

# Shareholders' meeting

## Milan, April 21<sup>st</sup> 2020

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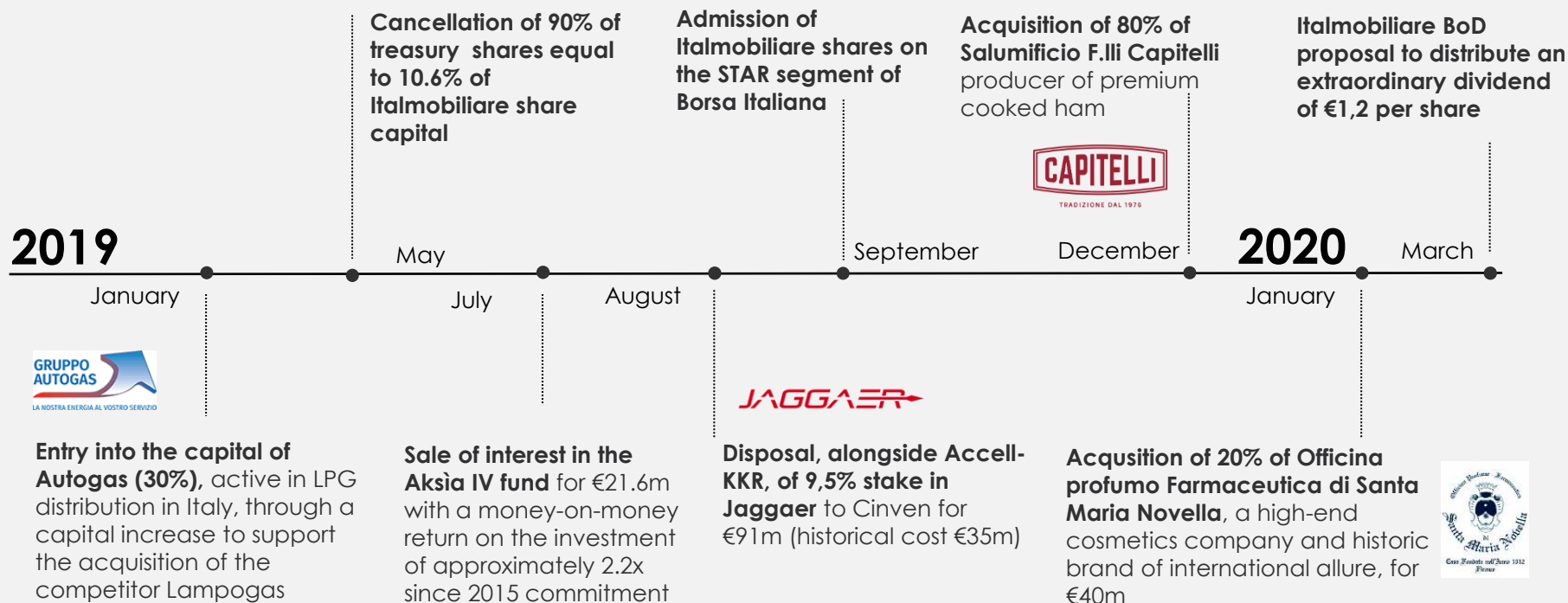


# Main events

## — A year with significant growth investments

Italmobiliare 2019 results summary:

- NAV per share at € 41.46 and NAV at €1,741m (both +22% vs. 2018)
- Consolidated Net Income of €77m (+143% vs. 2018) also due to the good performance of portfolio companies
- Investments in portfolio companies for approximately €80m
- Sale of listed companies' shares for approximately €223m
- Disposals of other assets for approximately €113m (Jaggaer and Aksia)



# 2019 performance

— NAV growth mainly from positive performance of portfolio companies and positive results from disposals

## Key Performance Indicators at December 31<sup>st</sup> 2019

		December 31, 2019	December 31, 2018 (**)	Δ '19/'18
NAV Value (*)	M€	1,741.1	1,421.4	22.49%
NAV per share	€	41.5	33.9	22.37%
Market Cap. (*)	M€	1,014.0	762.9	32.91%
Ordinary Share ITM	€	24.2	18.2	32.84% (**)
Discount		41.80%	46.30%	-4.50%
Treasury Shares	n.	512,070	5,685,870	n.s.
Treasury Shares	M€	12.4	103.4	n.s.
Dividends Paid	M€	23.1	23.1	n.s.

