

PRESS RELEASE

FY 2021 Expected Net Profit between 600 and 605¹ million Euro: exceeded full-year guidance and all prior records

Net Inflows in 2021 of 18.7 billion Euro and Total Assets at 83.2 billion Euro, of which 40% from International Business

Strong development of the private markets segment, with total AuM reaching 4.6 billion Euro (8.4% of total managed assets), and of Fintech products and services

Milan, 12 January 2022

Based on the first preliminary results and initial forecasts on 2021, **Azimut expects to close the year with the best consolidated net profit in the Group's history, ranging between 600 and 605 million Euro**, exceeding the full-year guidance provided to the market (equal to 350 – 500 million Euro). The 2021 net income range is already reduced by the previously recorded realignment of goodwill in Italy (approx. 30 million Euro), following the revocation right exercised pursuant to the 2022 Italian Budget Law.

At the end of 2021, the International Business reached **40% of Total Assets**. The **EBITDA²** of the International Business in 2021 is estimated to be around **70 million Euro**, despite a continuous environment of high volatility in the markets, particularly the emerging ones, and the large investments in Sanctuary Wealth, which was consolidated in the first quarter of 2021.

In 2021, Azimut recorded net inflows of **18.7 billion Euro**, bringing total assets to **83.2 billion Euro**, an increase of 38% compared to the end of 2020. In December alone, net inflows amounted to 1.4 billion Euro. In 2021, the Group's clients benefited from a weighted average **net performance of +6.5%** (+1.6% above the Italian industry Fideuram index).

During the year, the **Private Markets segment more than doubled in terms of AuM compared to the previous year**, reaching **4.6 billion Euro** in December 2021 (compared to 2.0 billion Euro at the end of 2020), thanks to new products launched in Italy and the US. The Group also **boosted its Fintech activities**, as evidenced by the recent strengthening of the partnership with Mamacrowd, Italy's largest equity crowdfunding platform with a 35% market share³ allowing to invest in the best Italian startups and SMEs. Furthermore, several initiatives were launched in 2021, including:

- **Neofinancing/Neolending:** through the Synthetic Bank project as an alternative to traditional financing channels, Azimut has enabled the granting of guaranteed loans to Italian SMEs for over 345 million Euro by using the technology of Azimut Capital Tech (in partnership with Opyn) and its alternative credit products. The Group has an overall target of 1.2 billion Euro loans by 2025;
- **Azimut Direct:** the Group's fintech company specializing in minibonds, direct lending, private and public equity that originated or brokered 170 million Euro in debt and 60 million Euro in equity during the year. Azimut Direct supports the growth and development of Italian SMEs through joint consulting, structuring and placement of alternative finance instruments with institutional and qualified private investors. In 2021, Azimut Direct, together with Azimut Capital Tech, reached a market share of over 20% in fintech lending in Italy⁴;
- **Azimut Marketplace:** the preferred access point for SMEs to a range of financial services from the best financial technology companies on the market, including fintech companies linked to the Azimut Group, through a simple and secure digital platform that fully exploits the potential of PSD2 (Payment Services Directive 2) and open banking. In the first two months of activity, Azimut Marketplace reached 1,000 customers on the platform;

¹ The 2021 net income range does not include the realignment of goodwill in Italy, previously recorded at approx. € 30 million, following the revocation right exercised pursuant to the 2022 Italian Budget Law.

² Reclassified as per management account, excluding one-offs.

³ Source: crowdfundingbuzz

⁴ As per provvisioonal data by Italia Fintech

- **AZIM Token:** the world's first Security Token in asset management that has tokenized a portfolio of loans to Italian SMEs worth 5 million Euro, thereby transforming investments that are usually illiquid, such as those in private markets, into liquid and immediately transferable investments thanks to blockchain technology.

Through the development of these initiatives and further launches of new products and services in support of enterprises, **Azimut aims to become a preferred access point for all Italian companies seeking credit and advisory services with high added value.** At the same time, these solutions allow retail clients to diversify their portfolio and to **yield an adequate return** in a world of zero-negative rates. Moreover, Azimut is able to assist companies that need to structure equity operations or grow internationally, given its presence across 17 countries.

On the recruitment side, the Group's activity in Italy recorded 141 new hires in 2021, bringing the total number of financial advisors to 1,840 at the end of the year.

Lastly, Azimut filed an application with the local authority for a change in fees applied to Luxembourg funds that will align the method of calculating variable fees ("performance fees") with the latest ESMA guidelines. This new calculation system will result in a TER ("Total Expense Ratio") in line with the historical average, with a higher recurring component and the introduction of a system whereby in the event of underperformance against the benchmark, part of the recurring fees will be refunded. The Company will provide new information and further details on the new commission structure once the authorization process with the relevant supervisory authorities has been completed.

