



 EQUITA

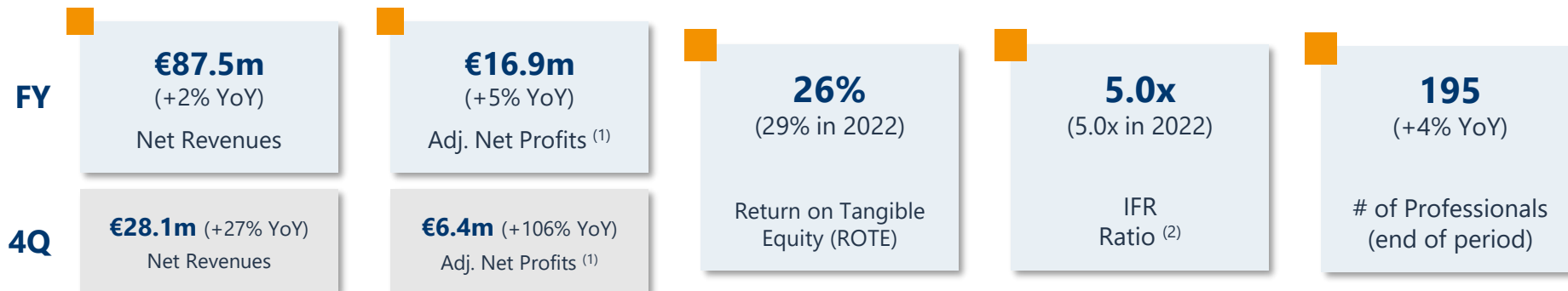
EQUITA Group FY'23 Results

March 14th, 2024 – IR Conference Call



Very Resilient Performance in FY'23 and Significant Growth in 4Q'23

Key Financial Highlights



Divisional Performance



(1) Excludes impacts from non-recurring costs and the Long Term Incentive Plan (LTIP). (2) IFR ratio 5.0x times the minimum regulatory requirement.

Tough Year for Equities (Brokerage, Capital Markets) and M&A in Italy

Third Parties Brokered Volumes (1)

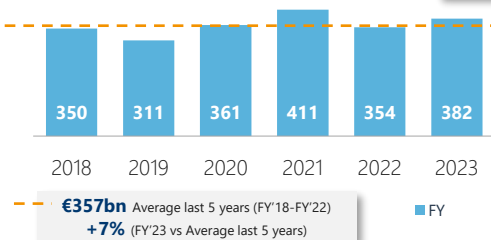
Market figures in 4Q'23

- Euronext Milan **+28%** YoY
- Euronext Growth Milan **+13%** YoY
- Bonds **+45%** YoY

Equity – Euronext Milan

(volumes, €bn)

Var FY'22-FY'23 **+8%**

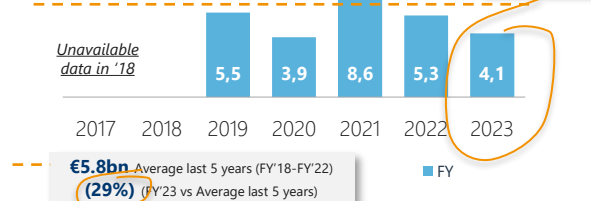


Equity – Euronext Growth Milan (EGM)

(volumes, €bn)

Var FY'22-FY'23 **(21%)**

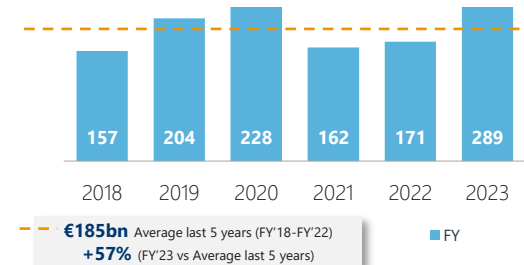
Unavailable data in '18



Fixed Income (MOT)

(volumes, €bn)

