

## 2024 Net profit<sup>1</sup> target of € 500 million

**Anticipated 2023 adjusted net profit<sup>2</sup> of € 445 to € 455 million, in line with full-year target**

**Net inflows 2023 of € 6.9 billion, in line with full-year guidance, and total assets at record level of € 90.8 billion**

**Strong Private Markets development with € 1.5 billion inflows and AuM of € 8.1 billion (more than 13% of AuM) at the end of December 2023**

### Additional targets for 2024<sup>3</sup>

- ★ **15% in Private Markets AuM**
- ★ **Net inflows: more than € 7 billion, also thanks to partnerships**
- ★ **International management net profit: € 150 million**

Milan, 11 January 2024

### 2023 Full-year forecast & inflows

Based on the first preliminary results and initial forecasts, the **Azimut Group** expects to **close the 2023 fiscal year with an adjusted net profit of between € 445 and 455 million, in line with the target provided to the market (equal to € 450 million<sup>1</sup>)**, showcasing once again the firm's steadfast commitment to delivering exceptional results.

The Azimut Group recorded total net inflows of € 981 million in December 2023. Demand was broad-based across regions and positively impacted by the sizeable acquisition of Australian Unity's financial advice business that becomes part of Azimut Next Generation Advisory. This brings **2023 fundraising to € 6.9 billion, in line with the € 6 – 8 billion target for the year**, despite the volatile market environment. **Approximately 46% of the full-year 2023 client demand (€ 3.2 billion) originated from managed products.**

Total AuM reached € 60.6 billion as of 31 December 2023 (2022: € 55.1 billion), growing by 10% year on year. Total Assets under Administration stood at € 30.2 billion as of 31 December 2023 (2022: € 23.8 billion), an increase of 27% year on year. The robust net inflows coupled with a net weighted average performance delivered to clients in 2023 of 5.43% brought **Total Assets to the record level of € 90.8 billion** as of 31 December 2023 (2022: € 79.0 billion), **reflecting a solid 15% year-on-year growth.**

In 2023, the **Private Markets** segment recorded strong growth with **€ 1.5 billion inflows, marking a 25% year-on-year increase and reaching € 8.1 billion AuM** at the end of December 2023. This was due to solid demand for the dozens of products launched in Italy, Brazil and the US as institutional and retail clients trusted the firm's innovative investment solutions and financial advice amidst a volatile market environment to enhance the risk-return profiles of their portfolios.

**Azimut, a pioneer in democratizing private markets in Italy**, currently serves **over 49,000 clients invested in this asset class** and boasts a diversified platform with more than 70 products across private equity, private debt, venture capital, real assets and infrastructure. Private markets represent **13.3% of total assets under management** today and this puts the Group on track to **achieve the target of at least 15%** by the end of 2024. This target, set in 2019 when this segment represented around 1% of assets, reflects the continued momentum in this space.

<sup>1</sup> Under the assumption of normal market conditions.

<sup>2</sup> To better reflect the underlying net profit, anticipated FY 2023 adjusted net profit excludes the € 19.4 million one-off charge related to a tax settlement with the Italian Revenue Agency for the tax periods from 2016 to 2021 and the expected € 14.3 million accounting impact of the implementation of the IFRS 17 standard (insurance contracts).

<sup>3</sup> Under the assumption of normal market conditions. International adjusted management net profit on an annualized basis.

## **2024 New private & public markets product launches**

The Group's dedication to constant innovation and client-centric solutions across public and private markets will continue throughout 2024 with the **launch of several new products**, as presented today during Azimut's annual convention. The Group intends to capitalize on the recent changes in the ELTIF regulation extending the fundraising for three strategies that have been commercialized last year: ELTIF Digitech Europe (European Venture Capital), ELTIF HIPstr (US Venture Capital), ELTIF Capital Solutions II (Private Debt). At the same time, the launch of the fourth edition of the ELTIF Digital Lending IV (Private Debt) and ELTIF ALICrowd IV (Venture Capital) strategies are planned in the coming months, bringing the number of funds in line with the new ELTIF regulation to five.

