



GRUPPO AZIMUT  
**AZIMUT**  
LA DIREZIONE PER INVESTIRE

# Azimut Group

## H1 2022 Results

July 28<sup>th</sup>, 2022



- H1 2022 Highlights 3
- Asset Management & Distribution 12
- H1 2022 Financials 18
- Summary & Outlook 22





• <b>H1 2022 Highlights</b>	<b>3</b>
• Asset Management & Distribution	12
• H1 2022 Financials	18
• Summary & Outlook	22





## Proving the strength of the business despite a challenging market backdrop



### Jun22 Total Assets

**€ 81.2bn**

of which 44% from international business



### H1 Net inflows

**€ 3.5bn**

of which €0.7bn into private markets



### YTD\* WAP

**+213 bps**

Outperformance over the Italy Fideuram index (WAP: -6.96%)



### H1 Total revenues

**€ 666m**

+18% vs. H1 21, driven by recurring fees (83% of total revenues)



### H1 Operating profit

**€ 276m**

+19% vs. H1 21; total operating costs grew slightly less than revenues



### H1 Net profit

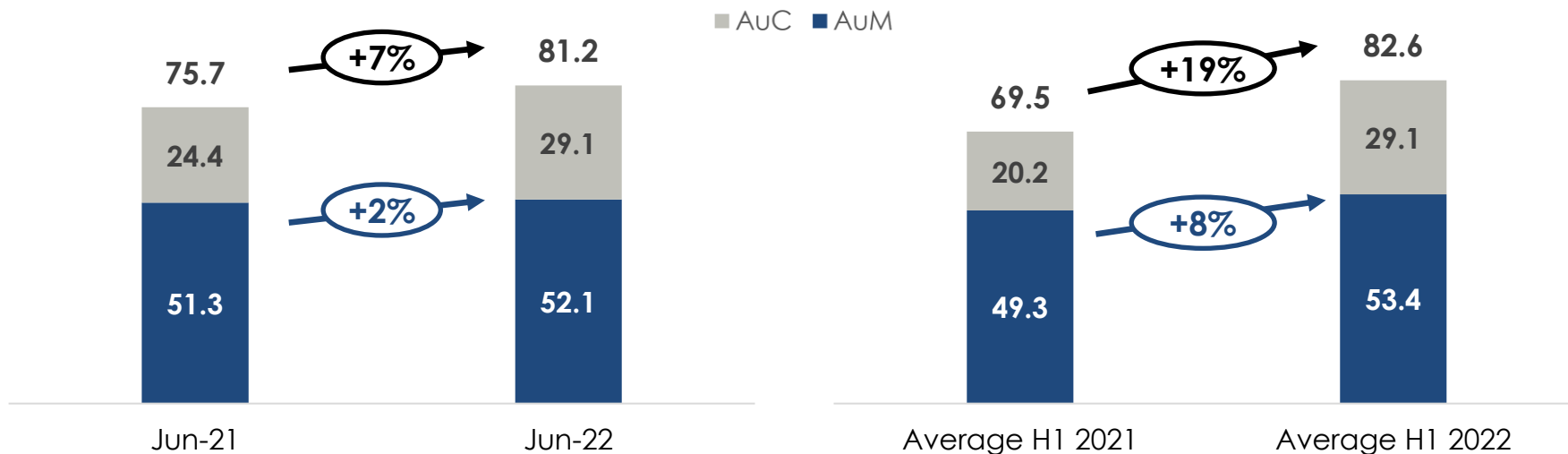
**€ 202m**

impacted by higher taxes; in line with full-year target

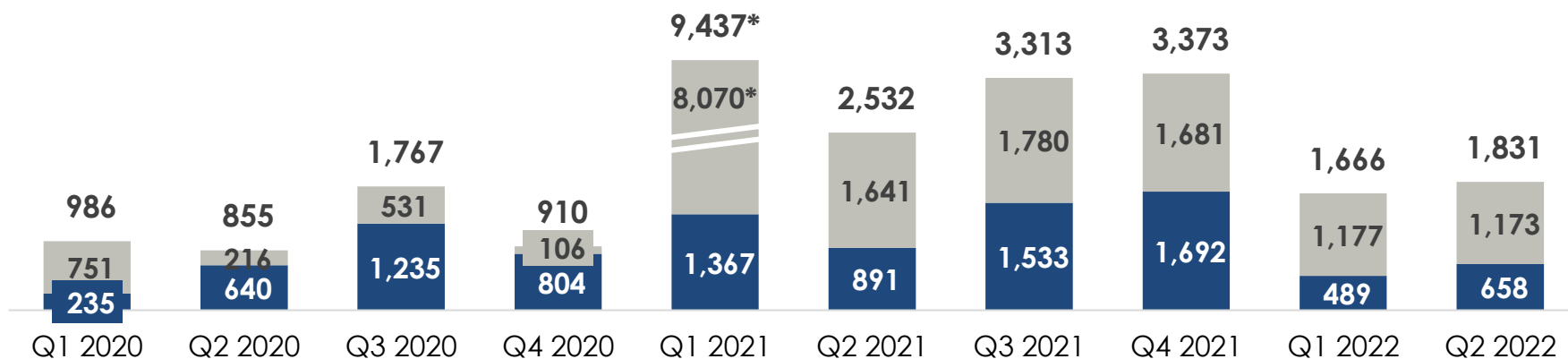
# H1 2022: Growth trend continues even in adverse markets



## Total Assets (€bn)



## Net inflows (€m)



Source: Company data. Average AuM & AuC calculated on a monthly basis.  
 Note \*: Includes consolidation of Sanctuary.

# H1 2022: Net inflows by product and region

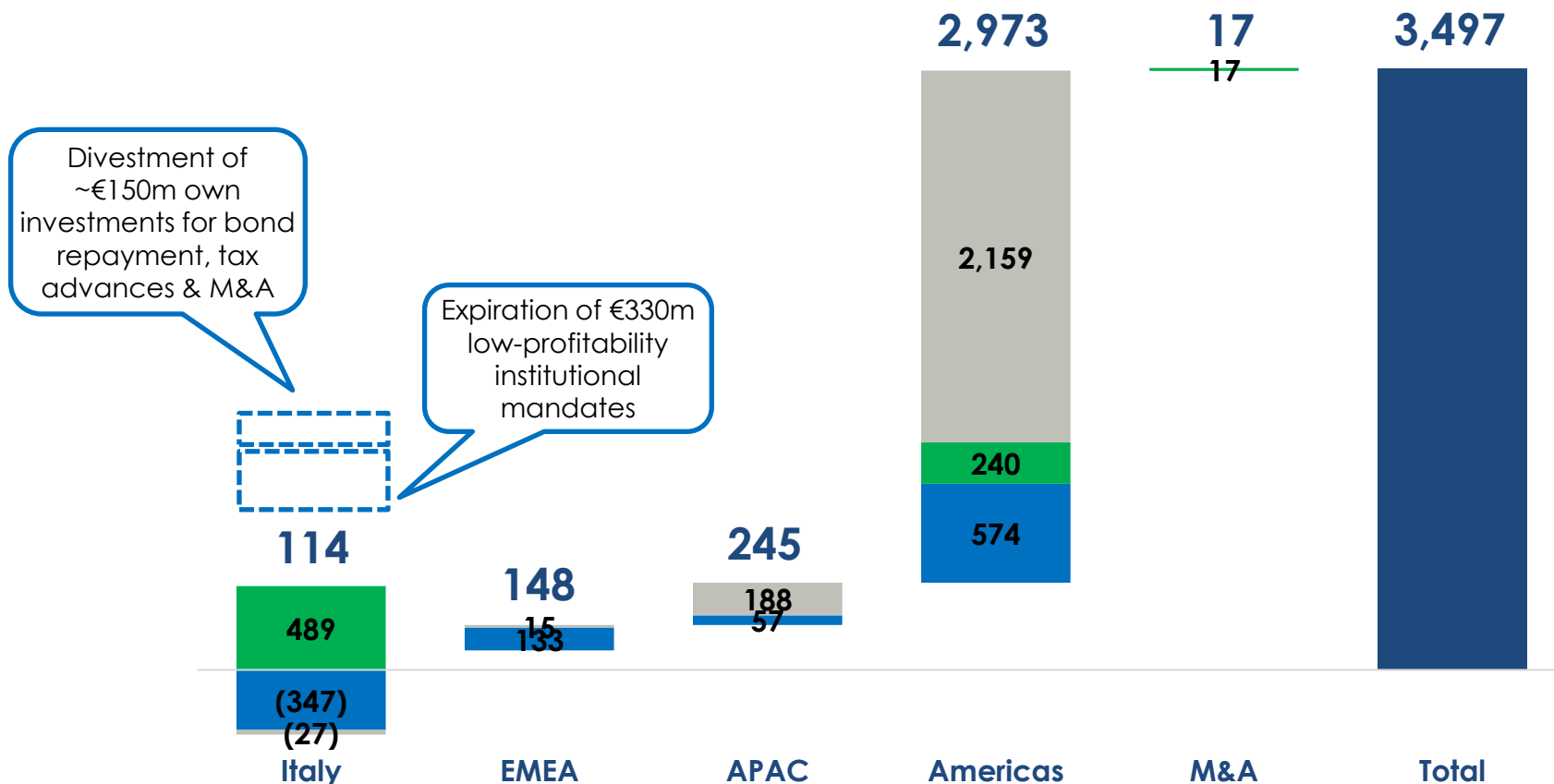


€m

Non-internally managed / custody inflows

Inflows into private markets

Managed inflows



Source: Company data.

