



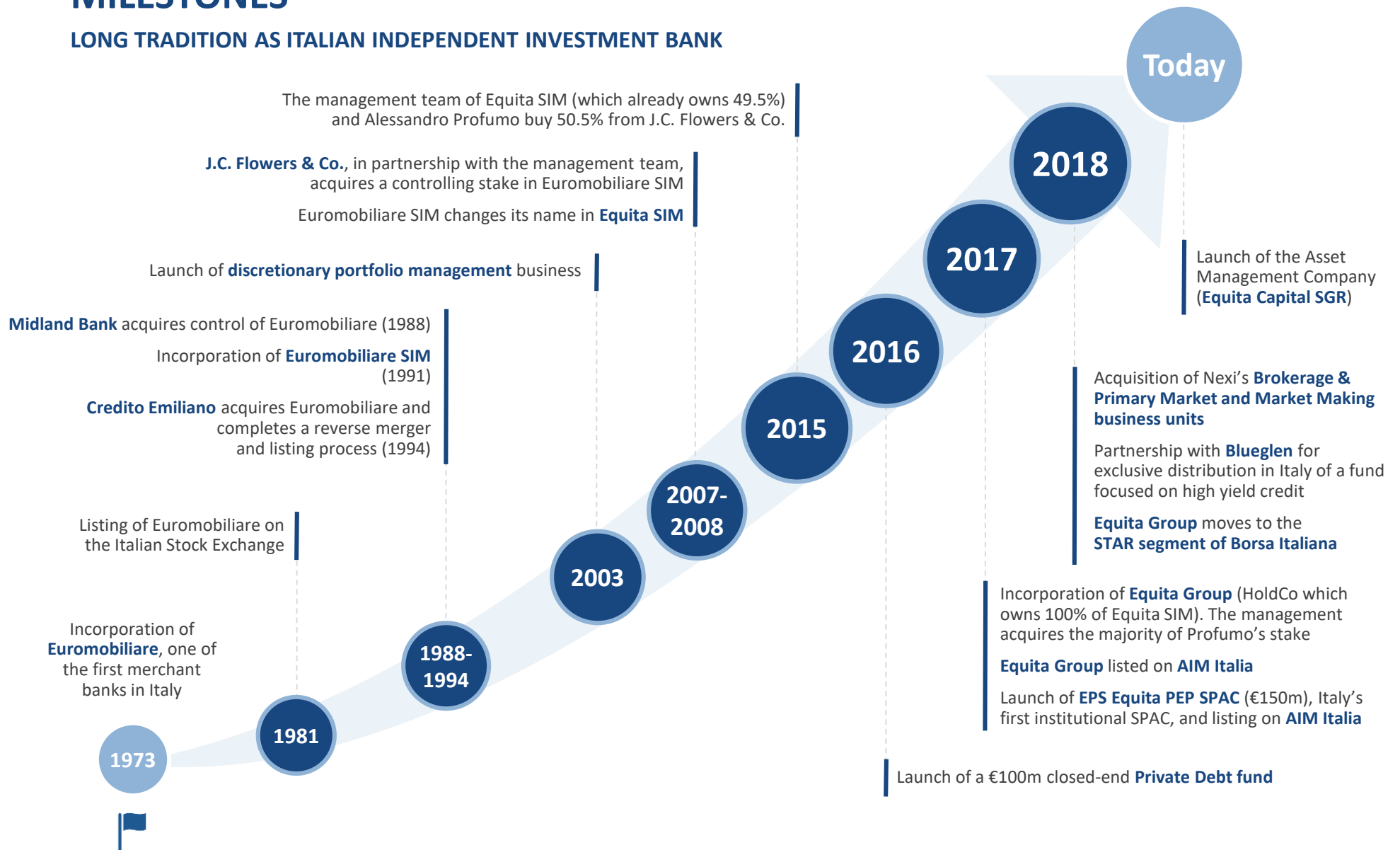
16 SEPTEMBER 2019

# INTRODUCTION TO EQUITA (H1'19 RESULTS)



# MILESTONES

## LONG TRADITION AS ITALIAN INDEPENDENT INVESTMENT BANK

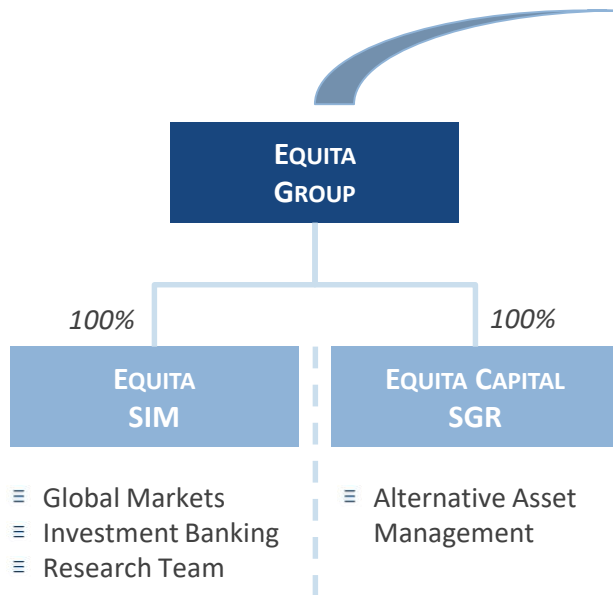


# GROUP AND SHAREHOLDING STRUCTURE

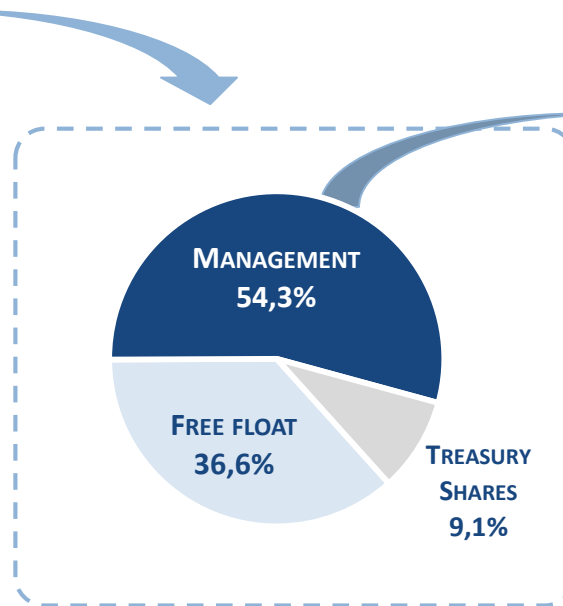
## GROUP STRUCTURE

## SHAREHOLDING STRUCTURE

## SHAREHOLDERS' AGREEMENTS



**Fully separated governance to avoid conflicts of interest and maximize business potential**



**Partnership "opened" to the market**

### First Shareholders' Agreement-Bis

- ≡ 28 shareholders with 51.4% of voting rights (46.7% of share capital)
- ≡ Voting and lock-up commitments expiring in July 2022

### Other Shareholders' Agreements <sup>1)</sup>

- ≡ 71 shareholders with 54.3% of voting rights (59.7% of share capital)
- ≡ Lock-up commitments and preemption rights on shares disposed by managers



**Strong management commitment and entrepreneurial spirit**

# SNAPSHOT OF HALF-YEAR 2019 RESULTS

PERFORMANCE IMPACTED BY TOUGH INVESTMENT BANKING MARKETS AND COMPARISON EFFECT WITH 2018 EQUITA RESULTS

## KEY FINANCIAL HIGHLIGHTS

**€25.5m**

(-31% vs H1'18)

**Net Revenues**

**€4.0m**

(-47% vs H1'18)

**Net Profit**

**25%**

(as of 30 June 2019)

**Total Capital Ratio**

**14%**

(as of 30 June 2019)

