EQUITA

22 OCTOBER 2019

STAR CONFERENCE – INVESTOR PRESENTATION (H1'19 RESULTS)

MILESTONES

LONG TRADITION AS ITALIAN INDEPENDENT INVESTMENT BANK

1973

Incorporation of **Euromobiliare**, one of the first merchant banks in Italy

1981

Listing of Euromobiliare on the Italian Stock Exchange

1988-1994

Midland Bank acquires control of Euromobiliare (1988)

Incorporation of **Euromobiliare SIM** (1991)

Credito Emiliano acquires Euromobiliare and completes a reverse merger and listing process (1994)

2003

Launch of **discretionary portfolio management** business

2007-2008

J.C. Flowers & Co., in partnership with the management team, acquires a controlling stake in Euromobiliare SIM

Euromobiliare SIM changes its name in **Equita SIM**

2015

The management team of Equita SIM (which already owns 49.5%) and Alessandro Profumo buy 50.5% from J.C. Flowers & Co.

2016

Launch of a €100m closed-end **Private Debt fund**

2017

Incorporation of **Equita Group** (HoldCo which owns 100% of Equita SIM). The management acquires the majority of Profumo's stake

Equita Group listed on **AIM Italia**

Launch of **EPS Equita PEP SPAC** (€150m), Italy's first institutional SPAC, and listing on **AIM Italia**

2018

Acquisition of Nexi's **Brokerage & Primary Market and Market Making business units**

Partnership with **Blueglen** for exclusive distribution in Italy of a fund focused on high yield credit

Equita Group moves to the **STAR segment of Borsa Italiana**

Today

Launch of the Asset Management Company (**Equita Capital SGR**)

GROUP AND SHAREHOLDING STRUCTURE

GROUP STRUCTURE

EQUITA GROUP

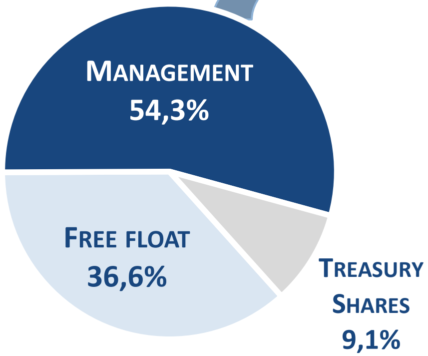
100% **EQUITA SIM**

- Global Markets
- Investment Banking
- Research Team

100% **EQUITA CAPITAL SGR**

- Alternative Asset Management

SHAREHOLDING STRUCTURE



SHAREHOLDERS' AGREEMENTS

First Shareholders' Agreement-*Bis*

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

Other Shareholders' Agreements [1)]

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

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

Partnership "opened" to the market

Strong management commitment and entrepreneurial spirit

(1) Other two agreements in place, one expiring in November 2019 (the "Third Shareholders' Agreement") and the other entering into force in November 2019 (the "Fourth Shareholders' Agreement") and expiring in November 2022

SNAPSHOT OF HALF-YEAR 2019 RESULTS

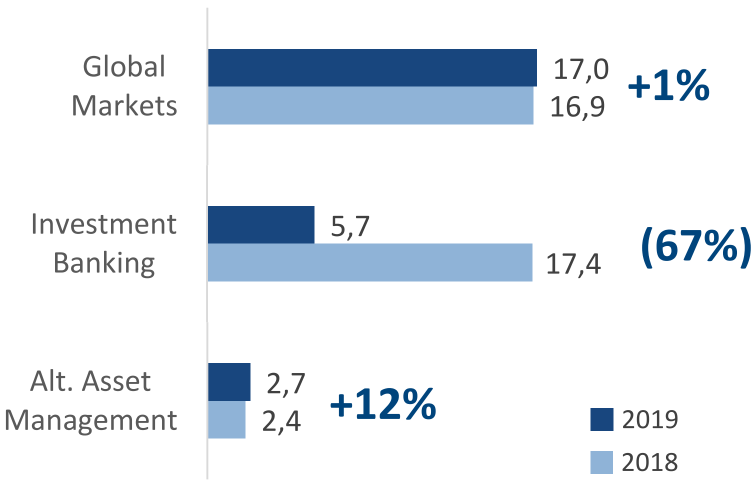
PERFORMANCE IMPACTED BY TOUGH INVESTMENT BANKING MARKETS AND COMPARISON EFFECT WITH 2018 EQUITA RESULTS

