



EQUITA Group 1H'23 Financial Results

September 7th, 2023



Agenda

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- 1. Market Update and 1H'23 Achievements**
 - 2. Financial Performance in 1H'23**
 - 3. Outlook 2023 and Closing Remarks**
 - 4. Appendix**



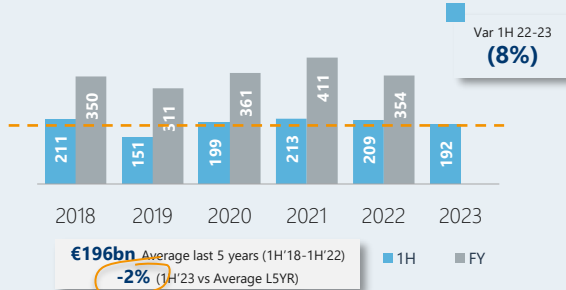
Market Update and 1H'23 Achievements

Challenging Trends due to Rising Concerns about the Future

THIRD PARTIES BROKERED VOLUMES IN ITALY (1)

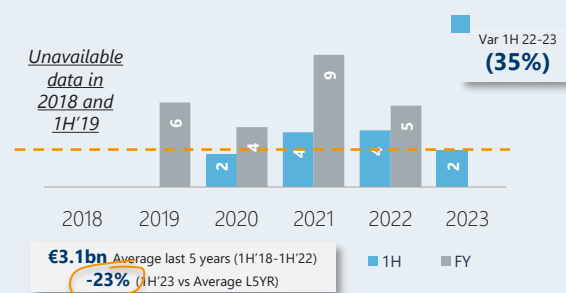
EQUITY – EURONEXT MILAN

(volumes, €bn)



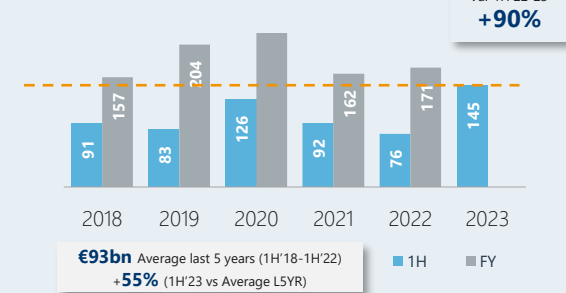
EQUITY – EURONEXT GROWTH MILAN (EGM)

(volumes, €bn)



FIXED INCOME (MOT)

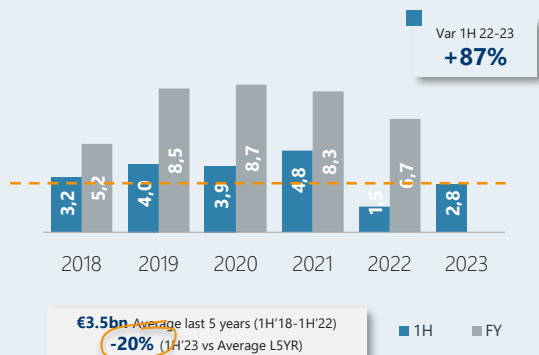
(volumes, €bn)



CAPITAL MARKETS

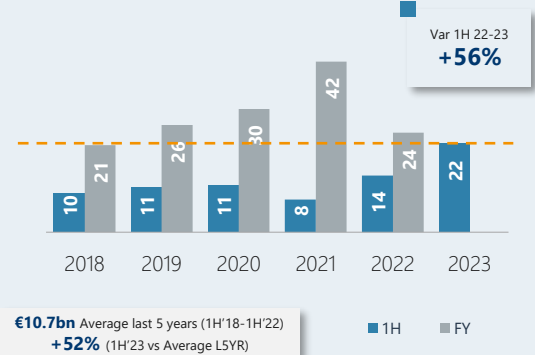
EQUITY CAPITAL MARKETS | ECM (2)

(countervalue, €bn)

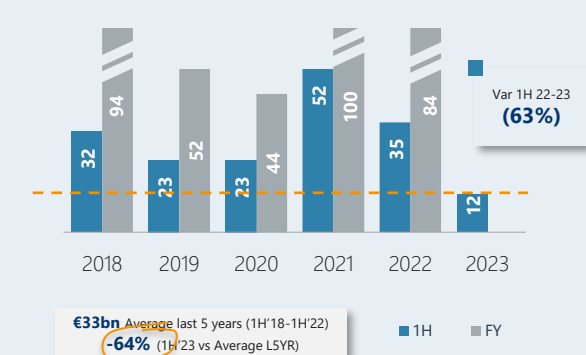


DEBT CAPITAL MARKETS | DCM (3)

