

## Azimut Holding 1H 2024 results: € 330 million adjusted net profit<sup>1</sup>, +43% year-on-year, and net inflows of € 10 billion

### Confident outlook to exceed 2024 targets<sup>2</sup>:

- ★ **Net profit of € 500 million**
- ★ **Net inflows target already well exceeded in the first half of the year**

Milan, 1 August 2024

Azimut Holding's (AZM.IM) Board of Directors approved today the consolidated results as of 30 June 2024, highlighting the following:

- ★ **Total revenues** equal to **€ 702 million** (+9% vs. € 643 million in 1H 2023)
- ★ **Operating profit** equal to **€ 312 million** (+9% vs. € 286 million in 1H 2023)
- ★ **Adjusted net profit<sup>1</sup>** equal to **€ 330 million** (+43% vs. € 231 million in 1H 2023)

**Total revenues of Azimut Holding** increased by 9% to € 702 million in 1H 2024 (€ 643 million in 1H 2023). **Recurring fees** reached € 590 million in 1H 2024, up from € 571 million in 1H 2023. This growth was driven by higher revenues from private markets, advisory solutions and individual managed portfolios, along with significant contributions from international operations, particularly from Australia, Turkey, Brazil and Monaco, due to the firm's continued platform expansion. **Insurance revenues** amounted to € 83 million in 1H 2024, compared to € 55 million in 1H 2023. This increase was mainly due to higher performance fees and the growth of recurring insurance fees, driven by positive development in insurance assets under management.

**Total operating costs** amounted to € 390 million in 1H 2024, an increase of 9% compared to € 358 million in 1H 2023. **Distribution costs** were € 206 million, compared to € 196 million in 1H 2023, driven by higher provisions for variable incentives and higher marketing and event expenses related to the advisor network in Italy, offset by lower severance payments to Italian financial advisors. Additionally, higher distribution costs abroad aligned with the rise in foreign revenues. **Personnel & SG&A** costs totaled € 167 million, compared to € 150 million in 1H 2023, mainly due to ongoing investments in overseas growth, reflecting increased revenues from these regions. **D&A and provisions** amounted to € 17 million (vs. € 12 million in 1H 2023), returning to normalized levels after no longer benefiting from the release of various provisions as in the previous year.

**Operating profit grew by 9% to € 312 million** (vs. € 286 million in 1H 2023), maintaining a strong **operating profit margin of 44%**.

**Finance income** amounted to € 155 million (vs. € 52 million in 1H 2023), mainly reflecting the capital gain on the sale of the 20% stake in Kennedy Lewis Investment Management to Petershill at Goldman Sachs Asset Management<sup>3</sup>, as announced in April of this year.

**Adjusted Net Profit<sup>1</sup>** amounted to **€ 330 million** in 1H 2024, up 43% vs. € 231 million in 1H 2023.

The **Net Financial Position<sup>4</sup>** as of 30 June 2024 was positive for **€ 637 million**, an increase of € 245 million compared to the end of December 2023. This improvement includes the € 206 million gross proceeds from the sale of its stake in Kennedy Lewis Investment Management in April. However, this was partly offset by **dividend payments totaling € 160 million**, including the € 1.00 cash dividend per share (next to a dividend of € 0.39 per share paid in treasury shares) and the dividend related to participating financial instruments. Furthermore, the Group spent

<sup>1</sup> To better reflect the underlying net profit, the calculation excludes the €-19.4 million one-off charge related to the tax settlement with Italian Revenue Agency in 1H 23 and the accounting impact of the IFRS 17 standard (1H 23: €10.9 million and 1H 24: € -7.4 million).

<sup>2</sup> Under the assumption of normal market conditions.

<sup>3</sup> Cf. press releases published on 3 April 2024, available on the company's website.

<sup>4</sup> Not including the impact of IFRS 16 as detailed in the table below.

about € 35 million on acquisitions & investments and about € 84 million on tax advances and stamp duties during the first half of the year.

**Recruitment of financial advisors and wealth managers** in Italy **remained positive**: during the **first six months** of 2024 Azimut recorded **48 new hires**, bringing the total number of FAs to 1,848.

