

**Azimut Holding 1Q 2024 results: € 122 million adjusted net profit<sup>1</sup> and positive outlook to achieve and exceed 2024 targets<sup>2</sup>:**

- ★ **Net profit of € 500 million**
- ★ **More than € 7 billion net inflows, also thanks to partnerships**

Milan, 9 May 2024

Azimut Holding's (AZM.IM) Board of Directors approved today the consolidated results as of 31 March 2024, highlighting the following:

In 1Q 2024:

- ★ **Total Revenues** equal to **€ 351 million** (+8% vs. € 326 million in 1Q 2023)
- ★ **Operating Profit** equal to **€ 161 million** (+8% vs. € 150 million in 1Q 2023)
- ★ **Adjusted Net Profit<sup>1</sup>** equal to **€ 122 million** (vs. € 127 million in 1Q 2023)

**Azimut Holding total revenues** amounted to € 351 million in 1Q 2024, an increase of 8% compared to € 326 million in 1Q 2023. **Recurring fees** amounted to € 289 million in 1Q 2024 (compared to € 285 million in 1Q 2023), as a result of revenue growth from private markets and revenues generated abroad, particularly in Turkey, Australia, Brazil and Mexico. **Insurance revenues** amounted to € 51 million in 1Q 2024 compared to € 29 million in 1Q 2023, benefiting mainly from performance fees.

**Total operating costs** increased by 8% to € 190 million (compared to € 177 million in 1Q 2023). **Distribution costs** amounted to € 104 million (vs. € 97 million in 1Q 2023) due to higher provisions for variable incentives and higher marketing and event costs related to the advisor network in Italy. In addition, distribution costs were impacted by commissions to third parties for exceeding targets in placing private markets funds to institutional investors, and finally higher distribution costs abroad in line with the increase in foreign revenues. **Personnel & SG&A** costs totaled € 78 million (vs. €76 million in 1Q 2023) as a result of continued investment in overseas growth. **D&A and provisions** of € 9 million (vs. € 4 million in 1Q 2023) returned to a normalized level as they are no longer benefiting from the release of various provisions as in the previous year.

**Operating profit grew by 8% to € 161 million** (vs. € 150 million in 1Q 2023), maintaining a strong **operating profit margin of 46%**.

**Adjusted Net Profit<sup>1</sup>** amounted to **€ 122 million** in 1Q 2024 (vs. € 127 million in 1Q 2023).

The **Net Financial Position<sup>3</sup>** as of 31 March 2024 was positive for **€ 532 million**, an increase of € 140 million compared to the end of December 2023, despite acquisitions & investments for c. € 23 million and € 13 million for stamp duties. The Net Financial Position at the end of March does not include the approved **€ 1.00 p.s. cash dividend (next to the ~ € 0.4 p.s. dividend to be paid in treasury shares<sup>4</sup>)** that will be paid on 22 May 2024. It also does not yet include the **\$ 225 million gross proceeds** that the Group received at the beginning of April from the sale of its stake in Kennedy Lewis Investment Management to Petershill at Goldman Sachs Asset Management<sup>5</sup>.

**Recruitment of financial advisors and wealth managers** in Italy **remained positive**: during the **first three months** of 2024 Azimut recorded **30 new hires**, bringing the total number of FAs to 1,850.

<sup>1</sup> To better reflect the underlying net profit, the calculation excludes the €-26.4 million one-off charge related to the tax settlement with Italian Revenue Agency in 1Q 23 (which ultimately amounted to € -19.4 million for FY 2023) and the accounting impact of the IFRS 17 standard (4Q 23: €-11.1 million and 1Q 24: € -5.9 million).

<sup>2</sup> Under the assumption of normal market conditions.

<sup>3</sup> Not including the impact of IFRS 16 as detailed in the table below.

<sup>4</sup> Cf. press releases published on 7 March 2024 and 24 April 2024, available on the company's website.

<sup>5</sup> Cf. press releases published on 3 April 2024, available on the company's website.

At the beginning of May 2024, **Sanctuary Wealth**, in which Azimut Group holds a 53.37% stake, **acquired tru Independence**, a Portland, Oregon-based advisory services provider founded by Craig Stuvland. tru Independence's platform offers a full range of services for independent advisors. Sanctuary and tru operate highly complementary models in the wealth management space, offering a wide range of independent business model options for different types of highly sophisticated advisors. The acquisition of tru gives Sanctuary access to **30 financial advisory firms that manage \$12.5 billion in assets**. This combination will support financial advisors and promote their growth through business development, recruitment and acquisitions. **The new platform will support approximately 120 independent wealth management firms with over \$42 billion in client assets across 30 US states.**

Lastly, based on the declarations provided by the Independent Directors and the information available to the Company, the Board evaluated the independence criteria envisaged by art. 147-ter, paragraph 4 and 148, paragraph 3 of the TUIF and art. 3 of the Corporate Governance Code.