(\*) data net of treasury shares

(\*\*) adjusted for dividend distribution

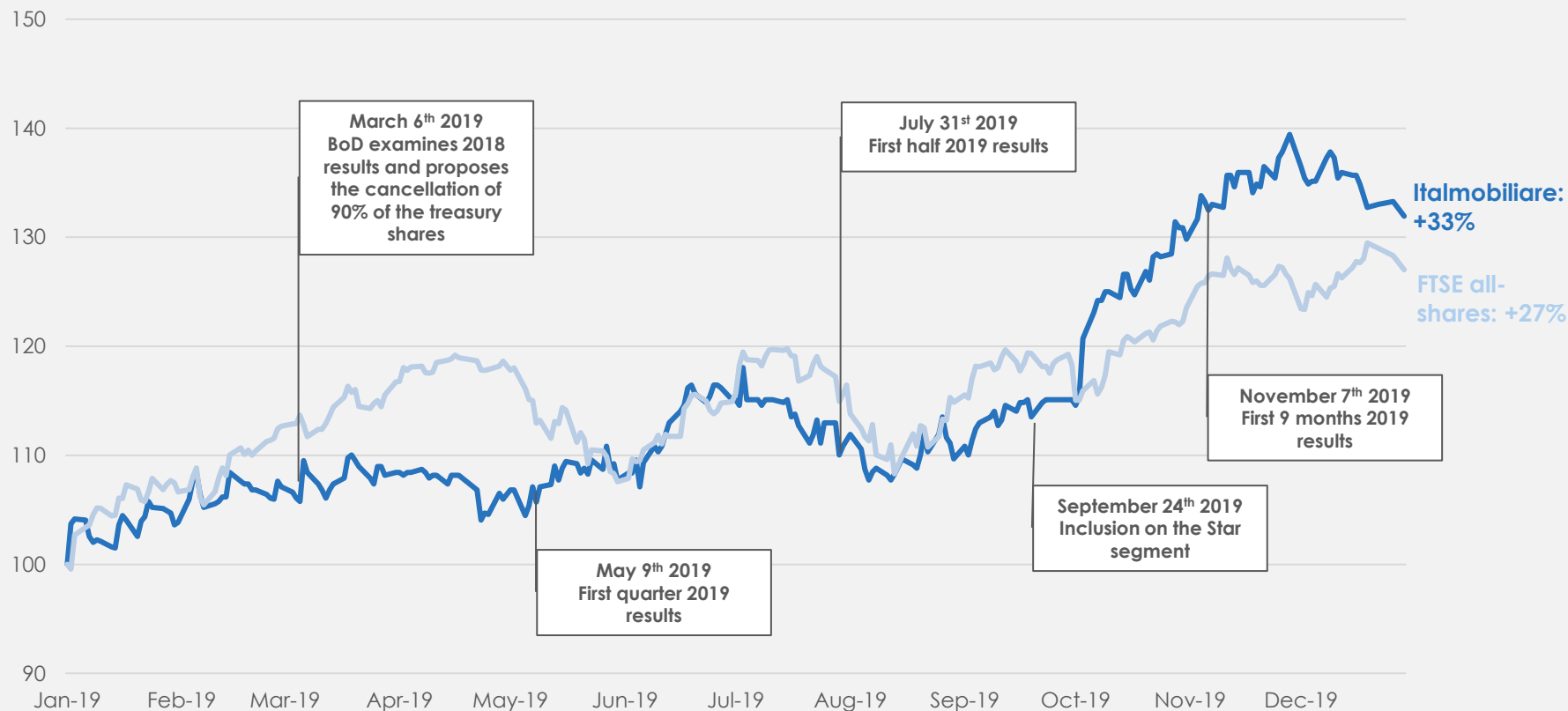
Determined mainly by:

- the price increase of HC and MB stocks (+29 mln) and their partial disposal at higher price than the beginning of the year (+48 mln)
- the positive change in fair value mainly of Caffè Borbone and Tecnica and investment in Autogas (overall +182 mln)
- disposal of Jaegger (+35.0 mln)

FTSE All Share 27.20%  
EuroStoxx 23.64%

# Italmobiliare share price performance during 2019

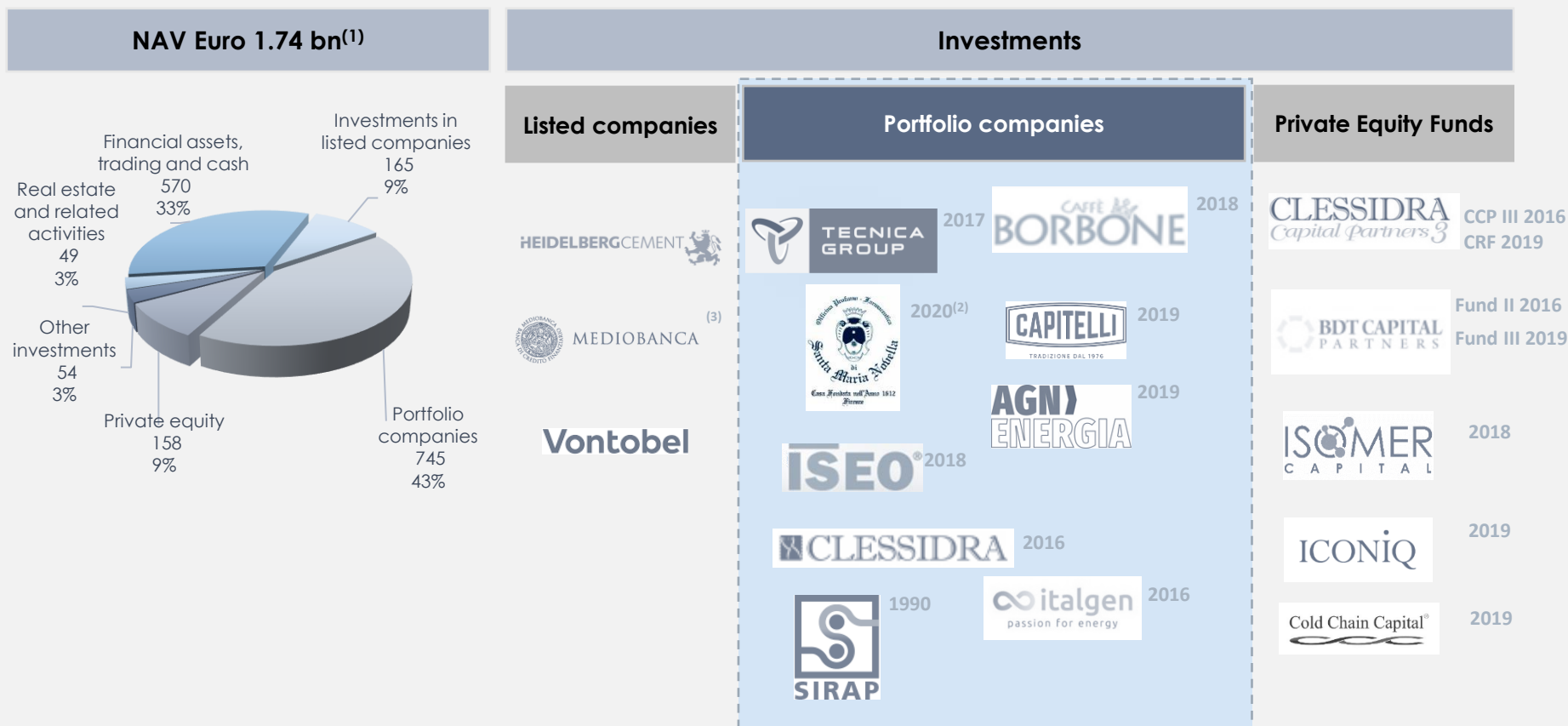
— Since September 2019 ITM has constantly overperformed the reference indexes



