

Azimut launches the world's first and only evergreen¹ investment fund of classic cars

In addition to attractive investment and diversification opportunities, the fund aims to enhance and preserve the historical and artistic value of cars belonging to the most prestigious car makers in the world by promoting ESG sustainability features.

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Azimut, an independent and global group in the asset management, wealth management, investment banking and fintech space, has launched the first evergreen¹ investment product in the classic and prestigious car sector with a sustainable approach.

The investment vehicle, **Azimut SCA-SICAV-RAIF Automobile Heritage Enhancement** (“**Automobile Heritage Enhancement**” or “**AHE**”), is an alternative reserved investment fund under Luxemburg law managed by Azimut Investments S.A. with the advisory of Alberto Schon, CEO of Rossocorsa, a leading operator in the automotive industry. AHE is a highly innovative fund with a plan to raise funds in Italy and around the world. The fund strengthens the Group's offering on private markets, including real assets, which consists of about 50 funds launched across the various asset classes and 6.8 billion euros in assets.

Automobile Heritage Enhancement uniquely addresses the growing investor interest in cars as an alternative to traditional asset classes, a demand that could continue to grow supported by the increase in the number of **High Net Worth Individuals** and **Ultra High Net Worth Individuals** globally together with the increase of collectors compared to a supply that remains by its nature limited.

The classic car market has reached a significant size and is estimated to grow **from 30.9 billion dollars in 2020 to about 43 billion dollars in 2024²**, thereby exhibiting significantly higher growth rates than other real luxury assets such as watches and artwork. In addition, the classic car industry offers an important decorrelation from financial markets or other real assets and a more **attractive risk profile** than all financial and non-financial asset classes which translates into a **historically lower drawdown³** and a greater ability to recover losses.

The fund's investment strategy will focus on luxury “**Supercar**” and “**Hypercar**” classic cars produced in limited editions with an **average value of more than one million euros**, a market reserved for collectors. Thanks to the skills, professionalism and relationships of Azimut Group and the Advisor, the AHE fund positions itself as **the only player with a structured investment process (across the different stages of purchase, restoration, preservation and sale)**, thanks to the license held by Azimut Investments for the financial management of luxury collector cars. This makes it even more of a unique product able to overcome the complexities of a particularly technical market with high barriers to entry.

The evergreen structure of the fund, i.e., with unlimited duration, provides the investor with the option of exiting the fund over time. This reinforces the **long-term strategy** of leveraging the automotive artistic heritage in the **promotion of ESG characteristics, as required by Article 8 of the European Sustainable**

¹ Evergreen fund: investment fund with no maturity, offering the possibility of redemptions.

² “Global Classic Car Market Size 2020-2024”, Statista Research Department 2021.

³ Drawdown refers to the change between the highest and the lowest peak of a time series in a given time interval.

Finance Disclosure Regulation (SFDR), through the cultural and technological content enhancement of the cars as well as through the organization of events and exhibitions. In particular, all initiatives will be organized by encouraging the use of low environmental impact means of transport to improve the sustainability of the supply chain and to promote the visibility and awareness of the Italian and European cultural heritage of UNESCO sites in addition to preserving and restoring cars with historic and unique features by encouraging the employment of specialized automotive craftsmanship. Through the promotion of these features, AHE aims to contribute to the achievement of 4 of the 17 Sustainable Development Goals (SDGs) of the United Nations.

AHE has a dedicated investment class for collectors that allows individual cars or entire collections to be contributed to the fund. In addition, the same class provides access to a range of support and advisory services built on a customized basis for collection management.

To mark the launch of the AHE fund, an event was held in Bologna, Emilia-Romagna, the land of the Motor Valley, an industrial district with 16,500 companies where some of the most important automotive and motorcycle brands in the world were born and continue to build. The event took place at Palazzo Re Enzo, adjacent to the arcades proclaimed UNESCO World Heritage in 2021, where four prestigious cars and a scale model (belonging to private collections) were exhibited and served as the backdrop for the debate focused on the role of finance in support of businesses, culture and social issues. The event was attended by Pietro Giuliani, Chairman and Founder of Azimut Group, Giorgio Medda, CEO and Global Head of Asset Management & Fintech of Azimut Group, Monica Liverani, CEO of Azimut Capital Management and Managing Director of Emilia-Romagna, Marche, Umbria, Chief Sustainability Officer of Azimut Holding, Sonia Bonfiglioli, Vice President of Confindustria Emilia Area Centro and President of Bonfiglioli Riduttori SpA, and Angelo Sticchi Damiani, President of Automobile Club d'Italia.

Giorgio Medda, CEO and Global Head of Asset Management & Fintech of Azimut Group, comments: *"With the AHE fund, we continue our commitment to integrate real assets into financial portfolio allocations, also through the creation of an investment club dedicated to our high-end private clients. We are currently facing a generational evolution for asset managers who can now incorporate the time factor into portfolios to generate performance, beyond the traditional relationship between risk and return. With the AHE fund, time will not only enable to benefit from an illiquidity premium for patient capital investments, but also to extract value from the cars that will be part of the portfolio since they are unique and unrepeatable assets facing an irreversibly growing demand. Moreover, the fund will create value for historic sports cars, which represent an artistic heritage that should not be lost also for the benefit of future generations who will be able to admire these artworks of brilliance and talent over time. We are delighted to partner with Alberto Schon, a reference point in the collector car market, which strengthens the investment process of the fund in all its phases"*.

Alberto Schon, CEO of Rossocorsa and Advisor of the AHE Fund, declares: *"The time frame required by investments in the most profitable cars, the typical flexibility required by the market and the need to create a network of partners seemed impossible to reconcile with an investment fund. The great work done by Azimut in recent months, listening to the needs of the sector, has enabled to create an evergreen ESG fund that is tailor-made to the asset class of classic cars and hypercars. It has been a great team effort to build a tool that not only will allow non-enthusiasts to invest in a very interesting asset class and meet the modern needs of collectors through many services, but will be a driving force for the restoration and professional sector. AHE will create, thanks to skills, time and investments, a new target market for classic cars and hypercars that will be characterized by the highest possible quality. We want to have the most beautiful cars in the world restored in the best possible way to change the market by opening it to new standards and new investments"*.

Azimut is an independent, global group in the asset management, wealth management, investment banking and fintech space, serving private and corporate clients. A public company listed on the Milan Stock Exchange (AZM.IM), the group is a leader in Italy and active in 18 countries around the world, with a focus on emerging markets. The shareholder structure includes over 1,900 managers, employees and financial advisors bound by a shareholders' agreement that controls ca. 21% 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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