allocation relating to the period from 2019 to June 2023 limited to the *factoring* business in Italy — amounting to c. €54m — was identified, also with the support of external advisor EY. In particular, collections from debtors related to the invoices principal amount were erroneously recorded to settle ancillary

credit rights; as a result, higher revenues and higher taxes were recognized. The quantification of this error resulted in a negative impact on the 2025 opening shareholders' equity of €15.1m.

The ongoing reviews have highlighted that these anomalies may be part of a broader context requiring further analysis and reconciliation of accounting practices.

In addition, the Bank has initiated an analysis on a portion of the payments received in relation to ancillary credit rights between 2015 and 2025, equal to c. €452m. At this stage, the analysis carried out on a sample base covering c. €102m of collections indicates a negative impact on the totality of the portfolio deriving from potential errors statistically estimated at €3.4m before taxes.

It should be also noted that the exposure towards the Italian public sector recorded in the financial statements relating to negative court rulings – most of which are not final – amounts to c. €400m before c. €70m provisions currently considered, which may be subject to updates as part of the finalization of the 2025 financial statements.

Lastly, in light of the above and pending the final determination of the impacts described, the Bank of Italy has requested that the submission of 2025 draft annual report is postponed to no later than 30th April 2026, and that its approval by the Annual General Shareholders Meeting takes place no later than 30th June 2026.

The updated 2026 financial calendar will be released upon approval by the Bank's Board of Directors.



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 2025 it reported a consolidated Adjusted Net Profit of €151.7 million, with a 14.1% Group CET1 ratio at the end of December 2025.

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