

Azimut Holding S.p.A.

9M 2018 Results

9M 2018 Results

Table of contents



* 9M 2018 Highlights

* Asset Management

* Distribution

* 9M 2018 Financials

* Summary & Outlook

* About Azimut



9M 2018 Results



* 9M 2018 Highlights

- * Asset Management

- * Distribution

- * 9M 2018 Financials

- * Summary & Outlook

- * About Azimut



Short "termism" is institutionally banned

2018 Priorities

In a challenging 2018, Azimut's focus remains solidly on the business, with key initiatives across the board

1

PRIVATE MARKETS



- **€4bn AUM target** (ca. €0.5bn today)
- **18 new products** in pipeline over 10 yrs
- Appointed **new CEO**



2

ADVISORY



- Launched in 2014, reached **€1.3bn*** in **Assets**
- Tailor made solutions to customers
- **Recurring fees** for Azimut and obviously also in the interest of clients

3

FA NETWORK



- **144 new hires** in Italy in 2018 YtD: **record** recruitment
- **Performance better than industry** YtD: opportunity to attack competitors and attract talent



4

INTERNATIONAL



- Underlying **P&L shows improving trends**
- **Australia** at A\$7.4bn (€4.6bn) AUC, **generating Profits**
- **Brazil** at R\$17bn (€3.7bn) AUM, **also in Net Profit**



5

FINTECH



- **Transformation of IT model** under way, significant investments already made
- **Over 60 projects ongoing**
- Focus on modularity, digital enabling, scalability, automation

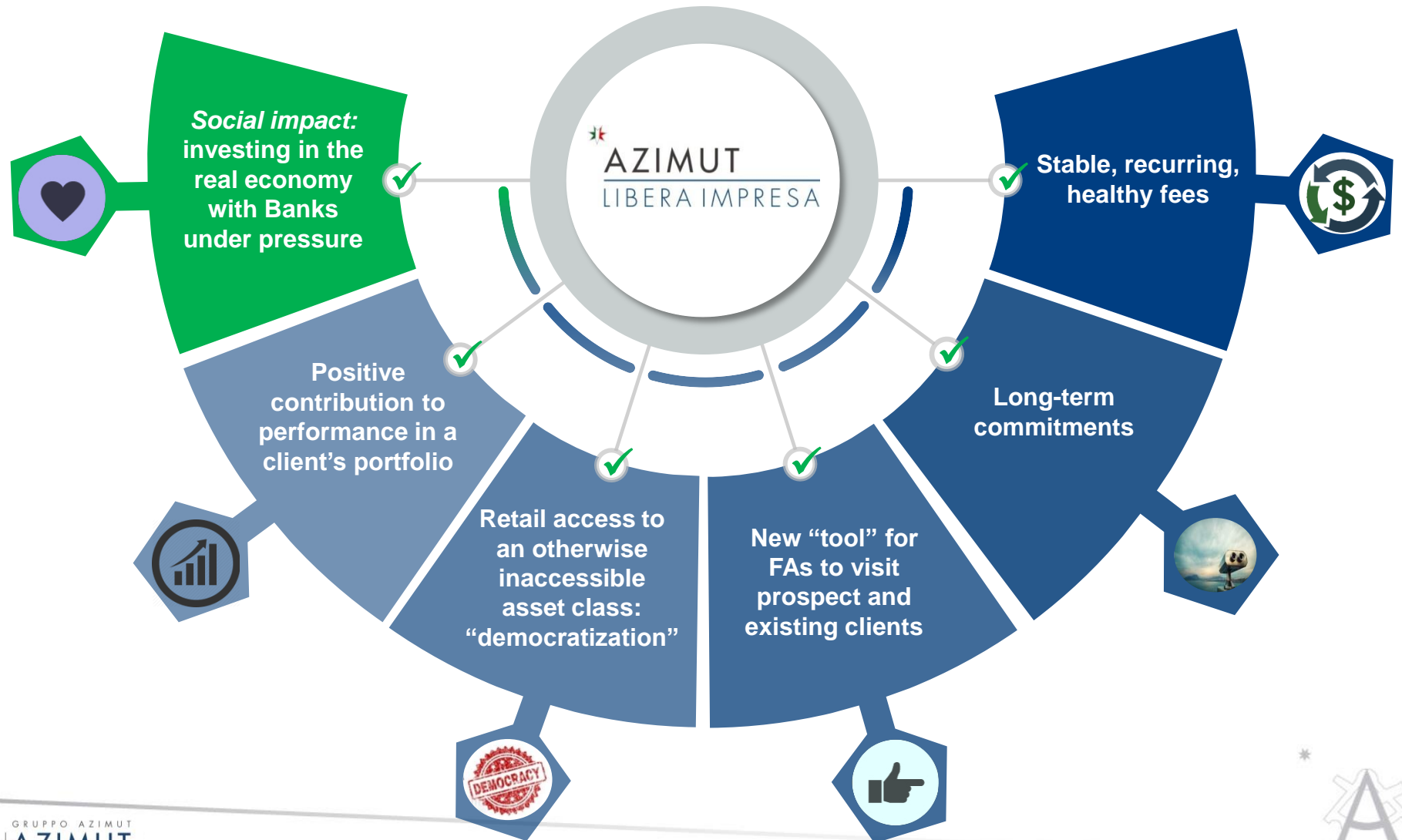


Note*: €1.5bn including foreign business

Short "termism" is institutionally banned

Alternatives: implementing the strategy

A significant expansion into Private Markets aimed at benefiting all stakeholders



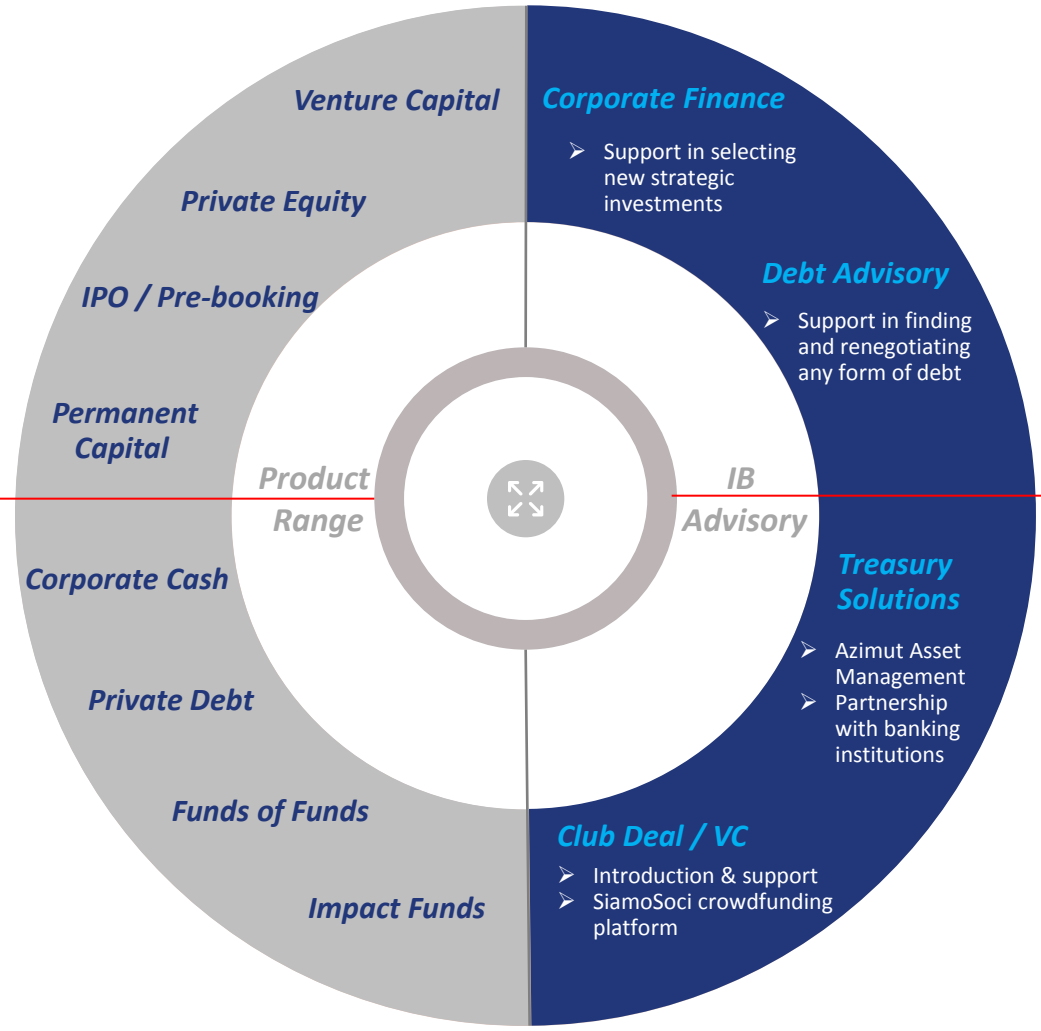
Short "termism" is institutionally banned



Alternatives: integrated platform

A unique and integrated platform combining the needs of entrepreneurs / SMEs and asset management

A complete Private Market product range for entrepreneurs/SMEs and investors/retail clients ...



Corporate Finance

- Support in selecting new strategic investments

Debt Advisory

- Support in finding and renegotiating any form of debt

IB Advisory

Treasury Solutions

- Azimut Asset Management Partnership with banking institutions

Club Deal / VC

- Introduction & support
- SiamoSoci crowdfunding platform

... With two main purposes:

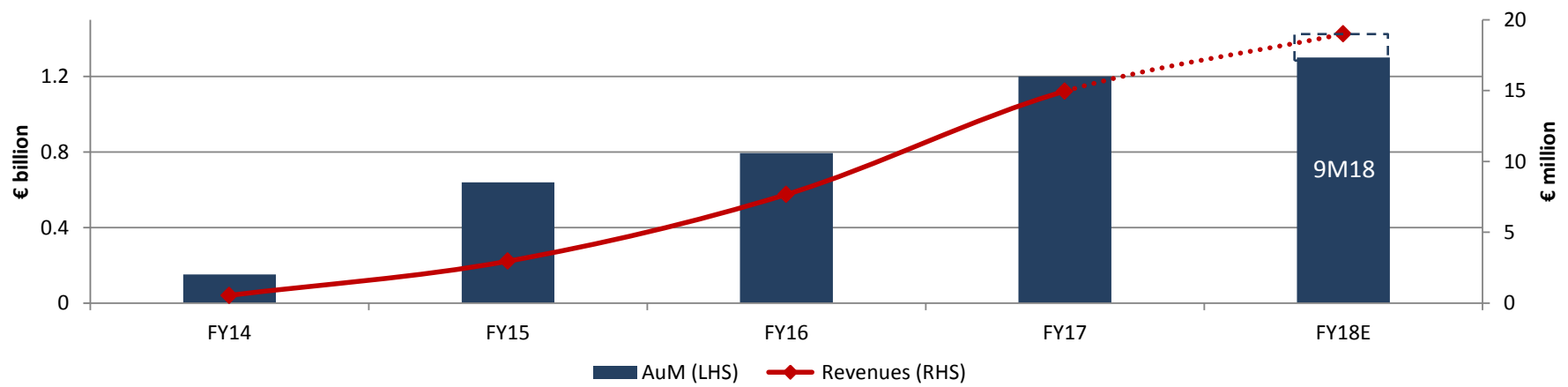
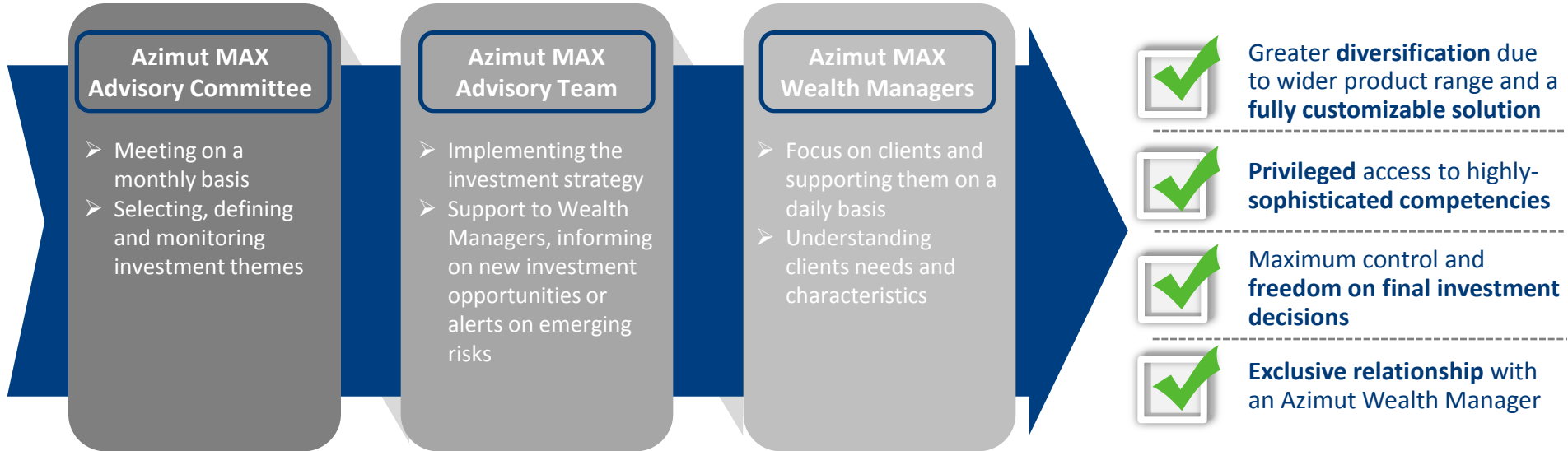
1. Promote the introduction of liquidity into the real economy in order to stimulate growth and offer entrepreneurs tools to grow over time
2. Offer opportunities for enhanced performance and value creation

Short "termism" is institutionally banned



Azimut Advisory business

New product line generating stable, recurring fees as well as a tailor made service to clients



Short "termism" is institutionally banned



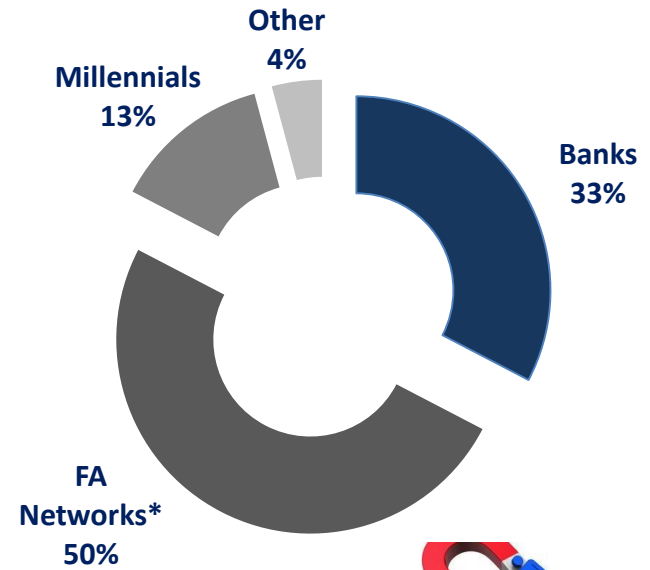
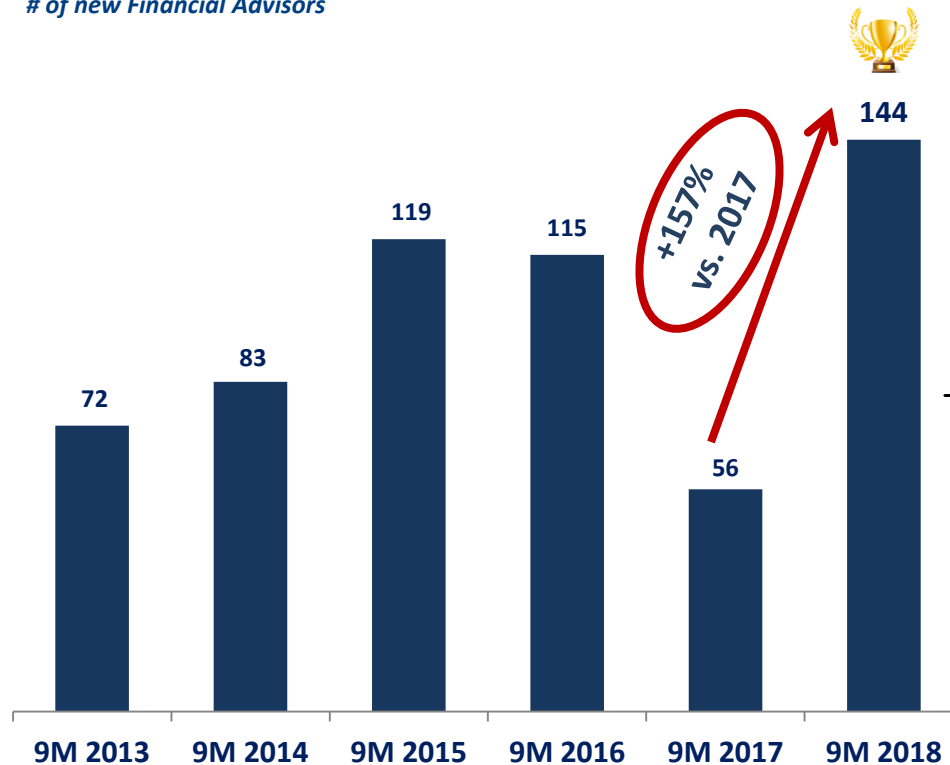
Network in Italy – It's time to attack