(countervalue, €bn)



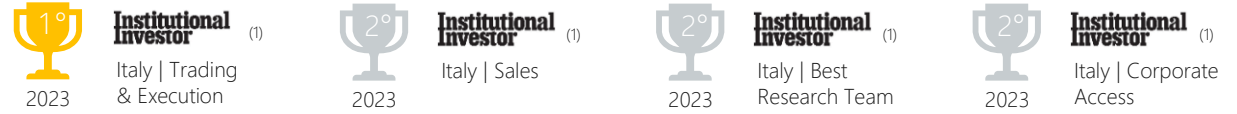
MERGERS & ACQUISITIONS (4)



(1) Source: ASSOSIM; MOT figures referred to the aggregate of DomesticMOT, ExtraMOT and EuroMOT. (2) Source: Dealogic; 1H'22 figure excludes the right issue completed by Stellantis (€732m). (3) Source: Bondradar. (4) Source: KPMG.

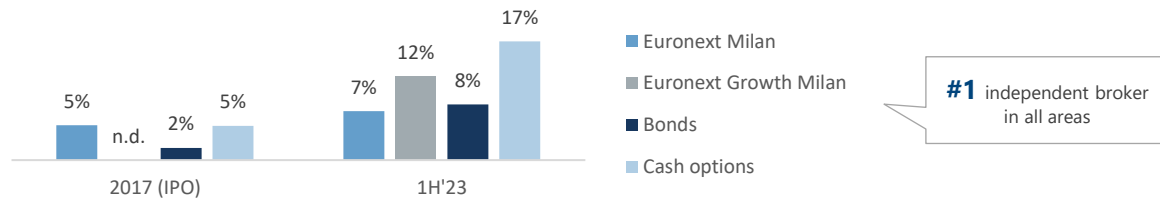
Leadership in Financial and Capital Markets confirmed

At the Top of International Rankings for many years



Most voted broker in Italy in the 2023 Institutional Investor survey and always ranked among Top 3 brokers in all categories

High Markets Shares in the Brokerage Industry



Significant market shares in all relevant segments, working as barriers to entry and as potential growth opportunity in case of increase in trading volumes in Italy

Leading ECM Franchise in the Domestic Market

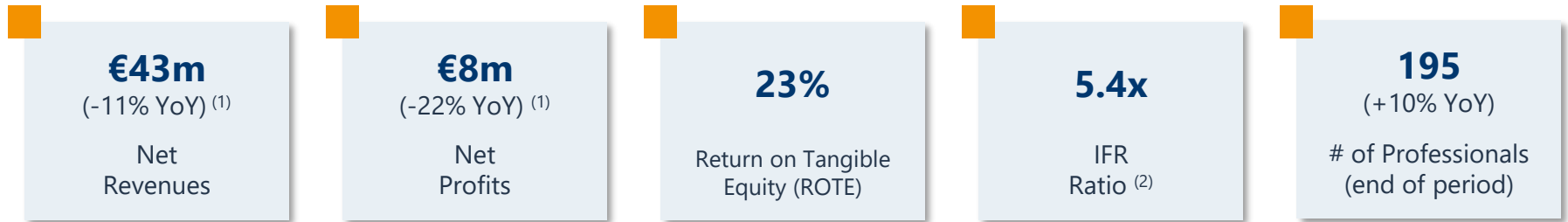


#1 Investment Bank in Europe by number of IPOs completed in 1H'23 with 5 deals

(1) Institutional Investor rankings, Italy. Based on weighted commissions.