Following the leading tokenization projects for its private equity and private debt investments and fund, Azimut is achieving a new milestone in leveraging technology across its private markets range. ALICrowd IV, in partnership with Allfunds Blockchain, upon regulatory approval, will be the **first European alternative investment fund with blockchain native unit classes** opening new scenarios for potential frictionless liquidity for end investors.

Furthermore, the Group will continue to develop its **neolending project** to support Italian SMEs. Since the inception of this initiative in 2020, **Azimut has already provided approximately € 2.5 billion of alternative financing to Italian SMEs**, supported by its private debt solutions and the power of fintech.

The offer for High Net Worth Individuals is enriched with **three new club deals**: New Energy Solutions SCSp, combining investments in Tree Energy Solutions (TES) and Zhero, emerging as global champions in energy transition projects; GP Stakes Fund I SCSp, offering clients exposure to the vibrant dynamics of the US GP staking business with the benefit of semi-annual income distributions; Packaging and Automation SCSp, acquiring a stake in IMA S.p.A. a world leader in the design and manufacturing of automatic machines for the processing and packaging of a wide array of consumer related products.

Azimut continues to expand its **public markets offering** across its different product verticals (Mutual Funds, Discretionary & Advisory, Life & Pensions) with a focus on: Escalator solutions, allowing to gradually increase the global equity exposure through a broad and diversified portfolio using an accumulation plan with the benefit of active asset management; Target Maturity bond portfolios, capitalizing on rising interest rates in the market with an exposure to a broadly diversified range of bonds without rating constraints; active equity strategies in Healthcare and Biotech, managed by Kennedy Capital Management's highly specialized team leveraging its long-term relationship with Washington University in St Louis, one of the US' foremost academic health centers.

## **Technological innovation**

The Group intends to **leverage technology applications for its broader asset management activities** and is set to launch several initiatives to enhance its investment, commercial and operational processes. These initiatives will leverage Artificial Intelligence for goal-based portfolio construction (Wealthype), Natural Language Processing to facilitate access to product marketing and legal material (Azimut Finder), and the Metaverse to establish a new relationship platform with its clients (Metadvisor). During the year, its mobile investment app Beewise which has recorded more than 20,000 registrations since the launch in 2021, will expand its offerings with Cash Plus products and expand its reach in Luxembourg and Brazil.

## **Partnership with UniCredit**

The Group's renowned asset management capabilities, with more than 30 years of track record and unique global diversification among Italian-based industry players, have been the cornerstone for the **partnership agreement aimed at enhancing UniCredit's asset management expertise**, as announced on 16 December 2022. Azimut is delighted to announce the **successful completion of the operational setup phase of Nova Investment Management, in line with the initially announced timeline**. As of 28 December 2023, 12 UCITS funds have been authorized – with plans for additional fund launches in the near future – for non-exclusive distribution through UniCredit's extensive network, currently serving more than 7 million customers in Italy. This agreement lays the foundation for further significant additional growth for Azimut in terms of net inflows and increasing net profit contribution over time.

## 2024 Full-year targets

Based on the robust operational performance achieved to date and the determination to execute on its strategy to drive sustainable growth and deliver shareholder value, the Group announces its **targets for 2024** estimating, under normal market conditions, total **net inflows above € 7 billion**, also thanks to partnerships, and a **net profit of € 500 million**, as well as **international management net profit of € 150 million on an annualized basis**.