KEY FINANCIAL HIGHLIGHTS

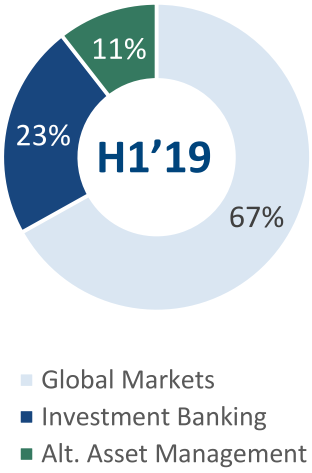
€25.5m	€4.0m	25%	14%	€1.2bn	€0.22
(-31% vs H1'18)	*(-47% vs H1'18)*	*(as of 30 June 2019)*	*(as of 30 June 2019)*	*(+20% vs FY'18)[1]*	*(paid-out on 8 May 2019)*
Net Revenues	**Net Profit**	**Total Capital Ratio**	**Return on Tangible Equity**	**Assets under Management**	**Dividend per Share**

DIVISIONAL PERFORMANCE AND REVENUES BREAKDOWN

Divisional Performance H1'19 vs H1'18

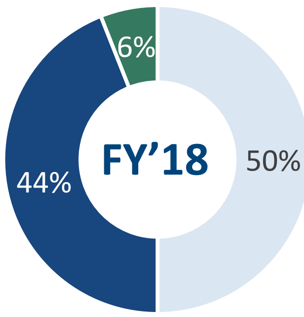


Revenues Breakdown H1'19



2018 HIGHLIGHTS

Revenues Breakdown FY'18



€59.8m Net Revenues

€12.0m Adj. Net Profit

(1) Including €150m of the SPAC

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)

GLOBAL MARKETS

CLIENT-RELATED BUSINESS

- **INSTITUTIONAL SALES**
  - SALES (PRIMARY, SECONDARY)
  - TRADING/ EXECUTION
- **RETAIL HUB SALES**
  - SALES (PRIMARY, SECONDARY)
  - TRADING/ EXECUTION
- **CLIENT DRIVEN TRADING & MARKET MAKING**
  - MARKET MAKING
  - SPECIALIST / LIQUIDITY PROVIDER
  - BROKERAGE (ON BEHALF OF CLIENTS)

NON-CLIENT RELATED

- **DIRECTIONAL TRADING**
  - DIRECTIONAL TRADING
  - RISK ARBITRAGE & SPECIAL SITUATIONS
  - VOLATILITY

New Fixed Income Team

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

2018 Acquisition from Nexi

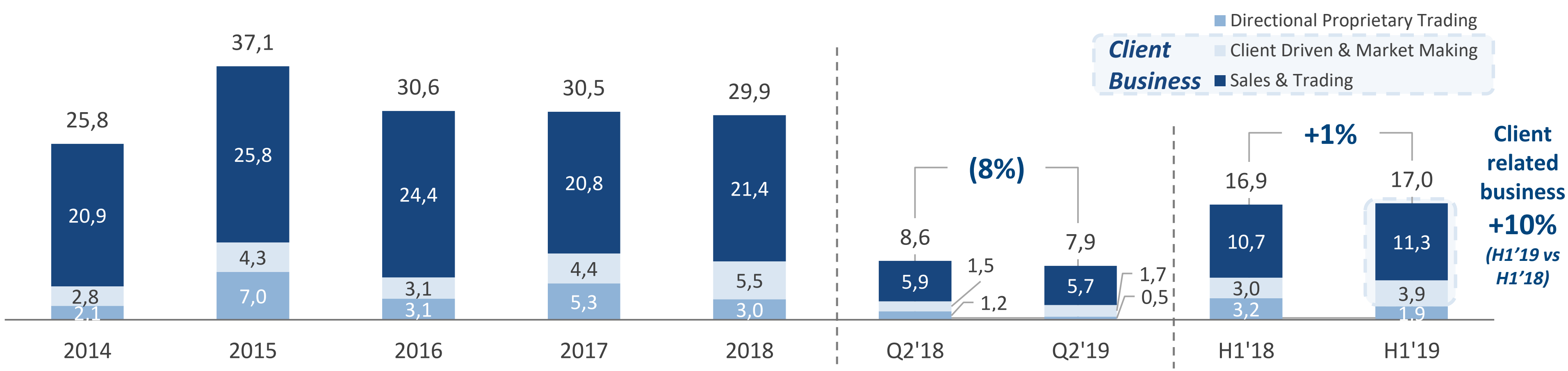
to expand and diversify Sales & Trading and strengthen Market Making

(1) Equita estimates based on full-year projections of brokered volumes in H1'19

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[(1)]