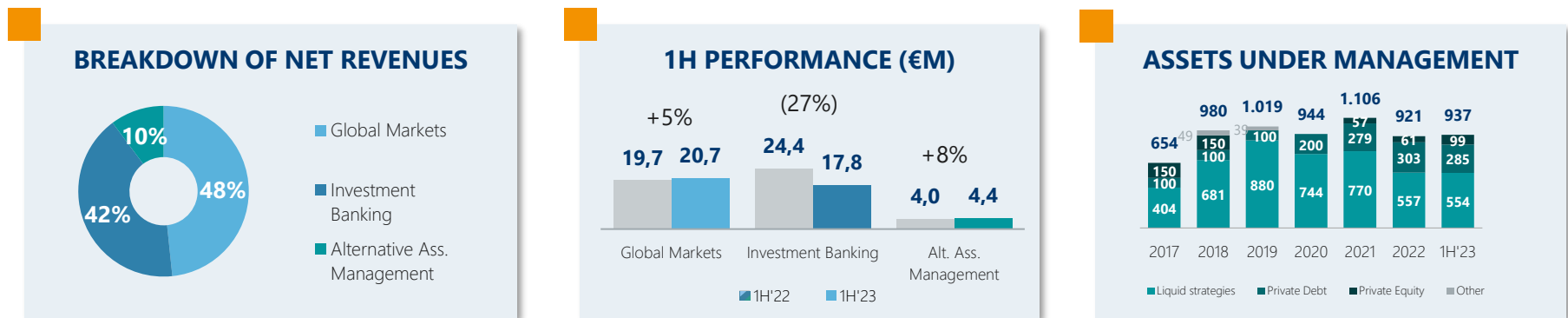
Snapshot on First-Half 2023 Consolidated Results

KEY FINANCIAL HIGHLIGHTS



+14% in Net Revenues and **+8%** YoY in Net Profits excluding the contribution of one very profitable mandate completed by EQUITA K Finance in June '22

DIVISIONAL PERFORMANCE



(1) Overall performance was impacted by the tough comparison with 1H'22 which benefitted from the contribution of one very profitable mandate completed by EQUITA K Finance. (2) IFR ratio 5.4 times the minimum regulatory requirement.

Comparison between EQUITA and the Main International Peers

(Jan 1 - Jun 30, 2023)		Net Revenues Var %	o/w Global Markets	o/w M&A & Advisory	o/w Capital Markets	o/w Asset Management	Net Profits Var %	
EQUITA		(11%)	5%	(63%)	101%	8%	(22%)	
 European peers	Peer 1	18%	(4%)	(27%)	(29%)	14%	23%	
	Peer 2	(10%)	6%	(33%)	(6%)	<i>n.a.</i>	(37%)	
	Peer 3	(28%)		(27%)		(8%)	(81%)	
	Peer 4	13%		5%		11%	9%	
	Mean	(2%)					(22%)	
Median	2%					(14%)		
 Global / US peers	Peer 1	(7%)	(21%)	(37%)	(3%)	8%	(37%)	
	Peer 2	0%	(17%)	(29%)	6%	(5%)	(18%)	
	Peer 3	(11%)	<i>n.a.</i>		(22%)		(8%)	(170%)*
	Peer 4	(21%)		(26%)		(2%)	(52%)	
	Peer 5	(32%)			<i>n.a.</i>		(108%)*	
	Peer 6	(17%)	(12%)	(29%)	32%	<i>n.a.</i>	(38%)	
	Peer 7	(23%)	32%	(40%)	(30%)	26%	(67%)	
	Mean	(16%)					(70%)	
Median	(17%)					(52%)		

Peer involved in traditional banking activities (growth driven by the increase in Net Interest Income)

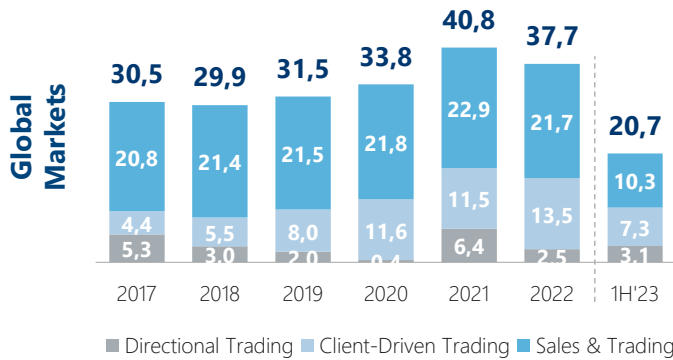
Note: performance considering the period 1 Jan – 30 Jun (2023 vs 2022). (*) Peers reporting a Net Loss in 2023 (vs Net Profit in 2022)