Note: Due to rounding, totals may not correspond with the sum of the separate figures.

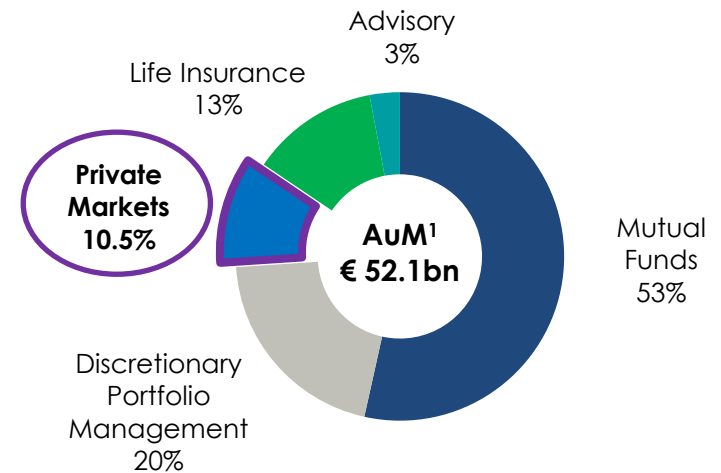
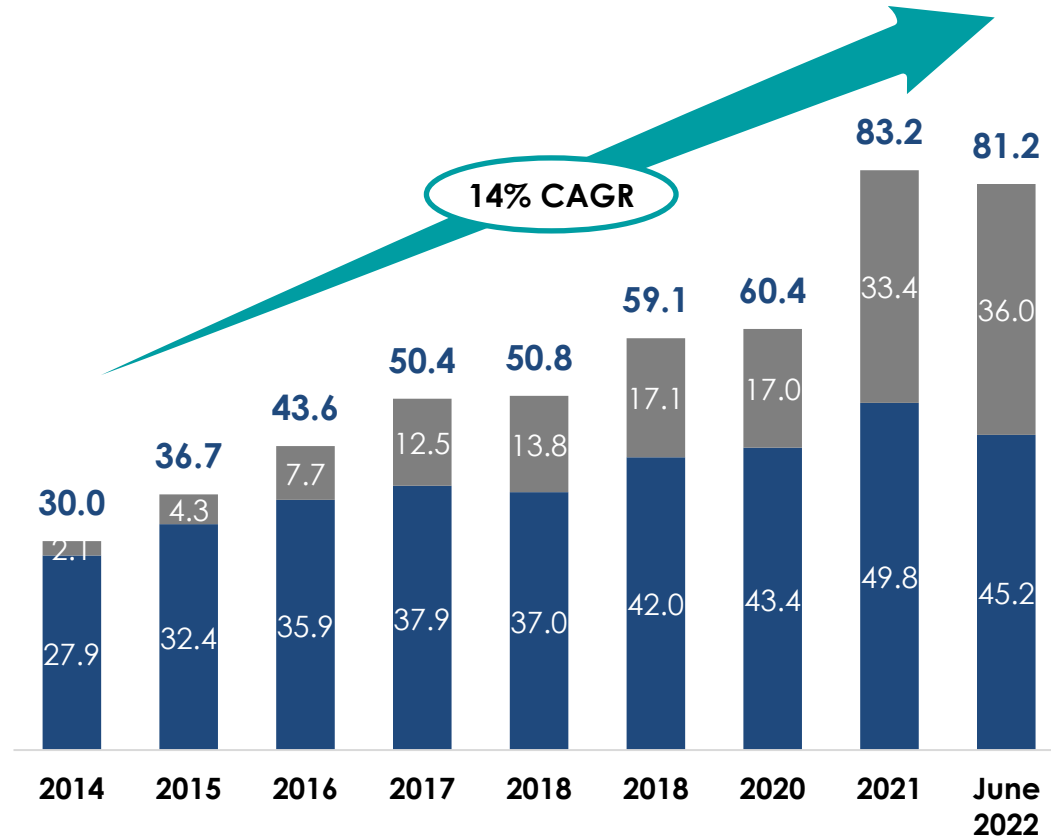
# H1 2022: AuM & Total Assets evolution



**International Business at 44% of Total Assets and Private Markets at 10.5% of AuM as of June**

## Total Assets breakdown (€bn)

■ Italy ■ International



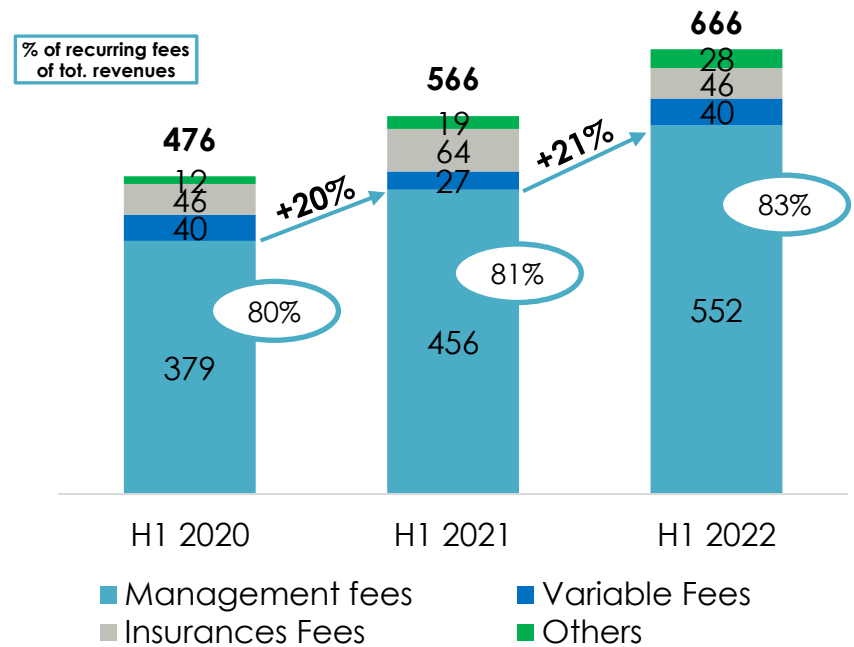
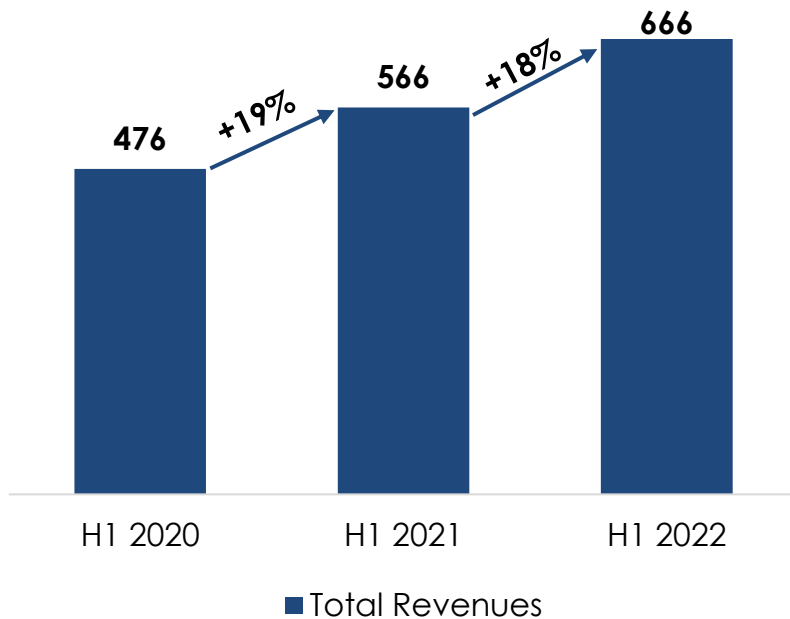
Source: Company data. Due to rounding, totals may not correspond with the sum of the separate figures.  
 Note (1): Figures referred to Managed Assets as of June 2022.