2018 YtD record recruitment confirms Azimut remains an attraction pole for top talent

Evolution of Financial Advisor Recruitment at 9M

9M 2018 Recruitment by Origin

of new Financial Advisors



*

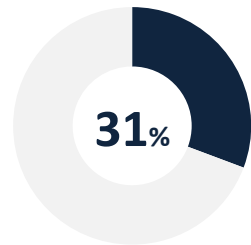
Short "termism" is institutionally banned



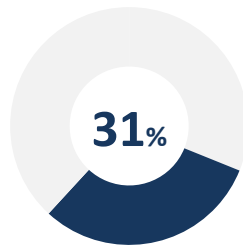
Azimut International business

An increasingly diversified global business, aimed at reaching a long term, sustainable growth

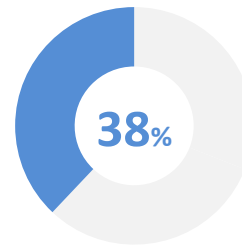
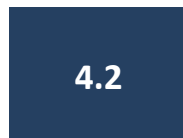
Breakdown of foreign AuM by Geography at September 2018 (€ bn)



Europe & MENA
(~ YTD)



Americas
(+23 % YTD)



Asia-Pacific
(+5 % YTD)



Total Assets Overseas
(+8 % YTD)



100% ORGANIC

€2 bn Net New Money raised overseas in 9M 2018: **entirely organic**

Short "termism" is institutionally banned



Case study: Australia, 2nd largest market

A success story: A\$7.4bn in just 4 years of operations. Strong local talent and good market opportunity

The team



➤ **Leading platform to consolidate** high calibre financial planning / accounting firms in Australia

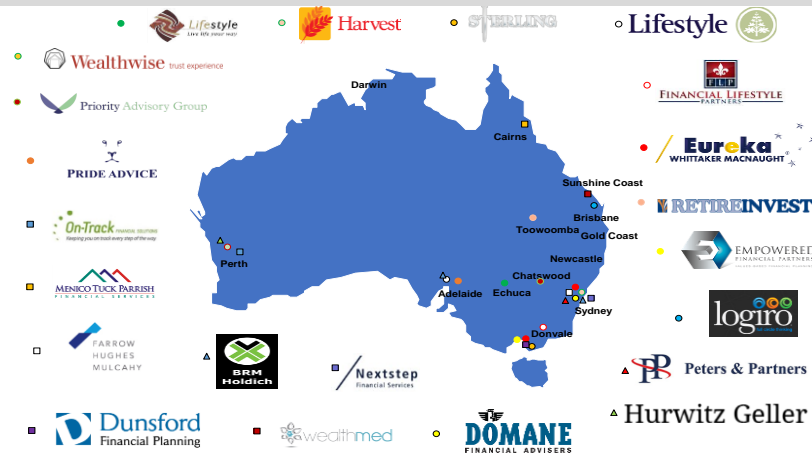


➤ Australian Financial Services **licensed entity**
➤ **6 multi manager funds** and **12 managed accounts** for the Australian market

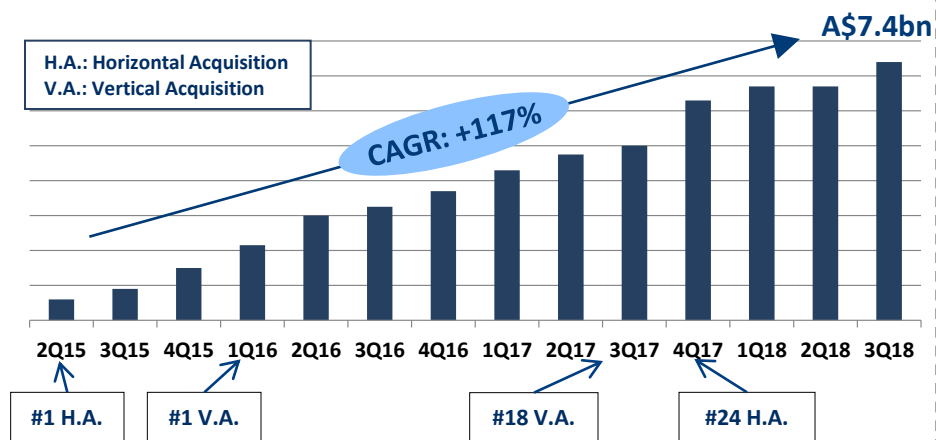


➤ **Value style Australian equities boutique**
➤ Established in 2009 by ex-Credit Suisse Asset Management team

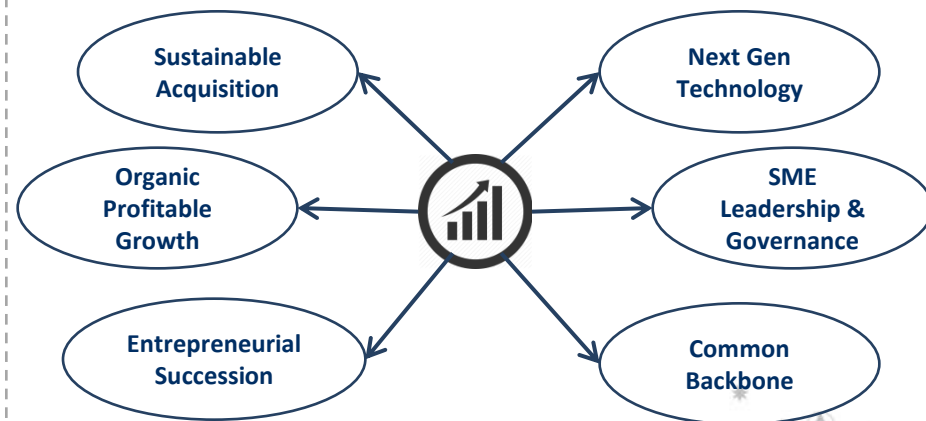
Our presence



AZ NGA: consistent growth model, federated approach



Strategic priorities



Short "termism" is institutionally banned

Case study: Brazil, 3rd largest market

Unique positioning: fund management and distribution working together to deliver a best-in-class service

The team

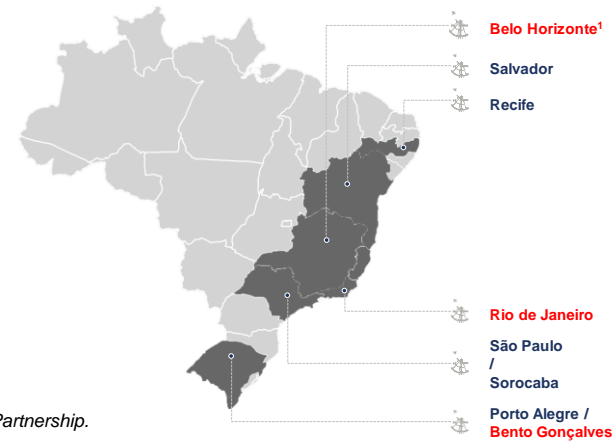


- **Diversified Asset Manager**
- **Best-in-class** Equities, Long/Short, Macro, Fixed Income, Credit, Arbitrage, Impact and Private Pension **funds**



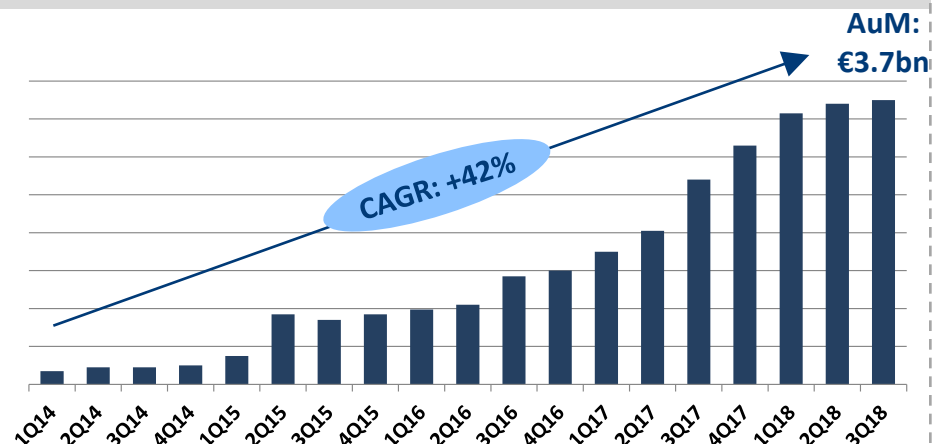
- **Distribution** focused on **Wealth Management**
- Aim to **grow proprietary sales force**, attain a critical mass and promote a unique business proposition

Our presence

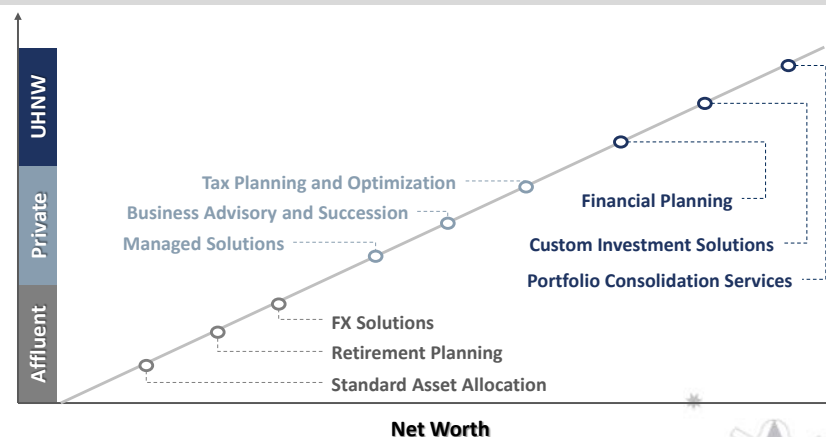


¹ Through a Partnership.

Integrated model delivering strong results



Services and offering



Source: Company data



Short "termism" is institutionally banned



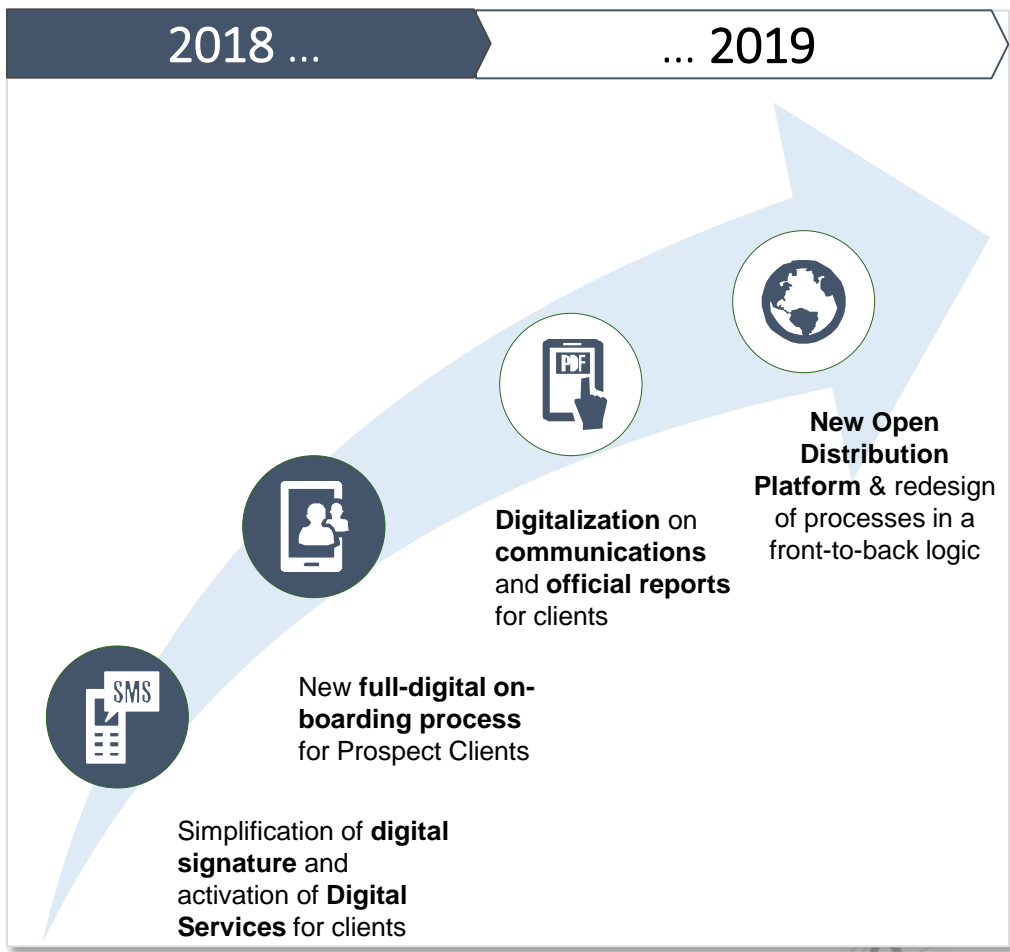
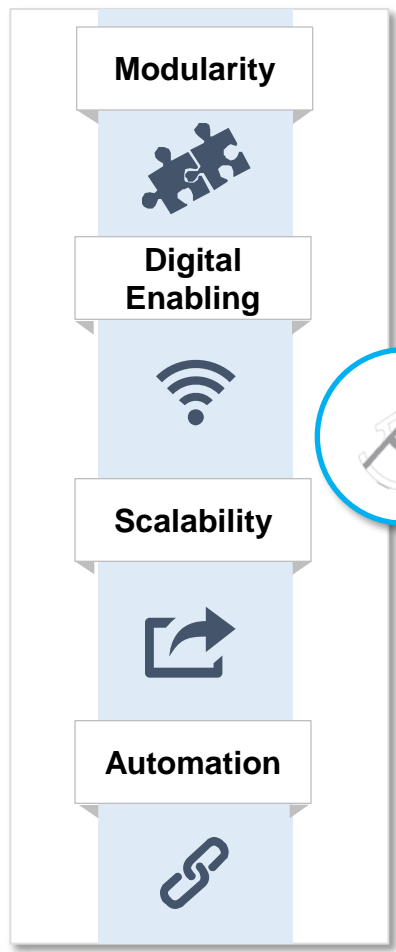
Fintech: evolution of systems

Starting from 2017, a process of transformation of the IT model has been launched to support distribution

4 GUIDING PRINCIPLES of model evolution...

... 3 TARGETS...