Note: Italmobiliare share price adjusted for dividend distribution

# Investment Portfolio

— Growth in «core» investments and reduction in listed equity investments



(1) As of December 31, 2019 (net of treasury shares)

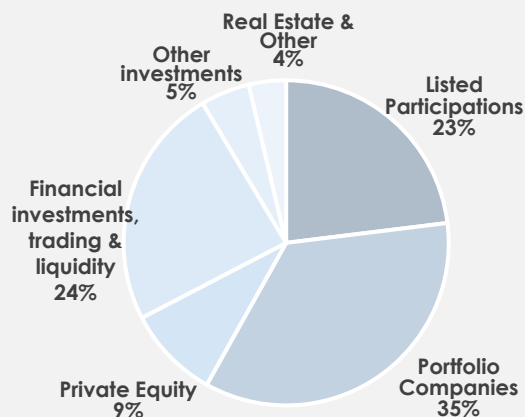
(2) Not included in NAV as of December 31, 2019

(3) Held through Fin.Priv.

# Net Asset Value development

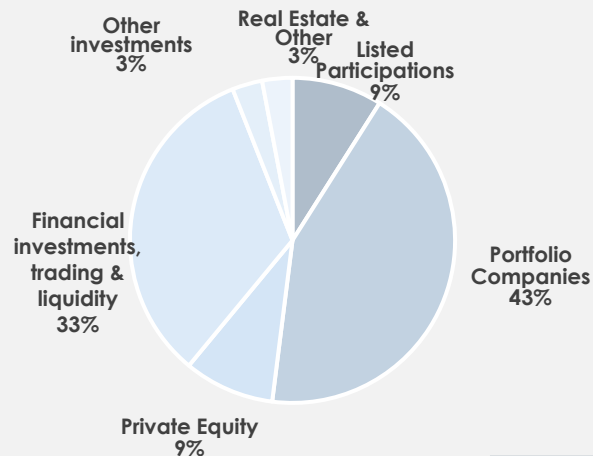
## — Significant increase in the weight of the portfolio companies

**€1,421m**  
December 31, 2018



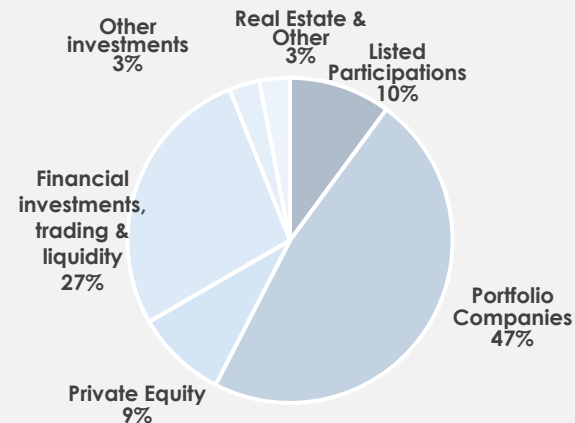
	(€ m)
Listed participations	326
Portfolio companies	497
Private Equity	129
Financial investments, trading & liquidity	345
Other investments	73
Real estate & other	51
<b>NAV as of 31.12.2018</b>	<b>1,421</b>
<b>NAV per Share</b>	<b>33.9€</b>
<b>NAV Discount</b>	<b>46.3%</b>

**€1,741 m**  
December 31, 2019



	(€ m)
Listed participations	165
Portfolio companies	745
Private Equity	158
Financial investments, trading & liquidity	570
Other investments	54
Real estate & other	49
<b>NAV as of 31.12.2019</b>	<b>1,741</b>
<b>NAV per Share</b>	<b>41.5€</b>
<b>NAV Discount</b>	<b>41.8%</b>

**December 31, 2019**  
**Pro-forma for in investment in Santa Maria Novella and dividend distribution**



	(€ m)
Listed participations	165
Portfolio companies	785
Private Equity	158
Financial investments, trading & liquidity	454
Other investments	54
Real estate & other	49
<b>NAV at 31.12.2019 pro-forma</b>	<b>1,665</b>

Strategic divestments

Increase due to increase in value of Tecnica and Caffè Borbone and investments in Autogas and Capitelli

Cash-in of disposals net of investments in portfolio companies Autogas and Capitelli