**Return on Tangible Equity**

**€1.2bn**

(+20% vs FY'18)<sup>(1)</sup>

**Assets under Management**

**€0.22**

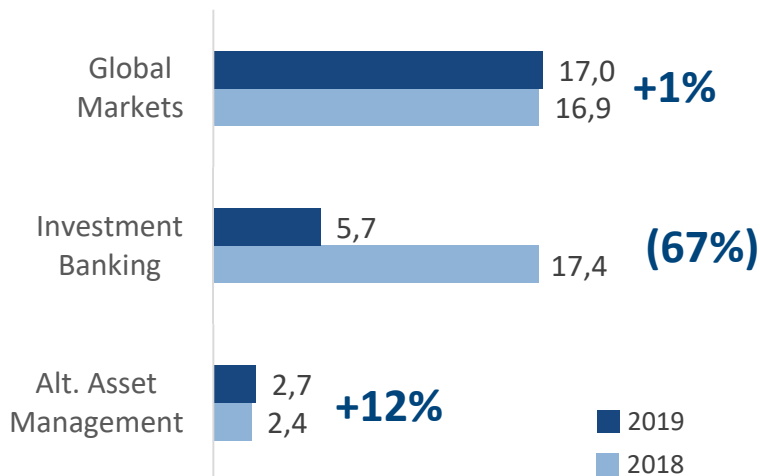
(paid-out on 8 May 2019)

**Dividend per Share**

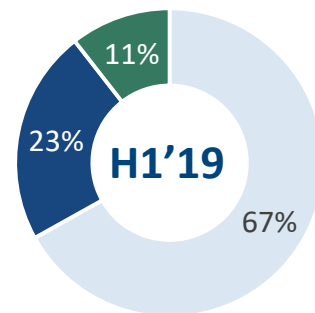
## DIVISIONAL PERFORMANCE AND REVENUES BREAKDOWN

## 2018 HIGHLIGHTS

### Divisional Performance H1'19 vs H1'18

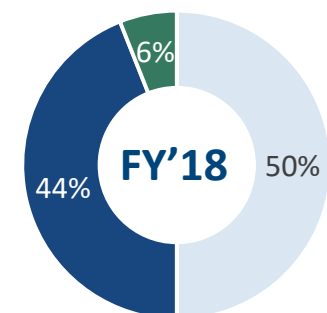


### Revenues Breakdown H1'19



■ Global Markets  
■ Investment Banking  
■ Alt. Asset Management

### Revenues Breakdown FY'18



**€59.8m**

**Net Revenues**

**€12.0m**

**Adj. Net Profit**

# GLOBAL MARKETS – THE LARGEST TRADING FLOOR IN ITALY

A COMPLETE PRODUCT OFFERING ON EQUITIES, BONDS, DERIVATIVES AND ETFS DEVELOPED OVER TIME AND STRENGTHENED IN 2018 THANKS TO THE INTEGRATION OF THE RETAIL HUB AND MARKET MAKING ACTIVITIES (ACQUIRED FROM NEXI SPA) AND A NEW FIXED INCOME TEAM



**More than 40 professionals**

to best serve clients' needs



**≈€95bn of brokered volumes on a yearly basis (1)**  
(≈€50bn equities and ≈€45bn fixed income)



## New Fixed Income Team

to exploit further synergies with the other business lines (Investment Banking, Research)



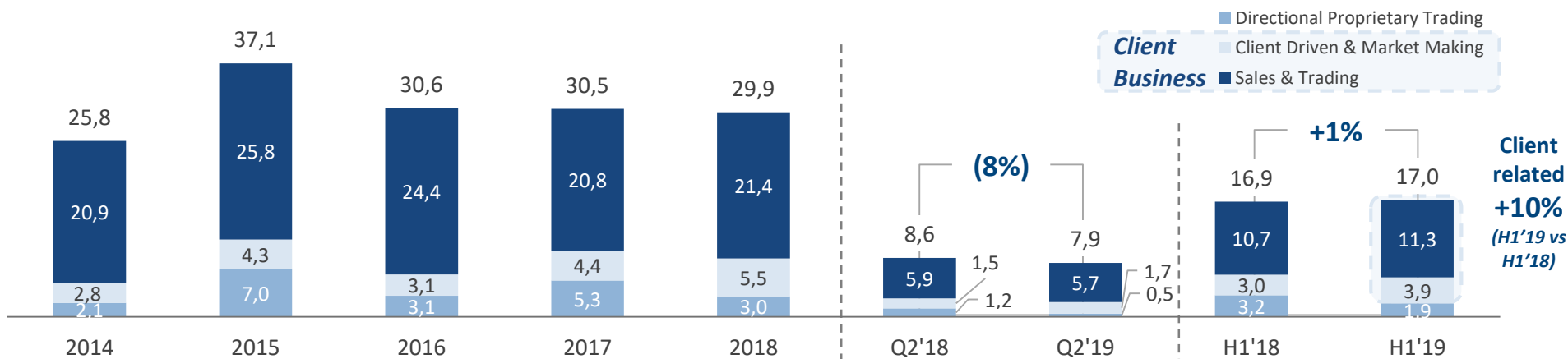
## 2018 Acquisition from Nexi

to expand and diversify Sales & Trading and strengthen Market Making

# GLOBAL MARKETS

AN OVERALL POSITIVE H1'19 WITH CLIENT RELATED BUSINESS INCREASING +10% VS H1'18. EQUITA CONTINUED ITS DIVERSIFICATION STRATEGY GROWING DOUBLE DIGIT IN FIXED INCOME

## NET REVENUES (€M)



## Performance drivers in H1 2019

- ≡ **Positive market performance** (FTSE MIB +15.9%) recovering the sharp correction occurred in Q4'18 (FTSE MIB -11.5%)
- ≡ **Third parties brokered volumes** on equities and fixed income down by 28% and 9% compared to H1'18 respectively
- ≡ Successful integration of **Retail Hub and Market Making activities** (acquired in June 2018)
- ≡ **Client-Driven & Market Making** more than offset the reduction in **Directional trading**, increasing the exposure to client-related business

## Market Shares<sup>(1)</sup>

(third parties brokered volumes)

EQUITA	Equities	Bonds	Equity Options
Q2'18	6.0%	2.6%	4.6%
Q3'18	8.0%	7.8%	5.4%
Q4'18	8.2%	6.7%	8.3%
Q1'19	8.8%	5.8%	9.9%
Q2'19	10.2%	6.0%	7.3%
H1'19	9.5%	5.9%	8.7%

(1) Source: ASSOSIM, market share on quarterly volumes for third parties; "Equities" referred to equities brokered on MTA segment, "Bonds" referred to bonds brokered on DomesticMOT, EuroMOT and ExtraMOT segments; "Equity Options" referred to IDEM segment.  
2014 and 2015 figures referred to Equita SIM; 2016 and onward figures referred to Equita Group; roundings in Client Driven & Market Making and Directional Trading net revenues could occur due to a reclassification of 2018 figures