Financial Performance in 1H'23

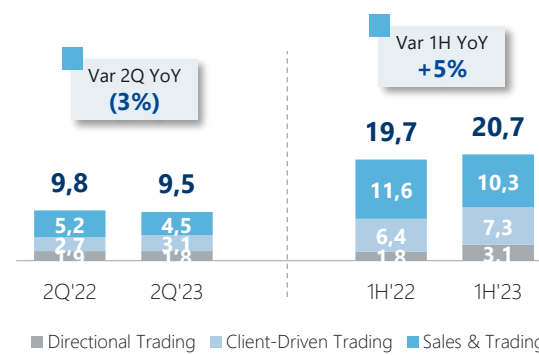
Divisional Performance

TREND IN NET REVENUES SINCE IPO (€M)



Var '21-'22 (7%)
CAGR '17-'22 +4%

LAST QUARTER AND HALF-YEAR NET REVENUES (€M)

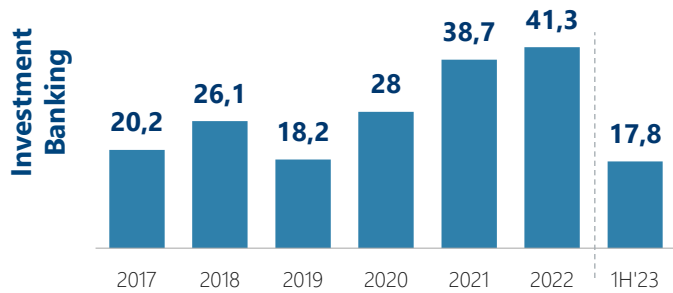


Var 2Q YoY (3%)

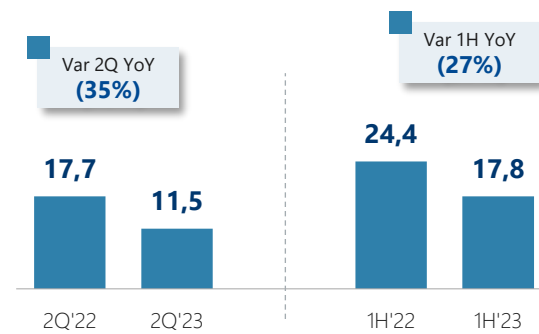
Var 1H YoY +5%

Growth in fixed income, derivatives and certificates, more than compensating lower trading volumes on Italian equities, especially mid-small caps

Directional Trading performing well, thanks also to the contribution of a Fixed Income HTC Portfolio ⁽¹⁾



Var '21-'22 +7%
CAGR '17-'22 +15%

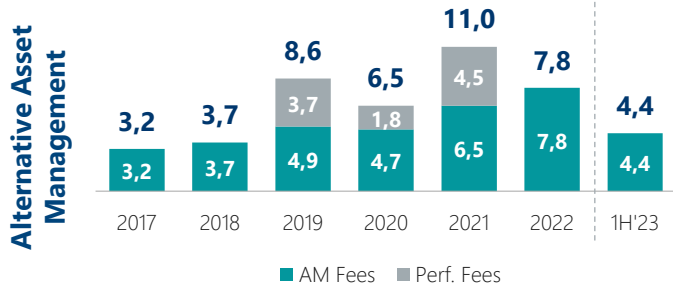


Var 2Q YoY (35%)

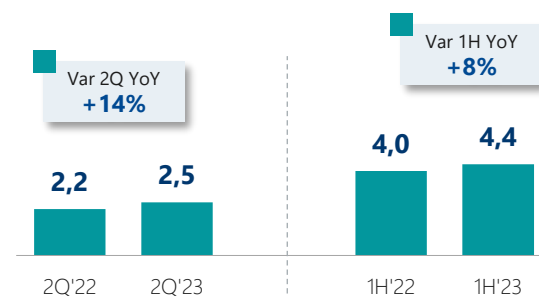
Var 1H YoY (27%)

Performance impacted by the tough comparison with 2022 (2Q'22 includes the record performance of EQUITA K Finance with one very profitable mandate). +29% in Revenues YoY excluding such deal

Capital Markets up materially year-on-year, partially offsetting the decline in M&A due to tough markets.