(third parties brokered volumes)

EQUITA	Equities	Bonds	Equity Options
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%
Q3'19	9.4%	6.8%	6.6%
9M'19	**9.4%**	**6.4%**	**8.1%**

(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

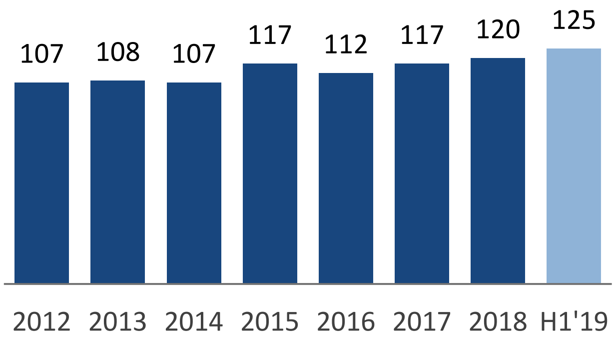
EQUITA CONFIRMED BREADTH AND QUALITY OF ITS RESEARCH AND EXPANDED COVERAGE TO THE BOND SEGMENT

EQUITA COVERAGE

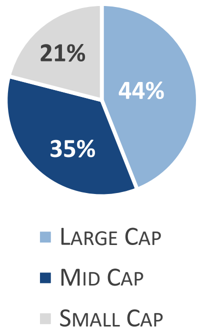
ITALIAN

# of companies covered

The Equita Research Team **covers approx. 96% of the Italian market capitalization**



Market size covered (1)



ABROAD

+ 44 foreign stocks covered

(as of 30 June 2019)

Coverage of Equities and Bonds

RESEARCH TEAM OVERVIEW (2018)

14 (2) 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

(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 (1)

EXTEL

Trading Execution — 2° 2019

2013	2014	2015	2016	2017	2018
1	1	1	1	2	2

Equity Sales — 2° 2019

2013	2014	2015	2016	2017	2018
1	1	2	2	3	2

CORPORATE ACCESS (1)

Company & Expert Meetings — 1° 2019

2013	2014	2015	2016	2017	2018
1	1	2	2	3	2

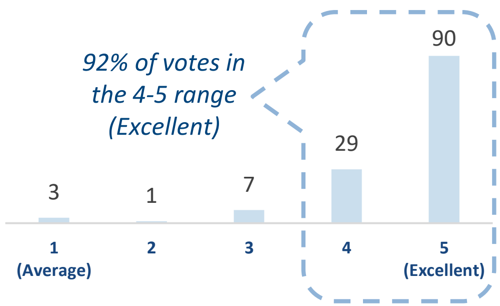
RESEARCH TEAM (1)

EXTEL

Country Research — 3° 2019

2013	2014	2015	2016	2017	2018
1	1	2	2	2	2

Votes received in 2019 by the Equita Research Team (2)



Institutional Investor

Italian Research Team — 2° 2019

2013	2014	2015	2016	2017	2018
1	1	1	2	1	1

(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

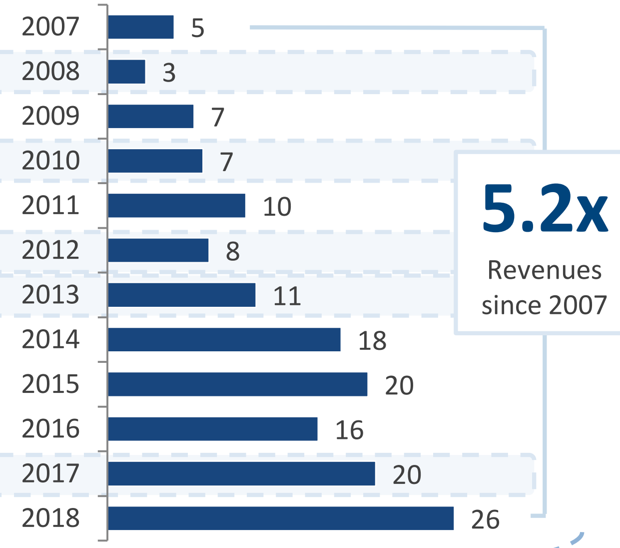
Debt Advisory

Debt Capital Markets

Financial Sponsors

No. of Professionals

Net Revenues



Italian Rankings 2018

#	IPO and Listings (1)	# 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 (2)	# 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 (3)	# 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) 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) DCM rankings are made considering only High Yield and Not Rated bonds. Source: Bondradar; (3) M&A 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