### **FY 2024 Full-year targets**

Based on the solid growth since the beginning of the year, the robust operational performance achieved to date, and coupled with recent corporate developments, the Group is **confident in its ability to exceed the targets provided to the market for the full year 2024** (target of **> € 7 billion net inflows well exceeded already in the first half of the year** and **€ 500 million net profit**).

Pietro Giuliani, Chairman of the Group, points out: *"With today's half-year report, in the final year of the industrial plan in which we **announced five years ago that we would increase our net profit by € 50 million per year**, we are on track to **exceed the target of € 500 million in net profit** (from the € 250 million from which we started five years ago). **Azimut's global expansion strategy** shows how, at a time **when the asset management industry in Italy is struggling to grow**, **Azimut has managed to reach € 10 billion in net inflows in just six months** (as of the end of June, Total Assets amounted to **€ 102.5 billion, of which approximately 50% was raised abroad**). The **decision made 10 years ago to enter private markets** (private equity, private credit, infrastructure, venture capital, etc.) is **benefiting our clients thanks to our unique product range and the consultancy services provided by our financial advisors in Italy**. Last month, we celebrated the **20th anniversary of our listing** (34 years since our founding), **having multiplied the capital invested by our shareholders by approximately 15 times** (an investment of € 100,000 is now worth € 1.5 million!)"*.

*The Officer in charge of the preparation of Azimut Holding SpA accounting documents, Alessandro Zambotti (CFO), declares according to art.154bis co.2 D.lgs. 58/98, that the financial information herein included, corresponds to the records in the company's books.*

Attached:

- \* Consolidated reclassified income statement as of 30 June 2024
- \* Consolidated net financial position as of 30 June 2024
- \* Consolidated income statement as of 30 June 2024
- \* Consolidated balance sheet as of 30 June 2024

**Azimut** is an independent, global group in the asset management, wealth management, investment banking and fintech space, serving private and corporate clients. A public company listed on the Milan Stock Exchange (AZM.IM), the group is a leader in Italy and active in 18 countries around the world, with a focus on emerging markets. The shareholder structure includes around 2,000 managers, employees and financial advisors bound by a shareholders' agreement that controls ca. 22% of the company. The remaining is free float. The Group comprises various companies active in the sale, management, and distribution of financial and insurance products, with registered offices in Italy, Australia, Brazil, Chile, China (Hong Kong and Shanghai), Egypt, Ireland, Luxembourg, Mexico, Monaco, Portugal, Singapore, Switzerland, Taiwan, Turkey, UAE, and USA. In Italy, Azimut Capital Management SGR sells and manages Italian mutual funds, Italian alternative investment funds, as well as being active in the discretionary management of individual investment portfolios. Furthermore, Azimut Capital Management SGR distributes Group and third-party products in Italy via a network of financial advisors while Azimut Libera



Impresa focuses on the alternatives business. The main foreign companies are Azimut Investments SA (founded in Luxembourg in 1999), which manages the multi strategy funds AZ Fund 1 and AZ Multi Asset, and the Irish Azimut Life DAC, which offers life insurance products.

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## CONSOLIDATED RECLASSIFIED INCOME STATEMENT

€/000	1H 2024	1H 2023	2Q 2024	2Q 2023
Entry commission income	6,656	5,307	3,034	3,165
Recurring fees	589,644	570,849	300,986	286,097
Variable fees	8,607	-1,343	7,580	-5,484
Other income	13,768	13,519	6,680	7,346
Insurance revenues	82,838	54,816	32,330	25,765
<b>Total Revenues</b>	<b>701,513</b>	<b>643,149</b>	<b>350,610</b>	<b>316,890</b>
Distribution costs	-205,640	-195,652	-101,969	-99,080
Personnel and SG&A	-167,395	-150,143	-89,859	-74,468
Depreciation, amortization & provisions	-16,960	-11,766	-8,251	-7,390
<i>Operating costs</i>	<i>-389,995</i>	<i>-357,561</i>	<i>-200,078</i>	<i>-180,938</i>
<b>Operating Profit</b>	<b>311,518</b>	<b>285,588</b>	<b>150,531</b>	<b>135,951</b>
Finance income	154,708	52,381	151,802	24,418
Net non-operating costs	-4,778	-12,583	-4,062	-10,444
Finance expense	-4,320	-4,314	-2,160	-2,158
<b>Profit Before Tax</b>	<b>457,129</b>	<b>321,073</b>	<b>296,111</b>	<b>147,769</b>
Income tax	-120,301	-90,790	-83,360	-26,729
Deferred tax	2,743	4,040	5,851	7,555
<b>Net Profit</b>	<b>339,571</b>	<b>234,322</b>	<b>218,600</b>	<b>128,593</b>
Minorities	17,092	11,493	12,333	6,458
<b>Consolidated Net Profit</b>	<b>322,479</b>	<b>222,829</b>	<b>206,268</b>	<b>122,136</b>
<b>Adjusted Net Profit</b>	<b>329,918</b>	<b>231,350</b>	<b>207,807</b>	<b>111,236</b>