... THE PATH



Short "termism" is institutionally banned



9M 2018 Highlights

Resilient financial results and a solid AuM growth despite increased market volatility

Inflows & AUM

- 🏆 Total Assets at 30/09/2018: **€52.4 bn, up 8%** vs. September 2017, of which:
 - €38.9bn Italy
 - €13.5bn International
- 🏆 Net Inflows in the 9M 2018: **€3.6 bn (€3.9bn as of October 2018)**
- 🏆 Strong organic contribution from our overseas business

Financial Results

- 🏆 In the 3Q 2018:
 - Total Revenues: **€189.9mln (up 8%** vs. €176.4mln in 3Q 2017)
 - Net Profit: **€39.3mln (up 12%** vs. €35.0mln in 3Q 2017)
- 🏆 In the 9M 2018:
 - Total Revenues: **€565.6mln** (vs. €591.8mln in 9M 2017)
 - Recurring Revenues⁽¹⁾: **€521mln (up 5%** vs. 9M 2017)
 - Net Profit: **€111.9mln** (vs. €156.2mln in 9M 2017), almost entirely due to lower variable fees

Corporate Development

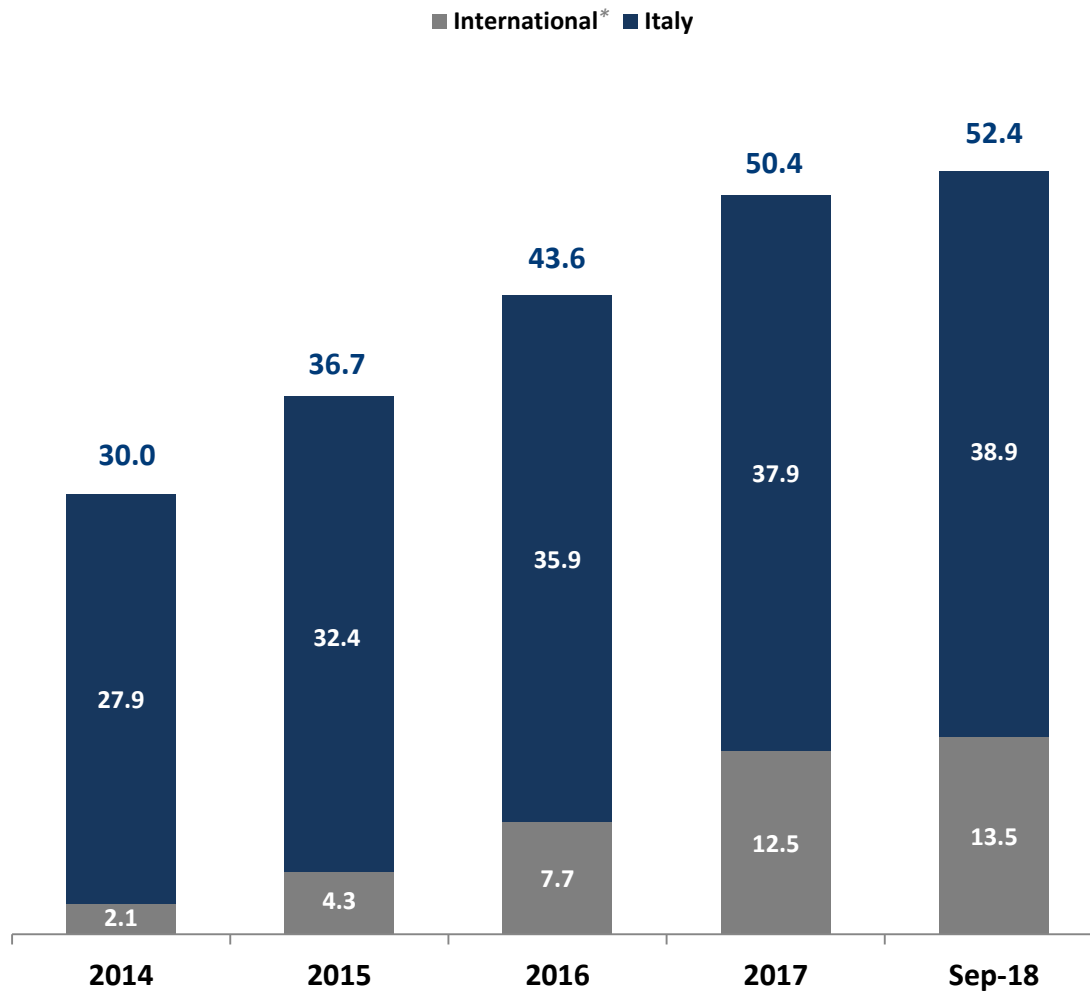
- 🏆 Kicked off **Private Markets** project through **Azimut Libera Impresa**
 - **New CEO, €4bn AuM target, 18 new alternative funds to be launched**
- 🏆 **Completed** a further €10mln **Buyback tranche** (for a total of **€110mln since January 2017**)
- 🏆 **Continued expansion in Australia**, reaching **A\$7.4bn AUC**



Evolution of Assets under Management

International markets are more than offsetting a challenging domestic environment

Total Assets breakdown (€bn)



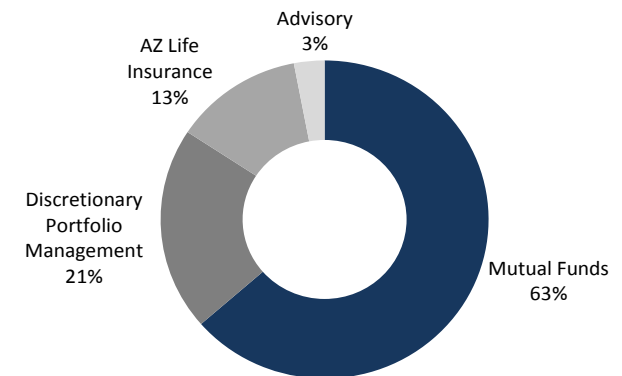
🏆 **Total Assets** at September 2018 stand at **€52.4bn** (€51.8bn at October 2018)

🏆 **International** business keeps **growing at a strong pace**, more than balancing a difficult market context in Italy

🏆 **International now stands at 26% of Total Assets**

🏆 Moderately negative market contribution more than compensated by strong Net Inflows

🏆 **Assets Under Management by portfolio:**



Short "termism" is institutionally banned



9M 2018 Results



* 9M 2018 Highlights

* **Asset Management**

* Distribution

* 9M 2018 Financials

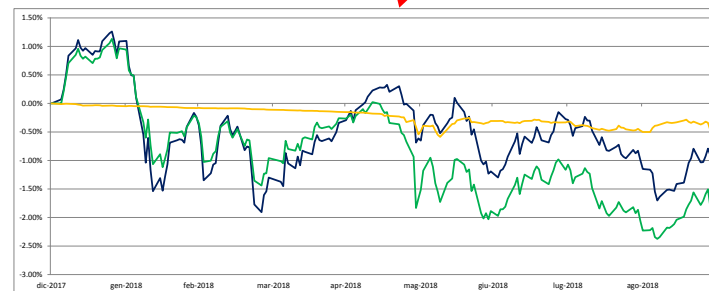
* Summary & Outlook

* About Azimut



Azimut Net Weighted Average Performance

Net performance above industry, showing good capability to rebound after challenging markets



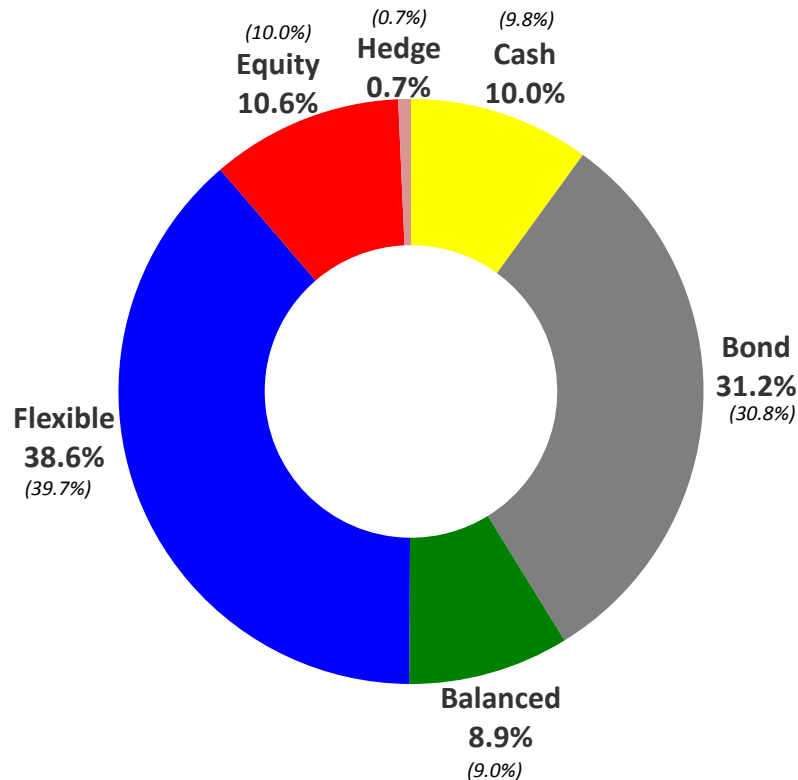
Short "termism" is institutionally banned



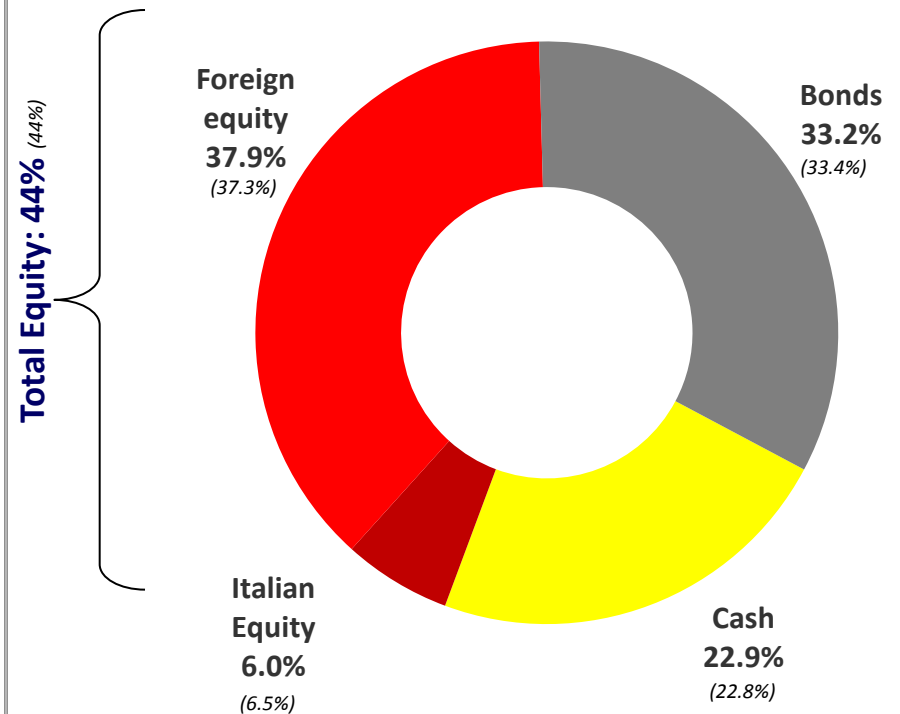
Azimut funds breakdown

Well diversified AuM split across categories

AuM by Category



AuM by Underlying Asset



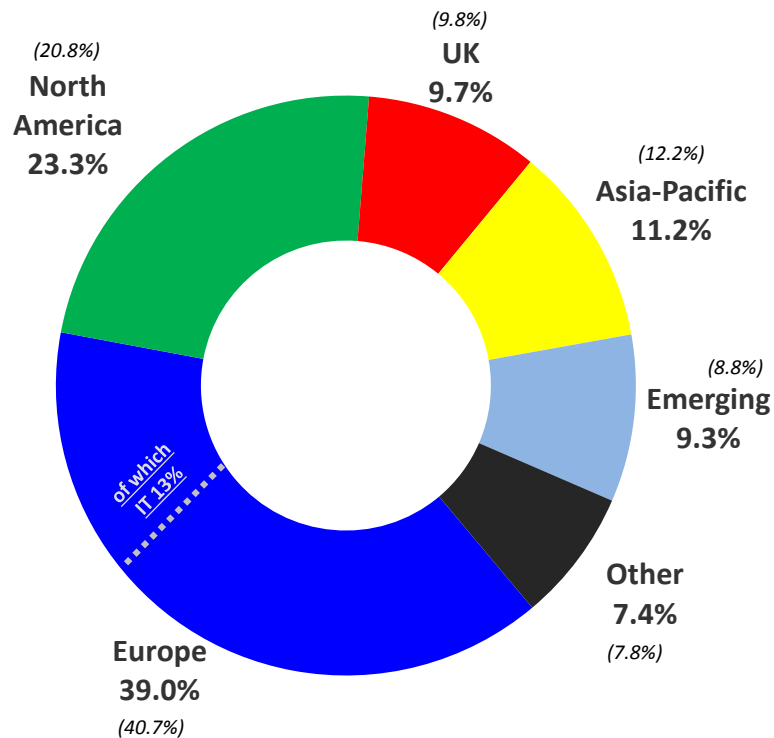
Short "termism" is institutionally banned



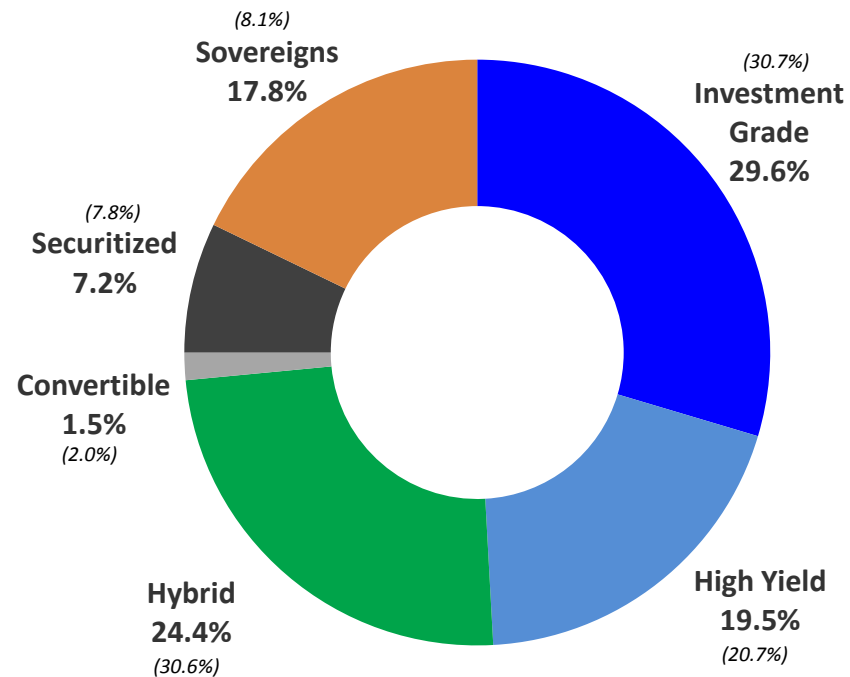
Azimut funds breakdown

Well diversified AuM split across categories

Equities



Fixed Income



Source: Company data at 30/09/2018
 Note: Numbers in bracket refer to previous quarter