Var FY'22-FY'23 **+69%**



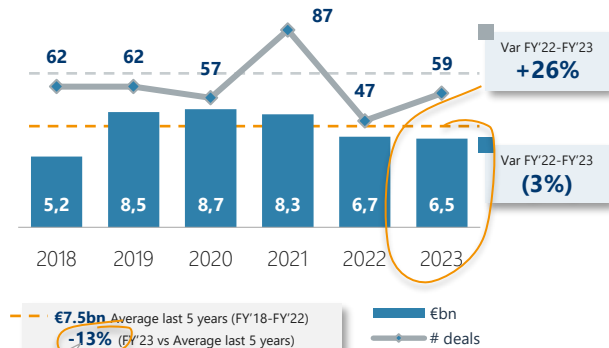
Capital Markets and Corporate Finance

Equity Capital Markets | ECM (2)

(value, €bn)

Var FY'22-FY'23 **+26%**

Var FY'22-FY'23 **(3%)**

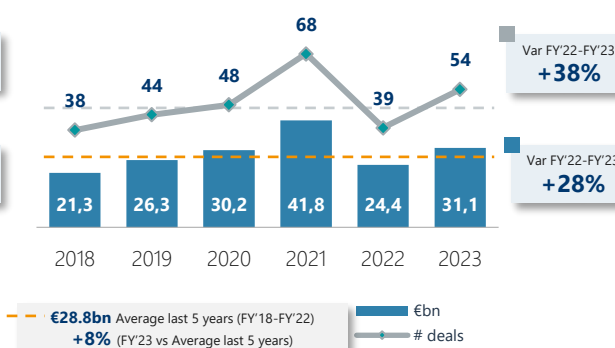


Debt Capital Markets | DCM (3)

(value, €bn)

Var FY'22-FY'23 **+38%**

Var FY'22-FY'23 **+28%**

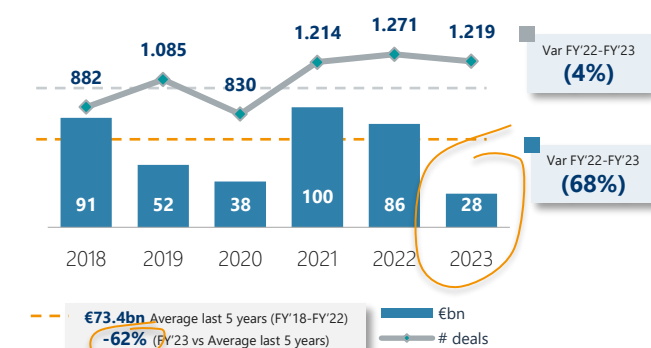


Mergers & Acquisitions | M&A (4)

(value, €bn)

Var FY'22-FY'23 **(4%)**

Var FY'22-FY'23 **(68%)**



(47%) vs AVG FY'13-FY'22 (€12.2bn)