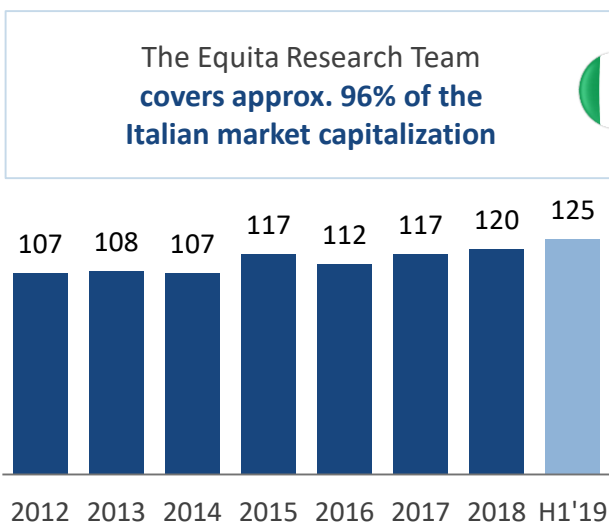
# RESEARCH TEAM – BEST-IN-CLASS QUALITY AND REPUTATION WITH INVESTORS

EQUITA CONFIRMED BREADTH AND QUALITY OF ITS RESEARCH AND EXPANDED COVERAGE TO THE BOND SEGMENT

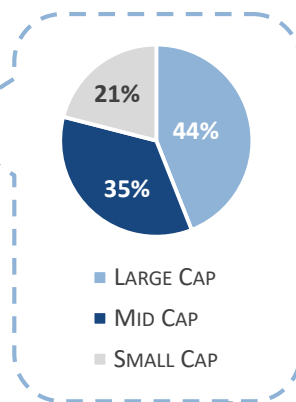
## EQUITA COVERAGE

## RESEARCH TEAM OVERVIEW (2018)

### # of companies covered



### Market size covered (1)



14<sup>(2)</sup>  
Analysts



Best-in-class  
Research Team



600+ meetings  
with investors



8  
conferences



Reports  
distributed

430 Equity Reports  
24 Initiation/Basic Reports  
20 Strategic Reports  
29 Sector Reports

ITALIAN

ABROAD

+  
44 foreign  
stocks covered  
*(as of 30 June 2019)*

Coverage of  
Equities  
and Bonds

(1) Small cap (market cap < €0.5bn), Mid Cap (market cap > €0.5bn and < €2.5bn), Large Cap (market cap > €2.5)  
(2) As of 30 June 2019

# THE LEADING INDEPENDENT BROKERAGE FIRM IN ITALY

CONSTANTLY RANKED AT THE TOP OF INVESTORS' SURVEYS AND #1 PLAYER AMONG INDEPENDENT BROKERS, CONFIRMING ITS COMPETITIVE ADVANTAGE POST MIFID II

## TRADING FLOOR <sup>(1)</sup>

## CORPORATE ACCESS <sup>(1)</sup>

EXTEL

Trading Execution



2019



Equity Sales



2019



Company & Expert Meetings



2019



## RESEARCH TEAM <sup>(1)</sup>

EXTEL

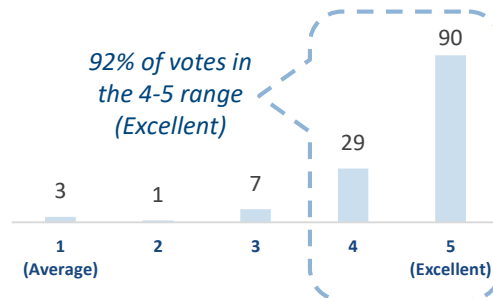
Country Research



2019



Votes received in 2019 by the Equita Research Team <sup>(2)</sup>



Institutional Investor

Italian Research Team



2019



(1) Rankings on Italy (incl. Small & Mid Caps) based on commissions paid

(2) Distribution of votes received by the Equita Research Team on the «Italy: Country Research (incl. Small & Mid Caps)» ranking



# INVESTMENT BANKING – OUTSTANDING GROWTH AND STRONG POSITIONING

## New Areas

*M&A Advisory & Corporate Broking*

*Financial Institutions*

*Debt Advisory*

*Debt Capital Markets*

*Financial Sponsors*

## No. of Professionals



## Net Revenues



**5.2x**

Revenues since 2007

## Italian Rankings 2018

#	IPO and Listings <sup>(1)</sup>	# deal
1.	Banca IMI	5
2.	EQUITA	4
3.	Mediobanca	4
4.	Unicredit	3
5.	Banca Finnat	3
6.	UBI	3
7.	Advance SIM	2
8.	Banca Akros	2
9.	CFO SIM	2
10.	Credit Suisse	2

#	HY and NR Bonds <sup>(2)</sup>	# deal
1.	Unicredit	9
2.	HSBC	8
3.	BNP Paribas	5
4.	Goldman Sachs	5
5.	JP Morgan	5
6.	Banca IMI	4
7.	Mediobanca	4
8.	EQUITA	3
9.	Credit Suisse	3
10.	KKR	3

#	M&A <sup>(3)</sup>	# deal
1.	KPMG	47
2.	Unicredit	38
3.	PwC	37
4.	Mediobanca	34
5.	Deloitte	33
6.	EY	32
7.	Lazard	23
8.	Rothschild & Co	23
9.	Banca IMI	22
...13.	EQUITA	13

(1) Market trends include IPOs, Convertibles and Follow-on deals. ECM rankings are made considering # of IPOs and listings in the Italian market. The following roles are included: Global Coordinator, Sponsor, Advisor to Issuer or Selling shareholders and NOMAD. Excluding deals smaller than €10m and market cap smaller than €10m (in case of listing). Source: Equita's analysis on Borsa Italiana and Dealogic data; (2) Market trends are made excluding banks/ass.. DCM rankings are made considering only High Yield and Not Rated bonds. Source: Bondradar; (3) Source: M&A in Italy, KPMG report; rankings by Mergermarket

# INVESTMENT BANKING – LOW TRANSACTION VOLUMES

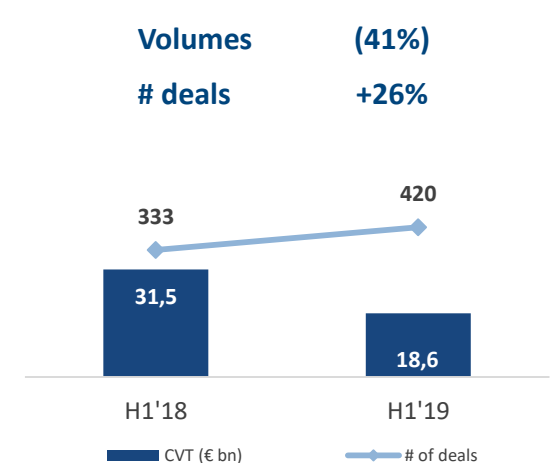
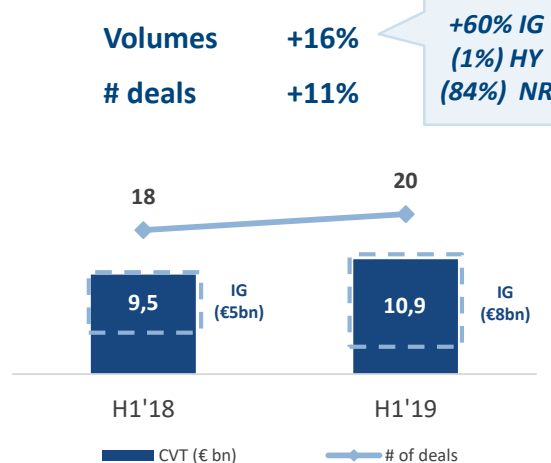
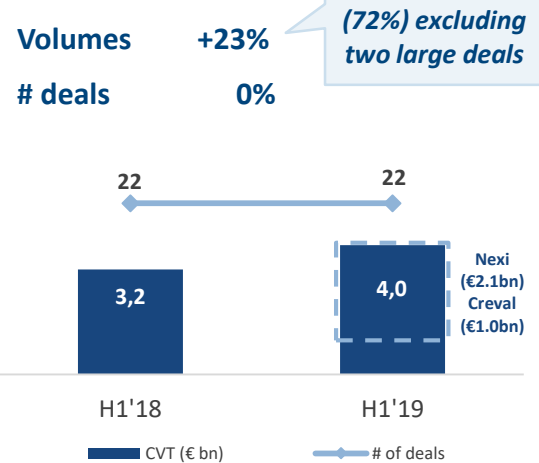
ONE OF THE WORST SEMESTERS OF RECENT YEARS IN ITALY AS WELL AS IN EUROPE IN TERMS OF MARKET VOLUMES