Short "termism" is institutionally banned

9M 2018 Results



- * 9M 2018 Highlights

- * Asset Management

- * **Distribution**

- * 9M 2018 Financials

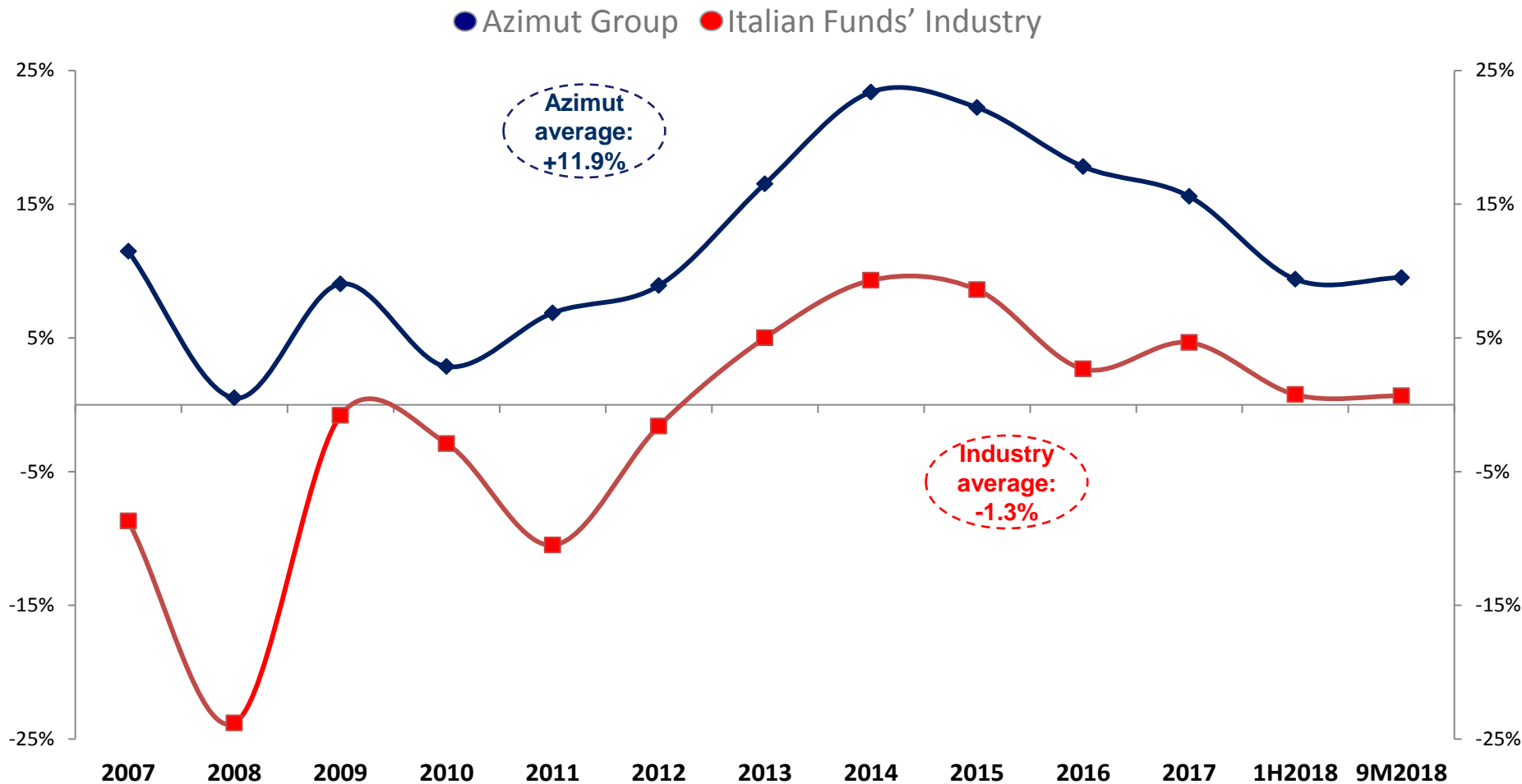
- * Summary & Outlook

- * About Azimut



Net Inflows – Azimut Group vs. Avg. Italian Industry

Azimut Group total Net New Money as % of AuM: consistently above the average Italian industry levels



Short "termism" is institutionally banned



FA Network in Italy

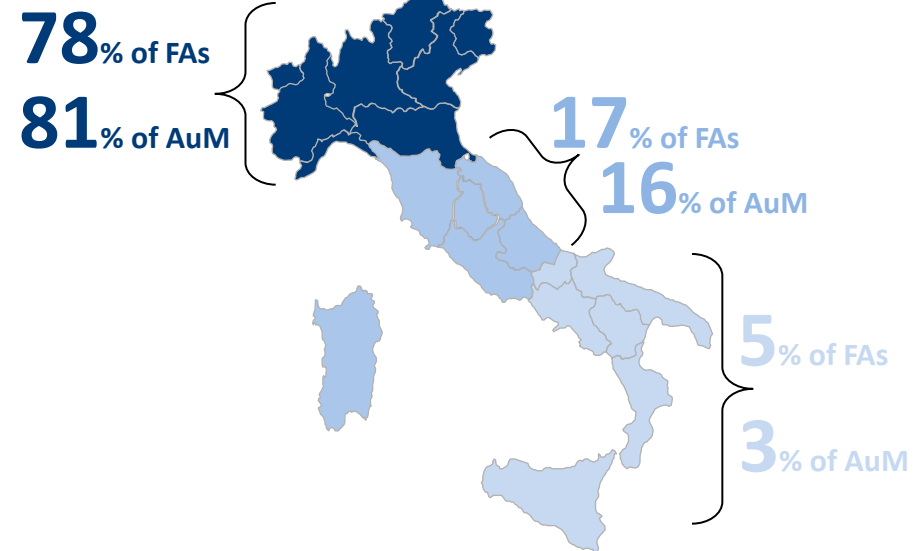
Record recruitment during the 9M 2018: 144 quality hires joining the Group

9M 2018 Recruitment Analysis⁽¹⁾



1,728 FAs at 30/09/2018:

	144	Average Age	Avg. Assets ⁽²⁾ (€m)	Managed funds (%)
Millenials	19	30	4	77
Banking Revolution	16	41	14	85
Wealth Managers	19	55	41	78
Financial Advisors	90	52	15	82



Short "termism" is institutionally banned

Note (1): 144 includes Sofia SGR. Managed funds (%) excludes Sofia due to integration process.
 Note (2): Average assets reflects 100% of portfolio at signing (i.e. before joining Azimut)



Italian Wealth Management Market

Azimut has a unique positioning in a High-Wealth-Density market

Despite political turmoil, Italian Private Wealth remains significant

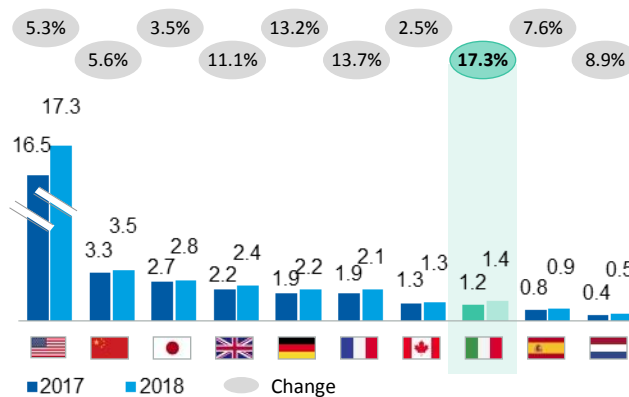
- Italy among the **top 10 countries globally** by number of millionaires
- Highest increase between 2017 and 2018

Azimut is particularly well positioned among peers:

- **Wealthier** than average client base (entrepreneurs / professionals)
- Average **portfolio size per FA constantly increasing** (13% CAGR 2012-2018 YTD)
- Focused exclusively on Asset Management, **no conflict of interests**

Number of Millionaires by Country

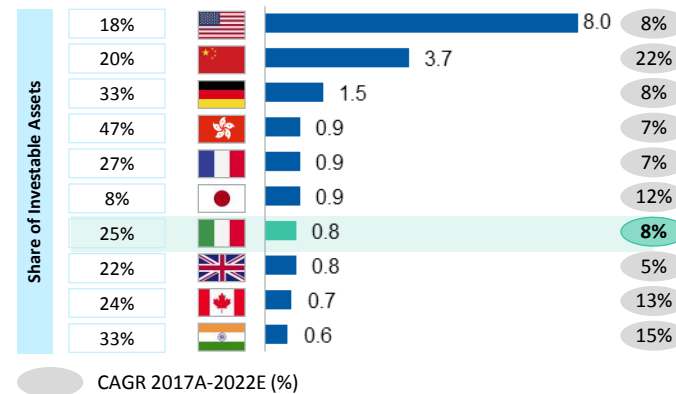
2017-18 (# MM)



Source: Credit Suisse Global Wealth Databook 2018

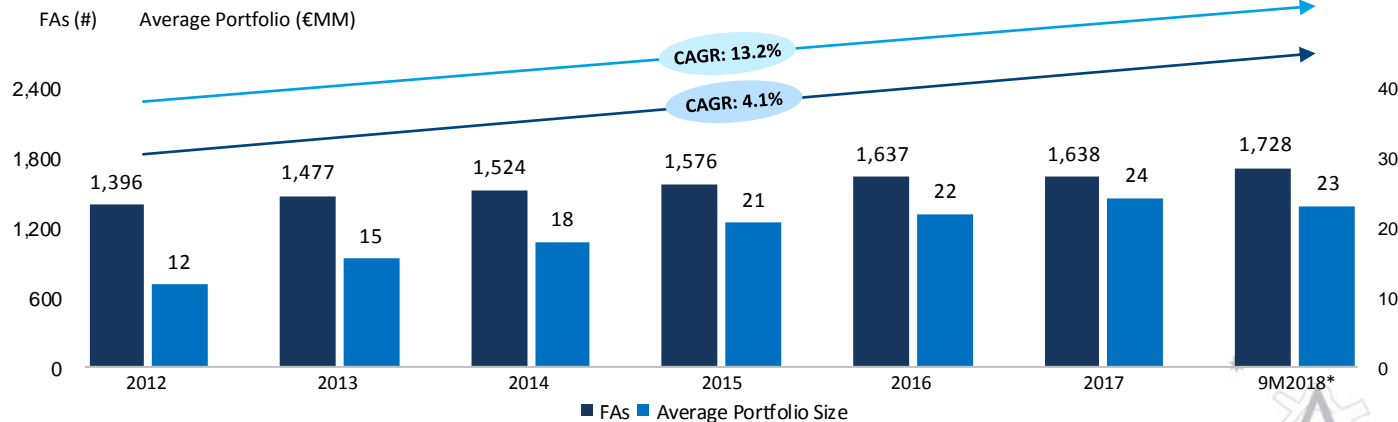
Upper and UHNW Wealth by Country

2017 (\$ Tn)



Source: BCG Global Wealth Report 2018

Azimut Evolution of Average Portfolio and FA Network⁽¹⁾



Notes: (1) Italy only. Note*: 9M avg portfolio is based on run rate, Assoreti figures not yet available.



Short "termism" is institutionally banned

9M 2018 Results



* 9M 2018 Highlights

- * Asset Management

- * Distribution

* **9M 2018 Financials**

- * Summary & Outlook

- * About Azimut



Consolidated reclassified Income Statement

IAS/IFRS Compliant

Income Statement

€/000	9M 2018	9M 2017	3Q 2018	3Q 2017
Entry commission income	4,783	8,024	1,575	1,792
Recurring fees	472,928	448,510	159,100	149,442
Variable fees	45,100	93,687	14,775	12,069
Other income	6,329	6,320	1,983	1,842
Insurance revenues	36,478	35,252	12,468	11,246
Total Revenues	565,617	591,793	189,901	176,391
Distribution costs	(248,954)	(250,913)	(80,085)	(81,256)
Personnel and SG&A	(150,566)	(130,825)	(50,168)	(42,557)
Depreciation, amort./provisions	(12,844)	(11,672)	(5,212)	(4,037)
<i>Operating costs</i>	<i>(412,364)</i>	<i>(393,410)</i>	<i>(135,464)</i>	<i>(127,850)</i>
Operating Profit	153,254	198,383	54,437	48,541
Interest income	(8,119)	(14,895)	(5,258)	(5,455)
Net non operating costs	(1,959)	(3,900)	(956)	(1,644)
Interest expenses	(5,541)	(7,769)	(1,853)	(1,878)
Profit Before Tax	137,634	171,819	46,371	39,564
Income tax	(17,884)	(13,770)	(3,602)	(3,420)
Deferred tax	6,674	4,780	40	1,393
Net Profit	126,425	162,829	42,808	37,537
Minorities	14,561	6,633	3,528	2,500
Consolidated Net Profit	111,864	156,196	39,280	35,037

Short "termism" is institutionally banned



Net Financial Position

IAS/IFRS Compliant

Net Financial Position

€/000	30/09/2018	31/12/2017	30/09/2017
Amounts due to banks:	-	(10,000)	(10,000)
<i>Senior Loan</i>	-	(10,000)	(10,000)
Securities issued:	(352,293)	(353,816)	(351,964)
<i>Azimut 17-22 senior bond 2.0%</i>	(352,293)	(353,816)	(351,964)
TOTAL DEBT	(352,293)	(363,816)	(361,964)
CASH AND CASH EQUIVALENTS	309,379	498,687	465,678
NET FINANCIAL POSITION	(42,914)	134,871	103,714

- ✚ Treasury shares (not booked within the NFP) stand at 3.3% following the dividend distribution in May 2018
- ✚ The NFP at the end of September includes mainly the following variations across the semester:
 - ✚ Ca. €131mln ordinary dividends paid in cash in May 2018
 - ✚ Ca. €82mln stamp duty and policyholder tax advance
 - ✚ Ca. €40mln share buyback purchases
 - ✚ Other acquisitions/M&A operations

*

Source: Company data



9M 2018 Results



* 9M 2018 Highlights

- * Asset Management

- * Distribution

- * 9M 2018 Financials

- * **Summary & Outlook**

- * About Azimut



Summary & Outlook

Strong business model: resilient net inflows and sound financial results despite volatile markets

- **Global expansion is showing its first material results**
 - ✦ Net Inflows abroad more than offsetting a tough domestic market
 - ✦ The vast majority of net new money abroad is organic, as of 2018 YTD
 - ✦ Underlying P&L showing improving trends
- **Italian business bouncing back with record recruitment across different channels**
 - ✦ Domestic landscape remains challenging, yet Private Wealth in Italy is one of the most attractive across Europe
 - ✦ Focus on improving profitability and increasing net inflows per FA over the next quarters
 - ✦ Independence from banking/insurance Groups is proving, yet again, to be a strong attraction point for talent acquisition
- **Tough performance YtD while remaining better than Italian industry**
 - ✦ Challenging year for the entire market, but our key recruits on the fund management side and the development of a global asset management team are contributing to the higher-than-industry results
 - ✦ Opportunity to increase equity during potential corrections
- **Areas of focus going forward:**
 - ✦ Private Markets expansion thanks to Azimut Libera Impresa project officially kicking off
 - ✦ Continue improving underlying backbone of the Company (Fintech, Digitalization) while remaining focused on the business
 - ✦ Maintain focus on growth as well as bottom line results overseas; more color due in 2019
 - ✦ Open for opportunistic M&A in areas where we do not have strong competencies in house



Update on 2015-2019 business plan


All targets reached except Net Profit; working to deliver by 2019

Legend:

✓✓ : Ahead of schedule

✓ : On schedule

✗ : Behind schedule

	Today	2019 Target	Status
Total Assets <i>Of which outside Italy</i>	€52.4bn ⁽¹⁾ 26%	€50bn ~15%	✓✓ ✓✓
Annualized Net Profit <i>9M 2018 Net Profit</i>	€149mln €112mln	€300mln	✗
Annual. Net Inflows <i>9M 2018 Net Inflows</i>	€4.8bn ⁽¹⁾ €3.6bn	€2.5bn ⁽²⁾	✓✓
Dividend Policy	€2.0p.s. ⁽³⁾ 100%+ Payout	 >75% >60%	✓✓