## Strong growth in recurring fees led to robust top-line increase

Total Revenues (€m)

Total Revenues Breakdown (€m)



**In H1 2022, Azimut reported:**

- \* A **strong increase in total revenues** driven by solid underlying growth of AuM and Total Assets
- \* A **growing share of recurring revenues/total revenues** as result of the new pricing introduced in Q2

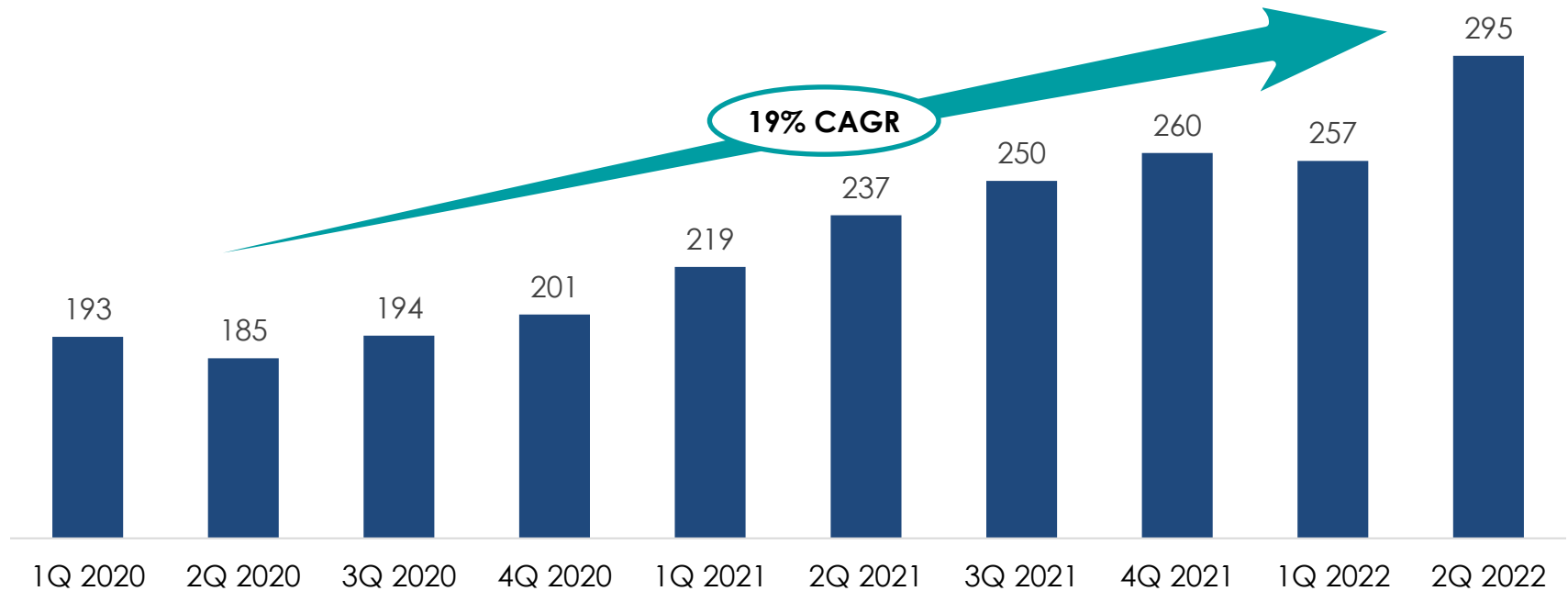
Source: Company data.





## Solid growth of recurring fees over time (€m)

### Management fees (€m)



In Q2 2022:

\* Management fees include **€ 35m new distribution fee** introduced as of 1 April 2022 in connection with the new pricing methodology

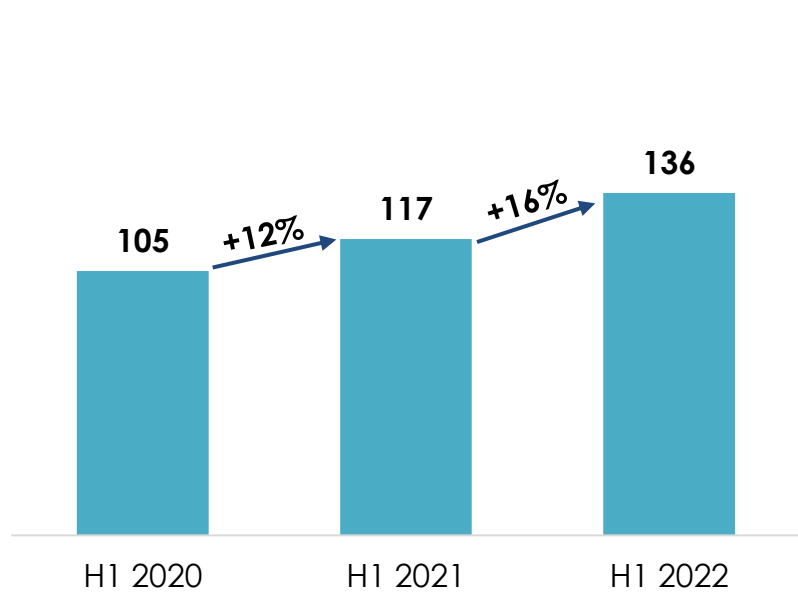
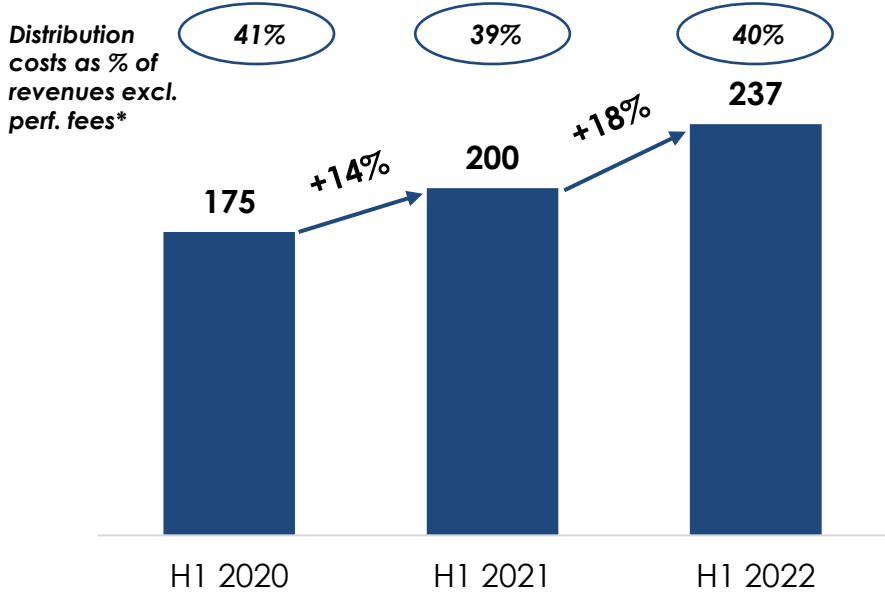
Source: Company data.



