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PRESS RELEASE

**THE BOARD OF DIRECTORS OF NB AURORA S.A. SICAF-RAIF
APPROVED THE CONDENSED HALF-YEARLY FINANCIAL
STATEMENTS AS OF JUNE 30, 2018 AND ANALYZED THE ACTIVITIES
CARRIED OUT IN THE SUBSEQUENT MONTHS**

- On May 25, a portfolio made up of 17 minority stakes was acquired through the acquisition of 44.55% of the units in Fondo Italiano di Investimento ("FII") at a price of €75.4 million.
- After June 30, 2018, the investments in Rigoni di Asiago, Sanlorenzo, Ien and Truostar were sold with a €12.8 million capital gain for NB Aurora.
- The 13 companies currently held in the FII portfolio reported a total turnover of about €1.5 billion, EBITDA of about €200 million and net debt of approximately €400 million (as of December 31, 2017).
- Compared to the €151.55 million proceeds of the IPO (May 4, 2018) - of which €150 million of Class A shares and €1.55 million of Class B and special shares -, NAV grew by about 14% to approximately €172.7 million (after absorbing the listing costs), of which about €107.8 million is represented by FII units and about €64.9 million by net cash.
- Net result as of June 30, 2018 was €26.8 million.
- The Board of Directors also appointed Karl Paradaens as Chairman of the Board of Directors and verified that Directors Pierdicchi, Polliotto and Spada satisfy the independence requirements.

Luxembourg, September 5, 2018

The Board of Directors of NB Aurora S.A. SICAF-RAIF (“**NB Aurora**”), a company under Luxembourg law, met today, examined and approved the Condensed half-yearly financial statements as of June 30, 2018 and analyzed the activities carried out in the subsequent months.

NB Aurora, the first permanent capital vehicle listed in Italy on the MIV professional segment of the Italian Stock Exchange, organized and managed by Borsa Italiana S.p.A., was incorporated by Neuberger Berman on September 14, 2017 with the aim of acquiring minority stakes in Italian unlisted SMEs in order to support their growth and internationalization process through investments with a long-term horizon and support entrepreneurs, as partners, in strategic and management decisions. In detail, NB Aurora is committed to operate as an active investor able to foster the development of companies that are leaders in their respective markets of reference by leveraging on Neuberger Berman’s international network consisting of over 30 offices worldwide and more than \$300 billion AUM. NB Aurora aims to create value by supporting the companies in its portfolio along the following development lines:

- internationalization;
- consolidation of niches and fragmented markets;
- recruitment, in concert with the majority stakeholder, of new managers, who can facilitate the generational transfer;
- streamlining of complex ownership structures.

Usually, NB Aurora does not use any financial leverage but searches for visionary entrepreneurs to partner with in developing their projects.

The management of its investment portfolio is entrusted to a team made up of 10 Neuberger Berman professionals, mostly coming from the Fondo Italiano di Investimento, who have been working together for more than seven years, selecting target companies and subsequently managing the portfolio.

“NB Aurora is a new addition to the Italian market and we are working at full pace to acquaint entrepreneurs with our distinctive credentials. Thanks to NB Aurora Italian SMEs can obtain both the financial and managerial resources to implement their development plans, particularly on the international markets. The team is busily working to continue to create value for the FII portfolio. At the same time, despite the current market turbulence, we see huge interest in

initiatives such as ours from the Italian entrepreneurial fabric: this gives us confidence about the possibility of closing one or more investment in the next few months,” stated Patrizia Micucci, Managing Director of Neuberger Berman.

Acquisition of a portfolio of 17¹ minority stakes

Following the publication of the Prospectus available from NB Aurora’s website and the subsequent commencement of trading of NB Aurora Class A ordinary shares (May 4, 2018) on the MIV, the investment vehicle completed the acquisition of 44.55% of the units of Fondo Italiano di Investimento, managed by Neuberger Berman AIFM Limited, having satisfied the conditions set forth in the co-investment agreement signed with NB SOF IV Holdings LP in November 2017, as further amended from time to time. Through the acquisition of units in FII, NB Aurora gained access to a portfolio of 17 minority stakes in Italian SMEs with strong growth potential, including at an international level. The consideration paid by NB Aurora for the transaction was reduced to €75.4 million, following the distributions made by FII before NB Aurora’s acquisition, as a result of the total divestments of Surgital, Brugola, Labomar, BATt, Turbocoating, Geico Lender and the partial divestments of DBA and IEN. To acquire the above-mentioned portfolio, NB Aurora used €43.9 million from the proceeds of the IPO and financing of €31.5 million provided by Intesa Sanpaolo S.p.A.

