

Azimut Holding: Results as of 30 September 2022 show growing earnings achieved in a volatile scenario
9M 2022 Net Profit: € 302 million
2022 Targets¹ of at least € 400 million Net Profit and of € 6-8 billion Net Inflows reconfirmed

9M 2022:

- Consolidated Total Revenues equal to € 969 million (+12% vs. € 866 million in 9M 2021)
- Consolidated Operating Profit equal to € 415 million (+17% vs. € 353 million in 9M 2021)
- Consolidated Net Profit equal to € 302 million (+4% vs. € 291 million² in 9M 2021)

3Q 2022:

- Consolidated Total Revenues equal to € 303 million (+1% vs. € 300 million in 3Q 2021)
- Consolidated Operating Profit equal to € 139 million (+15% vs. € 121 million in 3Q 2021)
- Consolidated Net Profit equal to € 101 million (+4% vs. € 96 million in 3Q 2021)

As of 31 October 2022:

- Total Assets: € 85.7 billion (+3% since the beginning of the year)
- 2022 YTD inflows € 6.8 billion
- Private markets assets reach € 6.4 billion (>10x vs. the beginning of 2020)

Milan, 10 November 2022

Azimut Holding's (AZM.IM) Board of Directors approved today the results as of 30 September 2022, highlighting the following:

- **Consolidated Total Revenues** in 9M 2022 equal to € 969 million (+12% vs. € 866 million in 9M 2021)
- **Consolidated Operating Profit** in 9M 2022 equal to € 415 million (+17% vs. € 353 million in 9M 2021)
- **Consolidated Net Profit** in 9M 2022 equal to € 302 million (+4% vs. € 291 million² in 9M 2021)

9M 2022 **average Total Assets grew by 16%** year-on-year and amounted to € 83.2 billion (€ 72,1 billion 9M 2021). Total Assets under Management stood at € 54.3 billion and including assets under administration reached **€ 85.7 billion** at the end of October 2022 (**+3% since the beginning of the year**), with the International Business accounting for 47%. In the **Private Markets** segment, Azimut continued its strong growth trajectory with **AuM exceeding € 6.4 billion** as of October 2022 (>10x vs. the beginning of 2020).

The increase in **total revenues of Azimut Holding, up 12% vs. 9M 2021**, is driven by solid underlying growth of Total Assets and is mainly attributable to +17% higher **recurring management fees**, which amounted to € 826.0 million (vs. € 705.8 million in 9M 2021) and **equaled 85% of total revenues**. This was partially offset by a lower contribution from performance fees from mutual funds and insurance products, which combined amounted to € 37.7 million during the period (vs. € 67.2 million in 9M 2021) due to the negative market environment.

Disciplined cost control despite the inflationary environment resulted in **total operating costs growing less than revenues and amounting to € 553.8 million** (+8% vs. € 513.0 million in 9M 2021). As a result, **operating profit grew by 17% to € 415.1 million** (vs. € 353.3 million in 9M 2021) and the **Operating Profit Margin stands**

¹ Under the assumption of normal market conditions.

² Net Income in 9M 2021 does not include the positive effect (€ 31.9 million) of the tax goodwill realignment on the Italian parent company in accordance with Budget Law 2021 Art. 1 Paragraph 83, given the parent company has exercised its withdrawal right as per decree law of 2022.

at **43%** (vs. 41% in 9M 2021), improving year-on-year due to tight cost control and the de-consolidation of Sanctuary.

Net Profit amounted to € 302.3 million (vs. € 290.5 million in 9M 2021²) despite lower performance fee contribution year-on-year and higher tax rate in 9M 2022.

The **Net Financial Position**³ as of 30 September 2022 was positive for **€ 364.0 million**, an increase of € 76 million versus the end of June 2022. This compares to € 408.5 million Net Financial Position at the end of December 2021, after taking into account the cash dividend and the dividend related to participating financial instrument paid in the first half of 2022 for a total amount of € 261 million.

Recruitment of financial advisors and private bankers in Italy remained positive: during the **first nine months of 2022** Azimut and its networks recorded **89 new hires**, bringing the total number of FAs to 1,866.