## Equity Capital Markets <sup>(1)</sup>

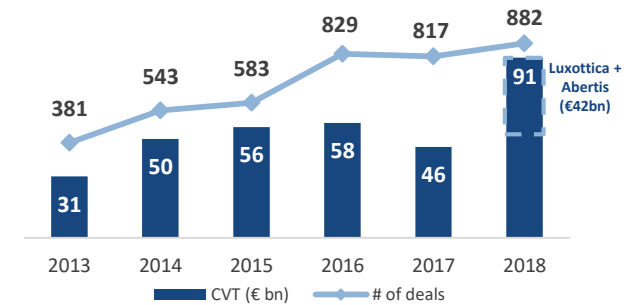
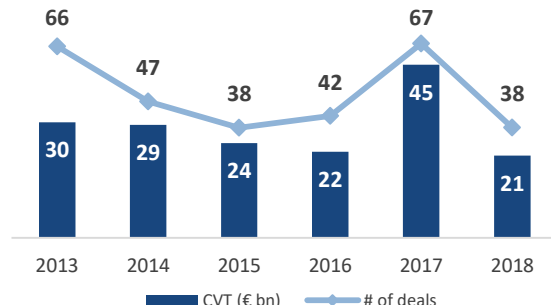
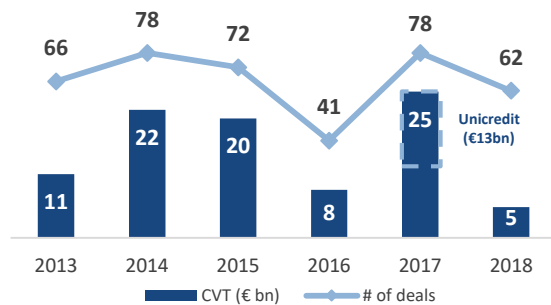
## Debt Capital Markets <sup>(2)</sup>

## Mergers & Acquisitions <sup>(3)</sup>

FOCUS ON H1'19 VS H1'18 (MARKET FIGURES AND CHANGE %)



## HISTORICAL MARKET FIGURES FOR ITALY

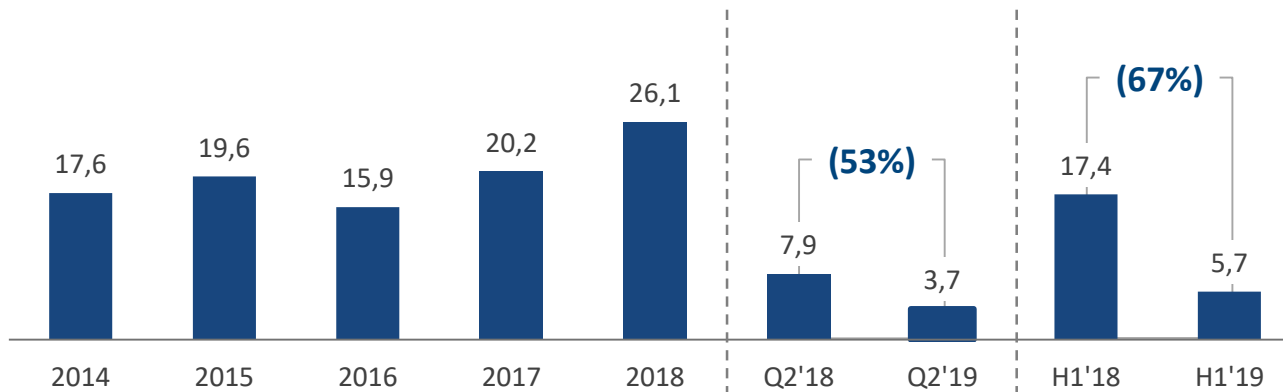


(1) Market figures include IPOs, Convertibles and Follow-on deals. Source: Equita's analysis on Borsa Italiana and Dealogic data; (2) Market figures are made excluding banks/insurances. Source: Bondradar; (3) Source: M&A in Italy, KPMG report; rankings by Mergermarket (4) +23% refers to the total market growth; (72%) excluding two large deals (Nexi's IPO and Creval's aucap)

# INVESTMENT BANKING

DESPITE TOUGH UNDERLYING MARKET AND COMPARISON EFFECT WITH H1'18 RESULTS, EQUITA CONTINUED TO BE INVOLVED IN KEY RELEVANT TRANSACTIONS

NET REVENUES (€M)



KEY RELEVANT TRANSACTIONS (YTD) <sup>(1)</sup>



## Performance drivers in H1 2019

- ≡ In addition to the **tough market situation**, Equita suffered the **comparison effect with a particularly strong H1'18** which experienced unusually high volumes compared to the normal seasonality of the investment banking business
- ≡ Equita continued to be **involved in key relevant transactions in ECM, DCM and M&A**
- ≡ **Corporate Broking & Specialist** activities confirmed the positive trajectory of previous months growing double digit and offering cross-selling opportunities for other business areas of the Group
- ≡ **Good progress in Q2'19** results compared to Q1'19 (+80%)

(1) Key relevant transactions as of July 2019  
2014 and 2015 figures referred to Equita SIM; 2016 and onward figures referred to Equita Group

# ALTERNATIVE ASSET MANAGEMENT – OUR STRATEGY

DIFFERENT PRODUCTS AND SERVICES OFFERED TO BOTH FINANCIAL INSTITUTIONS AND PROFESSIONAL INVESTORS. INTERESTS FULLY ALIGNED THANKS TO A CO-INVESTMENT APPROACH

## KEY PILLARS OF OUR STRATEGY



- ≡ Focus on **alternative assets** and **co-developed products**
- ≡ Potential upside from **performance fees**
- ≡ Strong **alignment of interests** (€10.7m co-invested)

- ≡ Keep a **healthy balance** between assets managed and distributed
- ≡ **No wealth management** and traditional asset management

### LIQUID STRATEGIES – PRODUCTS CO-DEVELOPED WITH BANKS, FINANCIAL INSTITUTIONS AND PRIVATE BANKING INVESTORS



#### DISCRETIONARY PORTFOLIO MANAGEMENT

≈€300m

3 discretionary equity portfolios  
(managed on behalf of Credem since 2003)



#### THIRD PARTY FUND MANAGEMENT

≈€600m

2 flexible funds  
(managed on behalf of Euromobiliare Asset Management SGR)

...and more to come...

### ALTERNATIVE ASSETS – FULLY OWNED PRODUCTS PLACED WITH INSTITUTIONAL INVESTORS

#### PRIVATE EQUITY

€150m

1<sup>st</sup> institutional SPAC in Italy  
(1<sup>st</sup> business combination completed in May 2018)

#### PRIVATE DEBT

€100m

1 private debt fund, among the leading teams in Italy  
(Launch of a second fund in 2019)

...and more to come...

