

EQUITA LAUNCHES EQUITA CAPITAL SGR, ITS NEW MANAGEMENT COMPANY THAT WILL OPTIMIZE THE ALTERNATIVE ASSET MANAGEMENT ACTIVITIES OF THE GROUP

- BANK OF ITALY AUTHORIZES EQUITA CAPITAL SGR TO COMMENCE ITS ACTIVITIES
- THE MANAGEMENT COMPANY WILL ACCELERATE THE GROWTH STRATEGY OF THE GROUP ASSISTING INSTITUTIONAL CLIENTS AND BANKS WITH NEW INVESTMENT SOLUTIONS

Milan, 5th September 2019

Equita, the leading Italian independent investment bank, announces the establishment of **Equita Capital SGR** (“Equita Capital SGR”, “Management Company” or “SGR”), **the new Management Company of the Group that will offer its expertise in the management of liquid and illiquid assets to institutional investors and banking networks looking for customized investment solutions**. As part of its asset management activities, the Management Company will take into consideration all the relevant ESG factors affecting Italian SMEs and will cooperate with a team of sustainability experts from Equita and Altis – Università Cattolica, the Graduate Business School and Society of the Università Cattolica del Sacro Cuore with which Equita has signed a partnership in February 2019.

The authorization of Bank of Italy, dated 23 July 2019, allows Equita Capital SGR to commence its activities and optimize what Equita has done in recent years with the Alternative Asset Management division. The latter represents the third key business of the Group and offers **remarkable growth opportunities in the near future thanks to the synergies it has with other areas like the Research Team**.

Equita Capital SGR will start its activities with more than Euro 1 billion of assets under management, including the discretionary accounts and the two flexible funds managed on behalf of the Credem Group, in addition to the “Equita Private Debt Fund”, one of the first private debt funds launched in Italy in 2016.

As manager of discretionary accounts since 2003, Equita has always followed an investment philosophy focused on concentrated portfolios, where bets on sectors and stock picking are based on fundamental analysis and ongoing dialogue with the analysts of the Research Team. Focus on small and mid-caps is key as it represents the most significant area in terms of assets under management (Euro 130 million invested in or dedicated to these companies) with a strong track record in terms of returns over time (+13.6% average gross annual return over the last ten years)¹. Then, from 2018 till today, two flexible funds launched by Euromobiliare Asset Management SGR (subsidiary of the Credem Group) have been added to the assets managed by Equita: the first one (“Euromobiliare Equity Mid Small Cap”), whose fundraising closed in December 2018 with Euro 392 million, was followed in June 2019 by a second fund (“Euromobiliare Equity Selected Dividend”) which raised Euro 229 million.

Equita distinguished himself among the first players that launched a private debt fund in Italy (the “Equita Private Debt Fund”), raising – between 2016 and 2017 – Euro 100 million from a group of institutional investors including banks, insurance companies and family offices. Over the last three years, the team has been able to identify several interesting investment opportunities and, by working in partnership with top Italian and foreign private equity funds, has been able to build a portfolio that as of today records a gross expected return above 9%, despite the limited risk profile. On the back of the results achieved, in November 2018 Equita's private debt team was named "Private Debt Team of the year" at the 2018 Financecommunity Awards and selected as one of the most well-structured and organised teams in the sector.

Equita Capital SGR will offer several solutions, from alternative products – such as private debt funds dedicated to professional investors – to asset management of liquid and illiquid instruments. Thanks to its thorough knowledge of the

¹ Past performance is not representative of future performance

Italian market and the skills developed over the years, **Equita Capital SGR will also position itself as the key independent partner for banks to study and offer tailored solutions aimed at satisfying the retail clients' needs** with niche products.

In the coming months, the Management Company will launch its second private debt fund – with plans to start marketing by the end of the year – and will promote new initiatives within the private equity domain to exploit the favourable framework that is setting up in Italy following the introduction of tax incentives for new investment structures like ELTIFs, the European Long-Term Investment Funds. The Management Company will also **develop products in several other asset classes** like venture capital, renewables and real estate, launching initiatives that pay attention to ESG factors, that present attractive returns for investors, and that impact positively the invested companies, helping for instance entrepreneurs to finance their businesses. **Equita will also continue to align its own interests to those of investors and clients co-investing in the products and initiatives launched.**

The Management Company will adopt a corporate governance designed to prevent and manage potential conflicts of interests. The Board of Directors of Equita Capital SGR will be composed by 6 members, represented by two independent directors (including the Chairman), three managers in charge of the three key business areas of the Management Company (including the CEO) and the Chief Financial Officer of the Equita Group. **The Board of Directors will be expression of members whose skills and expertise guarantee a high degree of technical and strategic competences and a healthy and prudent management of the business.** The Management Company will also leverage on the current organizational structure of the Group to access internal resources: this will grant to the SGR the specific experience and professional competence needed.

Andrea Vismara, Chief Executive Officer of Equita, commented: *“The authorization of Bank of Italy enables Equita Capital SGR to start its operations and accelerates the growth strategy of the Group in Alternative Asset Management. The Management Company will focus on differentiating products, providing co-developed solutions to financial institutions and banks, and offering alternative investment opportunities to professional investors”*. Vismara continued: *“The new Management Company will benefit from a solid but simple governance that will allow Equita to perform efficiently its asset management activities and providing a top quality service to clients”*.

Matteo Ghilotti, Chief Executive Officer of Equita Capital SGR, commented: *“The strategy of Equita Capital SGR is clear: we will not enter into wealth management or traditional asset management. Instead, we will continue to distinguish ourselves in the market, offering investment solutions based on our deep knowledge of Italian and European mid-small caps, with investment styles focused on mid-term and attention to ethics and sustainability”*.

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Equita is the **leading Italian independent investment bank**, reference partner of Italian companies and institutional investors. Thanks to its 45 years of experience, Equita can offer a clear and focused business model: **Global Markets**, with its **Sales & Trading** and **Proprietary Trading** business lines, offers brokerage on equities, bonds, derivatives and ETFs for domestic and international institutional customers, market making, specialist and liquidity provider services. To such activities, Equita offers a high profile **Investment Banking** platform, dedicated to advisory to companies and financial institutions. The **Alternative Asset Management** division, which provides traditional portfolio management along with innovative private debt and private equity portfolio management, such as the special acquisition vehicle (SPAC), completes the range of special and synergic services offered. Then, all business lines are continuously supported by a **Research team** recognized for its excellence. **Independent advice** and **deep knowledge of capital markets** grant Equita credibility among domestic and international institutional investors, ensuring a unique positioning in the Italian market, with a focus on mid & small caps.

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