



ITALMOBILIARE
INVESTMENT HOLDING

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75 years of Italmobiliare

BY CARLO PESENTI AND LAURA ZANETTI

In a context of extraordinary emergency and great instability, we believe it is important to retrace the crucial stages in the Group's history (which recently celebrated its 75th anniversary), identifying three different periods, all with a strong common trait: an entrepreneurial vision that is always contemporary, capable of interpreting the historical and social context of the time in the best way possible.

In the post-war period, there emerged an ability to take up as protagonists the major challenges and opportunities opened up by a scenario of recovery and reconstruction, for example in banking and insurance. A period spent focusing on the cement industry then followed, at the beginning of the 1990s, with the extraordinary acquisition of Ciments Français by Italcementi, supported by Italmobiliare. This made it possible to create one of the most important multinational private groups in our country, a world leader with expertise and resources to best face both the challenges of globalisation and sustainability in the construction industry.

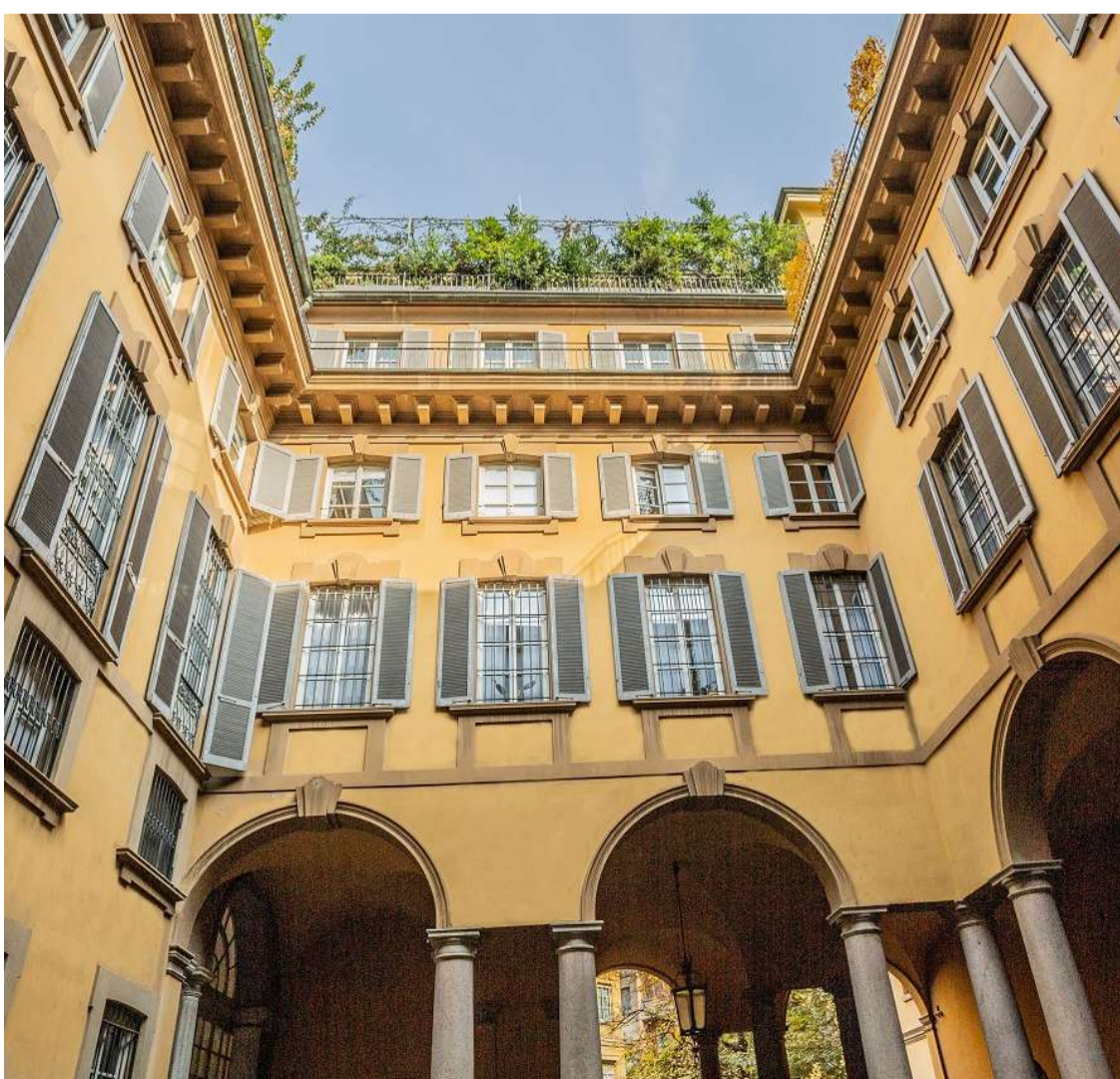
Since 2016, Italmobiliare has redesigned itself as a modern investment holding company through a complex, multi-faceted transition in favour of its shareholders and all its other stakeholders.