Note: NAV net of treasury shares, discount calculated as of NAV's date

# Caffè Borbone (60%)

## — The most dynamic company in the coffee industry

### Company profile

Caffè Borbone, headquartered in Caivano (Naples), is one of the main producers of single-serve coffee being the third player in Italy after Lavazza and Nespresso in that segment, and the market leader for capsules compatible with Lavazza® and Nestlé Nespresso® and Nescafé Dolce Gusto® systems\*, thanks to the excellent price / quality ratio

Over the last years, Caffè Borbone has achieved an impressive growth supported by its focus on the fastest-growing segment of coffee capsules and pods – an innovation that has changed consumer habits – which grew by around 9% in year 2019 in Italy

Caffè Borbone has gradually developed a strong brand awareness at a national level with further growth potential in the North of Italy, in the modern trade channel, and abroad, where the company has still a limited presence

*\*All registered trademarks, product designations or brand names used in this document are not owned by Caffè Borbone nor by any company associated with it*

### Products

#### Pods



#### Coffee beans



#### Capsules compatible with Lavazza and Nestlé (Nespresso and Dolce Gusto) systems



#### Moka coffee



### Key financials

(€ m)	2015	2016	2017	2018	2019
<b>Revenues</b>	<b>48,3</b>	<b>71,9</b>	<b>94</b>	<b>135</b>	<b>173</b>
YoY % var.	+35%	+49%	+30%	+44%	+28%
<b>EBITDA</b>	<b>9.2</b>	<b>16.2</b>	<b>20.3</b>	<b>33.7</b>	<b>52.0</b>
% margin	19%	23%	22%	25%	30%
YoY % var.		+76%	+26%	+64%	+52%
<b>Net income</b>	<b>5.8</b>	<b>10.5</b>	<b>13.7</b>	<b>16.5</b>	<b>34.2</b>
<b>Capex</b>	<b>4.0</b>	<b>2.0</b>	<b>4.4</b>	<b>5.4</b>	<b>2.8</b>
<b>Net debt (cash)</b>	<b>(7.7)</b>	<b>(15.3)</b>	<b>(27.3)</b>	<b>51.2<sup>(1)</sup></b>	<b>31.6</b>

Note: FY 2015-2017 drawn up in accordance with Italian accounting standards and from 2018 in accordance with IFRS

(1) Increase due to inclusion of acquisition financing

Distributed €8m dividends in 1H19

# Tecnica Group (40%)

— Leading group in the outdoor footwear and ski equipment markets

## Company profile

Tecnica Group, is the main Italian group active in the sport sector being the leading manufacturer of outdoor footwear and ski equipment

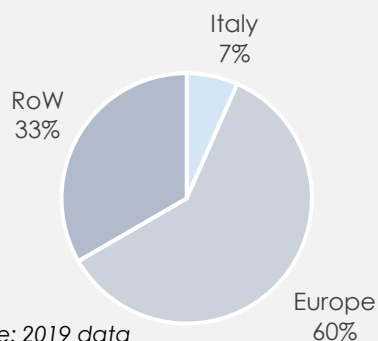
The group has collected a portfolio of brands that includes some of the industry's historic names: Tecnica (ski boots and footwear), Nordica (skis and boots), Moon Boot (footwear), Lowa (trekking shoes), Blizzard (skis) and Rollerblade (inline skates)

Tecnica is a multinational group that generates more than 90% of its sales abroad and its production plants are located in Germany, Austria, Hungary, Slovakia and Ukraine

In 2019 the group increased its stake in Lowa and acquired its Lowa's main supplier Riko Sport

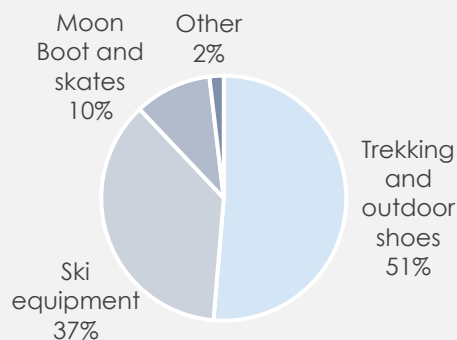
## Revenues breakdown

### By geography



Note: 2019 data

### By product type



## Brands and products



## Key financials

(€ m)	2015	2016	2017	2018	2019
<b>Revenues</b>	<b>333</b>	<b>341</b>	<b>368</b>	<b>399</b>	<b>424</b>
YoY % var.		+2%	+8%	+8%	+6%
<b>EBITDA</b>	<b>22.6</b>	<b>28.0</b>	<b>31.4</b>	<b>37.7</b>	<b>59.6</b>
% margin	7%	8%	9%	10%	14%
<b>Net income<sup>(1)</sup></b>	<b>(1.0)</b>	<b>(0.8)</b>	<b>0.9</b>	<b>5.4</b>	<b>11.3</b>
<b>Capex</b>	<b>9.2</b>	<b>8.7</b>	<b>10.0</b>	<b>11.7</b>	<b>14.4</b>
<b>Net debt (cash)</b>	<b>172.1</b>	<b>170.7</b>	<b>125.6</b>	<b>113.4</b>	<b>221.1</b>

(1) Excluding minorities

EBITDA adjusted: €59.6m  
 + IFRS16 adoption €5.2m  
 - Non recurring items €3.9m  
 - Riko full year pro-forma adj €9.4m  
 EBITDA reported: €51.5m

Increase due to:

- adoption of IFRS16 (€37m)
- Riko-Lowa minorities acquisition (€86m)