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

Better Performance compared to Peers, Implied Increase in Market Share

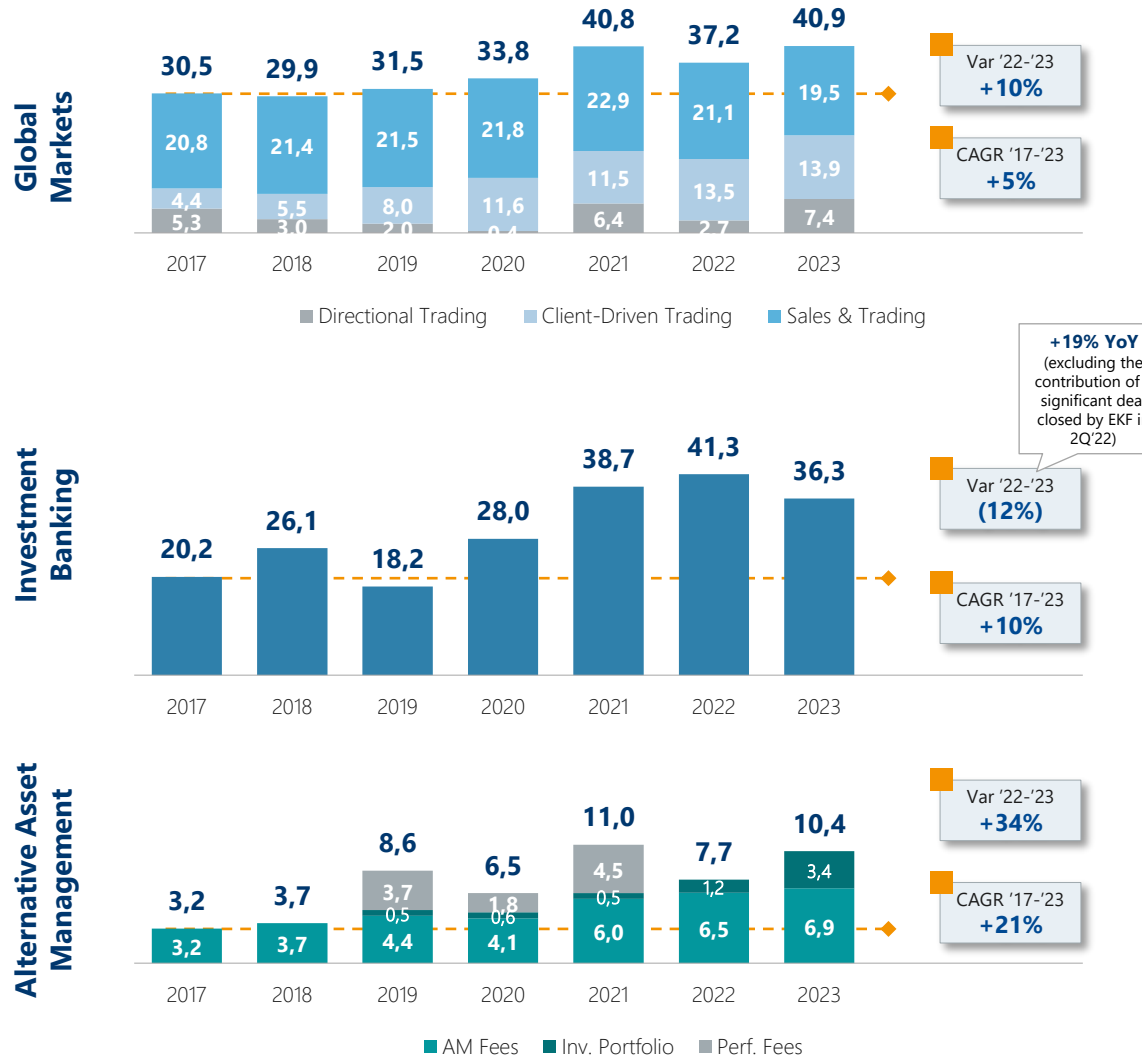
Comparison between Selected International Investment Banks and Advisory Firms vs EQUITA

FY'23 vs FY'22 (1 Jan – 31 Dec)		% Var Net Revenues	% Var Net Profits	Margin %
Investment bank	ABG Sundal Collier	0%	(13%)	14%
Investment bank	Baader Bank	7%	(68%)	2%
Investment bank	Goldman Sachs	(2%)	(27%)	17%
Investment bank	Jefferies ⁽¹⁾	(21%)	(66%)	6%
Investment bank	Morgan Stanley	1%	(19%)	16%
Investment bank	Piper Sandler	(7%)	(17%)	13%
Investment bank	Stifel	(1%)	(20%)	13%
Investment bank	UBS	18%	> 100% (excl.)	Excluded
Advisory firm	Evercore	(12%)	(46%)	10%
Advisory firm	Houlihan Lokey	0%	6%	15%
Advisory firm	Lazard	(12%)	(80%)	3%
Advisory firm	Moelis & Co	(11%)	< 100% (excl.)	Excluded
Advisory firm	Perella Weinberg	3%	< 100% (excl.)	Excluded
Advisory firm	PJT Partners	12%	(10%)	7%
	EQUITA	2%	5%	18%
	<i>Mean - Investment Banks</i>	(1%)	(33%)	11%
	<i>Median - Investment Banks</i>	(0%)	(20%)	13%
	<i>Mean - Financial Advisors</i>	(3%)	(33%)	9%
	<i>Median - Financial Advisors</i>	(6%)	(28%)	9%