Its industrial footprint has made it possible for the Group to maintain its unique characteristics on the Italian market with the ambition of contributing, once again as a protagonist, to the creation of Values in this country. The history of Italmobiliare tells us that over the course of 75 years we have gone through various complex moments – both in terms of the general political-economic context and as a business – like the ones we are experiencing at present. The spread of the health emergency and the subsequent dramatic deterioration of the crisis in Ukraine remind us of the importance of three elements: putting people centre stage, maintaining a solid financial structure and developing business and industrial models that are sustainable over time.

As already happened when the health crisis arose, even with the worsening of the conflict in Ukraine, the first reaction was to protect and support people, both as the holding company and as portfolio companies, with assistance from the Pesenti Foundation. The decision to have limited recourse to debt – associated with a strategically diversified portfolio built up by applying best management and governance practices to the portfolio companies – has proved to be decisive in guaranteeing flexibility and resilience in unpredictable and complicated situations.

The complexity of the situation has not slowed down our continuous search for excellence, further strengthening Italmobiliare's ability to present itself as a long-term strategic partner for companies with significant growth potential, confirming the validity of a choice – that of investing in Italy – taken a few years ago, when there were not many who were prepared to bet on our country.

"An entrepreneurial vision that is always contemporary, capable of interpreting the historical and social context of the time in the best way possible"



The excellence of many products "Made in Italy" – combined with Italmobiliare's ability to develop synergies, strengthen best practices, define new opportunities and choose sustainability as an integrated lever of success – have in fact made possible to achieve ambitious goals even in this complex period.

In recent months new investments were finalised, which represent a further enhancement of "Made in Italy" and its exceptional craftsmanship, as is the case with SIDI Sport.

In July 2022 Italmobiliare announced the acquisition of 100% of the capital of SIDI Sport, an iconic brand that has been able to revolutionise the world of cycling and motorcycling footwear. SIDI Sport is an Italian success story: the company – founded in 1960 by Dino Signori – has become a globally recognised leader in its business sector, with a turnover of almost 38 million euro in 2021 and EBITDA of around 7 million euro.

In April 2022, Italmobiliare finalised the investment for 19.99% of the capital of Bene Assicurazioni following the authorisation from IVASS, the Supervisory Authority for the Italian Insurance Sector. Bene Assicurazioni, founded in 2016 by Andrea Sabia, represents one of the main innovations on the Italian insurance market. In just five years of operations, Bene Assicurazioni has reached 140 million in gross premiums at the end of 2021.

As for the alternative investment funds, in addition to the diversification of a portfolio that is increasingly articulated across different geographies and asset classes, Italmobiliare continues its leading role in the development of the Clessidra Group's multi-asset platform, through the launch of the fourth Private

Equity fund and of the first Private Debt fund in March 2022, which joins the UTP loans and factoring activities.

Even more so in a context that seems to be pushing businesses, institutions, civil society and individuals towards a paradigm shift, the value of choosing sustainability has a decisive weight.

ITALMOBILIARE, THROUGH ITS FLOW OF INVESTMENTS AND DIVESTMENTS AND ACTIVE PARTICIPATION IN THE STRATEGIC MANAGEMENT OF THE PORTFOLIO COMPANIES, AIMS FOR THE SUSTAINABLE SUCCESS OF THE GROUP, ASSIGNING PRIORITIES AND MOBILISING FINANCIAL RESOURCES IN A TARGETED, SELECTIVE WAY.

Italmobiliare is a founding member of the UN Global Compact Network Italia and actively participates in its initiatives, also through the presence on the Board of Directors of Stefano Gardi, Italmobiliare's Chief Sustainability Officer. Membership of the Global Compact, with full support for the Ten Principles and active contribution to the Sustainable Development Goals, was renewed with the updating of the Code of Ethics, the Sustainability Policies and the Responsible Investment Policy, the Group's new points of reference for strong sustainable governance, which are available to the Corporate Bodies, management and the portfolio companies, with a view to creating shared value.