#### THIRD PARTY FUND DISTRIBUTION

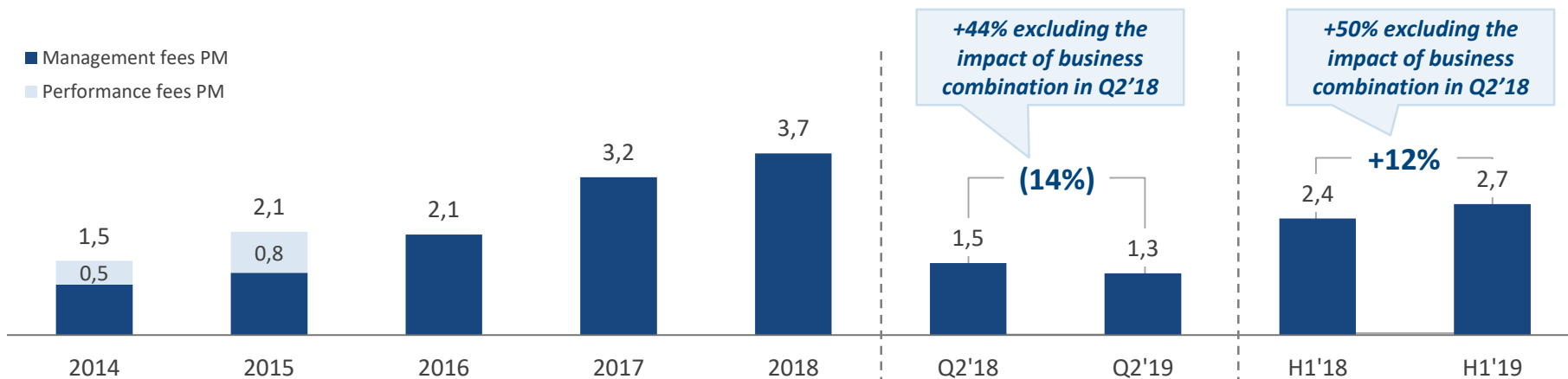
≈€50m distributed + multi-year agreement

1 alternative fund distributed (“G10 Blueglen Equita Total Return Credit UCITS Fund”) + framework agreement with Blueglen to distribute other alternative products

# ALTERNATIVE ASSET MANAGEMENT

NET REVENUES GREW BY 12% AND ASSETS UNDER MANAGEMENT REACHED €1.2BN, CONFIRMING THE GROWTH STRATEGY ADOPTED. EQUITA CAPITAL SGR APPROVED BY BANK OF ITALY AND READY TO START ITS ACTIVITIES

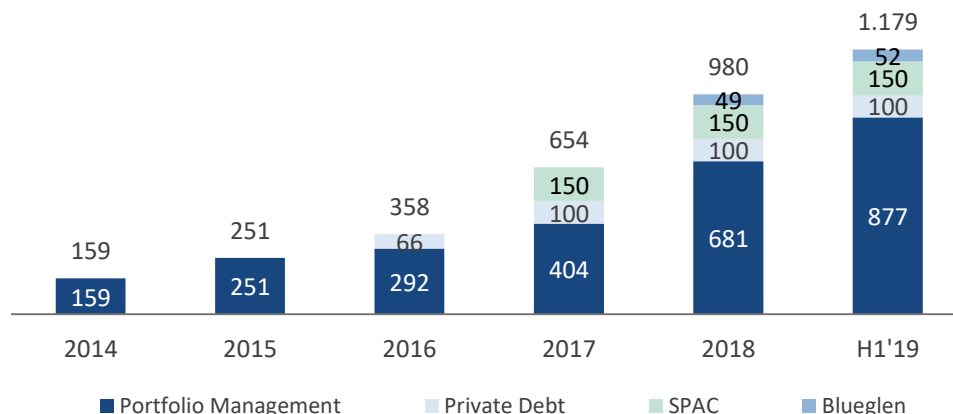
## NET REVENUES (€M)



## Performance drivers in H1 2019

- ≡ **Portfolio Management** grew significantly thanks to the first-time consolidation of “Euromobiliare Equity Mid Small Cap” (since Dec-2018). In late June the team signed an additional agreement to manage another €229m flexible fund <sup>(1)</sup>.
- ≡ **Private Debt** reached 99% of invested capital (1 transaction closed and another under due diligence). The team now focuses on launch the second private debt fund by year-end
- ≡ H1'18 included the impact of the Business Combination with ICF Group. **Excluding this impact Net Revenues would have increased by +44% in Q2'19 and +50% in H1'19**

## Assets under Management (€m)



# ALTERNATIVE ASSET MANAGEMENT – SOUND PERFORMANCE

STRONG TRACK RECORD IN ALMOST ALL PRODUCTS, THANKS TO A STRONG EXPERTISE AND A TOP-QUALITY IN-HOUSE RESEARCH TO RELY ON

## A DIVERSIFIED SET OF PRODUCTS

Broad market recognition of senior professionals, leveraging on top quality in-house research

8 different products of which 7 performing with a strong track record

## PORTFOLIO MANAGEMENT



	2013	2014	2015	2016	2017	2018	YTD <sup>(1)</sup>
Linea	30.8%	10.0%	26.6%	(1.8%)	16.9%	(8.5%)	16.3%
Benchmark	16.1%	0.0%	14.1%	(8.6%)	14.0%	(15.1%)	13.6%
Performance relativa	14.7%	10.1%	12.6%	6.9%	2.9%	6.6%	2.7%



	2013	2014	2015	2016	2017	2018	YTD <sup>(1)</sup>
Linea	66.6%	8.6%	37.1%	(5.5%)	28.7%	(14.4%)	12.2%
Benchmark	39.8%	(0.3%)	30.7%	(4.1%)	25.7%	(16.1%)	8.1%
Performance relativa	26.8%	8.9%	6.4%	(1.4%)	3.0%	1.7%	4.1%



	2013	2014	2015	2016	2017	2018	YTD <sup>(1)</sup>
Linea	30.2%	7.4%	14.8%	(1.1%)	4.6%	(3.6%)	9.0%
Benchmark	9.3%	2.9%	7.4%	(3.7%)	6.8%	(8.0%)	9.8%
Performance relativa	20.9%	4.5%	7.4%	2.6%	(2.2%)	4.4%	(0.8%)



Net Performance (annualized)<sup>(1)</sup>  
**7,8%**



Net Performance (annualized)<sup>(1)</sup>  
**4,6%**

## THIRD PARTIES



Net Performance (annualized)<sup>(1)</sup>  
**4,8%**



FUND TYPE Closed-ended  
COMMITMENT (€, TIME) €100m / 10 yrs  
LEVERAGE (AVG) ≈3x  
GROSS EXP. RET. (%) ≈9.5% YTD<sup>(1)(2)</sup>

+

EPD II Fundraising to start by year-end



EPS Equita PEP SPAC II

(1) Performance as of 30 August 2019  
(2) Assuming no early reimbursement

# ALTERNATIVE ASSET MANAGEMENT – A “DIFFERENT” ASSET MANAGER

EQUITA COMBINES SEVERAL DISTINCTIVE FEATURES THAT MAKE IT UNIQUE IN THE ITALIAN FRAMEWORK

## KEY DIFFERENCES BETWEEN EQUITA CAPITAL SGR AND COMPETITORS



**Fully independent**



**Multi-asset manager**



**Co-investing approach**



**Opened to partnerships**

## GROWTH OPPORTUNITIES IN THE COMING FUTURE



**Launch of new products and investment structures**

- ≡ Fundraising of **EPD II** to start shortly
- ≡ **ELTIF** structure (tax-advantaged) to be implemented in new products
- ≡ Launch of **new products in partnership**



**Performance fees generation**

- ≡ Material **potential upside** from performance fees generated from current and future products



**Other asset classes and strategies**

- ≡ Assessment of **new opportunities** to capitalize on team competences and **expand product offering** (real estate, venture capital, etc) **and investment strategies**