### **FY 2024 Full-year targets**

Based on the solid growth since the beginning of the year, the robust operational performance achieved to date, and coupled with recent corporate developments, the Group is **confident in its ability to not only meet but exceed the targets provided to the market for the full year 2024 (> € 7 billion net inflows and € 500 million net profit)**.

Pietro Giuliani, Chairman of the Group, points out: *"With the first quarter 2024 results, three very important things are evident: 1. **Azimut's net profit for the year will exceed 500 million euros.** 2. **Net inflows for the year will be well above 7 billion euros.** 3. **The carve-out of part of the Italian network (approximately 1,000 financial advisors) has already been completed and operational since May 1<sup>st</sup> of this year** (in terms of: identifying the names of the financial advisors and employees who will form the business unit that will give life to the new bank via spin-off, and the reporting of the resulting activity). **I thank all my 1,850 financial advisor colleagues for their maturity in prioritizing the interest of shareholders, despite the clumsy and pathetic attempts by our competitors who, as outsiders, cannot understand the perspective of an Azimutian. All this clears the field of all the possible 'execution risks' imagined by many people beforehand...** 4. The process of **new investments in people and projects by Azimut Holding** has already intensified and is not limited to the dividend payments and buy-back executions, but aims to expand our business. In this regard, I would like to point out **our ability to provide shareholders with a 15-fold return on invested capital in the 20 years since listing, and we are determined to continue along the same path**".*

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 of 31 March 2024
- \* Consolidated net financial position as of 31 March 2024
- \* Consolidated income statement as of 31 March 2024
- \* Consolidated balance sheet as of 31 March 2024

**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 around 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 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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## CONSOLIDATED RECLASSIFIED INCOME STATEMENT

€/000	1Q 2024	4Q 2023	1Q 2023	FY 2023
Entry commission income	3,622	4,266	2,142	12,162
Recurring fees	288,658	281,876	284,752	1,138,307
Variable fees	1,028	22,543	4,141	18,208
Other income	7,088	10,922	6,173	32,358
Insurance revenues	50,508	27,420	29,050	110,981
<b>Total Revenues</b>	<b>350,904</b>	<b>347,026</b>	<b>326,259</b>	<b>1,312,016</b>
Distribution costs	-103,671	-101,829	-96,571	-388,954
Personnel and SG&A	-77,536	-83,032	-75,675	-310,196
Depreciation, amortization & provisions	-8,710	-5,600	-4,377	-25,470
<i>Operating costs</i>	<i>-189,917</i>	<i>-190,461</i>	<i>-176,623</i>	<i>-724,620</i>
<b>Operating Profit</b>	<b>160,987</b>	<b>156,566</b>	<b>149,636</b>	<b>587,396</b>
Finance income	2,907	-5,769	27,963	60,865
Net non-operating costs	-716	-1,105	-2,139	-14,565
Finance expense	-2,160	-2,160	-2,156	-8,633
<b>Profit Before Tax</b>	<b>161,018</b>	<b>147,532</b>	<b>173,305</b>	<b>625,065</b>
Income tax	-36,941	-41,845	-64,061	-160,954
Deferred tax	-3,107	-5,876	-3,515	-6,096
<b>Net Profit</b>	<b>120,970</b>	<b>99,811</b>	<b>105,728</b>	<b>458,013</b>
Minorities	4,759	5,814	5,035	23,446
<b>Consolidated Net Profit</b>	<b>116,211</b>	<b>93,997</b>	<b>100,693</b>	<b>434,567</b>
<b>Adjusted Net Profit</b>	<b>122,111</b>	<b>105,697</b>	<b>127,069</b>	<b>453,988</b>

## CONSOLIDATED NET FINANCIAL POSITION

€/000	Mar-24	Dic-23	Mar-23
Bank loan	-206	-288	-272
Azimut 19-24 senior bond 1.625%	-499,142	-497,916	-498,712
<b>Total debt</b>	<b>-499,348</b>	<b>-498,204</b>	<b>-498,984</b>
Cash	583,396	298,142	330,275
Cash equivalents	153,616	107,646	119,876
UCI units & government securities	294,378	385,474	397,800
<b>Cash &amp; cash equivalents</b>	<b>1,031,390</b>	<b>791,262</b>	<b>847,951</b>
<b>Net financial position</b>	<b>532,042</b>	<b>293,058</b>	<b>348,967</b>
Lease Liabilities (IFRS 16)	-39,140	-41,464	-41,420
<i>Net financial position incl. IFRS 16</i>	<i>492,902</i>	<i>251,594</i>	<i>307,547</i>