Alignment with the sustainable mission and the work of management with the support of the Board are crucial elements: choosing sustainability as integrated lever of success becomes even more valuable in a context of persistent instability.



ECONOMY CAUGHT BETWEEN A ROCK (INFLATION) AND A HARD PLACE (INTEREST RATES)



Fabrizio Galimberti
Luca Paolazzi



Are the problems involved in understanding the economy disappearing? Yes, in the sense that a recession really is on its way. Can it be mitigated? With what policies? How serious is the gas problem? Does the (relative) weakness of commodities herald a decline in inflation? Or has this become all mixed up in the price transmission mechanisms? Will the rate hike continue? Will the euro continue to fall below par with the dollar?

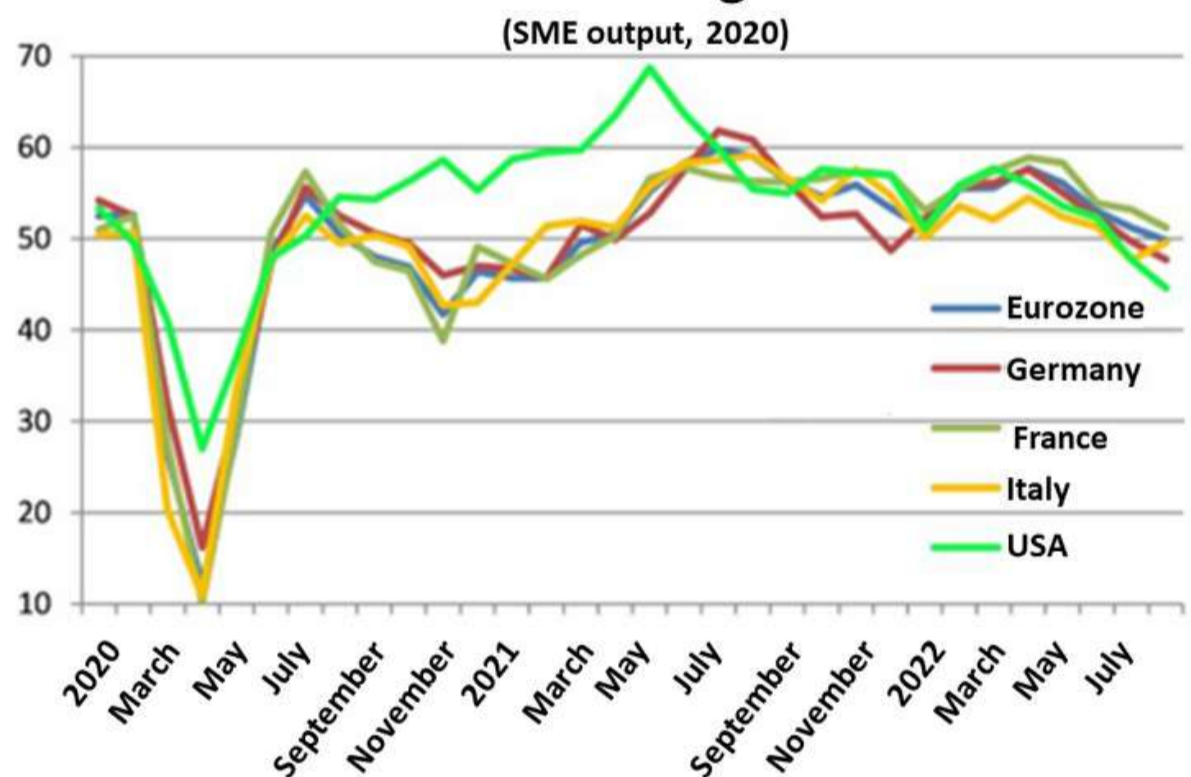
REAL INDICATORS

The economic barometer is indicating that **bad weather** is looming. There are still areas of high pressure, where the sky is clear and the sun is shining. For example, **consumers** are still drawing on what's left of the bounty accumulated thanks to the indemnities paid out (fortunately) by the government during the pandemic.