# Iseo Serrature (40%)

## — Italian excellence with paneuropean presence

### Profile

Iseo Group, headquartered in Pisogne (Brescia, Northern Italy), is one of the main European producers of mechanical, mechatronic and digital solutions for access control and security

Since 2010, the Group has developed digital solutions and innovative security systems for access control thanks to proprietary software and firmware, and opened a dedicated research center

Iseo is the second player in the Italian market (13% market share) and has developed a significant presence abroad – also through acquisitions – in France, Germany, Spain and Middle East

### Product portfolio

#### Mechanical products



Cylinders



Locks



Verrou



Panic devices

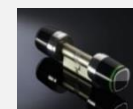


Door closers



Padlocks

#### Electronic and digital solutions



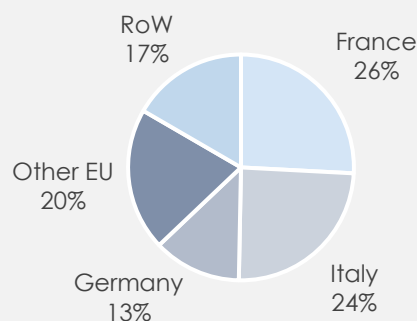
Home automation



Building automation

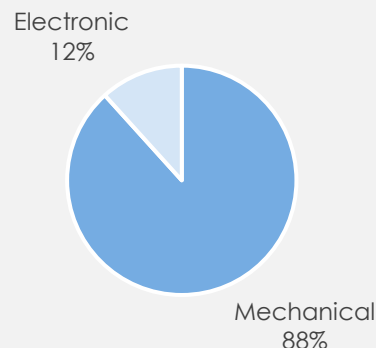
### Revenues breakdown

#### By geography



Note: 2019 data

#### By product type



### Key financials

(€ m)	2015	2016	2017	2018	2019
<b>Revenues</b>	<b>126</b>	<b>140</b>	<b>144</b>	<b>138</b>	<b>143</b>
YoY % var.		+11%	+3%	-4%	+4%
<b>EBITDA</b>	<b>14.1</b>	<b>17.2</b>	<b>17.9</b>	<b>14.3</b>	<b>18.7<sup>(1)</sup></b>
% margin	11%	12%	12%	10%	13%
<b>Group net income</b>	<b>3.9</b>	<b>5.2</b>	<b>5.7</b>	<b>4.1</b>	<b>6.1</b>
<b>Capex</b>	<b>5.2</b>	<b>4.7</b>	<b>6.5</b>	<b>7.2</b>	<b>4.8</b>
<b>Net debt (cash)</b>	<b>22.5</b>	<b>25.7</b>	<b>26.6</b>	<b>30.4</b>	<b>34.6</b>

(1) Adjusted for non recurring costs (€3.4m)

Distributed €1.2m dividends in 1H19  
Impact of €7.8m for adoption of IFRS16

# Gruppo Autogas (30%)

## — Creation of a market leader

### Profile

Autogas Nord Group (AGN) - based in Genoa - operates mainly in Italy in the distribution of LPG gas for domestic use (small tanks, meters, small networks), commercial, and industrial uses

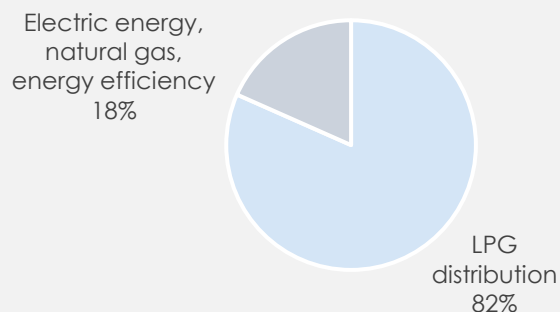
In addition, the Group has gradually diversified its business, exploiting a loyal customer base for cross-selling other products (electricity and natural gas) and services (consultancy for efficiency)

In line with its strategy of market consolidation, and with the support of Italmobiliare, AGN in November 2018 has acquired Lampogas Group, another leading Italian operator active in the sale of LPG, almost doubling its size and becoming the second player in the Italian market

The sector in Italy is stable and highly fragmented, with further opportunities of consolidation

### Revenues breakdown

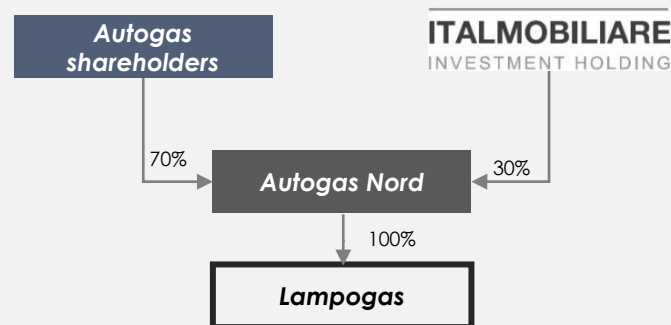
#### By service



Note: 2019 data

### Transaction structure

AGN financed the acquisition of Lampogas partly through a €60m capital increase subscribed by Italmobiliare and partly through bank financing.