Gabriele Blei, CEO of the Group, comments: *“Our diversified, global platform keeps on delivering, even in an adverse environment as is evidenced by **€ 6.8 billion year-to-date of net inflows and total assets up 3% at € 85.7 billion**, despite the negative market effect. We continue to observe increasing demand for our unique **private markets products**, with **net flows year-to-date of € 1.6 billion** and a wide offering in private credit, private equity, real assets and VC funds. Through our financial advisors we support our clients to improve their asset allocation, diversify and reduce portfolio volatility in the short term as well as enhance their portfolio risk-return profiles in the mid to long run. With close to **12% of total AuM stemming from private markets today**, we are on track to reach our 15% target by the end of 2024 as we continue to expand our product suite and collaborate with best-in-class partners around the globe. Our business has proven its strength over time, demonstrated by +12% revenue growth, tight cost control in an inflationary environment and **operating profit growth by 17% YoY**. In the coming years, we will continue to focus on exploiting further organic and inorganic growth opportunities in Italy, abroad and on the private markets side to develop attractive and pioneering investment opportunities to generate performance to our clients and sustainable value for all our stakeholders.”*

Pietro Giuliani, Chairman of the Group, adds: *“As has been the case **for almost twenty years, Azimut is on track to meet its announced annual targets: €400 million euros in net profit and € 6 - 8 billion in net inflows and close to 12% AuM in private markets**. Resilient results achieved in a particularly complex environment. **Our clients now have a weighted average net performance since the start of the year of over 3%**⁴ (302 bps) compared to Italian and foreign competitors, both well represented by the Fideuram index of Italian mutual funds.”*

³ Not including the impact of IFRS 16 as detailed in the table below.

⁴ As of 4 November 2022; Fideuram index of Italian mutual funds, which stands at -12.1% since the beginning of the year.

2023 Financial Calendar

9 March 2023	B.o.D.	Approval of draft annual financial statements as of 31/12/2022
27 April 2023	AGM ⁵	Annual financial statements as of 31/12/2022
11 May 2023	B.o.D.	Approval of 1Q interim results as of 31/03/2023 ⁶
27 July 2023	B.o.D.	Approval of 1H results as of 30/06/2023
9 November 2023	B.o.D.	Approval of 3Q interim results as of 30/09/2023 ⁶

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, that the financial information herein included, corresponds to the records in the company's books.

Attached:

- Consolidated reclassified income statement as at 30 September 2022
- Consolidated net financial position as at 30 September 2022
- Consolidated income statement as at 30 September 2022
- Consolidated balance sheet as at 30 September 2022
- Consolidated cash flow statement as at 30 September 2022

Azimut is one of Europe's leading independent groups active (since 1989) in the asset management sector. The parent company Azimut Holding was listed on the Italian stock exchange on 7 July 2004 (AZM.MI) and is a member, among others, of the main Italian index FTSE MIB. The shareholder structure includes over 1,900 managers, employees and financial advisors bound by a shareholders' agreement that controls ca. 22% of the company. The remaining is free float. The Group comprises various companies active in the sale, management and distribution of financial and insurance products, with registered offices mainly in Italy, Australia, Brazil, Chile, China (Hong Kong and Shanghai), Egypt, Ireland, Luxembourg, Mexico, Monaco, Portugal, Singapore, Switzerland, Taiwan, Turkey, UAE and USA. In Italy, Azimut Capital Management SGR sells and manages Italian mutual funds, Italian alternative investment funds, as well as being active in the discretionary management of individual investment portfolios. Furthermore, Azimut Capital Management SGR distributes Group and third-party products in Italy via a network of financial advisors while Azimut Libera Impresa focuses on the alternatives business. The main foreign companies are Azimut Investments SA (founded in Luxembourg in 1999), which manages the multi strategy funds AZ Fund 1 and AZ Multi Asset, and the Irish Azimut Life DAC, which offers life insurance products.

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⁵ Subject to confirmation from the B.o.D. on 9 March 2023

⁶ Additional periodical information voluntarily disclosed by Azimut Holding based on Article 82-ter of the Consob regulation.

CONSOLIDATED RECLASSIFIED INCOME STATEMENT

€/000	3Q 2022	3Q 2021	9M 2022	9M 2021
Entry commission income	1,765	3,397	8,044	10,926
Recurring fees	273,711	249,852	825,979	705,785
Variable fees	-5,530	12,736	34,443	40,115
Other income	7,727	7,243	29,753	18,999
Insurance revenues	24,985	26,649	70,648	90,494
Total Revenues	302,658	299,877	968,867	866,319
Distribution costs	-90,280	-105,581	-327,478	-305,854
Personnel and SG&A	-64,706	-64,741	-200,260	-182,048
Depreciation, amortization & provisions	-8,548	-9,053	-26,044	-25,090
<i>Operating costs</i>	<i>-163,532</i>	<i>-179,375</i>	<i>-553,782</i>	<i>-512,992</i>
Operating Profit	139,126	120,501	415,085	353,327
Finance income	2,791	2,943	5,474	10,618
Net non-operating costs	-531	-1,717	1,242	-3,899
Finance expense	-2,151	-4,203	-8,187	-12,591
Profit Before Tax	139,237	117,525	413,614	347,454
Income tax	-27,718	-14,945	-104,438	-54,648
Deferred tax	-3,611	-4,153	2,701	34,340
Net Profit	107,906	98,427	311,877	327,147
Minorities	7,326	2,043	9,579	4,706
Consolidated Net Profit	100,580	96,384	302,298	322,441