	NB Aurora (44.5%)
Forgital	€ 21.367.085
Rigoni	€ 9.451.774
Ligabue	€ 7.212.600
Mesgo	€ 6.877.514
SanLorenzo	€ 6.455.520
GMM	€ 6.331.141
Megadyne	€ 5.696.560
La Patria	€ 4.869.144
Sira	€ 1.853.560
Amut	€ 1.611.551
DBA Group	€ 1.299.979
IEN	€ 1.252.541
Elco	€ 1.135.727
Zeis	-
Truestar	-
Mape	-
IMT	-
Total investments	€ 75.414.696

¹ It also includes investments in IMT and Mape, fully written down before 2017.

Compared to the proceeds of the IPO (May 4, 2018) which raised €151.55 million – of which comprised of €150 million of Class A shares and €1.55 million of Class B and special shares –, NAV grew by about 14% to approximately €172.7 million (after absorbing the listing costs), of which about €107.8 million is represented by the units held in FII and about €64.9 million of net cash. NB Aurora closed the first half of the year with a net result of €26.8 million.

Events subsequent to June 30, 2018

After June 30, 2018, FII undertook the following transactions:

- disposal of 35.55% in **Rigoni di Asiago** (NB Aurora's stake: 15.8%) for a total of €39 million. NB Aurora reported a capital gain of approximately €7.9 million;
- disposal of 15.96% in **Sanlorenzo** (NB Aurora's stake: 7.1%) for about €22 million. NB Aurora reported a capital gain of approximately €3.3 million;
- disposal of the investment in **Truostar** for a total of €3.0 million. NB Aurora reported a capital gain of approximately €1.3 million.

In addition, FII also collected a €3.4 million credit for the disposal of **IEN** (effected on July 24, 2018), of which €1.5 million was attributable to NB Aurora (capital gain of about €0.2 million).

NB Aurora's overall **capital gains** realized after June 30 thus amounted to **€12.8 million**.

The FMV of its residual investments amounted to €79.2 million, compared to a residual acquisition cost of €58.3 million.

On July 4, 2018, FII has signed an agreement to sell its 4.75% interest in **Megadyne** to Partners Group. The closing of the transaction is expected to take place by the end of the third quarter of the year. The final terms of the transaction are confidential.

Analysis of the FII portfolio

Based on the 2017 financial statements², the aggregate turnover of the 13 companies currently held in the FII portfolio amounted to about €1.5 billion and grew at a rate exceeding 14% compared to 2016; aggregate EBITDA amounted to approximately €200 million, up 24% compared to the same period for the previous year. Net debt at the same date was about €400 million. The growth trend of portfolio turnover and margins are confirmed for 2018.

² With regard to Zeis and Elco, the 2016 financial statements have been used.

To date, the FII portfolio (in which NB Aurora holds a 44.55% interest) includes:

- **Forgital:** specialized in the production of hot-rolling rings made of steel and other alloys for the Industrial (Oil & Gas, Transmission, Power Generation and General Mechanics) and Aerospace sectors. The Group operates directly in Italy, France and the United States and is one of the few companies qualified for supplying airplane engine components. In 2017, the Group's value of production was €419.4 million (+23.1% YoY), EBITDA was €82.7 million (+37.7% YoY) and EBITDA margin was about 20%. NB Aurora indirectly holds a shareholding of 7.6%.
- **Ligabue:** it is a leading operator in the catering service sector that operates in remote sites such as oil platforms and fields, mining camps and construction sites. The Group has a workforce of over 6,000 and operates in 14 countries worldwide. In 2017, the Group's revenues totaled €277.2 million (+7.7% YoY) and EBITDA was €16.5 million (+16.2% YoY). NB Aurora indirectly holds a shareholding of 13.6%.
- **Mesgo:** it develops, manufactures and markets highly-customized rubber and thermoplastic compounds for technologically advanced and high-performance applications. The Group stands out among the top players of the Western European market in terms of the tons of silicone moved each year. The Group owns six production plants in Italy, Poland and Turkey. In 2017, the Group's revenues amounted to €90.1 million (+25.6% YoY) and EBITDA was €18 million (+34.6% YoY). It employed 161 people. In the 2012-2017 period, the Group's revenue CAGR was 17%. NB Aurora indirectly holds a shareholding of 14.3%.
- **GMM:** it has been operating in the X-Ray diagnostic sector for over 65 years and through 4 different brands it manufactures and sells remote-controlled tables for radiography and fluoroscopy, traditional and digital X-Ray systems, and mobile X-Ray mammography units. The growth of the past few years has been driven by 3 acquisitions. In 2017, GMM reported a sharp growth in turnover and EBITDA, respectively from €62.2 million to €83.6 million (+34.4%) and from €5.2 million to €8.2 million (+59.2%). NB Aurora indirectly holds a shareholding of 12.9%.
- **Megadyne:** a world leader in the production of polyurethane, rubber and conveyor belts for industrial applications. Since the investment date, several acquisitions have been carried out and the management structure has been strengthened. In 2017, turnover reached €298.9 million and EBITDA €55.5 million, increasing by 5.9% and 8.2%, respectively. NB Aurora indirectly holds a shareholding of 2.1%.
- **La Patria:** it renders security services in the Emilia Romagna and Lombardy Regions. Thanks to its business model based on high value-added services and its solid technology-oriented

approach, it can boast the highest margin results in this industry in Italy. Since the investment date, the management structure has been strengthened (appointment of a CEO and a CFO) and three acquisitions were completed. In 2017, it reported a turnover of €30.0 million (+5.8% compared to the previous year) and EBITDA of €7.4 million (24.8% of turnover). NB Aurora indirectly holds a shareholding of 14.4%.

- **Sira:** it operates in two specific market segments: (i) manufacturing of heating radiators, and (ii) supplying of full-cycle castings and die casting molds for aluminum to the mechanical and automotive industries. In 2017, turnover amounted to €97.5 million (+12.1%), with EBITDA of €6.6 million (+18.5%). NB Aurora indirectly holds a shareholding of 18.0%.
- **Amut:** since 1958 it has been involved in the construction of lines to process plastic materials. AMUT first entered the market as manufacturer of extruders and then gradually carried on its technological development to cover the entire life cycle of plastic materials (raw materials processing, extrusion and thermoforming of the finished product, finishing processes, recovery of the product through recycling technologies). In 2017, turnover and EBITDA grew by 41.4% and 58.3%, respectively, reaching €87.5 million (from €61.9 million) and €4.9 million (from €3.1 million). NB Aurora indirectly holds a shareholding of 17.7%.
- **DBA Group:** listed on the Milan stock exchange, it is an independent group specialized in developing professional, technical and management services for the Architecture, Engineering, Project & Lifecycle Management and ICT fields. In 2017, turnover totaled €42.3 million, up 3.2% on the previous year. EBITDA was €4.5 million. NB Aurora indirectly holds a shareholding of 4.4%.
- **Elco:** it is specialized in producing high-tech printed circuits for electronic systems. The company has yet to approve the 2017 financial statements. NB Aurora indirectly holds a shareholding of 13.3%.
- **Zeis:** it produces shoes under several own brands, such as Cult and Dockstep. The company has applied for a bankruptcy procedure. NB Aurora indirectly holds a shareholding of 8.9%.

The disclosure to the public of the condensed half-yearly financial statements as of June 30, 2018, together with the Independent Auditors' Report, will be announced by issuing a dedicated press release.

In today's session, the Board of Directors of NB Aurora also appointed Karl Pardaens as Chairman of the Board of Directors and verified that Directors Pierdicchi, Polliotto and Spada satisfy the independence requirements set forth by the Governance Code for Listed Company of Borsa Italiana S.p.A.