(1) Different year-end date (30 November). Financials have been reworked into "1 January – 31 December" figures.

Strong Results in All Divisions

Trend in Net Revenues since IPO and Divisional Performance (€m)



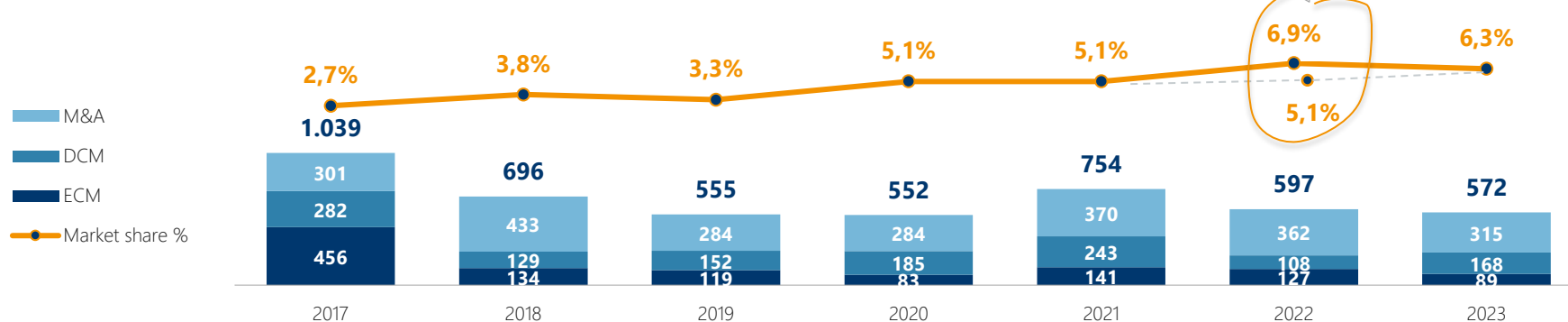
Commentary

- Sales & Trading affected by the **overall weak levels of investors' activity on equities**, especially in Small-Mid Caps trading
- Client-Driven Trading & Market Making benefitted from **higher levels of trading on bonds, certificates and derivatives**
- **Directional Trading recorded its best year** since IPO, well-above average (€3.2m average '17-'22)
- **Very resilient performance** compared to the underlying market, with year-on-year growth impacted by the comparison effect with 2022.
- **Capital Markets materially up year-on-year**, partially offsetting the decline in M&A (and despite an increase in the number of mandates)
- **Excluding one very profitable mandate closed in 2Q'22 by EQUITA K Finance, Revenues grew 19%** in FY'23
- **Revenue mix** moving to AM fees from **illiquid, proprietary assets** (65% of FY'23 revenues)⁽¹⁾
- **Investment Portfolio contributed positively**, also thanks to a **capital gain** arising from the purchase of an additional fund share in EPD at a discount to the NAV