# CAPITAL LIGHT BUSINESS SUPPORTED BY COST DISCIPLINE

## Key Business Model Features

Summary P&L € m	H1 2019	H1 2018	Var. %	FY 2018	FY 2017	Var. %
<b>Net Revenues</b>	<b>25,5</b>	<b>36,7</b>	<b>(31%)</b>	<b>59,8</b>	<b>53,9</b>	<b>11%</b>
Personnel costs <sup>(1)</sup>	(11,6)	(17,3)	(33%)	(27,4)	(26,4)	4%
<i>Compensation/Revenues ratio</i>	<i>(46%)</i>	<i>(47%)</i>		<i>(46%)</i>	<i>(49%)</i>	
Operating costs	(8,1)	(8,4)	(3%)	(16,8)	(12,1)	39%
<b>Total Costs</b>	<b>(19,7)</b>	<b>(25,6)</b>	<b>(23%)</b>	<b>(44,2)</b>	<b>(38,5)</b>	<b>15%</b>
<i>Cost/Income ratio</i>	<i>(77%)</i>	<i>(70%)</i>		<i>(74%)</i>	<i>(71%)</i>	
<b>Profit before taxes</b>	<b>5,8</b>	<b>11,0</b>	<b>(48%)</b>	<b>15,6</b>	<b>15,4</b>	<b>1%</b>
Income taxes	(1,8)	(3,5)	(50%)	(4,5)	(4,3)	4%
<b>Net Profit</b>	<b>4,0</b>	<b>7,6</b>	<b>(47%)</b>	<b>11,0</b>	<b>11,0</b>	<b>0%</b>
<b>Adjusted Net Profit <sup>(2)</sup></b>	<b>4,0</b>	<b>7,6</b>	<b>(47%)</b>	<b>12,0</b>	<b>11,2</b>	<b>7%</b>
<i>Dividend payout</i>				<i>91%</i>	<i>90%</i>	

- ➔ Compensation/Revenues ratio below 50%
- ➔ Discipline on operating costs
- ➔ Operating leverage
- ➔ Dividend payout above 90%

Summary Balance Sheet € m	H1 2019	FY 2018	FY 2017
<b>Total assets</b>	<b>284,9</b>	<b>303,9</b>	<b>246,3</b>
<b>Total liabilities</b>	<b>206,0</b>	<b>218,3</b>	<b>167,3</b>
<b>Total shareholders' equity</b>	<b>74,0</b>	<b>80,1</b>	<b>79,0</b>
<b>Total equity and liabilities</b>	<b>280,0</b>	<b>298,3</b>	<b>246,3</b>
<i>Total Capital Ratio</i>	<i>25%</i>	<i>29%</i>	<i>30%</i>

- ➔ Capital light business
- ➔ Strong availability of distributable reserves (€45m as of 31 Dec 2018)
- ➔ Strong ratios, well above minimum requirements



# FOCUS ON COST STRUCTURE

## COST STRUCTURE IMPACTED BY THE GROWTH OF THE BUSINESS AND A DIFFERENT PERIMETER

€ m	H1 2019	H1 2018	Var. %
<b>Personnel costs <sup>(1)</sup></b>	<b>(11,6)</b>	<b>(17,3)</b>	<b>(33%)</b>
<i>o/w Fixed component</i>	(9,0)	(7,6)	18%
<i>o/w Variable component</i>	(2,6)	(9,6)	(73%)
<b>FTEs <sup>(2)</sup></b>	<b>151</b>	<b>136</b>	<b>11%</b>
<i>Comps / Revenues</i>	(46%)	(47%)	

123 FTEs in H1'18 excluding the 13 resources of Retail Hub (included since 1 June '18)  
+22% growth in FTEs (H1'19 vs H1'18),  
mainly driven by junior resources

€ m	H1 2019	H1 2018	Var. %
<b>Operating Costs</b>	<b>(8,1)</b>	<b>(8,4)</b>	<b>(3%)</b>
<i>o/w Information Technologies</i>	(3,0)	(2,1)	39%
<i>o/w Trading Fees</i>	(1,7)	(0,9)	82%
<i>o/w Non-Recurring</i>	-	(1,4)	(100%)
<i>o/w Other</i>	(3,5)	(3,9)	(11%)

### Retail Hub & Market Making (change in perimeter)

c. €0.6m IT expenses  
c. €0.8m Trading Fees

## Personnel Costs

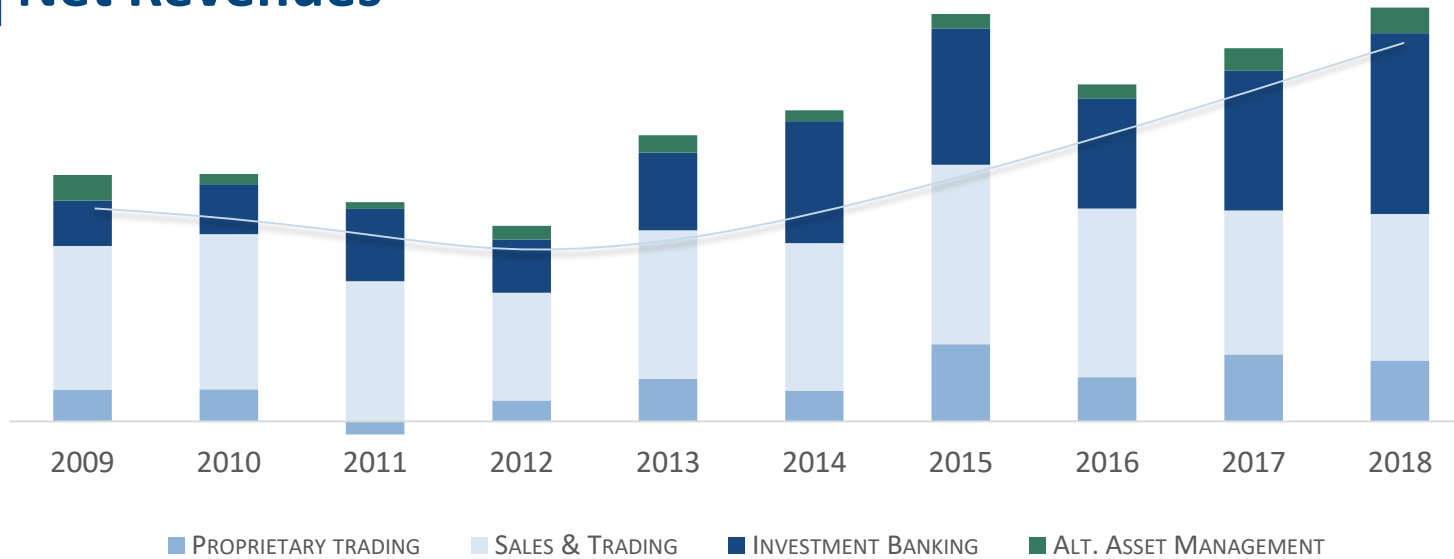
- ≡ **Personnel costs** decreased by 33% in H1'19 versus H1'18
- ≡ **Fixed component** up by +18% as a result of:
  - ≡ net organic growth in number of professionals (mainly junior)
  - ≡ 13 additional resources from the integration of Retail Hub and Market Making activities (since 1 June 2018)
- ≡ **Comps/Revenues ratio** at 46% in H1'19, in line with FY'18 and below the 47% in H1'18

## Operating Costs

- ≡ **Operating costs** in line with the previous year (-3%)
- ≡ €1.4m of **costs related to the operations of the Retail Hub** which are connected to higher revenues in the Global Markets area