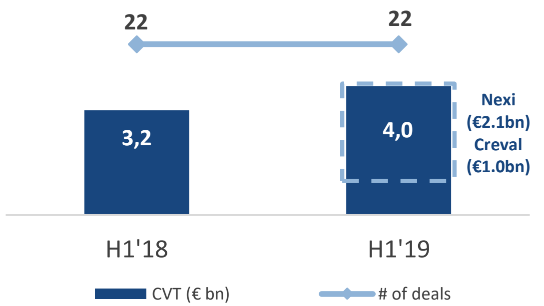
Equity Capital Markets (1)	Debt Capital Markets (2)	Mergers & Acquisitions (3)

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

Equity Capital Markets

Volumes	**+23%**
# deals	**0%**

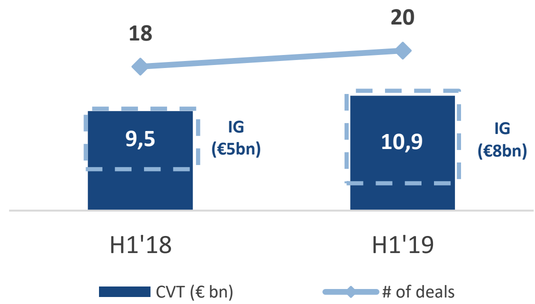
(72%) excluding two large deals



Debt Capital Markets

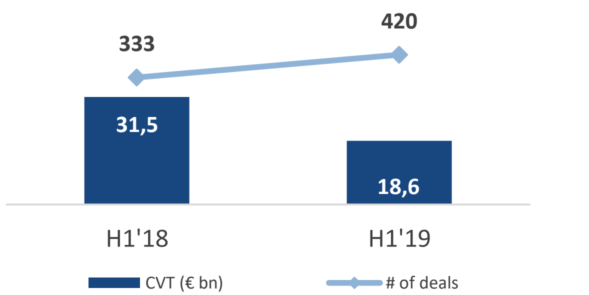
Volumes	**+16%**
# deals	**+11%**

+60% IG
(1%) HY
(84%) NR

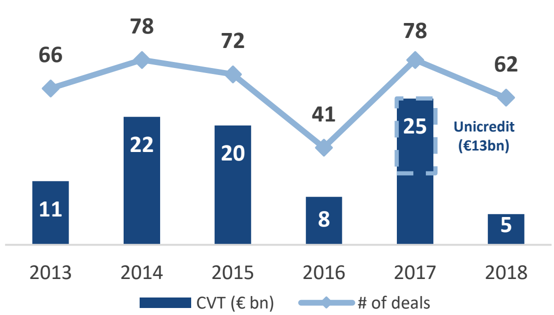


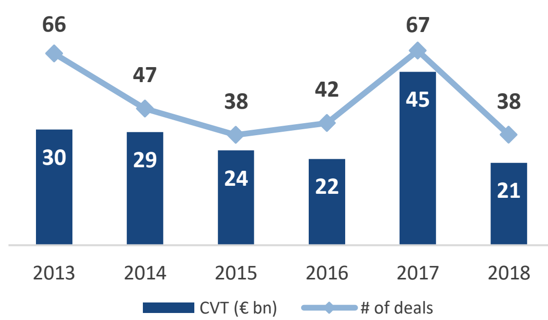
Mergers & Acquisitions

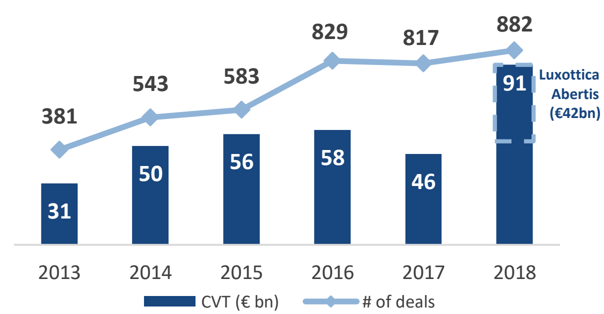
Volumes	**(41%)**
# deals	**+26%**



HISTORICAL MARKET FIGURES FOR ITALY





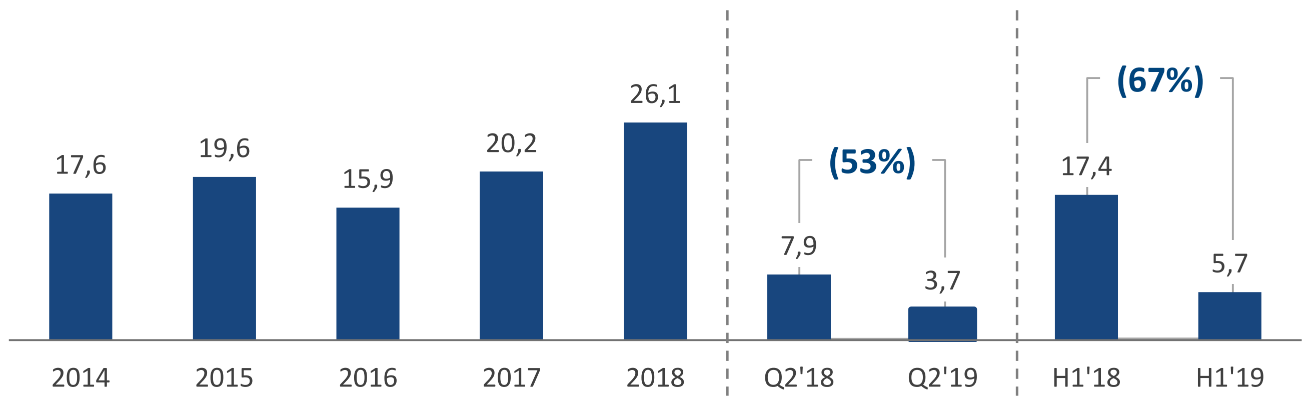


(1) Market figures include IPOs, Convertibles and Follow-on deals. Source: Equita's analysis on Borsa Italiana and Dealogic data; (2) Market figures are made excluding banks/insurances. Source: Bondradar; (3) Source: M&A in Italy, KPMG report; (4) +23% refers to the total market growth; (72%) excluding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



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%)

KEY RELEVANT TRANSACTIONS (YTD) (1)

DCM – S.G.A. SpA