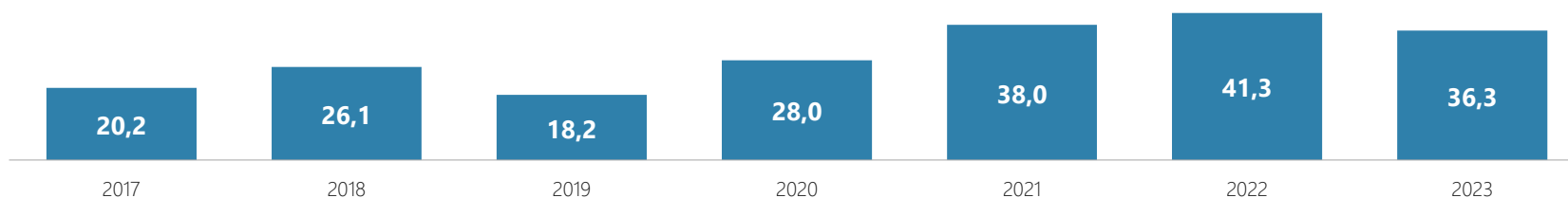
(1) % of AM fees from illiquid assets, excluding Investment Portfolio and Performance Fees

Investment Banking: Plenty of Growth Opportunities

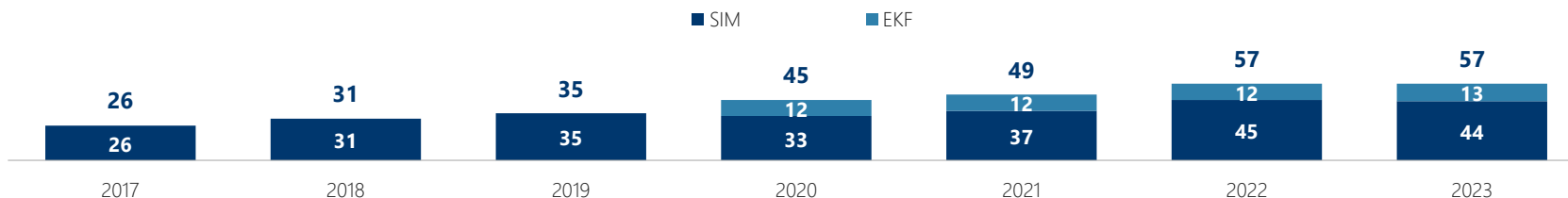
Revenue Pot and EQUITA market share (Italian market, €m)



Investment Banking Revenues since IPO (€m)



Investment Banking FTEs since IPO



P&L and Focus on Cost Structure

Reclassified P&L (€m)

	FY'23	FY'22	Var % 23-22	4Q'23	4Q'22	4Q Var % 23-22
Client-related	76,7	82,3	(7%)	23,3	20,8	12%
Non-client (Dir. Trading)	7,4	2,7	176%	2,5	1,1	132%
Investment portfolio	3,4	1,2	190%	2,3	0,2	n.m.
Performance fees	-	-	n.a.	-	-	n.a.
Net revenues	87,5	86,2	2%	28,1	22,0	27%
Total Costs ⁽¹⁾	(63,4)	(60,9)	4%	(19,1)	(17,2)	11%
Cost/Income Adjusted % ⁽²⁾	(71,5%)	(70,7%)		(68%)	(78%)	
Cost/Income %	(72,5%)	(70,7%)		(68%)	(78%)	
Profit before taxes ⁽¹⁾	24,1	25,3	(5%)	9,0	4,8	86%
Taxes ⁽¹⁾	(7,0)	(7,1)	(1%)	(2,5)	(1,3)	99%
Tax rate	(29%)	(28%)		(28%)	(26%)	
Minorities	(0,7)	(2,0)	(66%)	(0,1)	(0,5)	(77%)
LTIP	(0,3)	(0,9)		(0,0)	(0,9)	
Net Profits	16,1	15,2	5%	6,3	2,2	193%
Adjusted Net Profits ⁽¹⁾⁽²⁾	16,9	16,2	5%	6,4	3,1	106%
ROTE	26%	29%				

€0.35 dividend per share
in line with FY'22 (≈100% payout
on Adjusted Net Profit)

Focus on Personnel

	FY'23	FY'22	Var %
Personnel Costs ⁽¹⁾	(41,9)	(42,2)	(1%)
FTEs (End of Period)	195	188	4%
Comps / Revenues	(47,9%)	(48,9%)	(2%)
Normalized Comps / Revenues	(49,5%)		