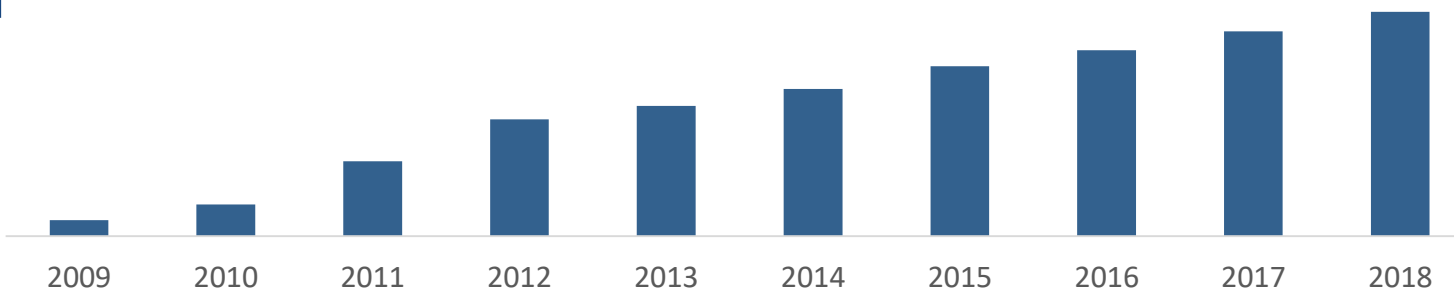
# RESILIENT AND PROFITABLE PERFORMANCE THANKS TO DIVERSIFICATION

## Net Revenues



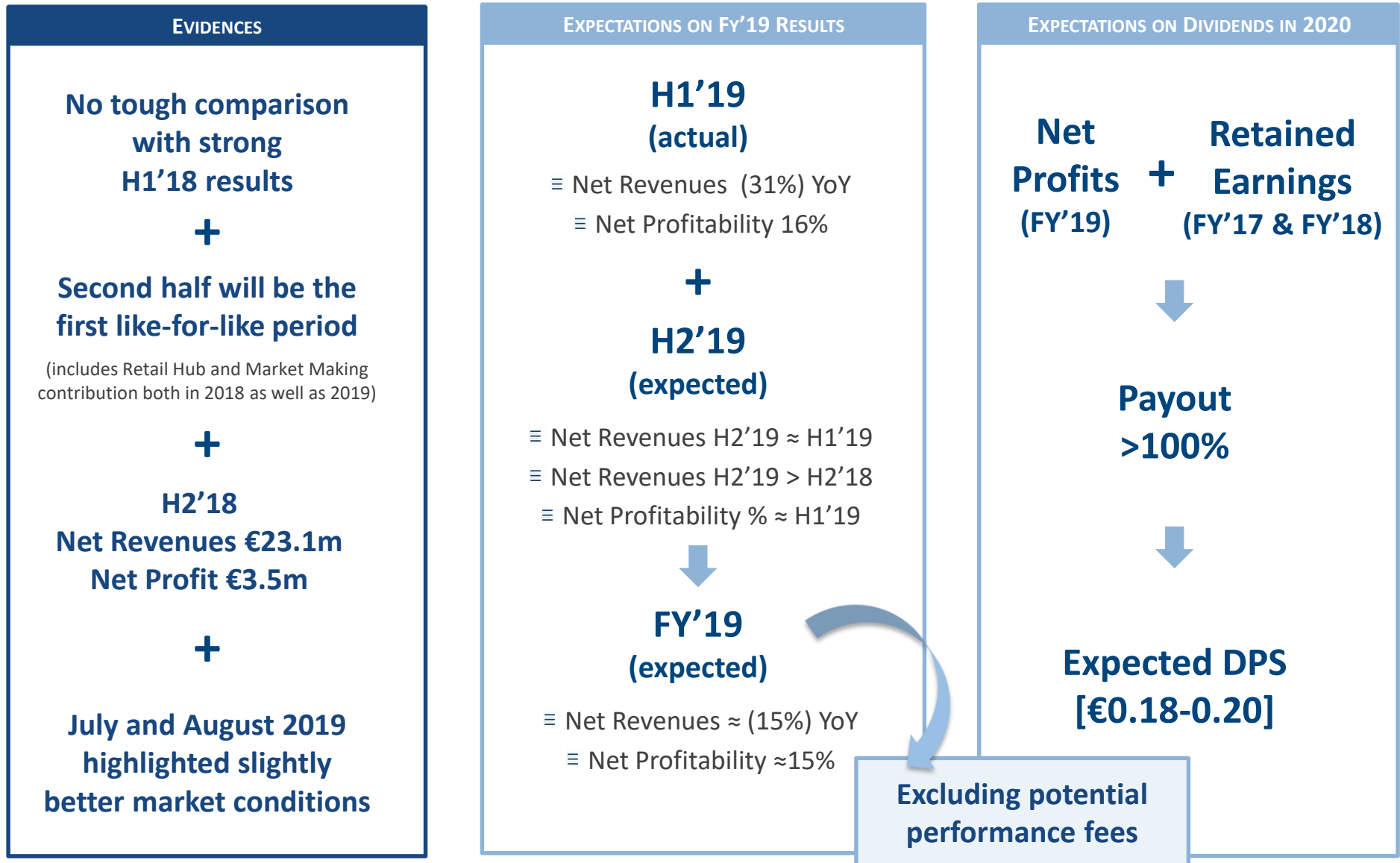
**+6%**  
CAGR '09-'18  
in Net Revenues  
over the last  
10 years

## Cumulated Net Profits



**€130m+**  
Cumulated  
Net Profits  
over the last  
10 years

# OUTLOOK 2019 – EQUITA EXPECTATIONS FOR THE FULL-YEAR



# SEVERAL INITIATIVES TO STRENGTHEN BRAND AND SUSTAINABILITY

EQUITA HAS ALWAYS BEEN A STRONG PLAYER IN ITALY BUT IN RECENT YEARS IT HAS SIGNIFICANTLY STRENGTHENED ITS BRAND, ALSO THANKS TO ESG INITIATIVES

## Partnership with Bocconi University on Capital Markets



Encourage the debate on structural elements, development factors and possible solutions for the growth of capital markets for Italian companies

## Partnership with Cattolica University on ESG & Sustainability



Research on relevant ESG factors for Italian SMEs to support investors to better evaluate those companies from an ESG perspective

## Listing on the AIM and MTA - STAR



Increased visibility in Italy and abroad  
Commitment to high standards in corporate governance, transparency and communication

## Ad-hoc ESG initiatives



Welfare plan for employees  
ESG factors embedded in the remuneration policy  
Ongoing education for our professionals  
New internal policies to protect environment

## Corporate Identity



Launch of new corporate website (Equita.eu) and improved presence on social networks  
Pro-active management of contents on the web

## Partnership with Accademia di Brera to promote Culture and Art



Reward young talented students, research and didactics in artistic disciplines



## Strong Brand and ESG/sustainable approach improve positioning for future growth

# SUCCESSFUL PARTNERSHIP FOCUSED ON TALENTED PEOPLE

STRONG GROWTH IN NUMBER OF PROFESSIONALS THANKS TO HIGH RETENTION

## No. Professionals

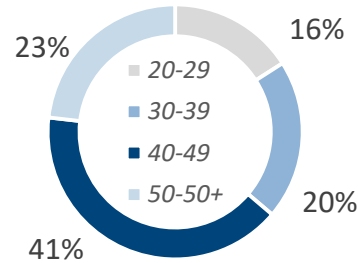
# 151

(as of 30 June 2019)



Number of Professionals growing in line with new businesses

## Age



Age-groups well distributed, with 77%+ below 50 years old

## AVG Tenure in Equita

# 10 years



With higher tenure among senior managers

STRONG SENSE OF BELONGING THANKS TO CONTINUING EDUCATION OPPORTUNITIES AND FAIR REMUNERATION BASED ON MERIT



### Ongoing education and training

55 professionals trained in 2018 (o/w 11 managers)



### Attention to young talents and their development

22 internships and several job rotation opportunities



### High quality of workplace

Great reputation for access to talented professionals



### Partnership model

Professionals highly committed thanks to stock ownership, aligning interests

# WHAT'S NEXT?

## KEY ACHIEVEMENTS



### Global Markets & Research

- ≡ Successful MiFID II transition
- ≡ New Retail Hub & Fixed Income activities, including research
- ≡ Growing ETF and derivatives
- ≡ Small/low risk in prop trading, focus on client service

### Investment Banking

- ≡ Utilities/Infrastructure, Fin. Sponsors, Small Caps coverage
- ≡ Sizeable team growth
- ≡ Market shares gain and league table positioning