Short "termism" is institutionally banned



9M 2018 Results



* 9M 2018 Highlights

* Asset Management

* Distribution

* 9M 2018 Financials

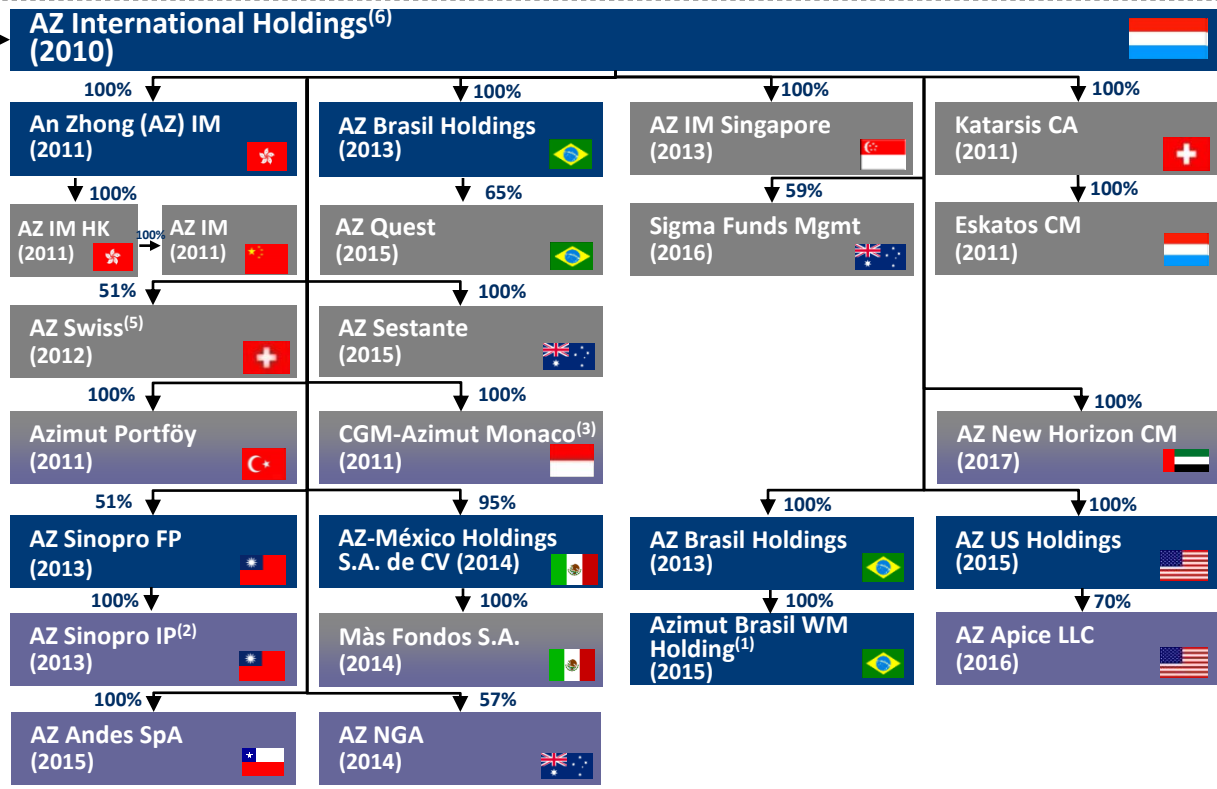
* Summary & Outlook

* **About Azimut**



Azimut Group Structure

Azimut Holding (Listed: AZM.IM)

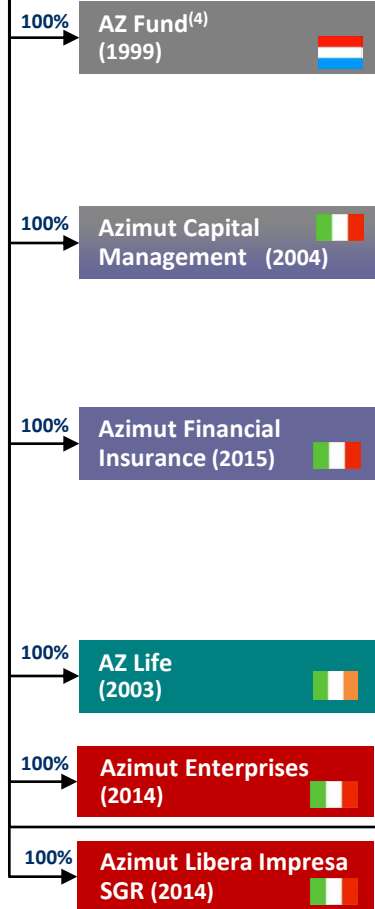


Asset Management

Distribution

Life Insurance

Alternatives



Note (1): Controls distribution companies M&O Consultoria, FuturalInvest and Azimut Brasil Wealth Management. Note (2): controls AZ Sinopro Insurance Planning. Note (3): Controls 100% of CGM Italia SGR. Note (4): 30% is owned by Azimut Capital Management and 19% by Azimut Financial Insurance, both fully owned by Azimut Holding. Note (5): controls SDB Financial Solutions. Note (6): Showing only material subsidiaries with a majority ownership.

Source: Company data as at 30/09/2018



Short "termism" is institutionally banned

Azimut Group business overview

Azimut Holding

(Listed: AZM.IM)



	Life Insurance	Asset Management		Distribution		Inv. Banking & Alternative
EMEA	Ireland	Italy	Luxembourg	Italy	Monaco	Italy
		Ireland	Monaco	Turkey	Switzerland	
		Switzerland	Turkey	UAE		
		UAE				
ASIA-PACIFIC		Hong Kong	China	Taiwan	Australia	
		Singapore	Australia	Hong Kong	Singapore	
AMERICAS		Brazil	Mexico	Brazil	Mexico	
				Chile	USA	

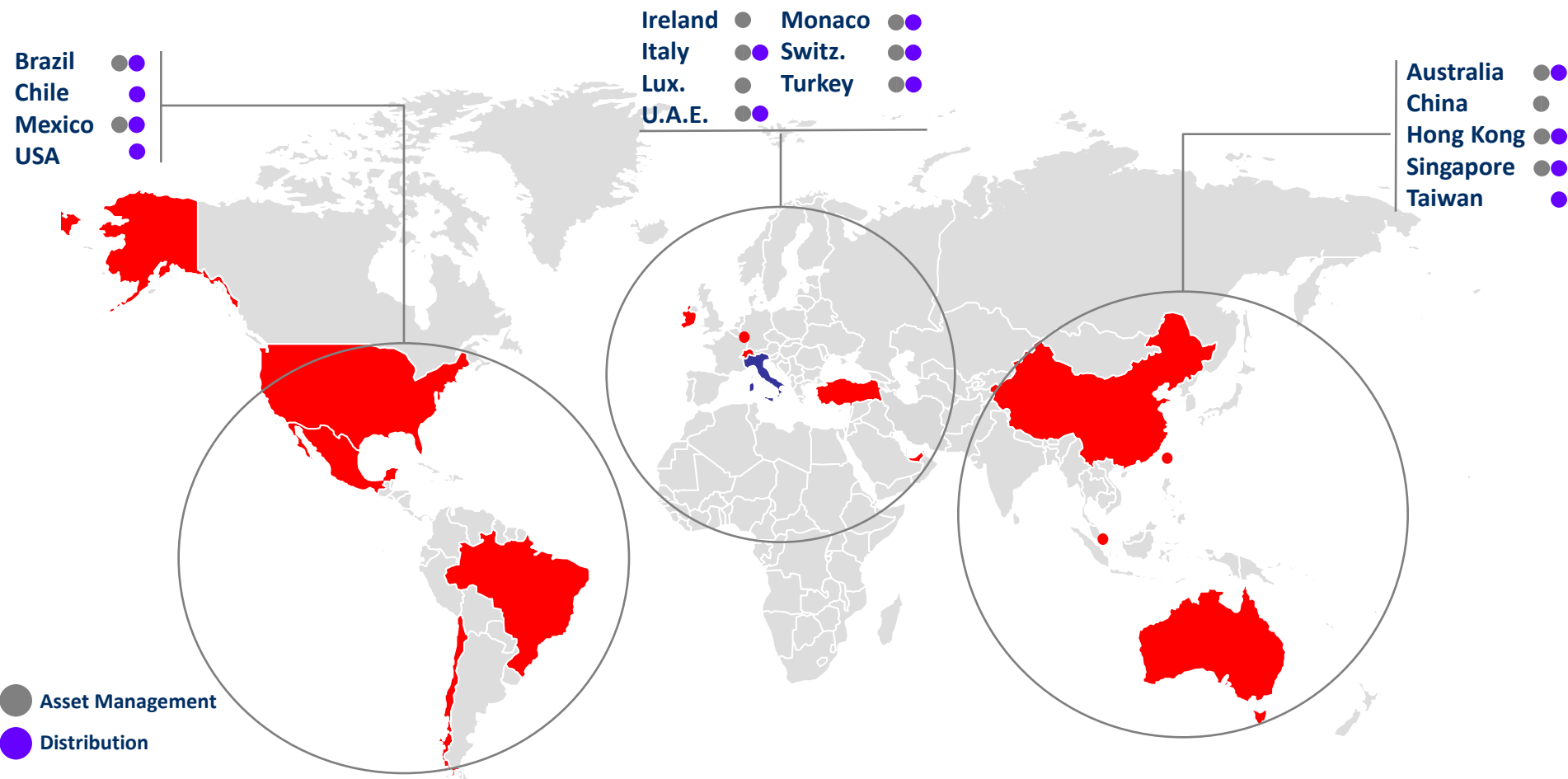
*

Short "termism" is institutionally banned



Azimut international presence

Azimut overseas business stands at 26% of Total Assets at Sep-2018

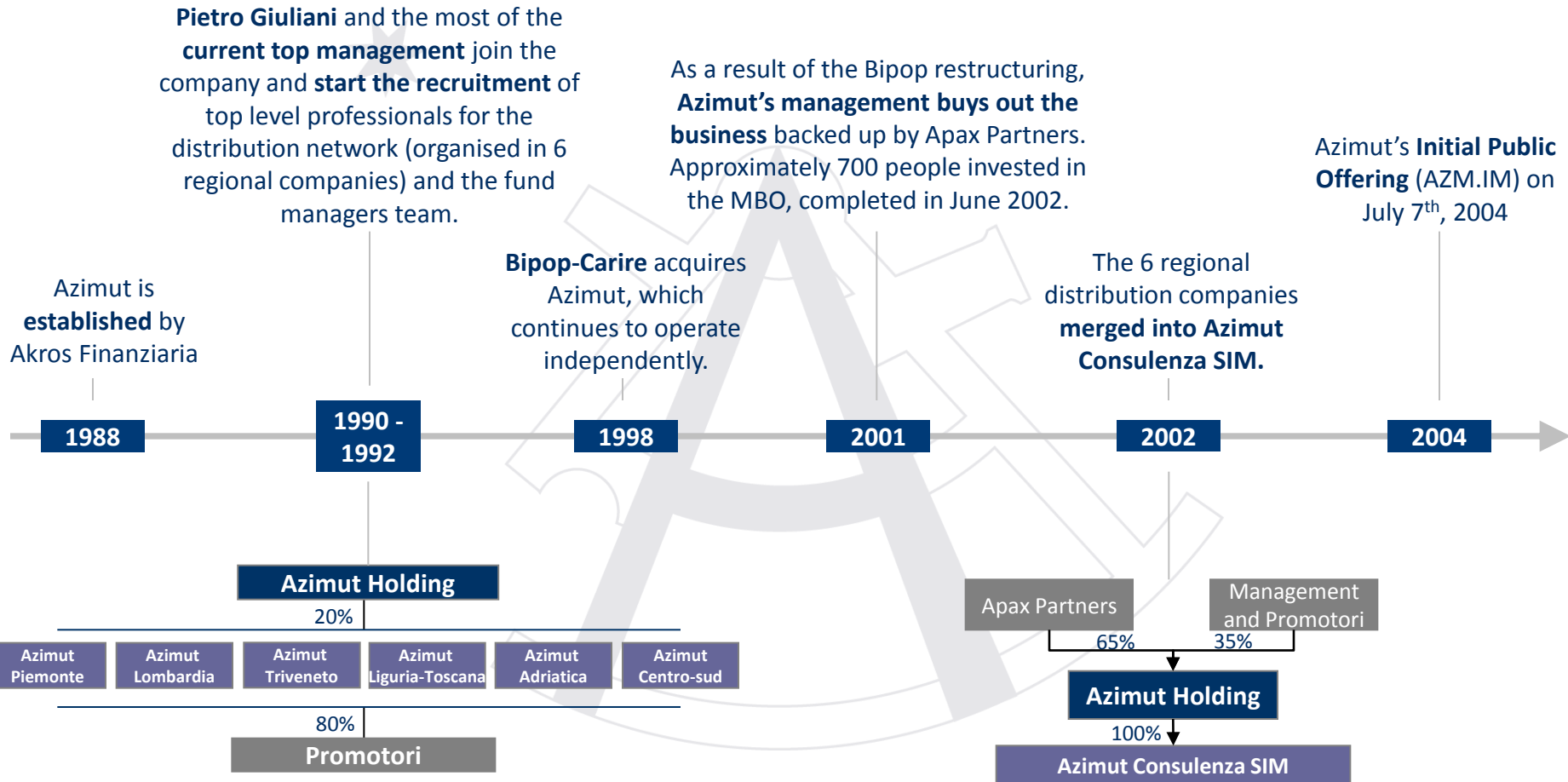


Short "termism" is institutionally banned



Azimut pre-IPO history

20+ years of growth and evolution

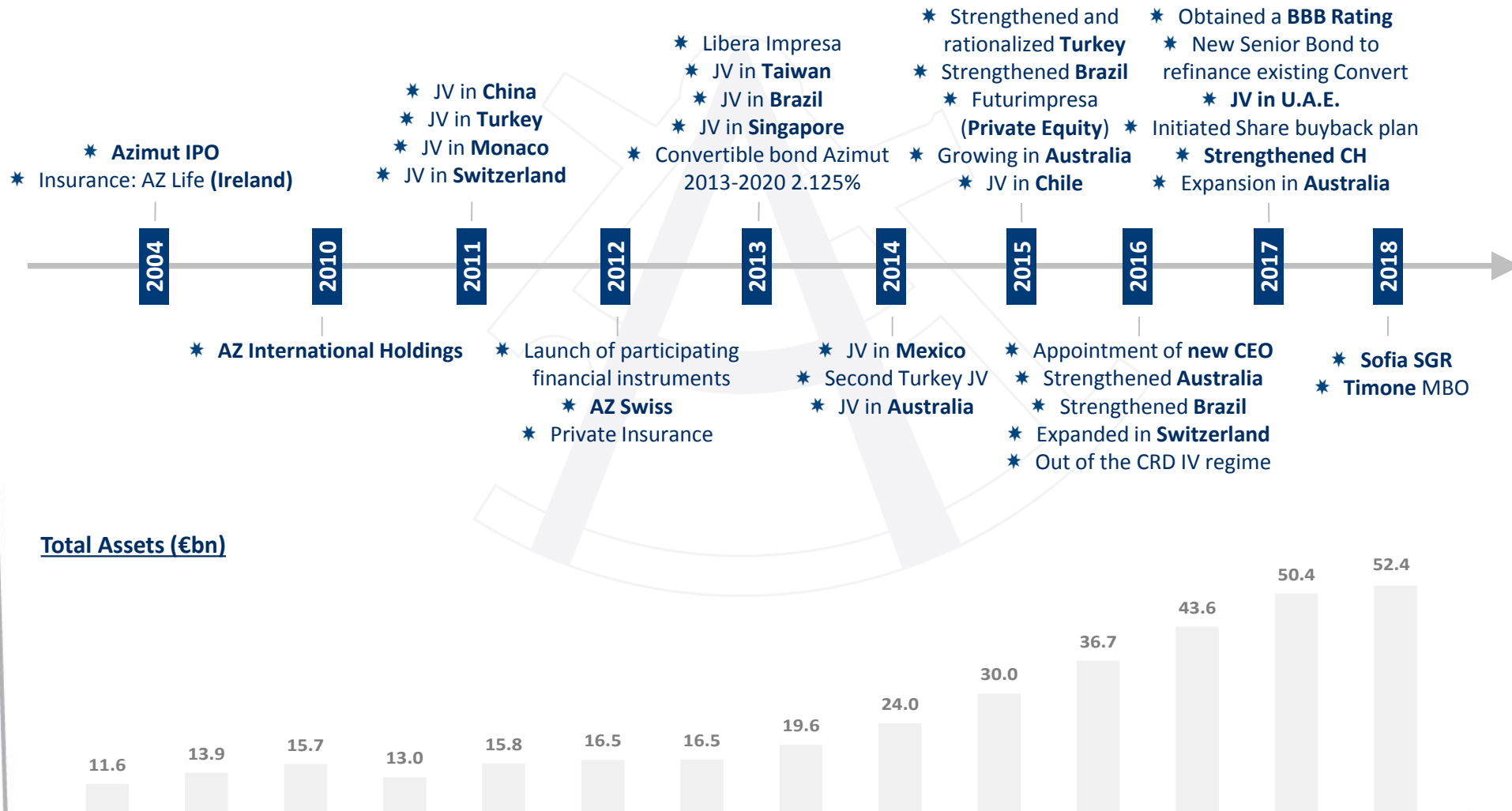


Short "termism" is institutionally banned



Azimut post-IPO development

A dynamic Group at the verge of product and corporate innovation

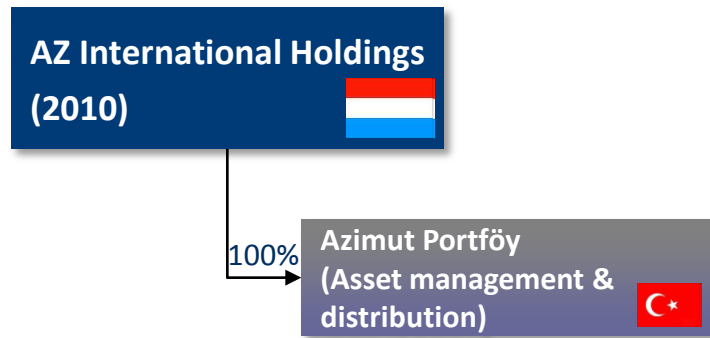


Short "termism" is institutionally banned



International expansion – Turkey

2011: Start of a building block leading us to become the largest independent player in Turkey