Gabriele Blei, CEO of the Group, comments: *"The three-year period that just ended put a management team of 5 CEOs to the test, with a pandemic that saw governments and central banks intervening with unprecedented measures. **Over the past three years, we generated cumulative net profits of over 1.35 billion Euro, while clients enjoyed a net weighted average performance of over +16% over the same period. The internationalization of our distribution and asset management activities, driven by the Global Team, have become a cornerstone for future growth. The democratization of private markets in Italy and abroad, which today represent 8.4% of AuM, is a further element of diversification, product innovation and value creation for clients and shareholders. Investments in the fintech space will lead us towards new businesses and a further evolution of the Group.** Azimut represents a diversified holding company which operates across different sectors and geographies, with **an unexpressed intrinsic value that the market has not yet fully appreciated.** The dedication and passion of the employees at Azimut, to whom we are very grateful, will lead the market to correctly value our company. According to our estimates based on both local market multiples as well as M&A transactions in the respective countries, **the sum of the parts of foreign operations, private markets, fintech and traditional business are worth around 8-10 billion Euro.**"*

Pietro Giuliani, Chairman of the Group, comments: *"In 2021, **Azimut clients benefited from a net performance of +6.5%**⁵ compared to +4.9% of our competitors, leading to a one-year outperformance of +1.6%⁶. **Over the past 25 years, the same comparison shows an outperformance for Azimut clients of +0.8% per year. All the talks made in the past about the costs of our products are definitively swept away by the above numbers: Azimut provides its customers with net returns of approximately +1% per annum above those of its competitors. We are able to do this thanks to the passion and professional attitude of our financial advisors, bankers and managers located in more than 17 countries around the world. This places Azimut as the only Italian asset manager –able to provide a 24-hour coverage of global financial markets while investing our clients' money. Net profits of over 600 million euros and net inflows of 18.7 billion realized in 2021 confirm the superiority of our Group compared to its peers for more than 7 years, both in terms of growth and profitability. Since our listing in July 2004, Azimut shares generated a total return of returned +1,193%**⁷ (making it the **third best performing stock on the Italian Stock Exchange and by far the best among financial, banking and insurance stocks**), providing shareholders a +68% performance per annum for over 17 years."*

⁵ Weighted average performance of UCITS funds of Azimut Group companies

⁶ Fideuram index of Italian mutual funds

⁷ Bloomberg Total Return including dividends paid and reinvested in the stock

Net Inflows & AUM:

Data in € million	Net Inflows		Assets	
	December	2021	at 31/12/2021	Δ in 2021
Funds ⁽¹⁾	663.3	6,478.3	43,075.2	23.9%
of which Private Markets ⁽²⁾	336.2	2,524.0	4,552.2	127.3%
Individual Managed Portfolios	245.8	423.0	14,669.8	11.3%
Azimut Life Insurance	32.8	362.3	6,929.2	12.4%
Advisory ⁽³⁾	-25.7	-183.0	1,869.1	-9.9%
Tail-down Reductions ⁽⁴⁾			-5.0	
Total Managed Assets⁽⁵⁾	786.0	5,484.2	54,139.6	15.7%
Assets under custody - c/accts	665.9	13,171.1	29,016.6	112.6%
Total Assets	1,451.9	18,655.2	83,156.3	37.6%

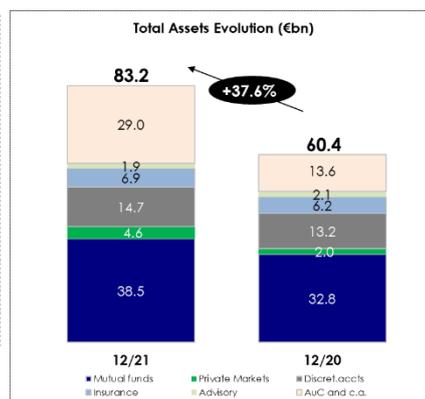
(1) Assogestioni does not include assets gathered outside of Italy and entry fees; it includes mutual, hedge and alternative funds

(2) The figure collected for private markets products is entered only upon reaching certain closings, therefore the value does not reflect the actual net inflows made of the month. Including Club Deals

(3) Includes MAX product (fee-based advisory)

(4) Tail Down refers to the pre-agreed return of capital and consequent reduction of AUM on closed-ended funds in the Private Markets segment.

(5) Net of double counting



Azimut is Italy's leading independent asset manager (active since 1989). The parent company Azimut Holding was listed on the Italian stock exchange on 7 July 2004 (AZM.MI) and, among others, is a member of the main Italian index FTSE MIB. The shareholder structure includes over 2,000 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, Luxembourg, Ireland, China (Hong Kong and Shanghai), Monaco, Switzerland, Taiwan, Brazil, Egypt, Singapore, Mexico, Australia, Chile, USA, UAE and Turkey. 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. Overseas main operations are Azimut Investments (formerly AZ Fund Management, 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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