BOND 2.625% 2019-2024 (EMTN Programme) (€ 250 mln)
JOINT BOOKRUNNER
EQUITA
FEBRUARY 2019

M&A – CEDACRI GROUP
ACQUISITION
FINANCIAL ADVISOR TO CEDACRI IN THE ACQUISITION OF OASI
EQUITA
FEBRUARY 2019

ECM – AQUAFIL synthetic fibres and polymers
ACCELERATED BOOKBUILDING (€ 29 mln)
SOLE BOOKRUNNER
EQUITA
MARCH 2019

M&A – ArchiMed / BOMI
ACQUISITION
FINANCIAL ADVISOR IN THE CONTEXT OF THE TENDER OFFER LAUNCHED BY ARCHIMED FOR THE ACQUISITION OF BOMI
EQUITA
MAY 2019

ECM – TINEXTA
ACCELERATED BOOKBUILDING (€ 11 mln)
SOLE BOOKRUNNER
EQUITA
MAY 2019

ECM – ITALIAN EXHIBITION GROUP
IPO (€ 20 mln)
JOINT GLOBAL COORDINATOR AND BOOKRUNNER
EQUITA
JUNE 2019

M&A – IMA / GIMATT
MERGER
FINANCIAL ADVISOR TO THE GIMA TT BOARD OF DIRECTORS IN THE CONTEXT OF THE MERGER WITH IMA
EQUITA
JUNE 2019

M&A – INWIT
INTEGRATION
FINANCIAL ADVISOR IN THE CONTEXT OF THE INTEGRATION OF INWIT AND VODAFONE 22,000 TELECOM TOWERS IN ITALY INTO A SINGLE ENTITY
EQUITA
JULY 2019

(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

SGR

- 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

1st institutional SPAC in Italy
(1st 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