- ✦ In 2011 Azimut entered the Turkish market through AZ International Holdings S.A. (“AIH”) with the aim of growing on both the production and distribution sides of the business
- ✦ In October 2014 Azimut acquired 70% of Notus, a Turkish independent asset management company. Notus manages discretionary portfolio mandates for individual and corporate clients ensuring diversified and efficient asset allocation plans across local and international markets.
- ✦ In December 2014 Azimut acquired 100% of AZ Global (renamed Azimut Portföy) to continue its growth plans in Turkey
- ✦ In January 2015 Azimut reached an agreement to acquire 70% of Bosphorus Capital (later merged into Azimut Portföy).
- ✦ In September/October 2015 Azimut announced the reorganization of its Turkish platform to extract stronger commercial synergies and operational efficiencies, concentrating its business in Azimut Portföy
- ✦ The commercial and industrial integration within Azimut Portföy creates the Turkish largest independent player with a 5% market share



International expansion – Switzerland

2011: Start of a building block to create an independent asset management player

AZ International Holdings S.A.
(2010)



100%

Katarsis CA
(2011)



51%

AZ Swiss & Partners
(2012)



100%

SDB Financial
Solutions S.A. (2017)



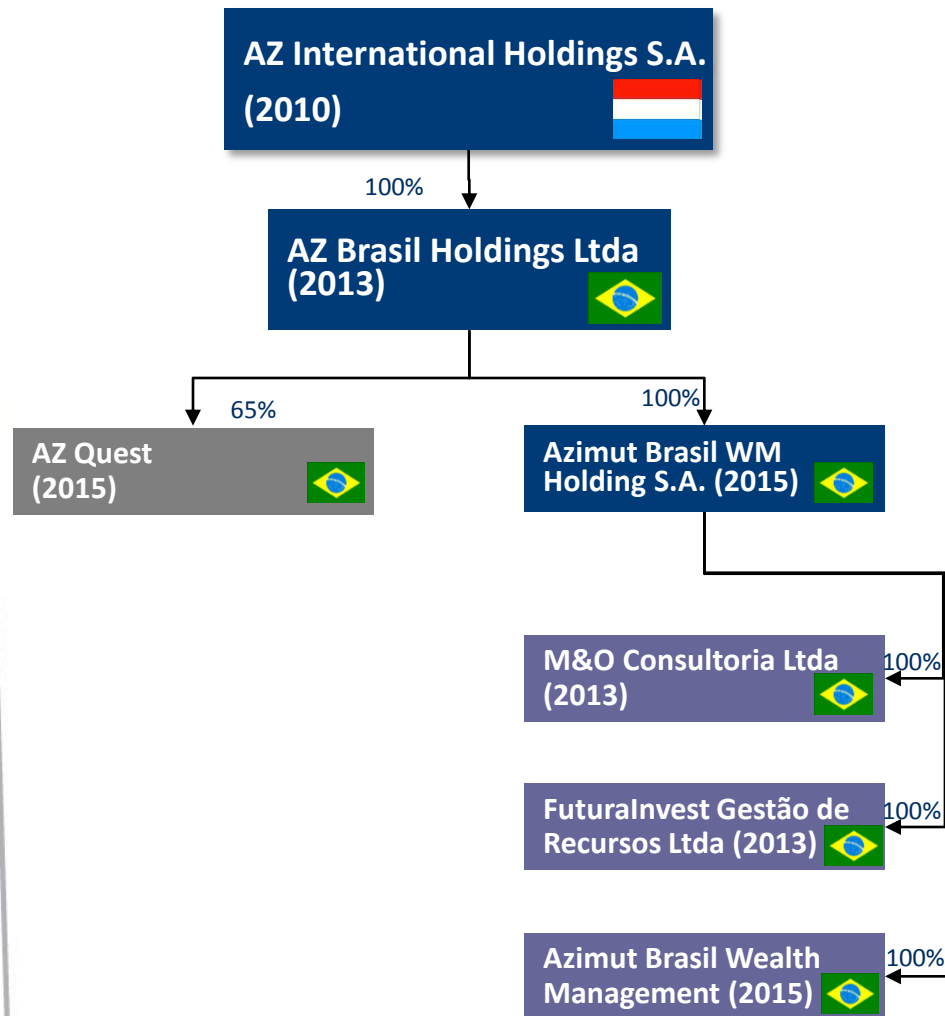
- ✦ AZ Swiss & Partners was established in 2012 and, on January 2016 following the acquisition of Augustum Opus, has received the authorization from the FINMA, the Swiss Financial Market Supervisory Authority, to operate under a LICol license.
- ✦ In June 2016 AZ Swiss acquired the business of Sogel Capital Holding S.A., which will form a new division within AZ Swiss to be headed by Sogel's current founder and CEO.
- ✦ In June 2017, AZ Swiss acquired the entire equity capital of SDB Financial Solutions S.A. ("SDB"), which will operate as a subsidiary of AZ Swiss and will continue to be headed by SDB's current management team. With this second acquisition and its organic growth strategy AZ Swiss has achieved total AuM of almost € 2bn) as of December 2017.
- ✦ With these acquisitions AZ Swiss is starting to deploy its strategy based on: (i) the management of mutual funds (both UCITS and FIA) and discretionary portfolios; (ii) the distribution of funds to qualified investors (HNW and institutional clients); (iii) the consolidation of independent asset managers and private bankers in Switzerland to grow an independent wealth management platform.

*



International expansion – Brazil

2013: Azimut enters LATAM with a JV in the Brazilian asset management market

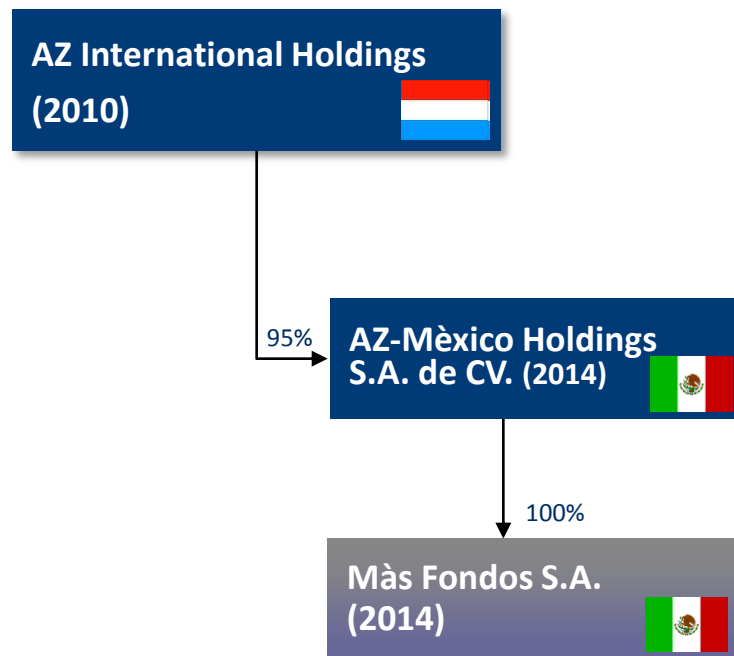


- ✦ On 10 October 2013 Azimut acquired 50% of Legan (later merged into AZ Quest), an asset management company with excellent track record.
- ✦ Subsequently, on 13 February 2014, Azimut completed the acquisition of 50% of AZ FI Holding (later increased to 100% and renamed Azimut Brasil Wealth Management Holding).
- ✦ Azimut WM Holding controls M&O (financial services through advisory on asset allocation, funds selection and financial education) and FuturalInvest (dedicated to asset management services through funds of funds and managed accounts).
- ✦ In February 2015 Azimut completed the acquisition of a 50% stake in LFI (later renamed Azimut Brasil WM), focused on Wealth Management
- ✦ In April 2015 Azimut announced the acquisition of a 60% stake in award-winning Quest Investimentos, managing mostly equity products and employs one of Brazil's best-performing fund managers.



International expansion – Mexico

2014: Azimut expands LATAM with a JV in the Mexican market

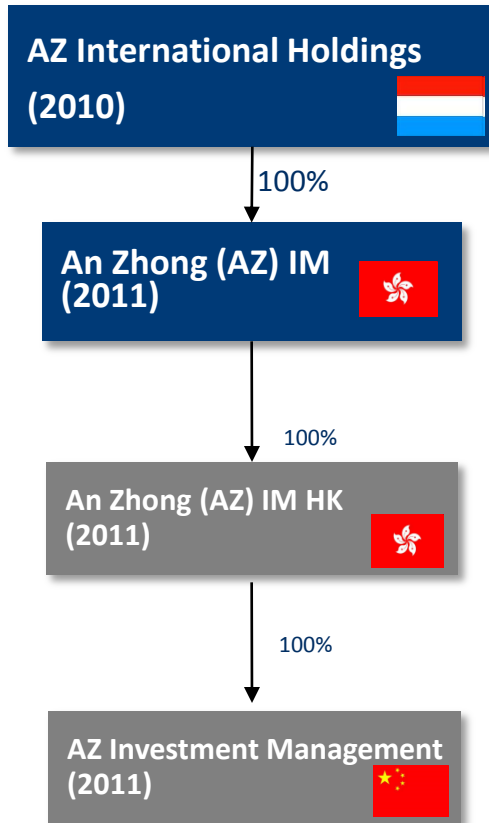


- On 17th June 2014 Azimut through its subsidiary AZ International Holdings S.A. (“AIH”) acquired 82.14% of Profie S.A. (renamed AZ Mèxico) a Mexican holding company controlling the entire equity capital of Más Fondos S.A. (“Más Fondos”), Mexico’s largest pure independent asset management distribution company.
- Through this partnership, Azimut and Más Fondos will cooperate to develop an integrated platform centred on a proprietary financial advisors network working in an open-architecture environment to exploit the growth potential of the Mexican market.
- In 2015 Azimut increased its stake in Más Fondos (to 94%), reaffirming commitment to build a fully integrated platform
- On the 2nd January 2017 Mas Fondos started fund management operations in Mexico with the launch of two local products and an additional one being launched in the 2H 2017. The launch of the first two funds is allowing us to continue building an integrated platform and increase overall profitability. At the 30th of June about 25% of Mas Fondos asset are managed on the two funds.



International expansion – China / HK

2010: Definition of a frame agreement with local entrepreneurs/partners

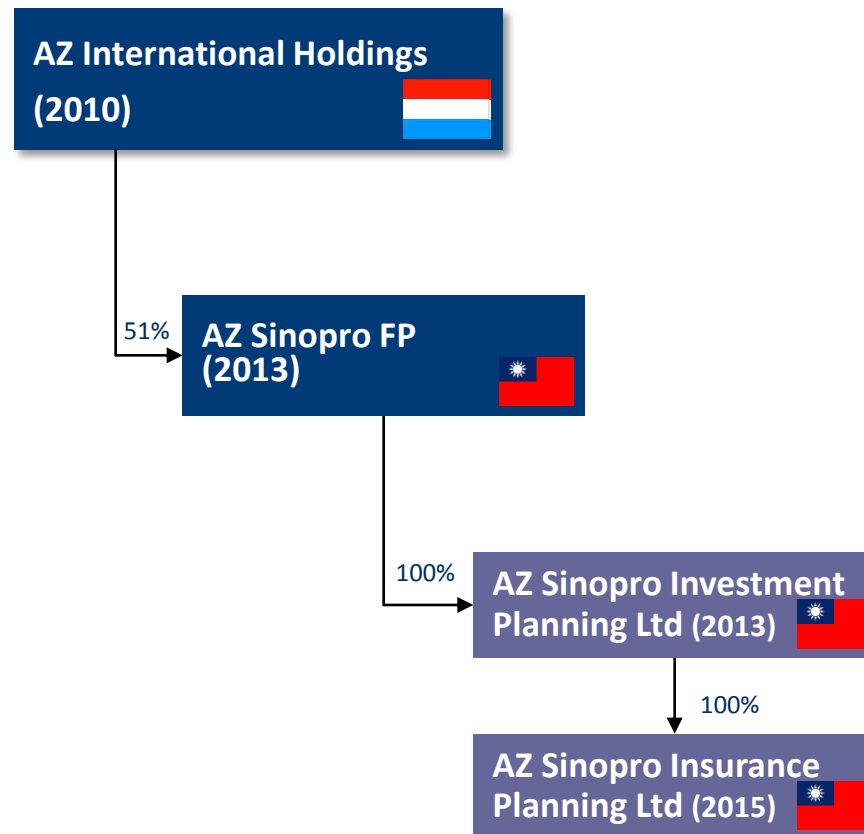


- 🏆 **An Zhong (AZ) Investment Management in Hong Kong** is the Holding company. Azimut, through the Holding company, oversees the operating subsidiaries and has relocated 3 Senior PMs from Luxembourg. Azimut manages one of the largest RMB fund in the world
- 🏆 Through the operating subsidiaries Azimut aims at creating a **regional hub** and developing local production and distribution of asset management products and investment advisory services with a **focus on qualified investors**.
- 🏆 In March 2018, **AZ Investment Management (Shanghai)** has been granted registration as **Private Fund Manager (PFM)** by the **Asset Management Association of China (AMAC)** - a self-regulatory organization that represents the mutual fund industry of China. **Azimut is the first eurozone based asset manager to have obtained the license**, assigned to a limited and selected number of international asset managers.
- 🏆 The license will allow Azimut's subsidiary to launch, manage and offer onshore investment products to institutional and high net worth investors (HNWIs) in Mainland China.



International expansion – Taiwan

2013: Azimut widens its Asian presence with a JV in the distribution business in Taiwan



On 27th June 2013 AZ International Holdings S.A. (“AIH”) and An Ping Investment (later renamed AZ Sinopro Financial Planning), a Taiwanese holding controlling the entire capital of Sinopro Financial Planning Taiwan Limited (“Sinopro”), signed an investment and shareholders agreement to start a partnership in the distribution of asset management products in Taiwan.

In particular, Azimut purchased 51% of An Ping Investment’s capital from its existing shareholders for an investment of ca. € 3mn to finance the business development activities, and has also call/put option rights.