## Growing the business while maintaining costs under control

### Distribution costs (€m)

### Personnel & SG&A (€m)



■ Distribution costs

■ Personnel & SG&A

**In H1 2022, Azimut reported:**

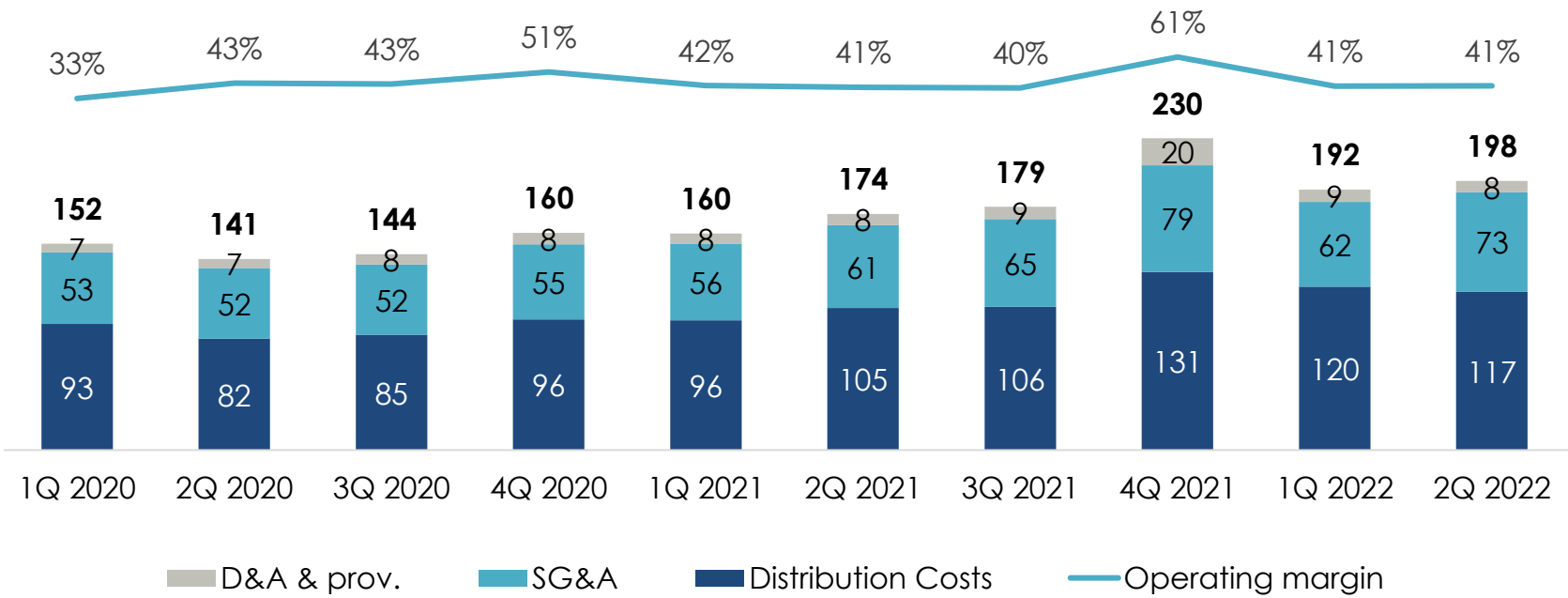
- \* Y-o-y increase in distribution cost driven by revenue growth, Sanctuary & network overhead costs
- \* Personnel & SGA costs increased mainly as a result of higher IT expenses related to the project to change front-end system in Italy & ongoing costs of the existing platform

Source: Company data.  
 Note (\*): Calculated as distribution costs divided by total revenues, excluding performance fees and excluding new distribution fee introduced as of 1 April 2022.



## Flexible business model allows for profitable investing in future growth

### Operating costs (€m)



**In Q2 2022:**

\* Despite challenging market environment in Q2, operating margin remained stable at 41%

Source: Company data.



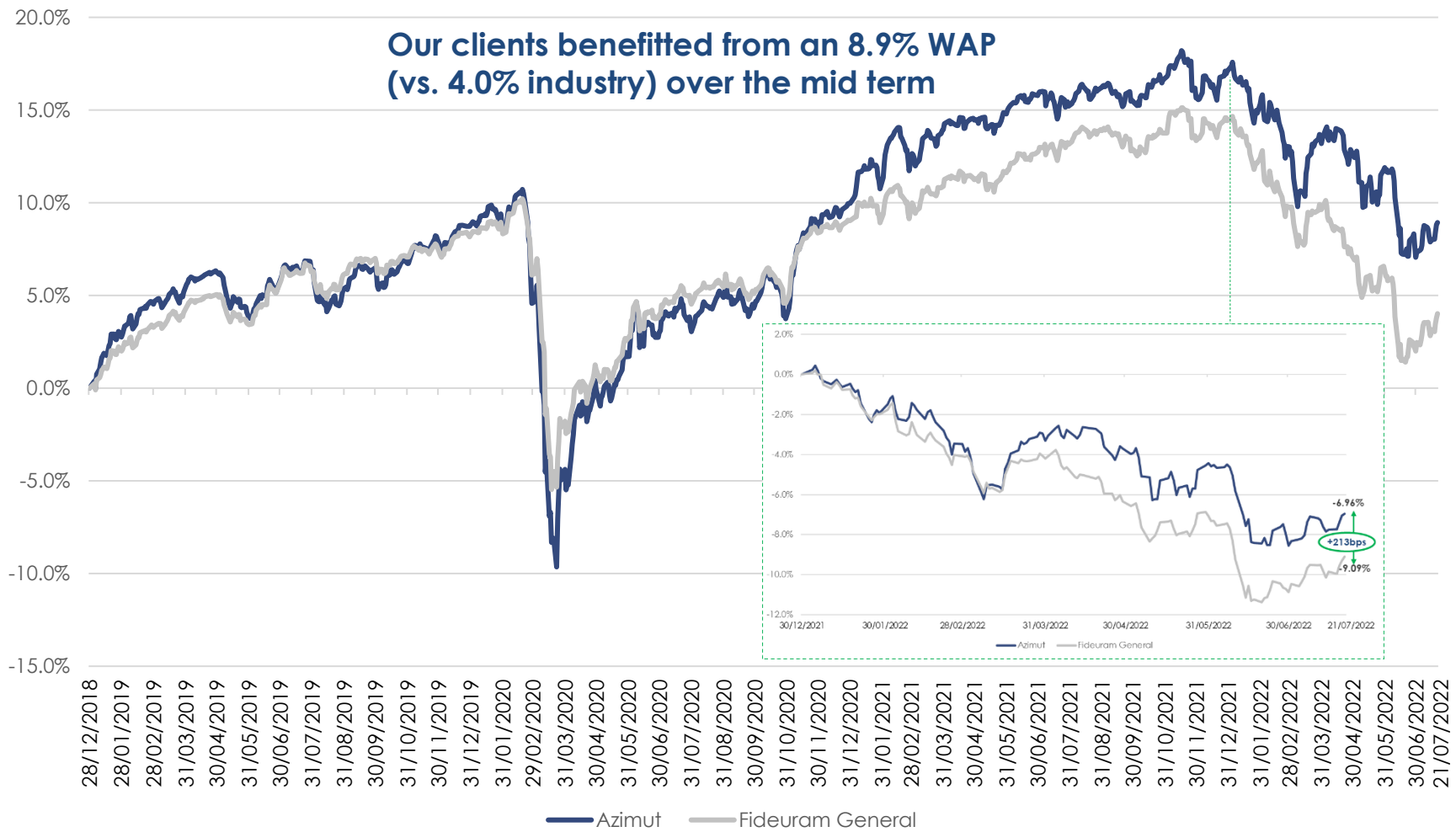
• H1 2022 Highlights	3
• <b>Asset Management &amp; Distribution</b>	<b>12</b>
• H1 2022 Financials	18
• Summary & Outlook	22