### Key financials

(€ m)	2018	2019
<b>Totale ricavi</b>	<b>526.2</b>	<b>487.7</b>
Var. %		-7.3%
<b>EBITDA</b>	<b>35.7</b>	<b>45.9<sup>(1)</sup></b>
% margine	6.8%	9.4%
<b>Utile netto</b>	<b>7.8</b>	<b>4.8</b>
<b>Capex</b>	<b>15.5</b>	<b>20.3</b>
<b>PFN (cassa)</b>	<b>137.2</b>	<b>127.2</b>

Note: 2018 pro forma figures; 2019 preliminary figures

(1) Adjusted for non recurring receivables write-off (€9.9m)

Distributed €4m of dividends in 1H19

# Officina Profumo Farmaceutica di Santa Maria Novella (20%)

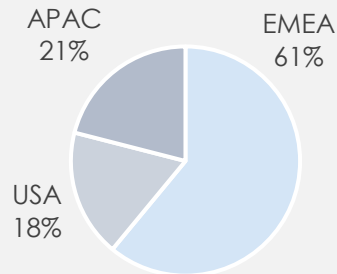
## — Historical brand of international allure

### Company profile

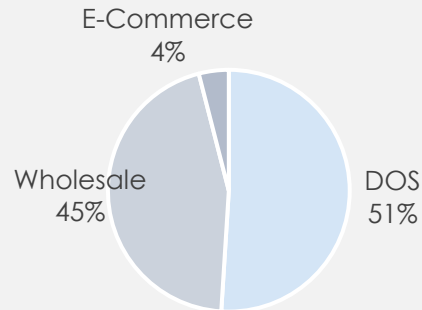
- Officina Profumo Farmaceutica di Santa Maria Novella produces and distributes premium perfumes and cosmetic products under its own brand
- The company is headquartered in Florence with roots in the oldest pharmaceutical laboratory in Europe founded by Dominican friars in 1612 with a tradition dating back in the 14<sup>th</sup> century
- An historical tradition and strong heritage contributed to the creation of an iconic and unique brand with a wide portfolio of products distributed through a network of monobrand and wholesale stores in Europe, USA and Asia

### Revenues breakdown

#### By geography



#### By distribution channel



Note: pro forma consolidated 2018 data

### Stores and products

#### Historical store in Florence



#### DOS in Milan



Fragrances  
and  
perfumes



Skin and  
body care



Candles and  
home fragrances



Other  
products



### Key financials

(€ m)	2018	2019
<b>Revenues</b>	<b>30</b>	<b>32</b>
YoY % var.		+7%
<b>EBITDA</b>	<b>12</b>	<b>13</b>
% margin	40%	41%

Note: pro forma figures of the transaction perimeter

# Capitelli (80%)

## — Italian excellence in the food sector

### Company profile

- Capitelli, based in the province of Piacenza, is active in the production and sale of cooked ham and other cured meat products characterized by the high quality and product excellence that are distributed under the brand "Capitelli"
- The company reinvented the cooked ham launching its flagship product "San Giovanni", made with selected meats and with a unique craft production process, that has recently received a prestigious quality award from the Espresso's "Guida Salumi d'Italia"
- The main customers of the Company are modern trade retailers, and the growth experienced by Capitelli in last years has been reinforced by consumer trends towards artisanal and high quality food products

### Products

#### Cooked ham "San Giovanni"



#### Other cured meat products



### Key financials

(€ m)	2016	2017	2018	2019
<b>Revenues</b>	<b>9.9</b>	<b>11.1</b>	<b>11.7</b>	<b>14.0</b>
YoY % var.	+7%	+12%	+6%	+21%
<b>EBITDA</b>	<b>1.1</b>	<b>1.5</b>	<b>2.5</b>	<b>3.9</b>
% margin	11%	13%	22%	28%
<b>Net income</b>	<b>0.7</b>	<b>0.8</b>	<b>1.7</b>	<b>3.1</b>
<b>Net debt (cash)</b>	<b>(4.2)</b>	<b>(5.0)</b>	<b>(7.2)</b>	<b>(10.3)</b>

# Sirap (100%)

## — Innovative solutions for food packaging

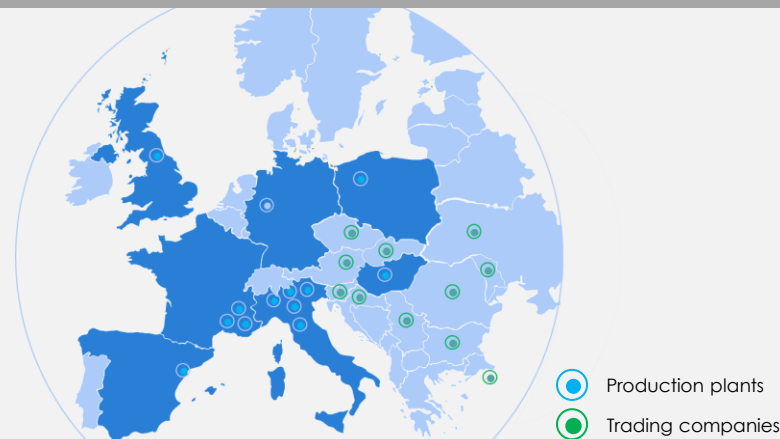
### Company profile

Sirap is one of the main producers of fresh food packaging in Europe, offering rigid containers in XPS (polystyrene foam), PET and PP (polypropylene) for all food applications for industry and retail clients

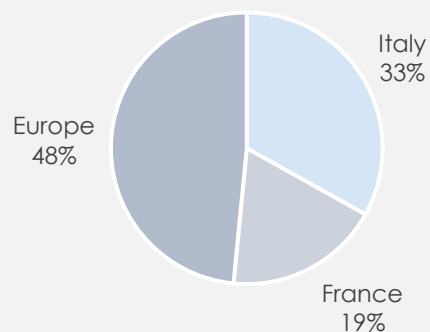
Sirap has an international presence with 12 production plants, sales companies and warehouses in 18 European countries