Focus on Operating Expenses

	FY'23	FY'22	Var %
Operating Costs	(21,5)	(18,7)	15%
Information Technology	(6,3)	(6,2)	1%
Trading Fees	(3,1)	(2,9)	6%
Non-Recurring (anniversary...)	(0,8)	-	n.a.
Other (marketing, governance)	(11,3)	(9,6)	17%
Cost/Income % ⁽¹⁾	(72,4%)	(70,7%)	
Cost/Income Adjusted % (ex. non-rec.)	(71,5%)	(70,7%)	

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

(1) Excluding the impacts of the Long Term Incentive Plan addressed to Top Management ("LTIP"). (2) Excluding the impacts of non-recurring expenses and LTIP



Results since IPO

Successful Track-Record since IPO

Key Results

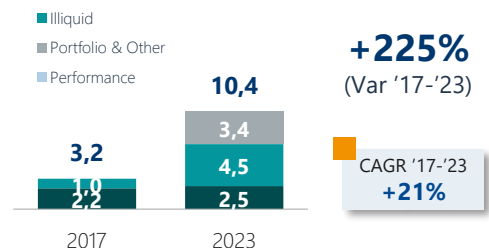
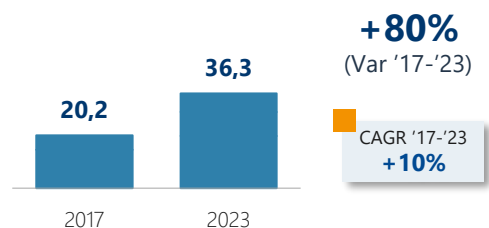
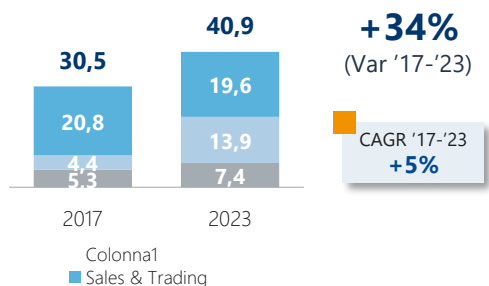
Global Markets & Research

Investment Banking

Alternative Asset Management

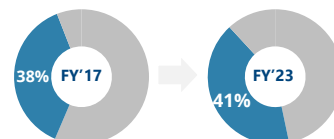
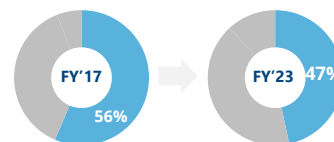
Net Revenues (€m)

Growth in all areas



% of Net Revenues

More balanced breakdown and contribution



Summary of Key Initiatives

Proven track-record and strong execution

- Acquisition of Retail Hub (Brokerage & Primary Markets) and Market Making activities from Nexi
- Setup of a new fixed Income desk
- New business on certificates, derivatives, US equities...
- Acquisition of EQUITA K Finance (mid-market M&A)
- New teams and areas (Utilities / Infrastructures, Consumer, Industrial, FIG, Real estate...)
- Senior hirings and onboarding of senior advisors
- Setup of the management company (EQUITA Capital SGR)
- New illiquid products and asset classes (EPD II, Equita Smart Capital ELTIF, EGIF)

Successful Track-Record since IPO

Change since IPO

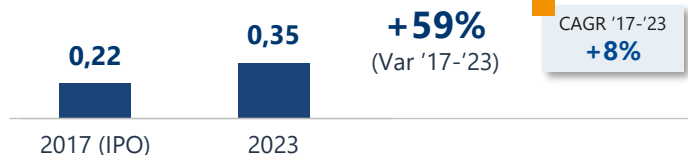
Net Revenues (€m)