# Azimut Net Weighted Average Performance to clients



**Outperforming the industry by 213bps YTD, despite the challenging market conditions**



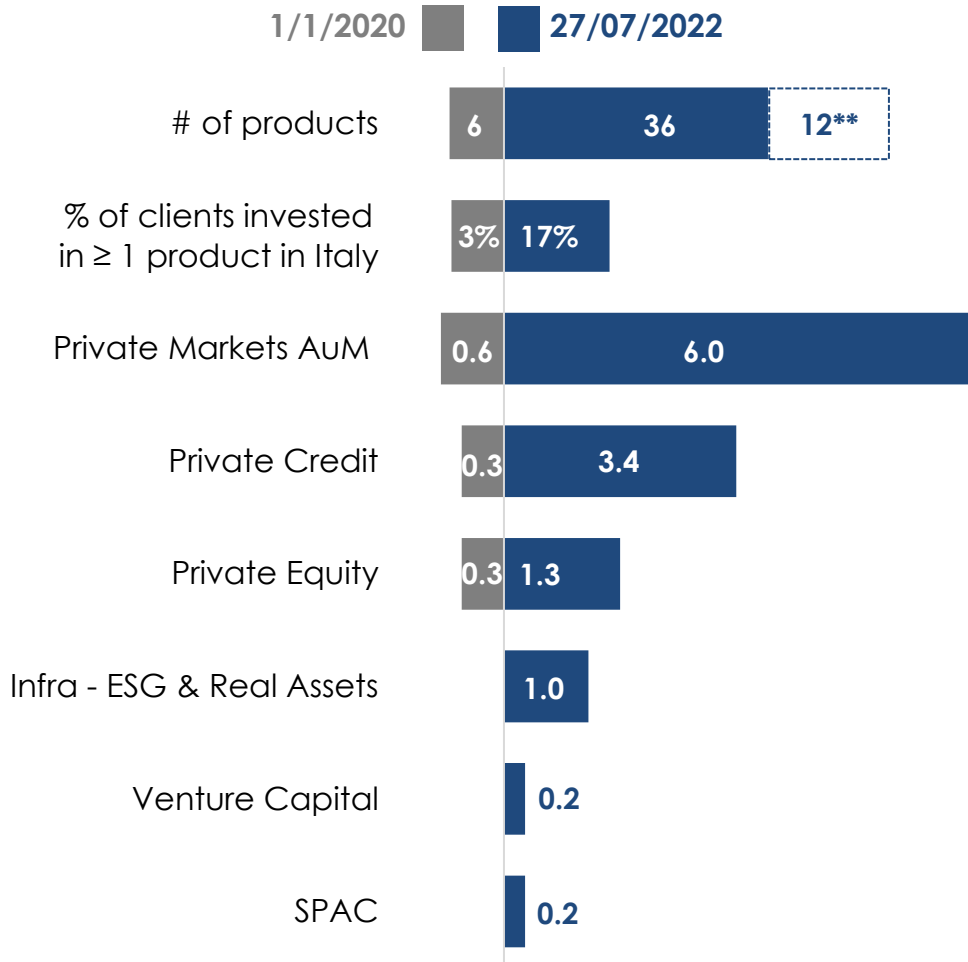
Source: Company data as of 22 July 2022 and Italy Fideuram General Index (Bloomberg: FIDMGEND).

# Private Markets development & snapshot as of 27 July

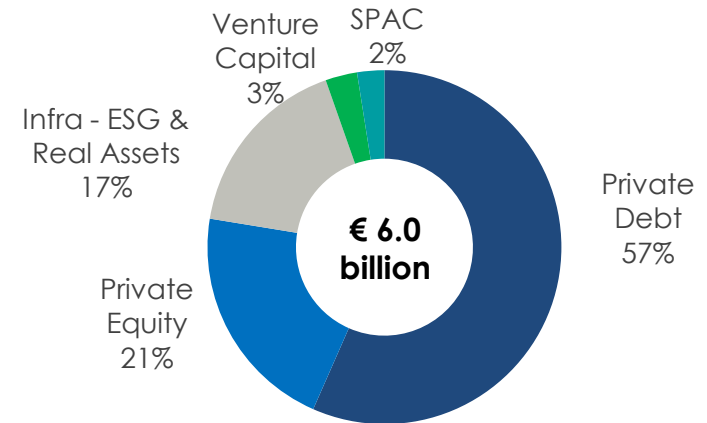


**€6.0 bn of Total AuM\*; 10x vs. the beginning of 2020**

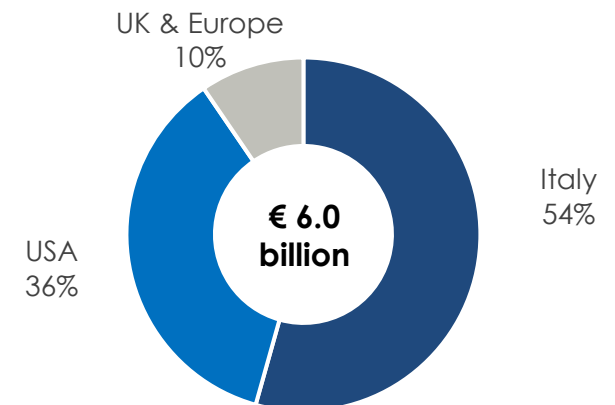
## Global Private Market Offering Evolution (€bn)



## AuM breakdown by category



## AuM breakdown by region



Source: Company data. Due to rounding, totals may not correspond with the sum of the separate figures.

Note(\*): Including the AuM related to the acquisition of a minority stake in RoundShield Partners.

Note(\*\*): Products currently in fundraising and products reaching closing phase.

## Acquisition of a ~20% stake in RoundShield Partners, a leading European Real Assets manager

\* **Azimet<sup>(1)</sup>**, together with its strategic limited partner the **Eversource Energy Retirement Plan**, acquired a **~20% stake in RoundShield**, a leading European Real Assets manager



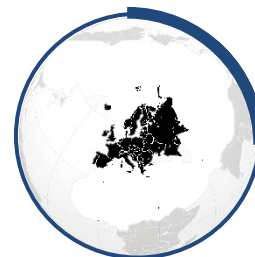
### Founded

2013



### AuM

€ 2.9 billion



### Geographic Presence

Jersey, Luxembourg, London,  
Paris, Geneva, Madrid



### Total Employees

~44



### Investment Sector

Real Assets  
(Pan-European)  
e.g. Social Housing & Infra,  
Hospitality, Office, Residential,  
Logistics



### Investment Strategy

Special  
Opportunities  
PE and Credit



### Realized Performance

23% IRR  
1.6x MOIC  
128 Exits  
**0 Losses**



### No. of Funds

4 Flagship  
3 Co-Invest  
1 Single Asset  
1 Thematic

Source: Company data.

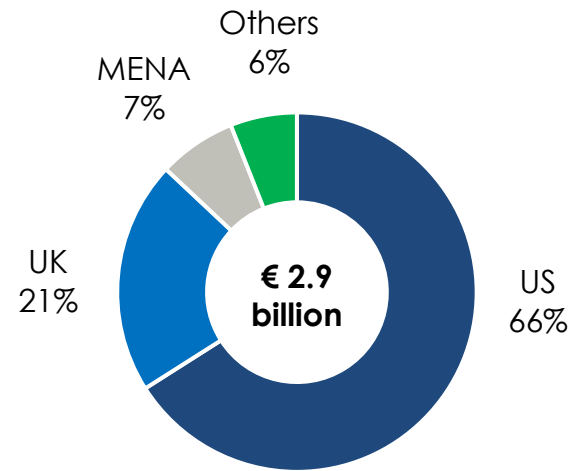
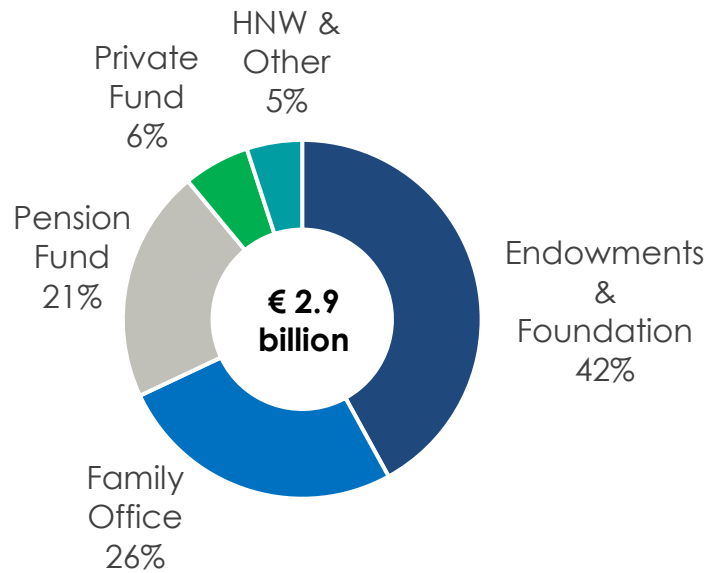
Note (1): through certain affiliated investment funds managed by Azimet's US subsidiary AACP Investments, LLC.