At the beginning of 2018, to consolidate its position in the rigid packaging industry, Sirap has made four acquisitions in UK, Germany, France and Spain

### Geographical presence



### Revenues breakdown by country



Note: 2019

### Key financials

(€ m)	2017	2018	2019
<b>Revenues</b>	<b>207.1</b>	<b>275.1</b>	<b>269.3</b>
YoY % var.	-0.1%	+32.8%	-2.1%
<b>EBITDA</b>	<b>15.0</b>	<b>16.3</b>	<b>21.3<sup>(1)</sup></b>
% margin	7.2%	5.9%	7.9%
<b>Net income</b>	<b>2.3</b>	<b>6.3</b>	<b>1.0</b>
<b>Capex</b>	<b>12.6</b>	<b>6.5</b>	<b>9.8</b>
<b>Net debt (cash)</b>	<b>67.2</b>	<b>82.3</b>	<b>80.8</b>

Includes effect of new IFRS16 for €+3.2 m

Integration of companies acquired at the beginning of 2018

Includes effect of new IFRS16 for €+7.9 m

(1) Adjusted for non recurring costs (€1.4m)

# Italgen (100%)

## — Energy exclusively from renewable sources

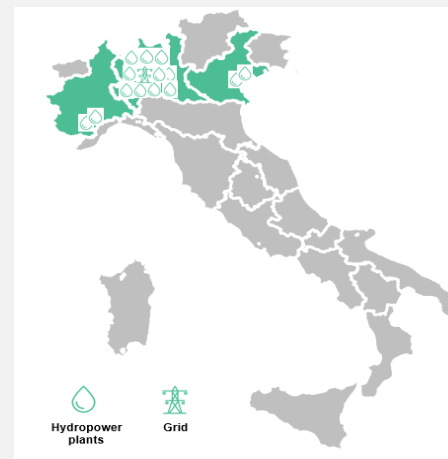
### Company profile

Italgen is a producer and distributor of electricity from renewable energy sources, it manages 15 hydropower plants and over 300 km transmission lines in northern Italy and has a significant stake in two wind farms in Bulgaria (18 MW)

In the last decade Italgen has also developed international renewable energy projects in Egypt, Morocco and Turkey

Italgen is strongly committed to sustainability, it operates in full compliance with the environment and has obtained the most relevant certifications: ISO 9001, 14001 and EMAS (Eco Management Audit Scheme).

### Geographical presence



### KPIs

- **Installed capacity: 58 MW (100% hydro)**
- **Renewable energy production: 306 GWh/year**
- **Availability rate: 96%**
- **Equivalent households potentially supplied by Italgen: 105,000**
- **Avoided CO2 emissions: 134,000 Tons/year**

### Key financials

(€ m)	2017	2018	2019
<b>Revenues</b>	<b>37.8</b>	<b>35.8</b>	<b>34.4</b>
YoY % var.	n.m.	n.m.	-4.8%
<b>EBITDA</b>	<b>6.2</b>	<b>8.4</b>	<b>14.6<sup>(1)</sup></b>
% margin	16.4%	23.5%	42.4%
<b>Net income</b>	<b>1.3</b>	<b>0.4</b>	<b>7.4</b>
<b>Capex</b>	<b>2.5</b>	<b>3.2</b>	<b>3.3</b>
<b>Net debt (cash)</b>	<b>17.9</b>	<b>13.9</b>	<b>20.1</b>

The trend of revenues from 2015 is due to the switch from final to wholesale clients that reduced transport rebates with limited effect on margins

(1) Adjusted for non recurring costs (€0.4m)

Distributed €6m dividends in 1H19

# Clessidra SGR (100%)

— Largest private equity fund manager in Italy

## Profile

Clessidra SGR is the leading manager of Private Equity funds dedicated to the Italian market. Italmobiliare is the anchor investor in Clessidra Capital Partners 3

Since inception in 2003, Clessidra completed 25 transactions with an aggregated EV of € 18 bn and equity of € 1.8 bn (equity average € 80 m per transaction) and 17 add-ons to the portfolio companies

In 2019 Clessidra launched Clessidra Restructuring Fund, a new fund dedicated to investments in bank loans which includes credits towards 14 Italian companies in the process of industrial relaunch sold by 10 banking groups. Italmobiliare has subscribed the fund, alongside other investors, providing the capital to support the relaunch

## Funds under Management

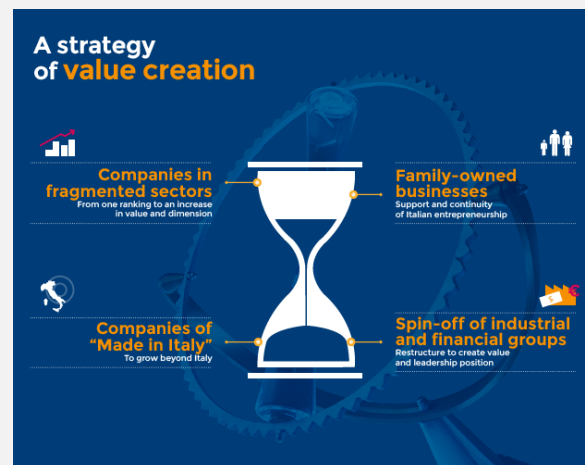


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## Investment Strategy



## Key indicators

Currently managed funds	3
Current flagship fund	CCP 3
Assets Under Management over time	approx. € 3.0 bn
# of investments	25
# of add-on	17