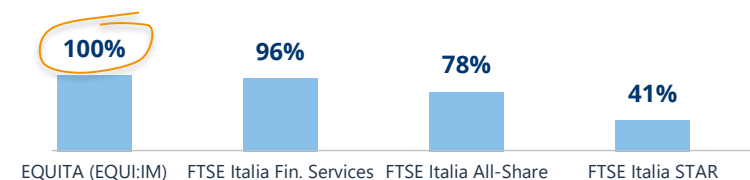
Adjusted Net Profits (€m)



Dividend per Share (€)



Total Shareholder Return (%) ⁽¹⁾



Results to Date

Larger Group scale

- Mix of initiatives contributing to growth, including accretive M&A (Nexi, EQUITA K Finance...)
- Larger scale, to compete with traditional investment banks

Increase in Net Profits

- Discipline on costs confirmed despite growth in number of professionals

Rewarding return for shareholders

- More than €71m cashed-out to shareholders (or €1.53 per share) ⁽²⁾
- +100% of Total Shareholders' Return since IPO, overperforming the main Italian indices and international peers
 - +42% EPS fully diluted vs +7% outstanding shares (2023 vs 2017)

(1) Total Shareholder Return in the period 22 November 2017 – 11 March 2024. Proceeds are reinvested in the stock / index. Source: Bloomberg. (2) Includes the €0.35 dividend per share proposed by the Board of Directors to the next Shareholders' Meeting, to be distributed in 2024.



What's Next

What's Next

Market

Market Scenario

- Still difficult **global environment** (war, inflation, recession...)
- Soft start of the year in terms of **trading volumes** on mid-small caps and **ECM** transactions in Italy
- Challenging **fund-raising environment** for alternative, illiquid assets

Mitigants

- Higher interest rates are now digested
- Ongoing simplification to ease access to capital markets, potentially increasing liquidity in financial markets
- Large portion of debt to be refinanced in 2024-2025
- €40bn of M&A transactions announced in the Italian market

Global Markets and Research

- **Fixed income desk** benefitting from increasing positioning and investors' appeal on bonds
- Equity volumes on **mid-small caps** expected to recover
- Expansion of **research coverage** on Italian and European listed companies

Revenues

Investment Banking

- Strong pipeline in **M&A**, both in mid-market, large and public transactions
- **Capital Markets** activities expected to improve in 2H'24
- Increase in **positioning**, thanks to recent senior hirings, contribution from **senior advisors** and new areas of **expertise** (EQUITA Real Estate)
- Consolidation of Group's presence in **Rome**

Alternative Asset Management

- Growth in illiquid proprietary assets following fundraising of **EPD III** and **EGIF**
- Focus on **capital deployment** investing in private capital opportunities, on the basis of current interesting pipeline
- Positive contribution to Net Revenues from the Investment Portfolio and **carried interest** from 2025

Costs

Group

- No other material additions of **workforce** or **investments** needed
- Adequate structure to benefit from increase in business volumes, revenues and net profits (**operating leverage**)
- Further optimisation of **rental spaces**
- Focus on business-related **marketing** to boost revenues with clients

Strategy

M&A & Strategic Initiatives

- Scouting of external growth opportunities with **bolt-on acquisitions**, in Italy and abroad
- Preliminary discussions with **EKF** to acquire minorities and extend the partnership
- Always open to **strategic partnerships** that could accelerate growth of the business