CONSOLIDATED NET FINANCIAL POSITION

€/000	Sep-22	Jun-22	Dec-21
Bank loan	-305	-322	-350
Azimut 17-22 senior bond 2.0%	0	0	-355,261
Azimut 19-24 senior bond 1.625%	-503,884	-501,726	-497,417
Total debt	-504,189	-502,048	-853,028
Cash	318,239	254,297	180,044
Cash equivalents	168,307	153,615	406,773
UCI units & government securities	381,680	379,747	674,695
Cash & cash equivalents	868,226	787,659	1,261,512
Net financial position	364,037	285,611	408,484
Lease Liabilities (IFRS 16)	-42,060	-39,125	-44,981
<i>Net financial position incl. IFRS 16</i>	<i>321,977</i>	<i>246,486</i>	<i>363,503</i>

CONSOLIDATED INCOME STATEMENT

€/000	3Q 2022	3Q 2021	9M 2022	9M 2021
Fee and commission income	269.970	264.554	873.728	753.081
Fee and commission expense	-86.509	-100.581	-306.308	-285.232
Net fee and commission income	183.461	163.973	567.420	467.849
Dividends and similar income	5.527	403	8.490	1.559
Interest income and similar income	222	330	2.166	1.912
Interest expense and similar charges	-2.694	-4.805	-11.181	-14.361
Profits (losses) on disposal or repurchase of:	62	72	188	-198
b) financial assets at fair value through other comprehensive income	62	72	188	-198
Net gains (losses) on financial assets and financial liabilities at FVTPL	582	2.869	-5.477	9.228
a) assets and liabilities designated at fair value	19	4.169	307	5.604
b) other financial assets compulsorily measured at fair value	563	-1.300	-5.784	3.623
Net premiums	523	2.185	3.919	7.115
Net profits (losses) on financial instruments at fair value through profit or loss	64.287	96.934	228.198	285.853
Net profits (losses) on financial instruments at fair value through profit or loss	580	3.928	21.217	-2.871
Redemptions and claims	-29.831	-65.591	-151.231	-168.156
Net Margin	222.719	200.296	663.709	587.930
Administrative expenses	-76.506	-74.854	-242.610	-214.282
a) personnel expenses	-39.465	-39.374	-119.133	-106.100
b) other expenses	-37.041	-35.480	-123.477	-108.182
Net accruals to the provisions for risks and charges	2.972	-1.957	3.531	-10.353
Net impairment losses/reversal of impairment losses on property and equipment	-3.015	-3.022	-9.929	-8.857
Net impairment losses/reversal of impairment losses on intangible assets	-5.341	-5.883	-16.866	-15.849
Other administrative income and expenses	1.081	2.950	7.767	8.046
Operating Costs	-80.809	-82.767	-258.107	-241.294
Profit (loss) on equity investments	-2.674	-4	8.012	819
Pre-tax profit (loss) from continuing operations	139.236	117.525	413.614	347.454
Income tax	-31.330	-19.098	-101.737	-20.307
Net profit (loss) after tax from continuing operations	107.906	98.427	311.877	327.147
Net profit (loss) from continuing operations	107.906	98.427	311.877	327.147
Profit (loss) for the period/year attributable to minority interest	7.326	2.043	9.579	4.706
Net profit (loss) for the period/year	100.580	96.384	302.298	322.441

CONSOLIDATED BALANCE SHEET

ASSETS (Data in €/000)	30.09.2022	30.06.2022	31.12.2021	30.09.2021
Cash and cash equivalents	318.239	254.297	180.044	211.192
Financial assets at fair value through profit or loss	7.103.661	7.036.468	7.738.699	7.525.800
c) other financial assets at fair value	7.103.661	7.036.468	7.738.699	7.525.800
Financial assets at fair value through other comprehensive income	39.866	22.152	12.412	12.282
Financial assets at amortised cost	228.915	216.024	477.696	194.829
Equity investments	288.919	275.215	217.487	190.755
Tangible Assets	48.461	45.867	52.035	53.668
Intangible Assets	803.188	777.129	767.034	738.980
of which:				
-Goodwill	687.984	662.923	648.241	624.863
Tax assets	24.214	24.016	24.036	20.722
a) current	3.113	3.092	3.730	1.180
b) prepaid	21.101	20.924	20.306	19.542
Other assets	417.882	398.434	453.056	416.429
Total Assets	9.273.345	9.049.602	9.922.499	9.364.657
LIABILITIES (Data in €/000)				
Financial Liabilities at amortised cost	586.379	570.013	932.683	965.019
a) Payables	82.495	68.286	80.006	108.251
b) Outstanding securities	503.884	501.727	852.677	856.769
Technical reserves where the investment risk is borne by policyholders	164.585	165.204	185.892	185.487
Financial liabilities designated at fair value	6.580.309	6.507.925	6.961.981	6.783.049
Tax liabilities	158.881	132.458	141.721	59.411
a) current	91.323	68.610	71.830	29.695
b) deferred	67.558	63.848	69.891	29.716
Other Liabilities	350.733	360.703	388.788	355.682
Employees' severance	3.835	3.333	3.149	2.960
Provisions for risks and charges	64.419	68.007	72.703	59.968
b) other	64.419	68.007	72.703	59.968
Capital	32.324	32.324	32.324	32.324
Treasury shares (-)	-48.463	-40.834	-40.834	-40.834
Capital instruments	36.000	36.000	36.000	36.000
Share premium reserve	173.987	173.987	173.987	173.987
Reserves	737.128	745.579	366.520	382.182
Valuation provisions	79.258	52.090	9.191	277
Profit (Loss) for the period	302.298	201.718	605.457	322.441
Equity attributable to minority interests	51.672	41.095	52.937	46.704
Total liabilities and shareholders equity	9.273.345	9.049.602	9.922.499	9.364.657