Pietro Giuliani, Chairman of the Group, points out: “We are in the twentieth year since Azimut was listed (its 34th year of existence), and this year too, we have achieved the stated goals set at the beginning of 2023 and today announce those for 2024: **500 million euros in net profit and over 7 billion euros in new net inflows**. The **operational activities in CIB** (Corporate and Investment Banking) are no longer sporadic but systematic, both in generated profits and in establishing a **reference point for small and medium-sized Italian enterprises**, especially those with foreign aspirations or operations. The over **8 billion euros of alternative investments** (private equity, private debt, venture capital, real assets, and infrastructure) **made in Italy and worldwide** directly or through our foreign subsidiaries (United States, Brazil, Turkey) constitute a unique opportunity for our clients in terms of a wide range of products and, above all, results. The **investments made for many years in fintech, particularly in the field of blockchain and A.I.** (Artificial Intelligence), will enable our **financial advisors and wealth managers** to operate with cutting-edge tools in the next three years compared to the market, **providing** our clients with **a service adapted to the changes that the entire world is facing**. I extend my gratitude to all my colleagues whose **dedication has made these accomplishments possible**, especially in a year when in Italy, the managed savings industry has experienced outflows of over 50 billion euros, while **Azimut**, with its approximately 7 billion euros of net inflows realized in Italy and the 18 countries in which it operates, has increased its **total assets to over 90 billion euros** (of which **approximately half originate from our international operations**).”

| Data in € million                          | Net Inflows  |                | Assets          |              |
|--|--------------|----------------|-----------------|--------------|
|  | December     | 2023           | at 31/12/2023   | Δ 2023       |
| Funds                                      | -40.7        | -628.4         | 45,633.9        | 2.2%         |
| of which Private Markets <sup>(1)</sup>    | 52.0         | 1,475.5        | 8,063.1         | 24.7%        |
| Individual Managed Portfolios              | 177.6        | 2,708.8        | 18,072.5        | 24.6%        |
| Azimut Life Insurance                      | 10.2         | 230.5          | 7,080.0         | 5.1%         |
| Advisory <sup>(2)</sup>                    | 39.5         | 399.0          | 1,971.3         | 31.0%        |
| Tail-down Reductions <sup>(3)</sup>        |              |                | 283.5           |              |
| <b>Total Managed Assets <sup>(4)</sup></b> | <b>294.4</b> | <b>3,153.6</b> | <b>60,551.2</b> | <b>9.8%</b>  |
| Assets under Custody                       | 686.7        | 3,712.1        | 30,199.7        | 26.8%        |
| <b>Total Assets</b>                        | <b>981.2</b> | <b>6,865.7</b> | <b>90,750.9</b> | <b>14.9%</b> |

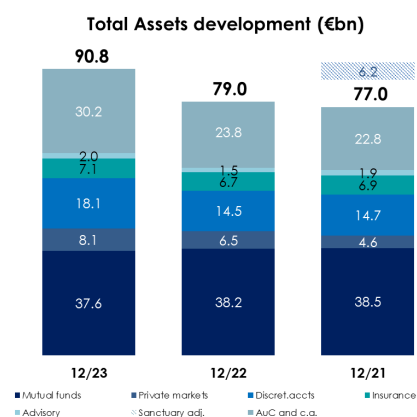
(1) The figure collected for private markets products is accounted for only upon reaching certain closings, therefore the value does not reflect the actual net inflows made during the month. Including Club Deals.

(2) Includes MAX product (fee-based advisory).

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

(4) Net of double counting.

| Data in € million      | Assets          |               |
|------------------------|-----------------|---------------|
|                        | at 31/12/2023   | in %          |
| Italy                  | 48,186.9        | 53.1%         |
| Europe (ex. IT) & MENA | 7,270.9         | 8.0%          |
| America                | 25,624.0        | 28.2%         |
| Asia-Pacific           | 9,669.1         | 10.7%         |
| <b>Total Assets</b>    | <b>90,750.9</b> | <b>100.0%</b> |



**Total Assets development (€bn)**

**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.

**Contacts - Azimut Holding S.p.A.**

<http://www.azimut-group.com/>

**Investor Relations**

Alex Soppera, Ph.D.

Tel. +39 02 8898 5671

Email: [alex.soppera@azimut.it](mailto:alex.soppera@azimut.it)

**Media Relations**

Viviana Merotto

Tel. +39 338 74 96 248

E-mail: [viviana.merotto@azimut.it](mailto:viviana.merotto@azimut.it)

Maria Laura Sisti (Esclapon & Co.)

Tel. +39 347 42 82 170

Email: [marialaura.sisti@esclapon.it](mailto:marialaura.sisti@esclapon.it)