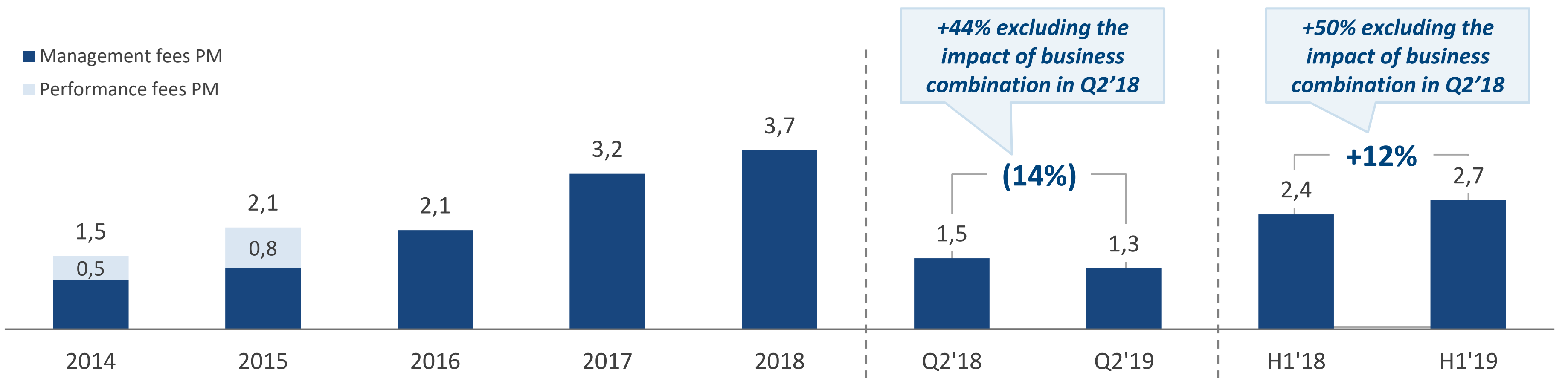
≈€50m distributed + multi-year agreement

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

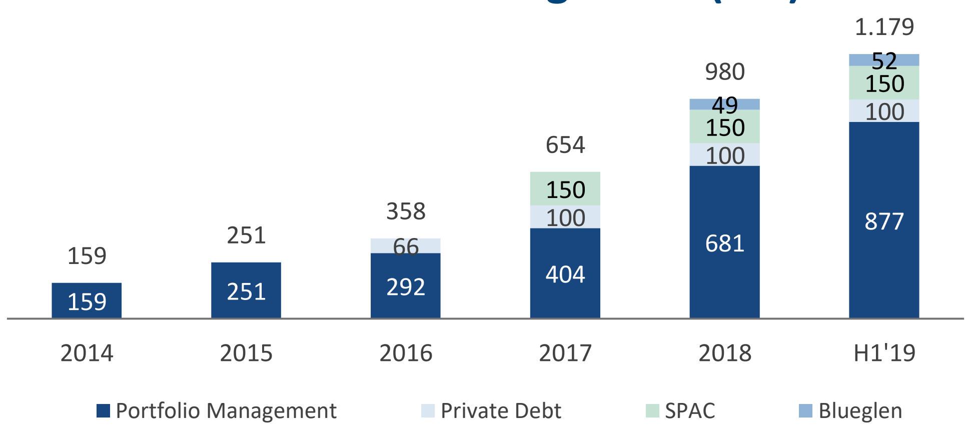
NET REVENUES (€M)



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 [1].
- **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)



(1) «Euromobiliare Equity Selected Dividend»
2014 and 2015 figures referred to Equita SIM; 2016 and onward figures referred to Equita Group

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

1 ITALY TOP SELECTION (BLUE CHIPS)

	2013	2014	2015	2016	2017	2018	YTD(1)
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%

2 TOP SELECTION MID SMALL (MID-SMALL CAPS)

	2013	2014	2015	2016	2017	2018	YTD(1)
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%

3 TOP SELECTION OPPORTUNITY (BALANCED)

	2013	2014	2015	2016	2017	2018	YTD(1)
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%)

4 EQUITY MID SMALL CAP FUND

Net Performance (annualized)(1)
7,8%

5 EQUITY SELECTED DIVIDEND FUND

Net Performance (annualized)(1)
4,6%

THIRD PARTIES

6 BLUEGLEN EQUITA TOTAL RETURN FUND ("BETR")

Net Performance (annualized)(1)
4,8%

PRIVATE DEBT

7 EQUITA PRIVATE DEBT I

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

+

EPD II Fundraising started in October 2019

PRIVATE EQUITY

8

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** started in October 2019
- **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

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

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

Key Business Model Features

- Compensation/Revenues ratio below 50%
- Discipline on operating costs
- Operating leverage
- Dividend payout above 90%
- Capital light business
- Strong availability of distributable reserves (€45m as of 31 Dec 2018)
- Strong ratios, well above minimum requirements

(1) Net of compensation to directors and statutory auditors
(2) Net Profit adjusted for non-recurring items (IPO transactionc costs, etc)

FOCUS ON COST STRUCTURE

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

€ m	H1 2019	H1 2018	Var. %
Personnel costs [1]	**(11,6)**	**(17,3)**	**(33%)**
o/w Fixed component	*(9,0)*	*(7,6)*	*18%*
o/w Variable component	*(2,6)*	*(9,6)*	*(73%)*
FTEs [2]	**151**	**136**	**11%**
Comps / Revenues	*(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