LP base includes some of the largest institutional investors globally, with the majority from the US

AuM by investor type (as of July 2022)

AuM by region (as of July 2022)

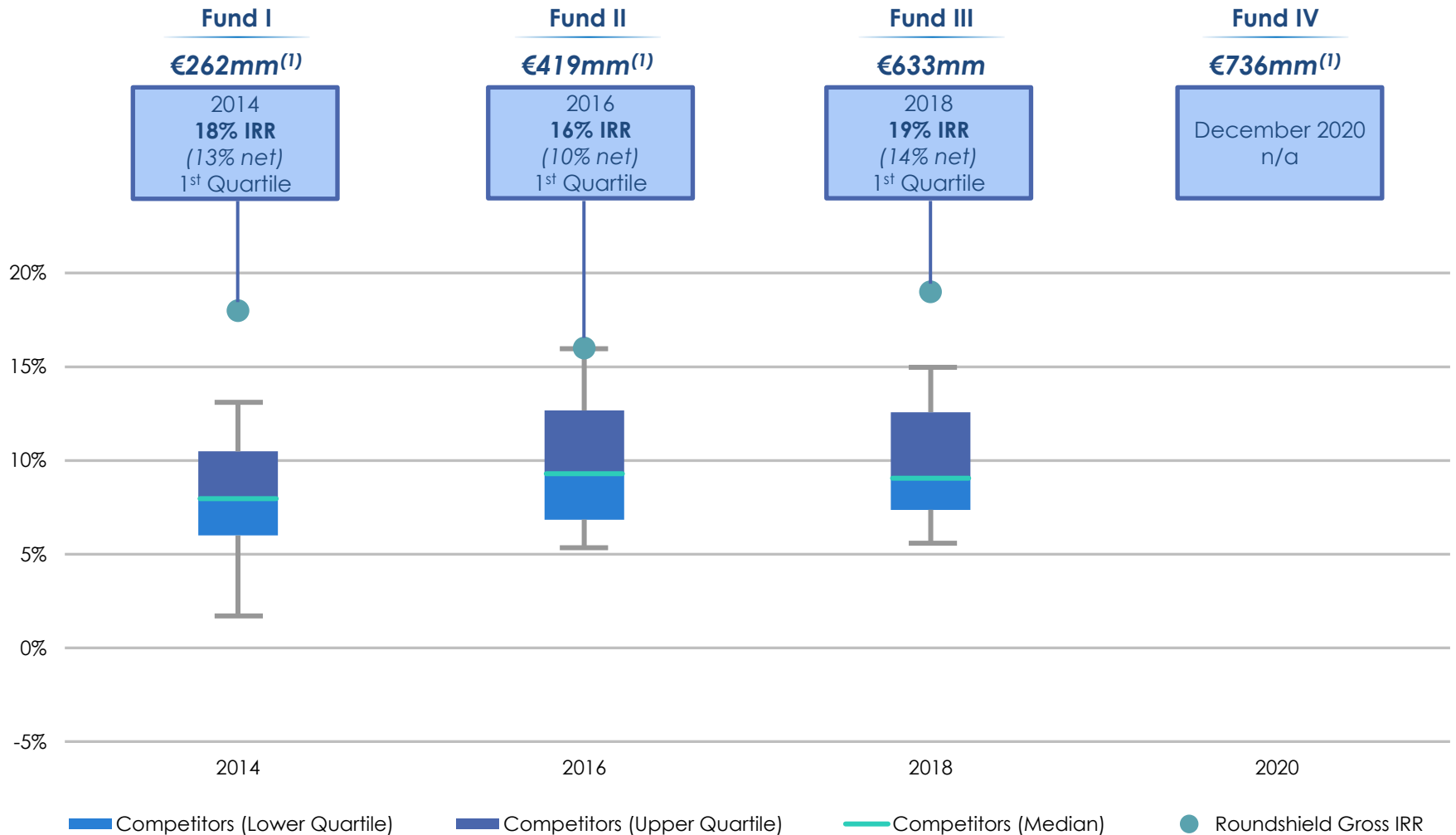


RoundShield's team has significant investment, special situations and operational experience, with over a decade of continuity together, including nine years at the Firm

Source: Company data.



# RoundShield's stellar track record

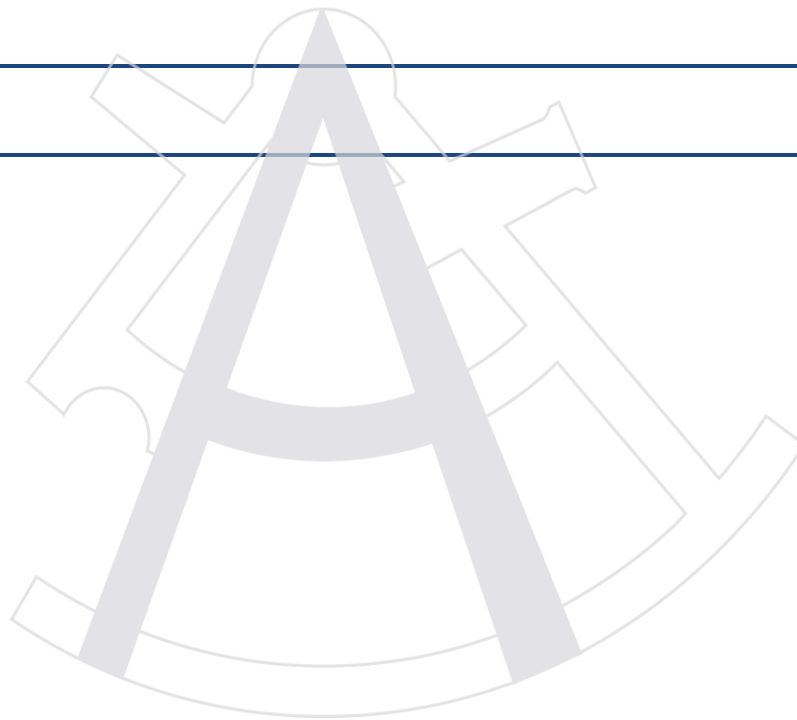


(1) Fund capital commitments converted GBP to EUR at spot rate of final closing.

Source: Company data & PitchBook. Competitive landscape comprised of US/EU private credit and RE/Infra Debt 2014, 2016 and 2018 vintage funds.



- H1 2022 Highlights 3
- Asset Management & Distribution 12
- **H1 2022 Financials** **18**
- Summary & Outlook 22



# Consolidated reclassified Income Statement (1/2)



## Income Statement

€/000	1H 2022	1H 2021	2Q 2022	2Q 2021	1H 2022 vs. 1H 2021	2Q 2022 vs. 2Q 2021
Entry commission income	6,279	7,529	2,807	3,839		
Recurring fees	1 552,268	455,933	295,265	237,335		
Variable fees	2 39,972	27,380	6,316	16,419		
Other income	22,026	11,756	11,652	7,645		
Insurance revenues	3 45,663	63,844	22,954	27,679		
<b>Total Revenues</b>	<b>666,209</b>	<b>566,442</b>	<b>338,994</b>	<b>292,917</b>	<b>18%</b>	<b>16%</b>
Distribution costs	-237,199	-200,273	-116,793	-104,704		
Personnel and SG&A	4 -135,555	-117,307	-73,146	-61,060		
Dep., amort. & provisions	-17,497	-16,037	-8,391	-8,314		
<i>Operating costs</i>	<i>-390,250</i>	<i>-333,617</i>	<i>-198,330</i>	<i>-174,078</i>	<i>17%</i>	<i>14%</i>
<b>Operating Profit</b>	<b>275,958</b>	<b>232,826</b>	<b>140,663</b>	<b>118,839</b>	<b>19%</b>	<b>18%</b>
<b>KPIs</b>						
Recurring margin <sup>1</sup> (bps/ avg tot AuM)	180	181	179	179		

1

Includes approximately € 35m new distribution fee introduced as of April

2

Driven by crystallization of perf. fees under old method (Q1 and performance fees abroad (Q2)

3

Insurance revenues included c. €23m performance fees in 1H 2021 vs. c. €1m in 1H 2022

4

Personnel & SGA costs increased mainly as a result of higher IT expenses

Source: Company data. Note (1): calculated on average AuM. Includes management fees (excluding management fees from Sanctuary Wealth & Australia) and insurance revenues (excl. performance fees) but excludes new distribution fee introduced in Q2 for a like-for-like comparison.