Appendix

Balance Sheet

(€m)	FY'23	9M'23	1H'23	1Q'23	FY'22	1H'22	FY'21	FY'20
Cash & Cash equivalents	130.5	75.1	74.0	106.3	107.9	125.3	136.1	117.2
Financial assets at fair value with impact on P&L	77.4	99.3	95.5	90.4	111.7	79.6	49.2	43.8
Financial assets at amortized cost	101.2	122.5	144.6	128.0	99.6	97.1	91.4	86.1
Equity investments	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Intangible assets	26.6	26.7	26.8	26.8	26.9	27.1	27.2	27.5
Tangible assets	6.0	5.7	5.8	6.0	4.1	4.6	5.2	6.2
Tax assets	3.2	4.9	5.3	8.1	7.5	4.7	4.4	3.1
Other assets	34.1	36.0	34.0	39.4	41.7	42.1	1.9	1.6
Total Assets	379.7	370.3	386.1	405.0	399.5	380.5	315.6	285.8
Debt	213.9	203.0	220.0	222.5	221.3	197.4	175.6	171.3
Tax liabilities	1.3	1.6	1.1	5.3	3.6	3.4	6.0	2.2
Other liabilities	50.8	64.1	66.1	62.7	64.4	87.7	27.9	21.7
Employees' termination liabilities	1.9	2.0	2.2	2.2	2.1	2.1	2.4	2.3
Allowance for risks and charges	3.2	2.4	2.1	3.8	3.8	3.2	4.4	2.7
Total Liabilities	271.1	273.1	291.4	296.5	295.2	284.8	216.3	200.1
Share capital	11.7	11.6	11.6	11.6	11.6	11.6	81.3	76.8
Treasury shares	(3.2)	(3.2)	(3.2)	(3.3)	(3.9)	(4.0)	(4.1)	(4.1)
Reserves	80.0	78.5	78.2	96.3	79.4	76.5	69.9	65.4
Net Profits of the period	16.8	10.3	8.1	3.8	17.3	11.7	22.1	12.9
Third parties' equity	3.2	-	-	-	-	-	-	0.1
Shareholders' Equity	108.6	97.2	94.7	108.5	104.3	95.7	99.3	85.7
Total Liabilities and Shareholders' Equity	379.7	370.3	386.1	405.0	399.5	380.5	315.6	285.8
ROTE %	26%	22%	23%	26%	29%	38%	44%	27%
IFR %	499%	579%	538%	550%	489%	648%	587%	N/A

Why Us?

Some Reasons to Invest

Track record

Track record in diversification, growth and remuneration of shareholders

Leadership

Leading positioning in Italy and increasing footprint abroad

Investments

Significant investments made to date, to boost growth in the future

Brand

Strong brand to develop new initiatives in other areas of business

Timing

Interesting time to invest, where the investment banking industry is weak but expected to recover soon

Valuation

Compelling valuation with 9-10% dividend yield

Successful Track-Record since IPO

	Key Metrics	2017 (IPO)	March 2024	Variation
Share Capital	No. of shares	50.0m	51.3m	+1.3m
	No. of treasury shares	4.7m	2.7m	+2.0m
	No. of outstanding shares	45.3m	48.6m	+3.3m
<div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> 3.3m shares distributed to professionals to: <ul style="list-style-type: none"> ▪ Execute M&A deals ▪ Serve incentive plans required by applicable regulation ▪ Align interests of new senior hirings </div>				
<div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> +7.3% outstanding shares (6.8% dilution) </div>				
Key Financials	Adjusted Net Profits	€11.2m	€16.9m	+€5.7m +51% vs IPO
	Adj. Earnings per share (EPS, fully diluted) ⁽¹⁾	€0.242	€0.345	+€0.103 +42% vs IPO
Ownership Structure (% share capital / % votes in the Shareholders' Meeting)	Management and Equita professionals	54% / 60%	40% / 54%	Management still the largest shareholder with 33% stake and 47% of votes in the Shareholders' Meeting
	<i>Of which Management Pact</i>	38% / 42%	33% / 47%	
	Float / Market	37% / 40%	55% / 46%	Significant increase in market float
	<i>of which Significant Shareholders (Fenera Holding)</i>	- / -	5% / 7%	
	<i>Of which Families, Entrepreneurs and institutions (May'23 - Placement)</i>	- / -	11% / 8%	
Treasury shares	9% / -	5% / -		

(1) Fully diluted is calculated considering in-the-money stock options. Out-of-the-money stock options are excluded.

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