With reference to the data reported below, it should be noted that the limited review of the condensed half-year report at 30 June 2018 was not completed.

1. Statement of Comprehensive Income

	From 1 January 2018 to 30 June 2018 €
Income	
Realised and change in unrealised gains on financial assets and liabilities at fair value through profit or loss	32.341.438
Interest income	6.430
Total investment income	32.347.868
Expenses	
Professional fees	4.174.814
Management fees	1.223.914
Administration, custody and transfer agent fees	62.759
Audit fees	19.305
Director's fees	17.121
Interest on term loan	15.534
Other expenses	6.334
Total expenses	5.519.781
Total income for the period	26.828.087
Other comprehensive income	
Items that will not be reclassified in P&L	-
-	
Total comprehensive income for the period	26.828.087

2. Statement of Financial Position

	As of 30 June 2018 €	As of 31 December 2017 €
Non-current assets		
Financial assets at fair value through profit or loss	107.756.134	-
Total non-current assets	107.756.134	-
Current assets		
Cash at bank	68.074.490	50.000
Pledged deposit	32.501.184	-
Total current assets	100.575.674	50.000
Total assets	208.331.808	50.000
Net asset value		
Share capital	145.945.878	50.000
Retained earnings/(deficit)	26.743.987	(84.100)
Total net asset value	172.689.865	(34.100)
Current liabilities		
Borrowings	31.185.000	-
Trade and other payables	4.456.943	84.100
Total current liabilities	35.641.943	84.100
Total net asset value and liabilities	208.331.808	50.000

3. Statement of Cash Flow

	From 1 January 2018 to 30 June 2018 €
Cash flows from operating activities	
Profit for the period	26.828.087
Adjustments for:	
-Fair value of the financial asset	(32.341.438)
-Interest income	(6.430)
-Interest charges	17.551
	<u>(32.330.317)</u>
Changes in Trade and other payable:	
Professional fees payable	3.034.935
Management fees payable	1.223.914
Administration, custody and transfer agent fees payable	57.759
Audit fees payable	19.305
Director's fees payable	17.121
Other payable	4.275
	<u>4.357.309</u>
Interest received	5.246
Interest paid	(2.017)
Net cash used in operating activities	<u>(1.141.692)</u>
Cash flows from investing activities	
Acquisition of Fondo Italiano Units	(75.414.696)
Deposit pledged	(32.500.000)
Net cash used in investing activities	<u>(107.914.696)</u>
Cash flows from financing activities	
Proceeds from borrowings (net of commission fees)	31.185.000
Proceeds from issuance of shares (net of listing costs)	145.895.878

Net cash provided by financing activities	177.080.878
Net increase in cash and cash equivalents for the period	68.024.490
Cash and cash equivalents at the beginning of the period	50.000
Cash and cash equivalents at the end of the period	68.074.490

4. Statement of Change in Equity

	<u>Share Capital</u>	<u>Accumulated (Losses)/Gains and other movements</u>	<u>Total Net asset value</u>
	€	€	€
As of 14 September 2017	-	-	-
Issuance of shares	50.000	-	50.000
Loss for the period	-	(84.100)	(84.100)
As of 31 December 2017	<u>50.000</u>	<u>(84.100)</u>	<u>(34.100)</u>
Issuance of shares	151.500.000	-	151.500.000
Profit for the period	-	26.828.087	26.828.087
Listing costs	(5.604.122)	-	(5.604.122)
As of 30 June 2018	<u>145.945.878</u>	<u>26.743.987</u>	<u>172.689.865</u>

NB Aurora

NB Aurora, the first permanent capital vehicle listed in Italy on the MIV professional segment of the Italian Stock Exchange, has been created with the purpose to invest in unlisted SMEs, conveying financial resources to support their growth and international expansion, thus helping to support the real economy. NB Aurora is promoted by Neuberger Berman, private, independent, employee-owned investment manager, with \$304 billion AUM (as of June 30, 2018).

The investment target includes those top-class SMEs with a leading position in specialized niches and a strong export attitude with a turnover between €30 and €300 million. NB Aurora team will operate with an active minority approach, to partner with entrepreneurs with a medium-long term horizon.

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