# Consolidated reclassified Income Statement (2/2)

20

## Income Statement

€/000		1H 2022	1H 2021	2Q 2022	2Q 2021	1H 2022 vs. 1H 2021	2Q 2022 vs. 2Q 2021
<b>Operating Profit</b>		<b>275,958</b>	<b>232,826</b>	<b>140,663</b>	<b>118,839</b>	<b>19%</b>	<b>18%</b>
Finance income	1	2,684	7,674	-434	1,730		
Net non-operating costs	2	1,772	-2,182	2,872	-1,217		
Finance expense		-6,036	-8,388	-2,150	-4,218		
<b>Profit Before Tax</b>		<b>274,378</b>	<b>229,929</b>	<b>140,951</b>	<b>115,134</b>	<b>19%</b>	<b>22%</b>
Income tax	3	-76,720	-39,702	-44,257	-25,177		
Deferred tax		6,313	38,493	9,570	40,430		
<b>Net Profit</b>		<b>203,971</b>	<b>228,720</b>	<b>106,264</b>	<b>130,387</b>	<b>-11%</b>	<b>-19%</b>
Minorities		2,253	2,663	76	1,142		
<b>Consolidated Net Profit</b>	4	<b>201,718</b>	<b>226,057</b>	<b>106,188</b>	<b>129,245</b>	<b>-11%</b>	<b>-18%</b>
<b>KPIs</b>							
Net profit margin <sup>1</sup> (bps/ avg tot Assets)		49	55	51	53		

1

Includes fair-value options, dividends from GPs (minority stakes) & unrealized losses on own investments

2

Includes positive adjustments related to the deconsolidation of Sanctuary, partially offset by one-off transaction costs

3

Impacted by taxes on performance fees and higher taxes in Luxembourg

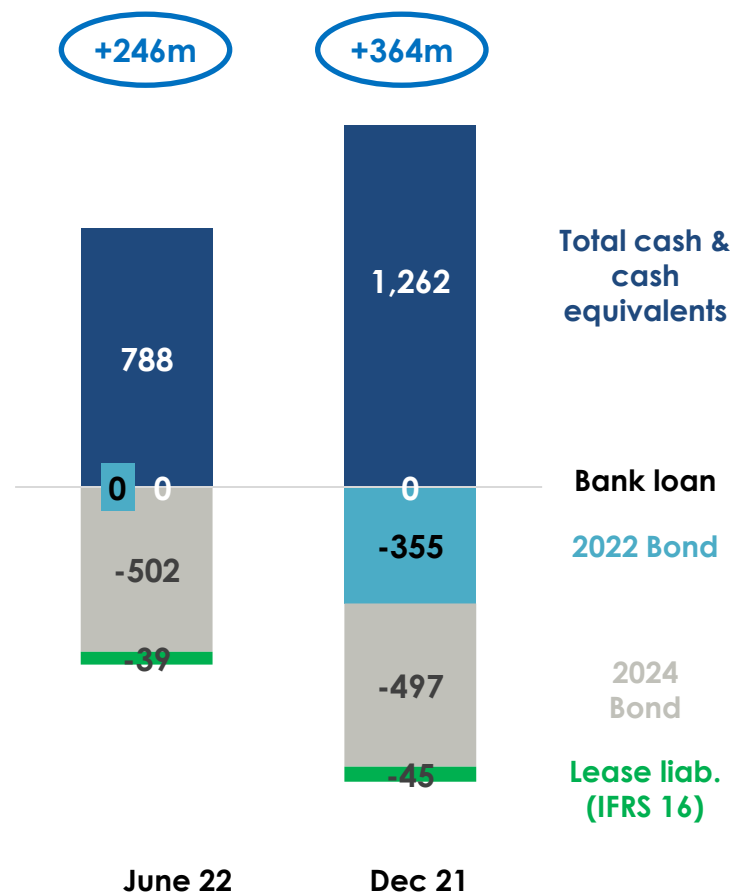
4

Includes €32m goodwill tax realignment in Q2 2021, which was reversed in Q4 2021

Source: Company data. Note (1): calculated on average Total Assets. To better reflect the underlying net profit margin, the calculation excludes the €32m goodwill tax realignment in Q2 2021, which was reversed in Q4 2021.

Continued strong positive cash position while continuing steadfast on our deleveraging path

€/000	June 22	Dec 2021
Bank loan	-322	-350
Azimut 17-22 senior bond 2.0%	0	-355,261
Azimut 19-24 senior bond 1.625%	-501,726	-497,417
<b>Total debt</b>	<b>-502,048</b>	<b>-853,028</b>
Cash	254,297	180,044
Cash equivalents	153,615	406,773
UCI units & government securities	379,747	674,695
<b>Cash &amp; cash equivalents</b>	<b>787,659</b>	<b>1,261,512</b>
<b>Net financial position</b>	<b>285,611</b>	<b>408,484</b>
Lease Liabilities (IFRS 16)	-39,125	-44,981
<i>Net financial position incl. IFRS 16</i>	<i>246,486</i>	<i>363,503</i>



- \* NFP at the end of June is **after the € 1.30 cash dividend** and the €60.55 participating financial instrument paid in May & June
- \* **Treasury shares** (not booked within the NFP) stand **at 2.5% as of 30/06/2022**

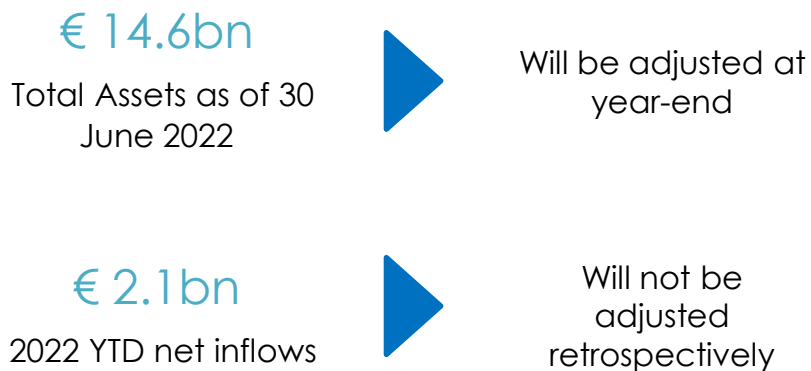


• FY 2021 Highlights	3
• Asset Management & Distribution	12
• FY 2021 Financials	18
• <b>Summary &amp; Outlook</b>	<b>22</b>



## Going forward, only ~53% of Sanctuary's inflows & financials will be consolidated

### Sanctuary's Total Assets & Net inflows



Going forward, **only the share of Azimut's economic rights in Sanctuary** (currently 53.37%) **will be reflected in monthly inflow figures.**

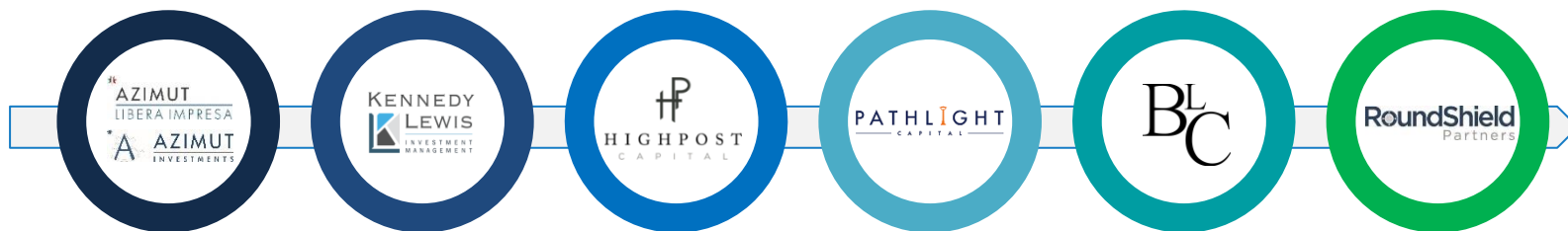
### Sanctuary impact on Azimut's P&L

In €m	Average quarterly contribution 2022
Revenues	26.2
Commission exp.	-22.3
Admin costs*	-6.7
Other	-0.2
<b>Net profit (loss)</b>	<b>-3.0</b>
of which Minorities	-1.4
<b>of which Azimut</b>	<b>-1.6</b>

Going forward, **instead of continuing a line-by-line consolidation of Sanctuary's financials**, only the share of Azimut's economic rights in Sanctuary (currently 53.37%) will be **recorded within "finance income", below operating profit.**

Source: Company data.  
Note (\*): Excludes one-off transaction related costs of c. €3m.