### Alternative Asset Management

- ≡ Reached € 1bn of assets under management quickly
- ≡ Strengthened team
- ≡ Equita Capital SGR (Management Company) established and approved by Bank of Italy

### Supporting Structure & Governance

- ≡ IT and management control systems upgrade
- ≡ ESG and effective brand positioning
- ≡ Strong focus on human capital
- ≡ New shareholders' agreement with key managers

### M&A

- ≡ Retail Hub and Market Making operations from Nexi

## WHAT'S NEXT



- ≡ Maximize synergies and increase productivity
- ≡ Discipline on costs/technology
- ≡ Cross-selling and increase market shares
- ≡ Further focus on small caps research, with synergies across the firm
- ≡ Further team growth
- ≡ Close gap with larger independent players, upside potential
- ≡ Cross-selling with Asset Management
- ≡ Further team growth
- ≡ Equita Private Debt II
- ≡ New products and services under evaluation
- ≡ Efficient CRM system
- ≡ Focus on costs
- ≡ Further brand enhancing initiatives
- ≡ Selected opportunities in IB/AAM, both in Italy and Europe
- ≡ Potential high-level partnerships contributing synergies to Equita's businesses

# OUR LONG TERM VISION: A LEADING INDEPENDENT FINANCIAL SERVICES PLAYER



**From a highly specialised equity brokerage firm to one of the most respected independent players in financial services, with opportunities in different business areas**

- ≡ **Undisputed leader in Global Markets** in Italy, with **high market share** as result of both i) management's ability to diversify offering and ii) weakening conditions of competitors
- ≡ **Leader among independent investment banks** in Italy with a full range of products-services for companies and entrepreneurs
- ≡ **Well positioned among alternative asset managers** in Italy, with fast-growing assets under management
- ≡ **Influential opinion maker on capital markets** in Italy (partnership with Bocconi, Equita Research Lab, ...) with increasing impact with regard to **sustainability, ESG** and **Mid-Small Caps**

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APPENDIX



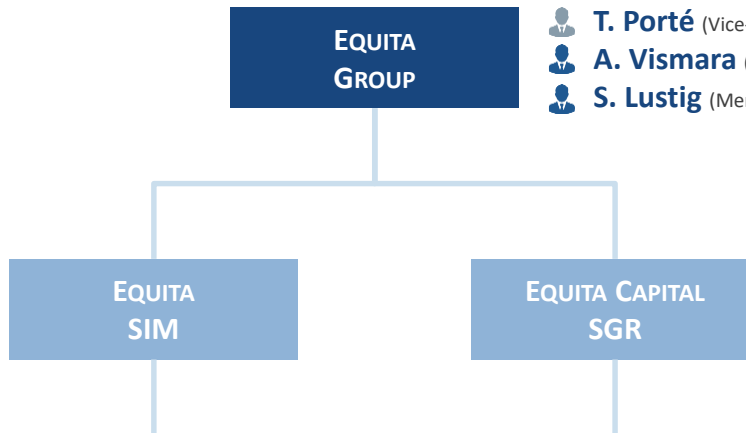
# EXPERIENCED MANAGEMENT SUPPORTED BY WELL-INTEGRATED TEAMS

- Equita Management Board members
- Independent Board members
- Key managers
- Control functions

- F. Perilli** (Chairman)
- T. Porté** (Vice-Chairman)
- A. Vismara** (CEO)
- S. Lustig** (Member)
- S. Biglieri** (Member)
- M. Ferrari** (Member)
- M. Zeme** (Member)

- L. Roth** (Chairman)
- F. Deotto** (Vice-Chairman)
- M. Ghilotti** (Vice-Chairman)
- A. Vismara** (CEO)
- F. Perilli** (Member)

- L. Roth** (Chairman)
- M. Ghilotti** (CEO)
- S. Milanese** (Member & Group CFO)
- S. Lustig** (Member)
- P. Pendenza** (Member)
- M. Zeme** (Member)



<b>GLOBAL MARKETS</b> <span style="border: 1px dashed red; border-radius: 50%; padding: 2px 5px; color: white;">40+</span>	<b>INVESTMENT BANKING</b> <span style="border: 1px dashed red; border-radius: 50%; padding: 2px 5px; color: white;">30+</span>
<ul style="list-style-type: none"> <li> <b>V. Abbagnano</b> (Co-Head of Sales &amp; Trading)</li> <li> <b>F. Arcari</b> (Co-Head of Sales &amp; Trading)</li> <li> <b>C. Rho</b> (Co-Head of Sales &amp; Trading)</li> <li> <b>S. Martucci</b> (Head of Proprietary Trading)</li> </ul>	<ul style="list-style-type: none"> <li> <b>M. Clerici</b> (Co-Head of Investment Banking &amp; Head of Global Financing)</li> <li> <b>G. Mazzalveri</b> (Co-Head of Investment Banking &amp; Head of Financial Institution)</li> <li> <b>C. Volpe</b> (Co-Head of Investment Banking &amp; Head of Corporate Advisory)</li> </ul>
<b>RESEARCH TEAM</b> <span style="border: 1px dashed red; border-radius: 50%; padding: 2px 5px; color: white;">14</span>	
<ul style="list-style-type: none"> <li> <b>L. De Bellis</b> (Co-Head of Research Team)</li> <li> <b>D. Ghilotti</b> (Co-Head of Research Team)</li> </ul>	

<b>ALTERNATIVE ASSET MANAGEMENT</b> <span style="border: 1px dashed red; border-radius: 50%; padding: 2px 5px; color: white;">10</span>
<ul style="list-style-type: none"> <li> <b>M. Ghilotti</b> (Co-Head of AAM &amp; Head of Portfolio Management)</li> <li> <b>S. Lustig</b> (Co-Head of AAM)</li> <li> <b>P. Pendenza</b> (Head of Private Debt)</li> <li> <b>R. Rufini</b> (Co-Head of Private Equity)</li> </ul>

<b>GROUP OPERATIONS, STAFF AND CONTROL FUNCTIONS</b> <span style="border: 1px dashed red; border-radius: 50%; padding: 2px 5px; color: white;">50+</span>		
<b>S. Milanese</b> (Group CFO & COO)	<b>P. Pedrazzini</b> (Head of Compliance, Risk & AML)	<b>E. D'Ardes</b> (Internal Audit)

# BALANCE SHEET AND TOTAL CAPITAL RATIO

LIGHT BALANCE SHEET AND HEALTHY CAPITAL STRUCTURE, WITH TOTAL CAPITAL RATIO WELL ABOVE REQUIREMENTS

€ m	H1'19	FY'18
Cash & cash equivalents	0,0	0,0
Assets at FV to P&L & Equity investments	72,2	62,0
Receivables	180,4	215,1
Tangibles assets	7,5	0,6
Intangible assets	15,0	15,0
Tax assets	2,6	3,9
Other assets	2,2	1,7
<b>Total assets</b>	<b>280,0</b>	<b>298,3</b>
Debt	173,0	184,8
Financial liabilities held for trading	16,8	8,3
Tax liabilities	2,9	2,0
Other liabilities	7,4	14,5
Employee termination indemnities	2,6	2,4
Provisions for risks and charges	3,4	6,2
<b>Total liabilities</b>	<b>206,0</b>	<b>218,3</b>
Share capital	11,4	11,4
Treasury shares	(4,5)	(4,5)
Share premium reserve	18,2	18,2
Reserves	44,9	44,0
Valuation reserves	(0,0)	0,0
Profit /(Loss) for the financial year	4,0	11,0
<b>Total shareholders' equity</b>	<b>74,0</b>	<b>80,1</b>
<b>Total shareholders' equity and liabilities</b>	<b>280,0</b>	<b>298,3</b>

**Total Capital Ratio at  
24.7%, well above the  
capital requirements**





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