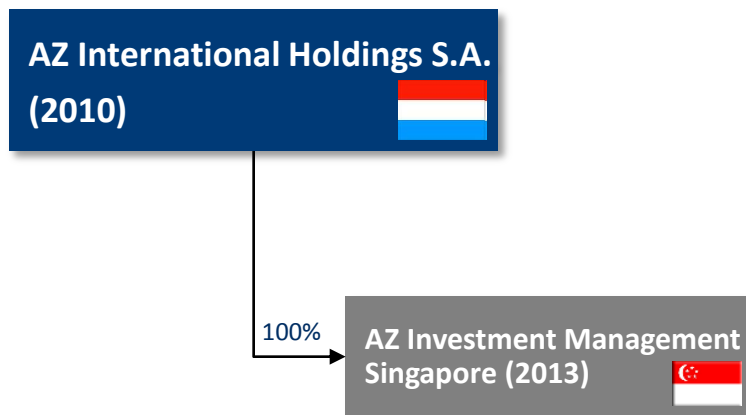
The partnership increases Azimut presence in the Asian market together with a strong and dedicated financial planning and distribution partner, which will contribute in developing the financial knowledge and will respond to planning and financial consulting needs of Taiwanese investors

*



International expansion – Singapore

2013: Azimut signs a JV with a Singapore based asset management company



- ✦ On 2nd October 2013 Azimut and Athenaeum Ltd, a Singapore independent asset management company, have signed an investment and shareholders agreement to start a partnership in the local market.
- ✦ Azimut initially purchased 55% of Athenaeum's corporate capital through a capital increase, which was employed to finance the business plan.
- ✦ Through this partnership, Azimut and Athenaeum will aim at maximising the potential of Athenaeum's existing funds and develop an internal sales structure to service institutional and HNWI investors in South East Asia. In addition, the partners will work to leverage these asset management competences via Azimut international presence and clients.
- ✦ In January 2016 Azimut acquired the remaining 45% to extract stronger commercial synergies and operational efficiencies abroad.
- ✦ The local partners agreed to continue working together over the long term to grow the business in Singapore and focus on managing the local products as well as cultivating relationships with family offices and HNWI in the region.



International expansion – Australia

2014: Azimut signs an agreement to enter the Australian asset management market

AZ International Holdings S.A.
(2010)



100%

AZ Sestante
(2015)



59%

Sigma Funds Management
(2016)



57%

**AZ Next Generation
Advisory (2014)**



All 100%

- | | | |
|--|---------------------------------------|----------------------------|
| ➤ Eureka Whittaker Macnaught (2015) | ➤ Empowered Financial Partners (2016) | ➤ Wealthmed (2017) |
| ➤ Pride Advice (2015) | ➤ Wealthwise (2016) | ➤ FHM (2017) |
| ➤ Lifestyle Financial Planning Services (2015) | ➤ Priority Advisory Group (2016) | ➤ Henderson Maxwell (2017) |
| ➤ Financial Lifestyle Partners (2015) | ➤ Sterling Planners (2016) | ➤ McKinley Plowman (2018) |
| ➤ Wise Planners (2015) | ➤ Logiro (2016) | |
| ➤ Harvest Wealth (2015) | ➤ On-Track (2016) | |
| ➤ RI Toowoomba (2016) | ➤ MTP (2017) | |
| | ➤ PnP (2017) | |

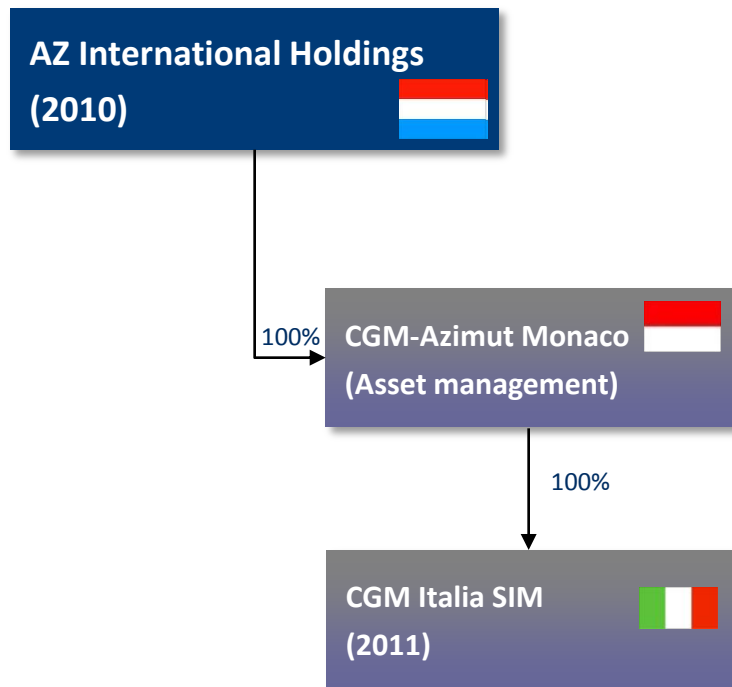
- On November 3rd, 2014, Azimut acquired a 93% stake in Next Generation Advisory (“NGA”), an Australian based newco established with the purpose of consolidating financial planning businesses providing asset allocation and advisory services to local retail, HNW and institutional clients.
- The business plan targets to reach AUD 7.6bn of consolidated AuM (ca. €5.3bn) in the next 12 years
 - In the first year of operations the plan is well ahead of schedule
- The Australian wealth management industry is the largest market in the Asia Pacific region and the 4th largest in the world. Australia has one of the world’s leading pension system (Superannuation), which has underpinned the growth of the Australian asset management industry.
- In August 2015, a majority stake (76%, later increased to 100%) was acquired in Ironbark Funds Management (RE) Ltd (renamed AZ Sestante), a company operating as trustee and manager of Australian mutual funds, necessary to launch and offer funds locally.

*



International expansion – Monaco

2011: Entered the Monaco market with (initially) a 51% stake



- ✦ On 10th May 2011 Azimut through its subsidiary AZ International Holdings S.A. (“AIH”) signed a binding frame agreement with CGM (**Compagnie de Gestion privée Monegasque**); the acquisition of a 51% stake has been completed on 30th December 2011.
- ✦ The partnership added new competences to Azimut Group targeting UHNWI also thanks to CGM’s operating subsidiary in Italy.
- ✦ Current CGM management entered Azimut’s shareholders’ agreement.
- ✦ In 2016, Azimut reached an agreement to acquire the remaining 49% as of 31/12/2017

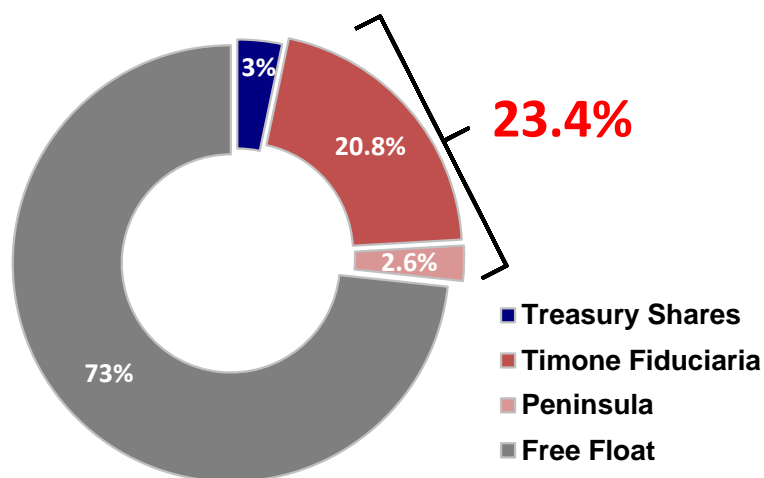


Azimut's shareholder base

Total shares issued: 143.3m

Timone Fiduciaria represents the shares of over 1,900 individual shareholders (FAs, employees, managers working for Azimut) and Peninsula Capital, tied up in a strong shareholders' agreement.

More than **1,200 participants** of the shareholders agreement together with **Peninsula Capital, invested in Azimut shares** in June 2018 thereby increasing **Timone's stake up to ca. 23.4%** from the previous ca. 15%.



Timone: a strong agreement for l/t commitment

Participants Advisors, employees and management organised in separate areas

Duration 3 years automatically renewed unless the absolute majority of the voting rights refuses. Already renewed in 2013 and 2016

Share lock-up Part of each participant's shares are locked following a table based on the tenure within the Agreement. The residual can be sold at any time but subject to pre-emption right amongst other participants. The price for this transfer is a 30 days rolling average.

Years matured ⁽¹⁾	% of locked shares
< 3	75%
3 - 6	66%
6 - 9	33%
> 9	25%

Governance A share trust includes 100% of the voting rights of the participants.

A committee is responsible for managing and monitoring the participants' obligations and rights under the agreement

Source: Azimut, September. 2018
Note (1): since receiving the shares



One of a kind transaction: Timone MBO

In June 2018 completed the most significant investment in Azimut Holding stock since the IPO

Transaction Summary

- ✓ Timone strengthened its stake in Azimut Holding from 15.8% to 23.4%
- ✓ Participation of more than 1,200 colleagues from 14 countries worldwide
- ✓ LBO: financed 50% through equity raised by Timone members and 50% through bank debt, secured by a pledge on shares acquired and a cash collateral
- ✓ Peninsula joined the deal acquiring at settlement ca. 3.8m shares (2.6% of share capital)

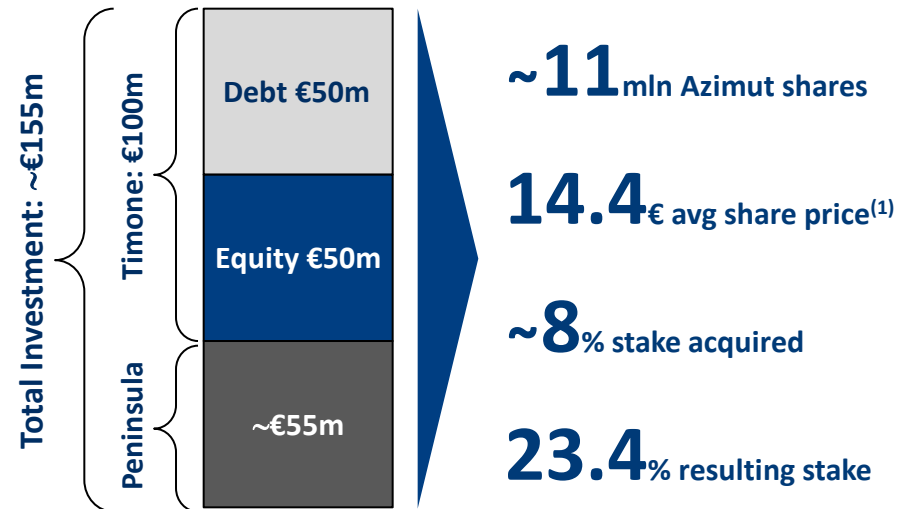
Strategic Rationale

- ✓ Strengthen and provide additional stability to Azimut governance with strong and renewed commitment to the market
- ✓ Provide additional levered upside to existing (younger) Timone members, considering the stock is significantly undervalued
- ✓ Messages reinforced by the involvement of a leading financial investor (Peninsula) sharing the same view

Timeline

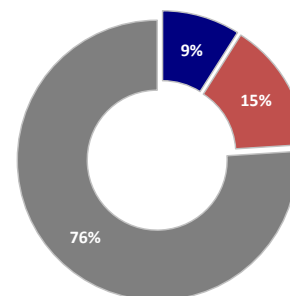
- ✓ January 2018: Transaction announced
- ✓ June 2018: Transaction completed
- ✓ June 2021: maturity of debt financing

Key Metrics

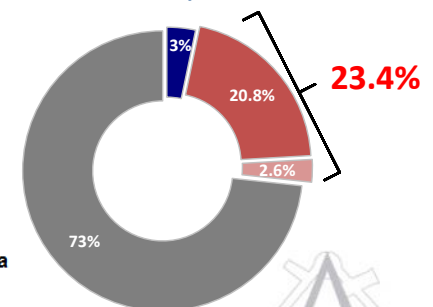


Shareholding structure:

Pre (10 May 2018)



Today



Source: Company data
Note (1): related to original Timone members



Short "termism" is institutionally banned

One step ahead: Azimut initiatives in context

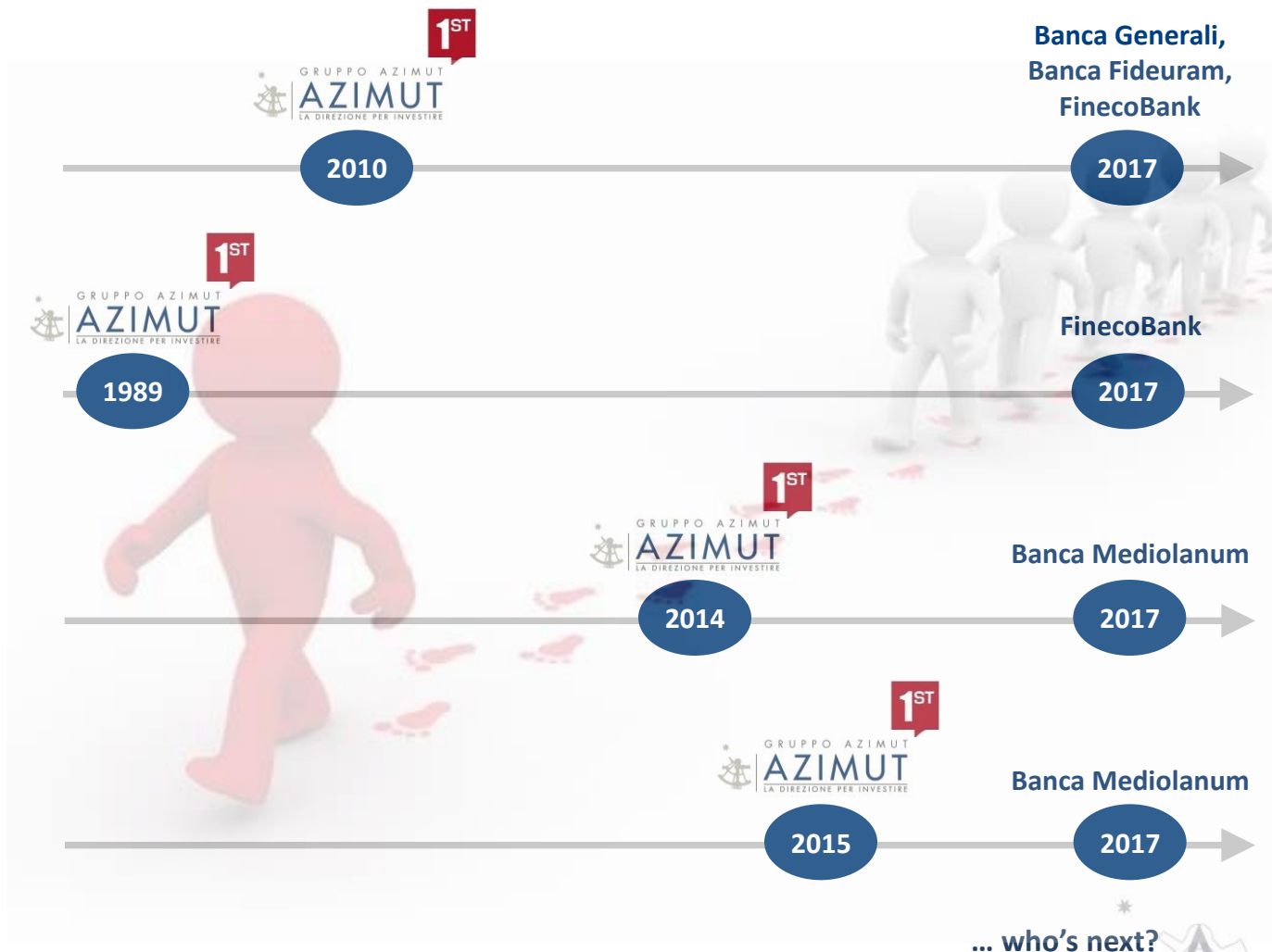
Undisputed leader in corporate and product innovation thanks to an effective and unique business model