# Azimut's Private Markets development



	Azimut Investments & Azimut Libera Impresa	Azimut Alternative Capital Partners				
		Kennedy Lewis	HighPost	Pathlight	BroadLight	RoundShield
<b>Investment Date</b>	October 2019*	July 2020	March 2021	July 2021	April 2022	July 2022
<b>Azimut Stake<sup>(1)</sup></b>	100%	20%	12.5%-24.9%	20%	10%	20%
<b>Transaction Type</b>	Greenfield in-house / 3 <sup>rd</sup> party	GP Stake	GP Seed / Stake	GP Stake	GP Seed / Stake	GP Stake
<b>AUM at Investment</b>	€0.6bn	\$2bn	\$0	\$1.4bn	\$119mm	€2.9bn
<b>AUM July 2022</b>	€3.3bn	\$10bn	\$414mm	\$2.4bn	\$196mm	€2.9bn
<b>Asset Class</b>	Private Equity, VC, Private Credit, Real Assets, SPAC	Opportunistic Private Credit	Consumer Private Equity	Asset Based Private Credit	Consumer, Media, Entertainment PE	Special Situations Real Assets
<b>Key Office Locations</b>	Milan / Luxembourg	Miami / New York	Miami / New York	Boston	New York / Los Angeles	London / Geneva

**Total Azimut Private Markets AuM (own & pro-rata of affiliates) reach € 6 billion & Total AUM managed by Azimut affiliates reach \$ 16 billion as of July 2022**

Source: Company data. Note (\*): Considered with the launch of the Demos I fund. However, certain private markets investments initiated already in 2017 with the launch of the SPAC IPOCLUB. Note (1): approximate figures. HighPost range reflects Azimut's call option to increase stake over time.





## Corporate Strategic Priorities



**01**  
**Private markets**

Reached **€6.0bn** as of July 2022 (10x compared to Dec20); further enhance in-house competencies and partner with leading managers around the world



**02**  
**Italy**

Ongoing **globalization of product suite on Italian network** with continued focused on offering private markets funds to retail investors (**>30k clients already invested**)



**03**  
**International**

Develop **strategic partnerships** and integrate further existing partnerships into our product offering

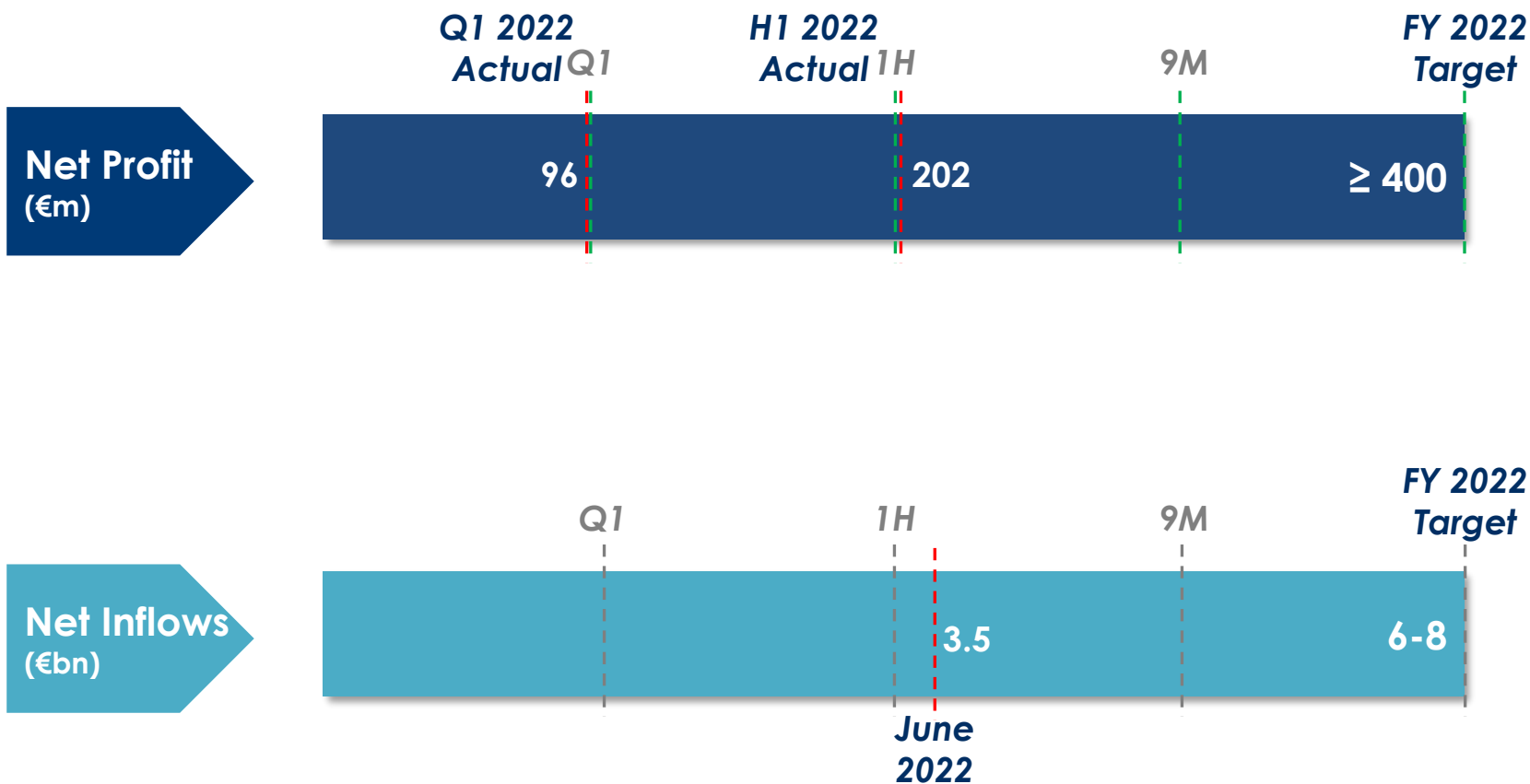


**04**  
**Targets**

**Net Inflows of €6-8 billion and at least €400 million Net Profit target for 2022 confirmed\***

Source: Company data. Note (\*): Under the assumption of normal market conditions.

**We remain steadfast on delivering our targets\***



Source: Company data.

Source: Company data  
 Note (\*): under the assumption of normal market conditions.



## Investor Relations Contacts

### Alex Soppera, Ph.D.

Tel. +39.02.8898.5671

Email: alex.soppera@azimut.it

### Vittorio Pracca

Tel. +39.02.8898.5853

Email: vittorio.pracca@azimut.it

[www.azimut-group.com](http://www.azimut-group.com)

## Upcoming events

- 10 November 2022: Board of Directors approval of 9M 2022 Results

## Disclaimer – Safe harbor statement

This document has been issued by Azimut Holding just for information purposes. No reliance may be placed for any purposes whatsoever on the information contained in this document, or on its completeness, accuracy or fairness. Although care has been taken to ensure that the facts stated in this presentation are accurate, and that the opinions expressed are fair and reasonable, the contents of this presentation have not been verified by independent auditors, or other third parties.

Accordingly, no representation or warranty, express or implied, is made or given by or on behalf of the Company, or any of its members, directors, officers or employees or any other person. The Company and its subsidiaries, or any of their respective members, directors, officers or employees nor any other person acting on behalf of the Company accepts any liability whatsoever for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection therewith.

The information in this document might include forward-looking statements which are based on current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about the Company and its subsidiaries and investments, including, among other things, the development of its business, trends in its operating industry, and future capital expenditures and acquisitions. In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur. No one undertakes to publicly update or revise any such forward-looking statement.

The information and opinions contained in this presentation are provided as at the date of this presentation and are subject to change without notice.

Any forward-looking information contained herein has been prepared on the basis of a number of assumptions which may prove to be incorrect and, accordingly, actual results may vary. **This document does not constitute an offer or invitation to purchase or subscribe for any shares and/or investment products mentioned** and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

The information herein may not be reproduced or published in whole or in part, for any purpose, or distributed to any other party. By accepting this document, you agree to be bound by the foregoing limitations.

The Officer in charge of the preparation of Azimut Holding SpA accounting documents, Alessandro Zambotti (CFO), declares according to art.154bis co.2 D.lgs. 58/98 of the Consolidated Law of Finance, that the financial information herein included, corresponds to the records in the company's books.