## CONSOLIDATED NET FINANCIAL POSITION

€/000	30/06/2024	31/03/2024	31/12/2023
Bank loan	-188	-206	-222
Azimut 19-24 senior bond 1.625%	-501,302	-499,142	-496,982
<b>Total debt</b>	<b>-501,490</b>	<b>-499,348</b>	<b>-497,204</b>
Cash	632,929	583,396	464,571
Cash equivalents	227,011	153,616	159,848
UCI units & government securities	278,400	294,378	264,997
<b>Cash &amp; cash equivalents</b>	<b>1,138,340</b>	<b>1,031,390</b>	<b>889,416</b>
<b>Net financial position</b>	<b>636,850</b>	<b>532,042</b>	<b>392,212</b>
Lease Liabilities (IFRS 16)	-38,931	-39,140	-40,242
<i>Net financial position incl. IFRS 16</i>	<i>597,919</i>	<i>492,902</i>	<i>351,970</i>

## CONSOLIDATED INCOME STATEMENT

€/000	1H 2024	1H 2023
Fee and commission income	686,955	633,965
Fee and commission expense	-182,390	-169,502
<b>Net fee and commission income</b>	<b>504,565</b>	<b>464,463</b>
Dividends and similar income	4,211	7,354
Interest income and similar income	10,887	2,880
Interest expense and similar charges	-6,211	-5,969
Profits (losses) on disposal or repurchase of:	359	106
b) financial assets at fair value through other comprehensive income	359	106
Net gains (losses) on financial assets and financial liabilities at FVTPL	675	33,661
a) assets and liabilities designated at fair value	5,007	6,083
b) other financial assets compulsorily measured at fair value	-4,332	27,578
Insurance service result	15,750	5,993
Net insurance and investment result	-1,511	18,064
<b>Net Margin</b>	<b>528,725</b>	<b>526,552</b>
Administrative expenses	-202,324	-180,772
a) personnel expenses	-105,181	-89,230
b) other expenses	-97,143	-91,542
Net accruals to the provisions for risks and charges	-2,878	3,470
Net impairment losses/reversal of impairment losses on property and equipment	-6,442	-6,388
Net impairment losses/reversal of impairment losses on intangible assets	-10,860	-23,676
Other administrative income and expenses	2,305	1,722
<b>Operating Costs</b>	<b>-220,199</b>	<b>-205,644</b>
Profit (loss) on equity investments	148,603	162
<b>Pre-tax profit (loss) from continuing operations</b>	<b>457,129</b>	<b>321,070</b>
Income tax	-117,558	-86,748
<b>Net profit (loss) after tax from continuing operations</b>	<b>339,571</b>	<b>234,322</b>
<b>Net profit (loss) from continuing operations</b>	<b>339,571</b>	<b>234,322</b>
Profit (loss) for the period/year attributable to minority interest	17,092	11,493
<b>Net profit (loss) for the period/year</b>	<b>322,479</b>	<b>222,829</b>