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

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

Retail Hub & Market Making (change in perimeter)

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

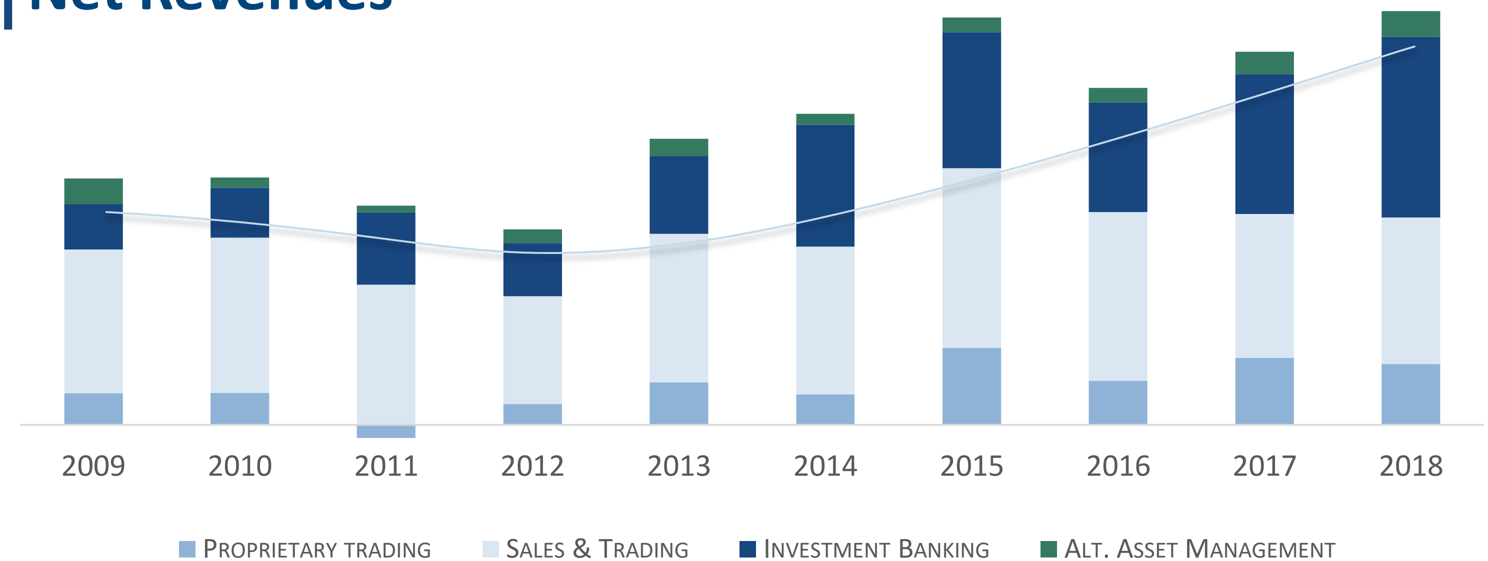
Operating Costs

- **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

(1) Net of compensation to directors and statutory auditors; (2) Number of FTEs at the end of period

RESILIENT AND PROFITABLE PERFORMANCE THANKS TO DIVERSIFICATION

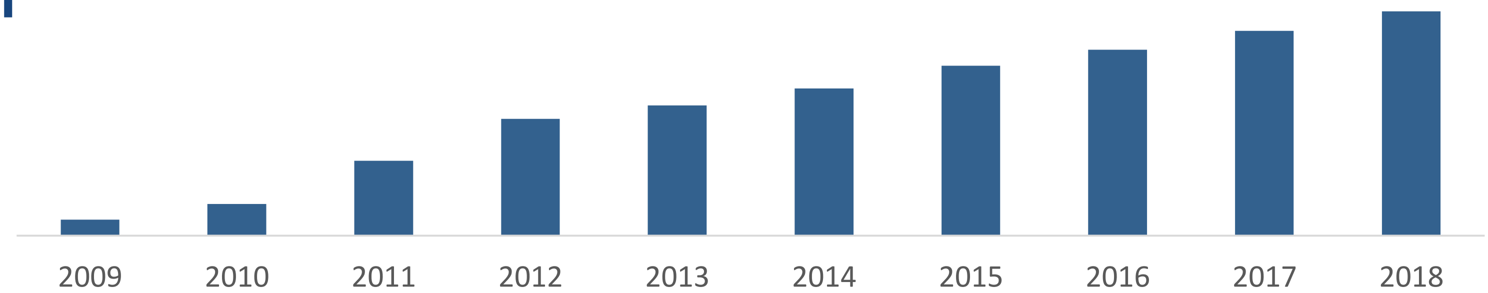
Net Revenues



+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

Evidences

No tough comparison with strong H1'18 results

+

Second half will be the first like-for-like period

(includes Retail Hub and Market Making contribution both in 2018 as well as 2019)