## CONSOLIDATED INCOME STATEMENT

€/000	1Q 2024	1Q 2023	2023
Fee and commission income	342,210	288,727	1,293,143
Fee and commission expense	-88,910	-83,108	-343,998
<b>Net fee and commission income</b>	<b>253,300</b>	<b>205,619</b>	<b>949,145</b>
Dividends and similar income	437	2,157	17,865
Interest income and similar income	3,909	960	11,929
Interest expense and similar charges	-3,285	-3,036	-12,529
Profits (losses) on disposal or repurchase of:	250	55	353
b) financial assets at fair value through other comprehensive income	250	55	353
Net gains (losses) on financial assets and financial liabilities at FVTPL	3,316	27,326	40,189
a) assets and liabilities designated at fair value	-1,807	4,582	3,222
b) other financial assets compulsorily measured at fair value	5,123	27,484	36,967
Insurance service result	7,659	39,422	28,667
Net insurance and investment result	-1,664		-129
<b>Net Margin</b>	<b>263,922</b>	<b>272,503</b>	<b>1,035,490</b>
Administrative expenses	-95,544	-91,279	-372,202
a) personnel expenses	-47,387	-44,782	-187,950
b) other expenses	-48,157	-46,497	-184,252
Net accruals to the provisions for risks and charges	-2,583	1,617	1,861
Net impairment losses/reversal of impairment losses on property and equipment	-3,564	-3,085	-12,826
Net impairment losses/reversal of impairment losses on intangible assets	-5,290	-5,745	-31,050
Other administrative income and expenses	1,825	656	7,749
<b>Operating Costs</b>	<b>-105,156</b>	<b>-97,836</b>	<b>-406,468</b>
Profit (loss) on equity investments	2,252	-1,363	-3,961
<b>Pre-tax profit (loss) from continuing operations</b>	<b>161,018</b>	<b>173,304</b>	<b>625,061</b>
Income tax	-40,048	-67,576	-167,048
<b>Net profit (loss) after tax from continuing operations</b>	<b>120,970</b>	<b>105,728</b>	<b>458,013</b>
<b>Net profit (loss) from continuing operations</b>	<b>120,970</b>	<b>105,728</b>	<b>458,013</b>
Profit (loss) for the period/year attributable to minority interest	4,759	5,035	23,446
<b>Net profit (loss) for the period/year</b>	<b>116,211</b>	<b>100,693</b>	<b>434,567</b>

## CONSOLIDATED BALANCE SHEET

<i>ASSETS</i> (€/000)	<b>31.3.2024</b>	<b>31.12.2023</b>	<b>31.3.2023</b>
Cash and cash equivalents	583,396	464,571	330,275
Financial assets at fair value through profit or loss	7,846,335	7,544,967	7,538,579
c) other financial assets at fair value	7,846,335	7,544,967	7,538,579
Financial assets at fair value through other comprehensive income	16,345	15,897	15,837
Financial assets at amortized cost	263,425	259,388	176,833
Equity investments	188,214	280,971	277,840
Insurance contract assets	5,719	5,634	
Reinsurance contract assets	5,719	5,634	
Tangible Assets	44,801	45,880	49,230
Intangible Assets	890,377	892,743	873,094
of which:			
-Goodwill	749,904	749,832	733,123
Tax assets	25,216	28,196	29,341
a) current	7,242	8,790	7,988
b) prepaid	17,974	19,406	21,353
Other assets	392,215	420,075	413,905
<b>Total Assets</b>	<b>10,256,043</b>	<b>9,958,322</b>	<b>9,704,934</b>
<i>LIABILITIES</i> (€/000)	<b>31.3.2024</b>	<b>31.12.2023</b>	<b>31.3.2023</b>
Financial Liabilities at amortized cost	555,346	553,901	552,134
a) Payables	56,204	56,919	53,422
b) Outstanding securities	499,142	496,982	498,712
Insurance contract liabilities	1,583,589	1,505,259	0
Financial liabilities designated at fair value	5,785,320	5,679,679	7,003,164
Tax liabilities	237,849	219,667	225,226
a) current	167,574	142,731	150,857
b) deferred	70,275	76,936	74,369
Other Liabilities	314,753	324,372	330,332
Employees' severance	4,528	4,328	3,378
Provisions for risks and charges	63,093	61,813	65,737
c) other provisions for risks and charges	63,093	61,813	65,737
Capital	32,324	32,324	32,324
Treasury shares (-)	-51,668	-55,069	-56,485
Capital instruments	36,000	36,000	36,000
Share premium reserve	173,987	173,987	173,987
Reserves	1,365,663	938,695	1,198,801
Valuation provisions	-9,234	-9,940	3,259
Profit (Loss) for the period	116,211	434,567	100,693
Equity attributable to minority interests	48,282	58,739	36,384
<b>Total liabilities and shareholders' equity</b>	<b>10,256,043</b>	<b>9,958,322</b>	<b>9,704,934</b>