CONSOLIDATED CASH FLOW STATEMENT SHEET

<i>Data in €/000</i>	3Q 2022	3Q 2021	9M 2022	9M 2021
A. OPERATING ACTIVITIES				
1. Operating activities	135,261	122,698	395,338	373,645
- net income for the period (+/-)	100,580	96,384	302,298	322,441
- gains/losses on financial assets held for trading and on financial assets/liabilities valued at fair value (-/+)	0	0	0	0
- gains/losses on hedging activities (-/+)	0	0	0	0
- value net adjustments for deterioration (+/-)	0	0	0	0
- value net adjustments on tangible and intangible assets (+/-)	8,356	8,906	26,795	24,706
- value net adjustments on provisions for risks and charges and other income/expenses (+/-)	-2,972	1,957	-3,531	10,353
- taxes (+)	31,329	19,098	70,520	20,307
- value net adjustments on disposing entities net of fiscal effect (+/-)	0	0	0	0
- other adjustments (+/-)	-2,032	-3,647	-743	-4,162
2. Cash flow from financial assets	-100,823	-48,639	359,022	-554,834
- financial assets at fair value	-41,498	-31,209	365,440	-529,415
- financial assets mandatorily measured at fair value	-24,869	5,156	-24,958	-52,922
- financial assets at FVTOCI	-16,608	26	-25,914	66,079
- financial assets at amortised cost	1,801	8,701	10,315	-8,225
- other assets	-19,649	-31,313	34,139	-30,351
3. Cash flow from financial liabilities	75,176	151,207	-843,163	797,331
- financial liabilities at amortised cost	18,398	5,758	-345,561	13,492
- financial liabilities at fair value	72,384	84,726	-381,672	738,422
- technical reserves	-619	-4,219	-21,307	2,417
- other liabilities	-14,987	64,942	-94,624	43,000
Total net operating cash flow generated/absorbed	109,615	225,266	-88,803	616,143
B. INVESTMENT ACTIVITIES				
1. Cash flow generated by	5,527	403	8,490	1,559
- sale of equity investments	0	0	0	0
- dividends received from subsidiaries	5,527	403	8,490	1,559
- sale of financial assets held to maturity	0	0	0	0
- sale of tangible assets	0	0	0	0
- sale of intangible assets	0	0	0	0
2. Cash flow absorbed by	-56,240	-127,226	-139,297	-274,005
- acquisition of equity investments	-19,231	-92,864	-79,922	-161,773
- acquisition of tangible assets	-5,609	-3,012	-6,355	-14,099
- acquisition of intangible assets	-6,339	-8,186	-13,277	-23,384
- purchase of subsidiaries and business units	-25,061	-23,164	-39,743	-74,749
Total net cash flow generated/absorbed from investment activities	-50,713	-126,823	-130,807	-272,446
C. FINANCING ACTIVITIES				
- issue/sale of treasury shares	-7,629	0	-7,629	27,456
- issue/sale of capital instruments	0	0	0	0
- dividends paid and others	0	0	-272,901	-193,993
- other reserves	18,717	-42,699	108,119	-115,416
- sale/acquisitions of non-controlling interests	10,577	11,419	-1,265	26,531
Total net cash flow generated/absorbed from financing activities	21,665	-31,280	-173,676	-255,422
TOTAL NET CASH FLOW GENERATED/ABSORBED IN THE PERIOD	80,567	67,163	-393,286	88,275
Reconciliation				
	3Q 2022	3Q 2021	9M 2022	9M 2021
Opening cash and cash equivalents	787,659	948,231	1,261,512	927,119
Cash flow generated/absorbed during the period	80,567	67,163	-393,286	88,275
Closing cash and cash equivalents	868,226	1,015,394	868,226	1,015,394