International expansion

Integrated Asset Management & Distribution model

Alternatives, support to Italian SMEs and Entrepreneurs

Blockchain and new technologies

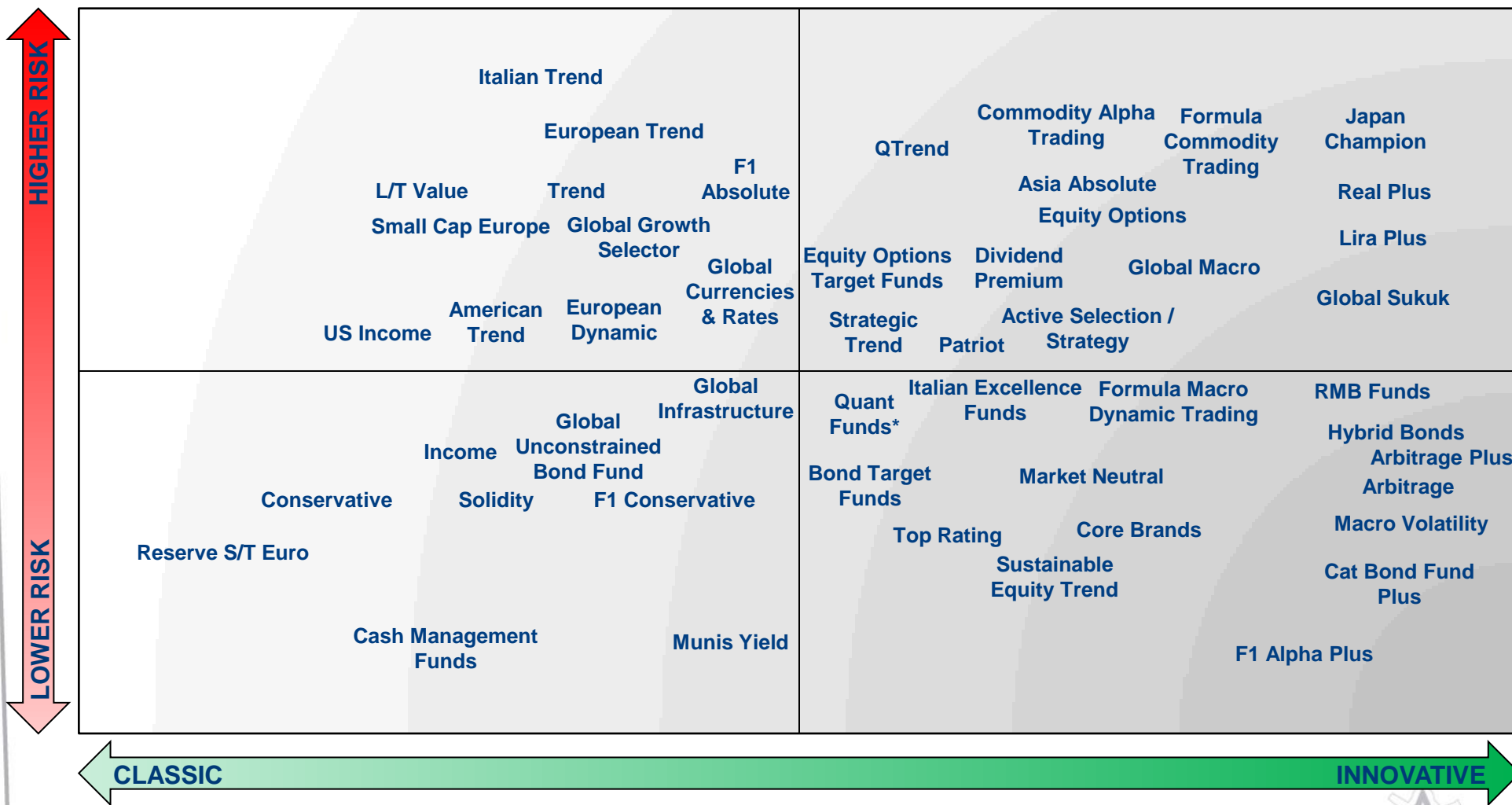


Short "termism" is institutionally banned



Summarized Azimut product offering

A balanced and complete product offering, focused on innovation and performance



Note: for illustrative purposes only, may not be not exhaustive.

Does not include FOF, Multiasset.

Note*: Including QProtection, QBond, Qinternational

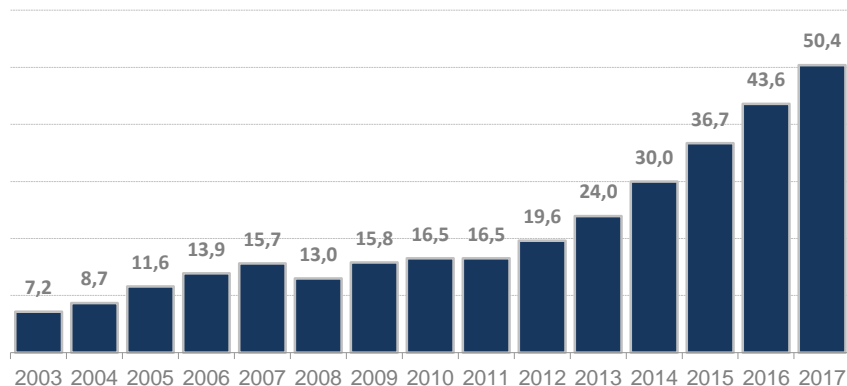
Source: Azimut as of 30/09/2018



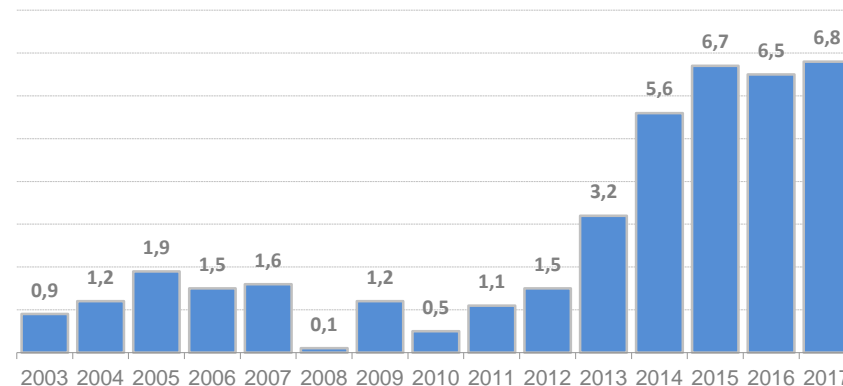
Strong, consistent growth trends

Continuous growth throughout the decade, notwithstanding turbulent years

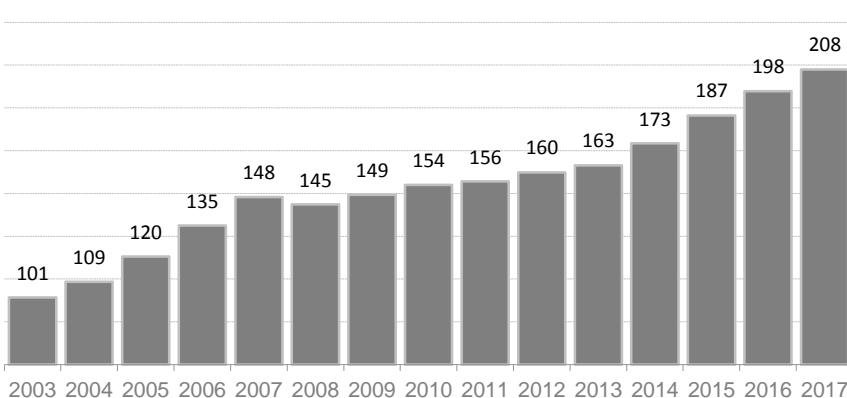
Total Assets (€bn)



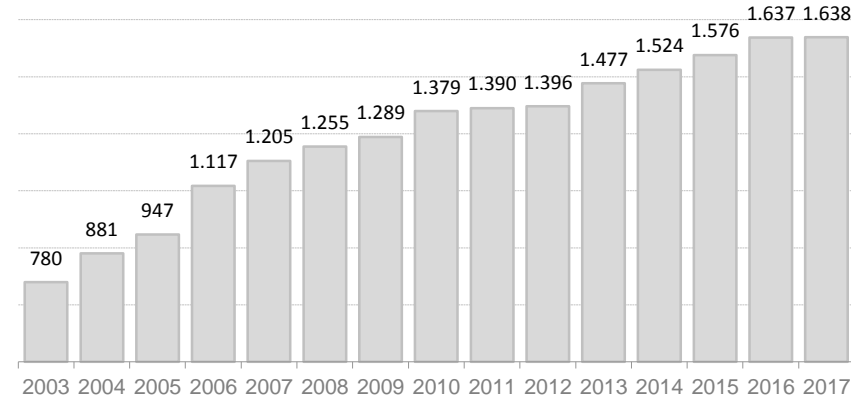
Net Inflows (€bn)



Clients ('000)



Financial Advisors



*

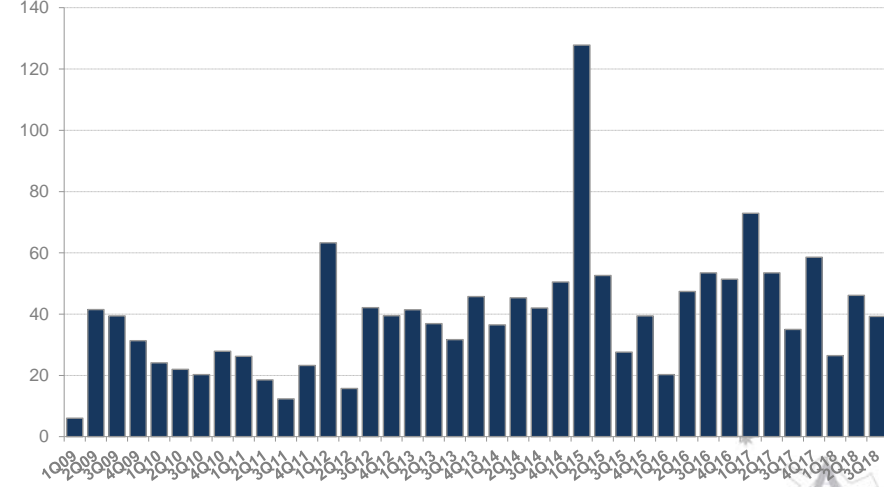
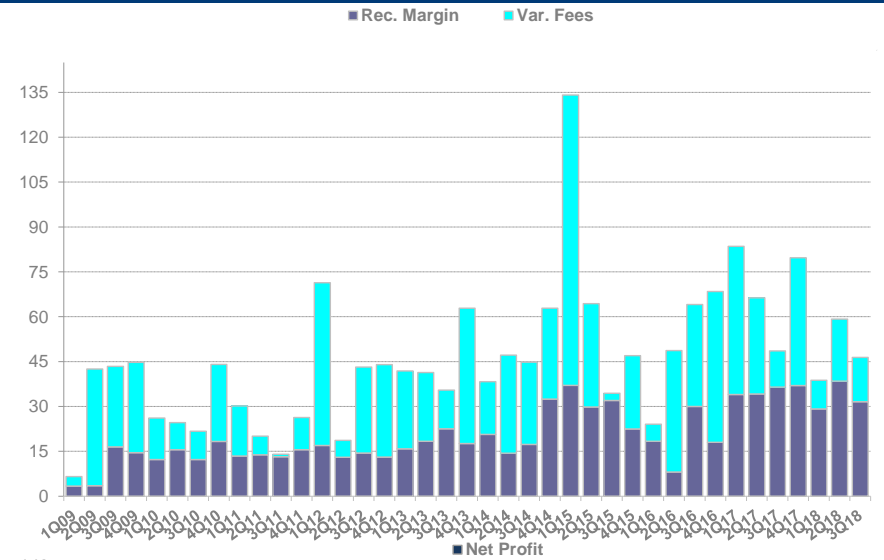
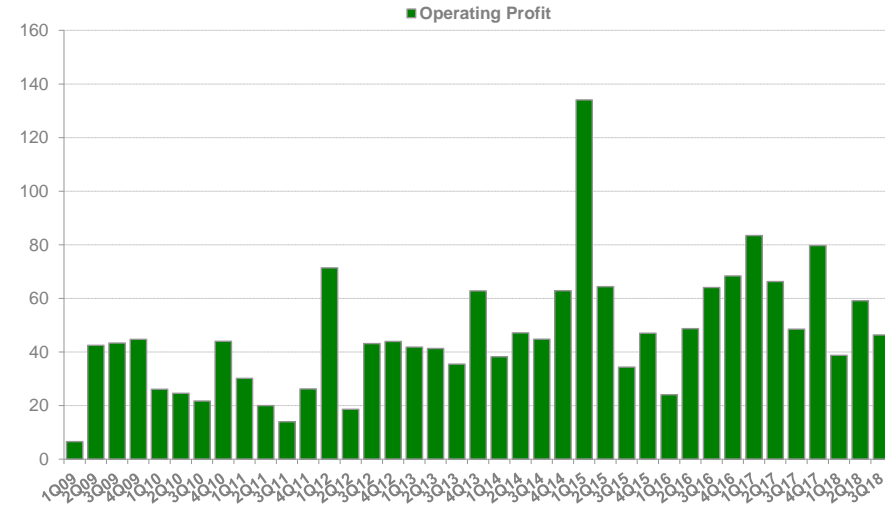
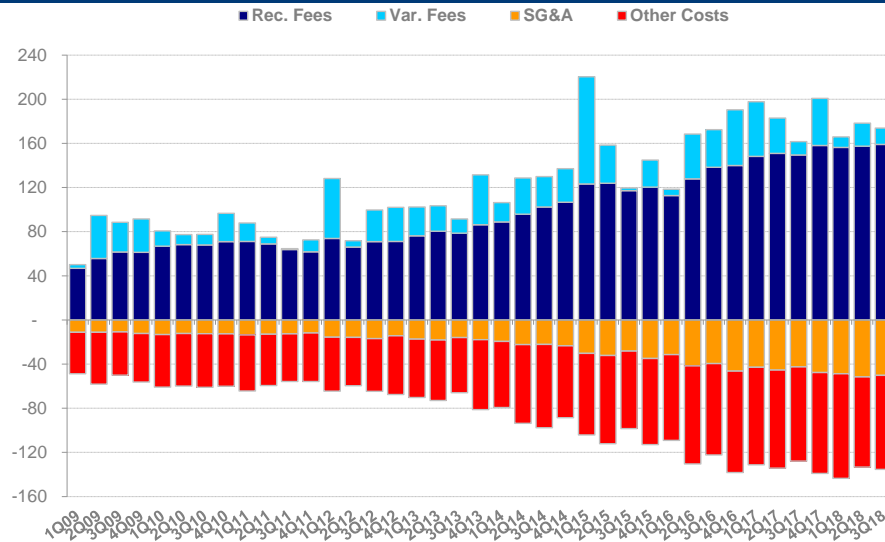


Source: Company data as of 31/12/2017

Short "termism" is institutionally banned

2009-2018 A beta stock with a strong P&L

Solid financial performance (€mIn)



Short "termism" is institutionally banned



Contacts & Corporate calendar

Investor Relations Contacts

Vittorio Pracca

Tel. +39.02.8898.5853

Email: vittorio.pracca@azimut.it

Raffaele Del Cimmuto

Tel. +39.02.8898.5066

Email: raffaele.delcimmuto@azimut.it

www.azimut-group.com

Upcoming events

- Next year's corporate calendar will be announced in January 2019

Disclaimer – Safe harbour statement

This document has been issued by Azimut Holding just for information purposes. No reliance may be placed for any purposes whatsoever on the information contained in this document, or on its completeness, accuracy or fairness. Although care has been taken to ensure that the facts stated in this presentation are accurate, and that the opinions expressed are fair and reasonable, the contents of this presentation have not been verified by independent auditors, or other third parties.

Accordingly, no representation or warranty, express or implied, is made or given by or on behalf of the Company, or any of its members, directors, officers or employees or any other person. The Company and its subsidiaries, or any of their respective members, directors, officers or employees nor any other person acting on behalf of the Company accepts any liability whatsoever for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection therewith.

The information in this document might include forward-looking statements which are based on current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about the Company and its subsidiaries and investments, including, among other things, the development of its business, trends in its operating industry, and future capital expenditures and acquisitions. In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur. No one undertakes to publicly update or revise any such forward-looking statement.

The information and opinions contained in this presentation are provided as at the date of this presentation and are subject to change without notice.

Any forward-looking information contained herein has been prepared on the basis of a number of assumptions which may prove to be incorrect and, accordingly, actual results may vary. **This document does not constitute an offer or invitation to purchase or subscribe for any shares and/or investment products mentioned** and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

The information herein may not be reproduced or published in whole or in part, for any purpose, or distributed to any other party. By accepting this document you agree to be bound by the foregoing limitations.

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 of the Consolidated Law of Finance, that the financial information herein included, corresponds to the records in the company's books.