Var '21-'22 (28%)
CAGR '17-'22 +19%



Var 2Q YoY +14%

Var 1H YoY +8%

Increase in the mix of illiquid, proprietary assets under management

Investment Portfolio contributing positively YoY

(1) HTC or Held-to-Collect

P&L & Focus on Costs

(€ mln)	2020	2021	2022	1H'22	1H'23	Var % H1 '23 vs '22
Client-related (S&T, CD&MM, IB...)	67.2	83.5	83.0	46.1	39.0	(15%)
Non-client related (Directional Trading)	0.4	6.4	2.5	1.8	3.1	76%
Investment Portfolio	0.6	0.5	1.3	0.3	0.7	160%
Net Revenues	68.2	90.4	86.9	48.2	42.8	(11%)
Personnel costs	(32.3)	(42.8)	(42.8)	(22.5)	(20.0)	(11%)
Operating costs	(18.2)	(18.4)	(18.4)	(9.3)	(11.1)	20%
Total costs	(50.6)	(61.2)	(61.2)	(31.8)	(31.2)	(2%)
Profit before taxes	17.6	29.2	29.2	16.4	11.7	(29%)
Taxes	(4.7)	(7.1)	(7.1)	(4.7)	(3.4)	(27%)
Tax rate	27%	24%	24%	28%	29%	
Minorities	(0.6)	(0.6)	(0.6)	(1.4)	(0.1)	(92%)
Net Profits	12.3	21.5	21.5	10.3	8.0	(21%)
Comp/Revenues %	47%	47%	47%	47%	47%	
Cost/Income %	74%	68%	68%	66%	73%	
Cost/Income % (ex. Non-rec.)	74%	68%	68%	66%	71%	
Net Profit %	18%	24%	24%	21%	19%	

(€ mln)	1H'22	1H'23	Var %
Personnel costs	(22.5)	(20.0)	(11%)
Comp/Revenues %	(46.7%)	(46.8%)	
# Employees (EoP)	178	195	10%

(€ mln)	1H'22	1H'23	Var %
Operating costs	(9.3)	(11.1)	20%
of which IT	(3.0)	(3.2)	5%
of which Trading fees	(1.6)	(1.7)	7%
of which Other (marketing, governance)	(4.7)	(5.5)	17%
of which Non-Recurring	-	(0.8)	n.m.

IT costs up 5% YoY, driven by inflation as well as development of a new CMS

Non-recurring items, mainly linked to the 50th anniversary of EQUITA (new visual identity, new website, events...)

Other costs up 17%, driven by higher marketing and inflation on contracts

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Outlook 2023 and Closing Remarks

A lot of Initiatives and Investments Made, in line with the Business Plan

Global Markets and Research

- **Diversification of the product offering** in the Global Markets (bonds, certificates, derivatives, US equities...)
- **Expansion of the research coverage**, with an increasing number of foreign listed companies
- **Implementation of new business solutions** (CRM, CMS) to boost productivity and generate commercial synergies
- New team dedicated to **family offices**

Investment Banking

- **Hiring of senior professionals** (Consumer, FIG, Industrial, Structure Finance) to diversify and strengthen the offering
- Constant engagement with **senior advisors**
- **Partnership with Silvia Rovere** to acquire a 30% stake in **Sensible Capital** (real estate advisory boutique) to add to the Investment Banking division a **new area of expertise**. Cross-selling opportunities with other areas of business



Alternative Asset Management

- Fund raising of **EQUITA Smart Capital - ELTIF** completed successfully, with €98.4m commitments, becoming the largest private equity, non-captive, retail alternative PIR in Italy
- **First investment in the DACH area** completed by **EPD II**, the latter expected to be fully invested by year-end. Launch of the third fund **EPD III** expected in 4Q'23-1Q'24
- Onboarding of a **new team of experts in renewable infrastructure**. Appointment of a **senior advisor** to be announced soon. Start of fundraising of **EQUITA Green Impact Fund** expected in 4Q'23-1Q'24

Potential investment of **up to €75m** in the initiative confirmed by one institutional investor

Group

- **Office space increased** to accommodate growing workforce and corporate events
- **Renewal of corporate bodies**, with strong presence of Independent Directors and female members in the Board of Directors (including the Chair)
- **Increase in brand awareness** by leveraging on the EQUITA **50th anniversary**. New corporate and visual identity