+

H2'18
Net Revenues €23.1m
Net Profit €3.5m

+

July and August 2019 highlighted slightly better market conditions

Expectations on FY'19 Results

H1'19 (actual)

- Net Revenues (31%) YoY
- Net Profitability 16%

+

H2'19 (expected)

- Net Revenues H2'19 ≈ H1'19
- Net Revenues H2'19 > H2'18
- Net Profitability % ≈ H1'19

↓

FY'19 (expected)

- Net Revenues ≈ (15%) YoY
- Net Profitability ≈15%

Excluding potential performance fees

Expectations on Dividends in 2020

Net Profits (FY'19) + **Retained Earnings (FY'17 & FY'18)**

↓

Payout >100%

↓

Expected DPS [€0.18-0.20]

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

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 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 Accademia di Brera to promote Culture and Art

Reward young talented students, research and didactics in artistic disciplines

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

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

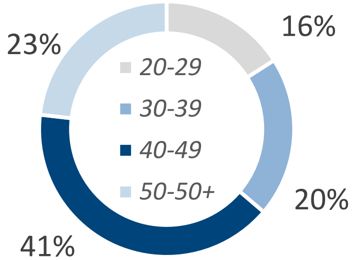
No. Professionals

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	What's Next
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	≡ 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
Investment Banking	≡ Utilities/Infrastructure, Fin. Sponsors, Small Caps coverage ≡ Sizeable team growth ≡ Market shares gain and league table positioning	≡ Further team growth ≡ Close gap with larger independent players, upside potential ≡ Cross-selling with Asset Management
Alternative Asset Management	≡ Reached € 1bn of assets under management quickly ≡ Strengthened team ≡ Equita Capital SGR (Management Company) established and approved by Bank of Italy	≡ Further team growth ≡ Equita Private Debt II ≡ New products and services under evaluation
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	≡ Efficient CRM system ≡ Focus on costs ≡ Further brand enhancing initiatives
M&A	≡ Retail Hub and Market Making operations from Nexi	≡ 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

’70s	’90s - 2006	2006 - 2018	...Future
FIRST INDEPENDENT MERCHANT BANK IN ITALY	LEADING EQUITY BROKERAGE HOUSE	DIVERSIFICATION AND BRAND AWARENESS	?

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**

Index

APPENDIX

EXPERIENCED MANAGEMENT SUPPORTED BY WELL-INTEGRATED TEAMS

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

EQUITA GROUP

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

EQUITA SIM

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

EQUITA CAPITAL SGR

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

GLOBAL MARKETS — 40+

- **V. Abbagnano** (Co-Head of Sales & Trading)
- **F. Arcari** (Co-Head of Sales & Trading)
- **C. Rho** (Co-Head of Sales & Trading)
- **S. Martucci** (Head of Proprietary Trading)

INVESTMENT BANKING — 30+

- **M. Clerici** (Co-Head of Investment Banking & Head of Global Financing)
- **G. Mazzalveri** (Co-Head of Investment Banking & Head of Financial Institution)
- **C. Volpe** (Co-Head of Investment Banking & Head of Corporate Advisory)

RESEARCH TEAM — 14

- **L. De Bellis** (Co-Head of Research Team)
- **D. Ghilotti** (Co-Head of Research Team)

ALTERNATIVE ASSET MANAGEMENT — 10

- **M. Ghilotti** (Co-Head of AAM & Head of Portfolio Management)
- **S. Lustig** (Co-Head of AAM)
- **P. Pendenza** (Head of Private Debt)
- **R. Rufini** (Co-Head of Private Equity)

GROUP OPERATIONS, STAFF AND CONTROL FUNCTIONS — 50+

- **S. Milanesi** (Group CFO & COO)
- **P. Pedrazzini** (Head of Compliance, Risk & AML)
- **E. D'Ardes** (Internal Audit)

Number of professionals by business line or area

BALANCE SHEET AND TOTAL CAPITAL RATIO

LIGHT BALANCE SHEET AND HEALTY 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
Total assets	280,0	298,3
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
Total liabilities	206,0	218,3
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
Total shareholders' equity	74,0	80,1
Total shareholders' equity and liabilities	280,0	298,3

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

NOTE

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