## CONSOLIDATED BALANCE SHEET

<i>ASSETS</i> (€/000)	<b>30.06.2024</b>	<b>31.12.2023</b>
Cash and cash equivalents	632,929	464,571
Financial assets at fair value through profit or loss	7,943,888	7,544,967
c) other financial assets at fair value	7,943,888	7,544,967
Financial assets at fair value through other comprehensive income	16,799	15,897
Financial assets at amortized cost	328,029	259,388
Equity investments	106,863	280,971
Insurance contract assets	5,797	5,634
Reinsurance contract assets	5,797	5,634
Tangible Assets	44,129	45,880
Intangible Assets	901,173	892,743
of which:		
-Goodwill	757,097	749,832
Tax assets	29,438	28,196
a) current	11,837	8,790
b) prepaid	17,601	19,406
Other assets	434,067	420,075
<b>Total Assets</b>	<b>10,443,112</b>	<b>9,958,322</b>
<i>LIABILITIES</i> (€/000)	<b>30.06.2024</b>	<b>31.12.2023</b>
Financial Liabilities at amortized cost	556,518	553,901
a) Payables	55,216	56,919
b) Outstanding securities	501,302	496,982
Insurance contract liabilities	1,652,423	1,505,259
Financial liabilities designated at fair value	5,870,651	5,679,679
Tax liabilities	280,011	219,667
a) current	205,475	142,731
b) deferred	74,536	76,936
Other Liabilities	306,604	324,372
Employees' severance	4,621	4,328
Provisions for risks and charges	62,794	61,813
c) other provisions for risks and charges	62,794	61,813
Capital	32,324	32,324
Treasury shares (-)	-7,513	-55,069
Capital instruments	36,000	36,000
Share premium reserve	173,987	173,987
Reserves	1,108,857	938,695
Valuation provisions	-8,078	-9,940
Profit (Loss) for the period	322,479	434,567
Equity attributable to minority interests	51,434	58,739
<b>Total liabilities and shareholders' equity</b>	<b>10,443,112</b>	<b>9,958,322</b>

## CASH FLOW STATEMENT

€/000	1H 2024	1H 2023
<b>A. OPERATING ACTIVITIES</b>		
<b>1. Operating activities</b>	<b>456,155</b>	<b>281,436</b>
- net income for the period (+/-)	322,479	222,829
- value net adjustments on tangible and intangible assets (+/-)	17,302	30,064
- value net adjustments on provisions for risks and charges and other income/expenses (+/-)	2,878	-3,470
- taxes (+)	117,558	36,075
- other adjustments (+/-)	-4,062	-4,062
<b>2. Cash flow from financial assets</b>	<b>-303,728</b>	<b>-146,495</b>
- financial assets at fair value	-331,020	-224,387
- insurance assets	-163	0
- financial assets mandatorily measured at fair value	44,462	28,556
- financial assets at FVTOCI	533	-118
- financial assets at amortised cost	-1,478	-7,058
- other assets	-16,062	56,512
<b>3. Cash flow from financial liabilities</b>	<b>269,057</b>	<b>132,461</b>
- financial liabilities at amortised cost	6,679	4,366
- financial liabilities at fair value	190,972	141,053
- insurance contract liabilities	147,164	65,900
- other liabilities	-75,758	-78,858
<b>Total net operating cash flow generated/absorbed</b>	<b>421,484</b>	<b>267,402</b>
<b>B. INVESTMENT ACTIVITIES</b>		
<b>1. Cash flow generated by</b>	<b>83,807</b>	<b>47,268</b>
- sale of equity investments	79,596	0
- dividends received from subsidiaries	4,211	7,354
- sale of subsidiaries and business units	0	39,914
<b>2. Cash flow absorbed by</b>	<b>-34,075</b>	<b>-72,064</b>
- acquisition of equity investments	-10,094	-38,120
- acquisition of tangible assets	-4,691	-4,352
- acquisition of intangible assets	-12,025	-8,477
- purchase of subsidiaries and business units	-7,265	-21,115
<b>Total net cash flow generated/absorbed from investment activities</b>	<b>49,732</b>	<b>-24,796</b>
<b>C. FINANCING ACTIVITIES</b>		
- dividends paid and others	-189,506	-239,228
- other reserves	-25,481	-35,751
- sale/acquisitions of non-controlling interests	-7,305	-3,134
<b>Total net cash flow generated/absorbed from financing activities</b>	<b>-222,292</b>	<b>-278,113</b>
<b>TOTAL NET CASH FLOW GENERATED/ABSORBED IN THE PERIOD</b>	<b>248,924</b>	<b>-35,507</b>
<b>Reconciliation</b>		
	<b>1H 2024</b>	<b>1H 2023</b>
Opening cash and cash equivalents	889,416	791,262
Cash flow generated/absorbed during the period	248,924	-35,507
Closing cash and cash equivalents	1,138,340	755,755