Ongoing Simplification to Ease Access To Capital Markets

Commitment at European level

EUROPEAN COMMISSION

CMU Action Plan

TESG

HLF on CMU

Commitment at Italian level

Publication of the “Libro Verde” and consultations with market players, legal experts and associations

Prospectus Regulation

- Simplification of documentation and approval process
- Possibility to draft Prospectus in English for offers in Italy

Documentation, research and responsibility

- No longer required to file to Borsa Italiana all documentation (business plan, report on corporate governance, last 3 annual reports...)
- Mandatory equity research for listed companies (market cap <€1bn) for the first 3 years after the IPO
- Listing agent no longer required to assess the listing company's management control system and forecasts of the business plan

DDL Capitali ▪ Ongoing consultations

What's next?

Further simplification of documentation

- Prospectus exemption on secondary issuances raised to 40% and available for offers to the public ✓ proposal
- Introduction of Follow-On Prospectus, Summary Note and Growth Prospectus for secondary issuances ✓ proposal
- Minimum IPO offer period shortened to three days ✓ proposal
 - Other proposals...

Key changes to MAR ✓ proposal

Multiple-vote share structures, increased efficiency of prospectus review, ... ✓ proposal

Considerations about the Future

Market scenario

Macroeconomic scenario in the next two years still uncertain

- Global environment affected by war, political tensions, inflation, possible recession
- Decrease in trading volumes, especially in mid-small caps
- Capital Markets still underdeveloped in Italy
- Lower M&A activity affected by concerns about the coming two years
- Difficult fund-raising environment for alternative, illiquid assets

Mitigants: ongoing simplification to ease access to capital markets and potentially increase liquidity in financial markets

Targets announced and Expectations about the Future



EQUITA 2024 (three-year business plan)

- Net Revenues **> 110m**
- Net Profits **> 25m**
- Dividends distributed **> 50m**