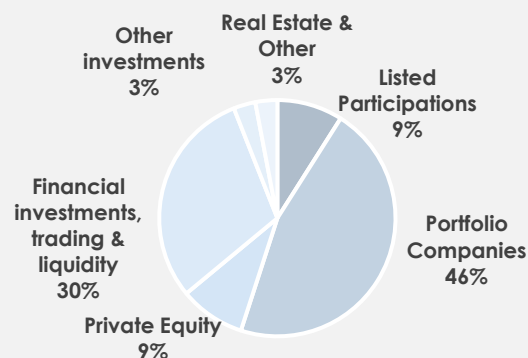


# Risk factors monitoring

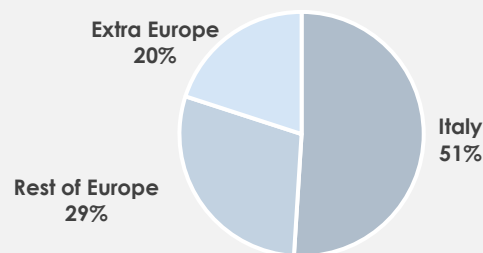
## Italmobiliare periodically performs an integrated analysis of the main risk factors and related mitigation measures

- **Portfolio risk analysis:**
  - main risk indicators (VaR, CVaR and recovery time) are lower than the **average risk indicators of the global equity index**
  - well diversified portfolio with a **balanced degree of correlation** of the different components
- **Exposure to different country/area risks:** the NAV distribution proportional to the **geographic diversification of sales** shows **a good level of diversification out of Italy (~50% of NAV linked to sales abroad)**. Out of the **Italian NAV exposure** approx. 65% is related to businesses with a low correlation to GDP (Borbone, Autogas and Italgas)
- **Italmobiliare together with the portfolio companies** periodically **monitor and analyze specific risk factors and identify precise actions for risk mitigation and hedging**
  - From January 2019 Italmobiliare started the **monitoring and assessment of the impact of Covid-19 on portfolio companies** as summarized on the next page

NAV December 30, 2019<sup>(1)</sup>



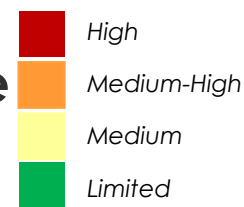
NAV geographic breakdown proportional to 2019 sales



(1) Pro-forma for investment in Santa Maria Novella



# Portfolio Companies – Covid-19 impact preliminary estimate



CAFFÈ  
**BORBONE**

**TECNICA  
GROUP**

**AGN  
ENERGIA**

**Sirap Group**

**italgen**  
passion for energy

**ISEO**

**CAPITELLI**



**As-Is  
Situation**

Health &  
People



Impact on  
operations



Estimated  
impact on  
2020 results



**Possible  
medium-  
long term  
impact**

Business



Financial  
flexibility



# Income statement key data

Income Statement ( € million)	December 31, 2019	December 31, 2018	Δ '19/'18
Dividends from equity investments	22.4	23.8	(1.4)
Net gains on investments of cash and cash equivalents	47.2	0.1	47.1
Revaluation (write-down) on equity investments	(14.3)	-	(14.3)
<b>TOTAL FINANCIAL INCOME (EXPENSE)</b>	<b>55.3</b>	<b>23.9</b>	<b>31.4</b>
Other expenses	(24.8)	(23.2)	(1.6)
Income tax	(10.8)	19.1	(29.9)
<b>PROFIT FOR THE YEAR</b>	<b>19.7</b>	<b>19.8</b>	<b>(0.1)</b>

- Funds **40.6**
- Trading Equity Investments **13.5**
- Derivatives **(7.0)**

Activation of tax benefits on prior-year tax losses and on deductible temporary differences made in 2018

# Consolidated income statement

Consolidated Income Statement (€ million)	December 31, 2019	December 31, 2018	Δ '19/'18
<b>Revenues and Income</b>	<b>565.9</b>	<b>463.1</b>	<b>102.8</b>
Operating Costs	(440.0)	(422.0)	(18.0)
<b>Gross operating profit (EBITDA)</b>	<b>125.9</b>	<b>41.1</b>	<b>84.8</b>
Amortization and depreciation	(27.7)	(21.0)	(6.7)
Impairment losses on non-current assets	(1.1)	1.2	(2.3)
<b>Operating Income</b>	<b>97.1</b>	<b>21.3</b>	<b>75.8</b>
Net finance income (costs)	(5.4)	(4.8)	(0.6)
Impairment losses on financial assets	(2.6)	-	(2.6)
Share of profit/(loss) of equity-accounted associates	10.5	2.0	8.5
<b>Profit/(loss) Before Taxes</b>	<b>99.6</b>	<b>18.5</b>	<b>81.1</b>
Tax	(22.6)	13.2	(35.8)
<b>Profit/(loss) for the year</b>	<b>77.0</b>	<b>31.7</b>	<b>45.3</b>
Attributable to:			
• <b>Owners of the Parent Company</b>	<b>63.5</b>	<b>27.7</b>	<b>35.8</b>
• Non-controlling interests	13.5	4.0	9.5

Italmobiliare  
Caffè Borbone

31.1  
80.6

Italmobiliare  
Caffè Borbone

44.3  
29.5

Tecnica  
AGN  
Iseo

4.7  
2.0  
3.0

Activation of tax benefits on prior-year tax losses and on deductible temporary differences made in 2018