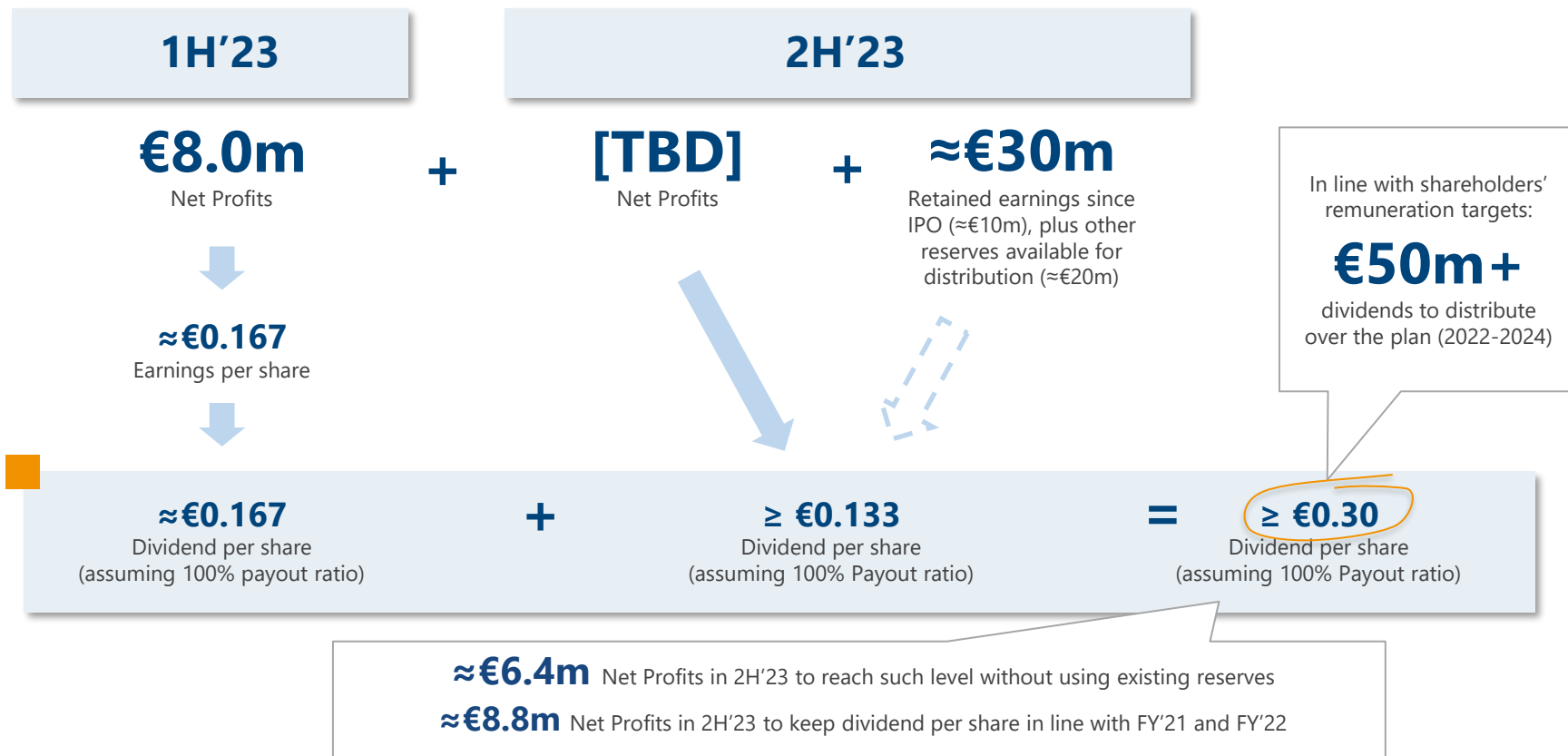


Rewarding shareholders' remuneration confirmed,

in line with targets announced and on the back of the solid, profitable track record of EQUITA (also considering the €10m earnings retained since IPO), despite a potential delay in growth in Net Revenues and Net Profits due to tougher markets

Outlook 2023

On the back of the Net Profits recorded in 1H'23 and considering expectations for the rest of the year – absent significant market changes – the Board of Directors confirmed its willingness to submit to the next Shareholders' Meeting a dividend proposal not lower than €0.30 per share in 2024, in line with the shareholders' remuneration target announced in the business plan



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Appendix

Balance Sheet

Strong balance sheet and capital ratios confirmed

(€m)	1H'23	1Q'23	FY'22	1H'22	FY'21	FY'20
Cash & Cash equivalents	74.0	106.3	107.9	125.3	136.1	117.2
Financial assets at fair value with impact on P&L	95.5	90.4	111.7	79.6	49.2	43.8
Financial assets at amortized cost	144.6	128.0	99.6	97.1	91.4	86.1
Equity investments	0.0	0.0	0.0	0.0	0.0	0.1
Intangible assets	26.8	26.8	26.9	27.1	27.2	27.5
Tangible assets	5.8	6.0	4.1	4.6	5.2	6.2
Tax assets	5.3	8.1	7.5	4.7	4.4	3.1
Other assets	34.0	39.4	41.7	42.1	1.9	1.6
Total Assets	386.1	405.0	399.5	380.5	315.6	285.8
Debt	220.0	222.5	221.3	197.4	175.6	171.3
Tax liabilities	1.1	5.3	3.6	3.4	6.0	2.2
Other liabilities	66.1	62.7	64.4	87.7	27.9	21.7
Employees' termination liabilities	2.2	2.2	2.1	2.1	2.4	2.3
Allowance for risks and charges	2.1	3.8	3.8	3.2	4.4	2.7
Total Liabilities	291.4	296.5	295.2	284.8	216.3	200.1
Share capital	11.6	11.6	11.6	11.6	81.3	76.8
Treasury shares	(3.2)	(3.3)	(3.9)	(4.0)	(4.1)	(4.1)
Reserves	78.2	96.3	79.4	76.5	69.9	65.4
Net Profits of the period	8.1	3.8	17.3	11.7	22.1	12.9
Third parties' equity	-	-	-	-	-	0.1
Shareholders' Equity	94.7	108.5	104.3	95.7	99.3	85.7
Total Liabilities and Shareholders' Equity	386.1	405.0	399.5	380.5	315.6	285.8
ROTE %	23%	26%	29%	38%	44%	27%
IFR %	538%	550%	489%	648%	587%	N/A

 EQUITA

The logo icon for Equita is a stylized 'E' composed of three horizontal bars of varying lengths, with the longest bar on the left and the two shorter bars on the right.

www.equita.eu