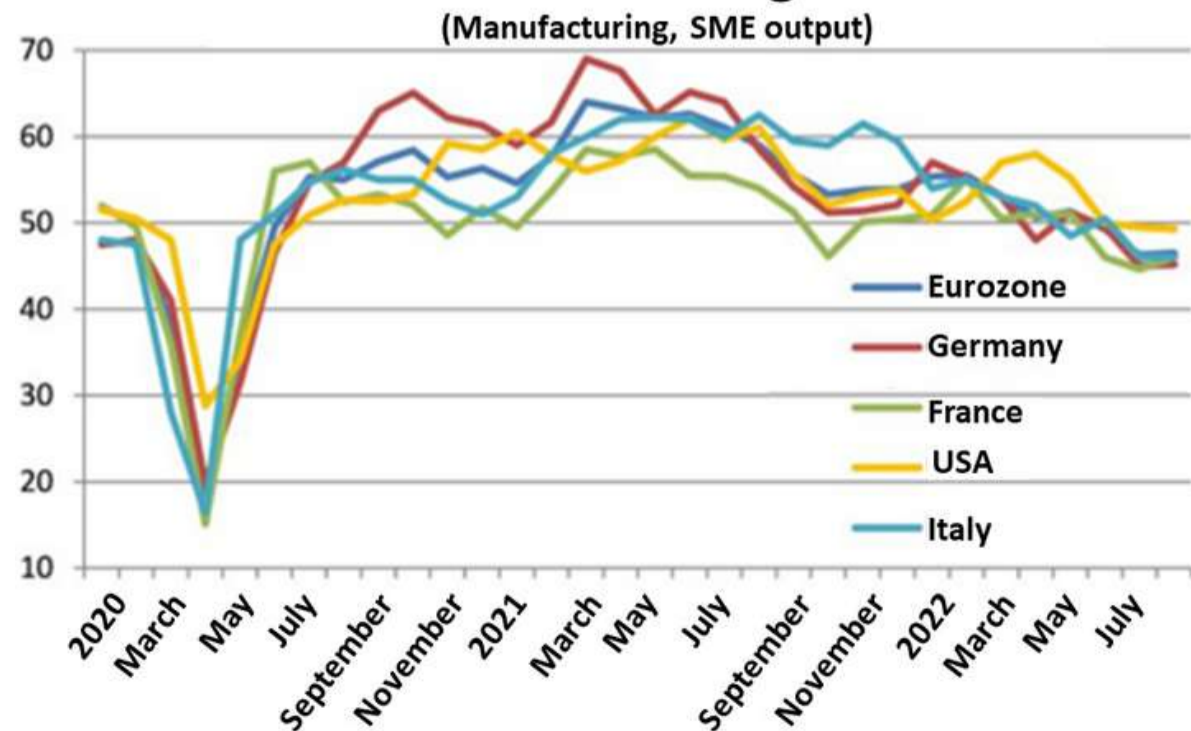
However, the underlying current, propelled by residual supply problems and incipient demand problems, **is moving towards a recession**, or at least towards a *growth recession*; in other words, a prolonged period of low growth, below its potential, without falling below zero and without there necessarily being a minus sign in front of the variance.

Orders and **production** data, both in manufacturing and in services, are all pointing downwards in the graphs, a direction that appears to be **unanimous everywhere**, which makes it even more worrying.

Services slowing down...



... and manufacturing in reverse



SOURCE: elaborations of IHS Markit data

What can be done **to support the economy**? There are various possibilities in terms of monetary, budgetary and **industrial policy**. Let's begin with the last one, which inevitably has to start with energy as we are in the midst of an energy crisis that is even more serious for Europe than the one caused by the first two oil shocks (in the 1970s), because gas and electricity have risen by a much higher multiple than then and this rise has been accompanied by the strengthening of the dollar, the currency in which all energy commodities are quoted. So, on the energy front we need the diversification of sources, which has already begun, but it takes time, combined with rationing and savings, which are already effective in the short term.

For the more traditional levers, it is clear that **monetary policy** cannot do anything: it is part of the problem, not of the solution, with Central Banks obstinate in raising interest rates to defeat inflation that has surprised them in terms of duration and force. And **what lasts over time becomes durable**, so it cannot be transitory. The test now is no longer to stop it, but to prevent it from entering into people's logic and calculations.

There remains **budgetary policy**, which in theory can spend and expand. Indeed, governments are striving to support household budgets and alleviate costs for businesses. The problem is that today there can no longer be that sort of collaboration on the part of monetary policy, which lent itself to buying government bonds to finance deficits and keep interest rates low.

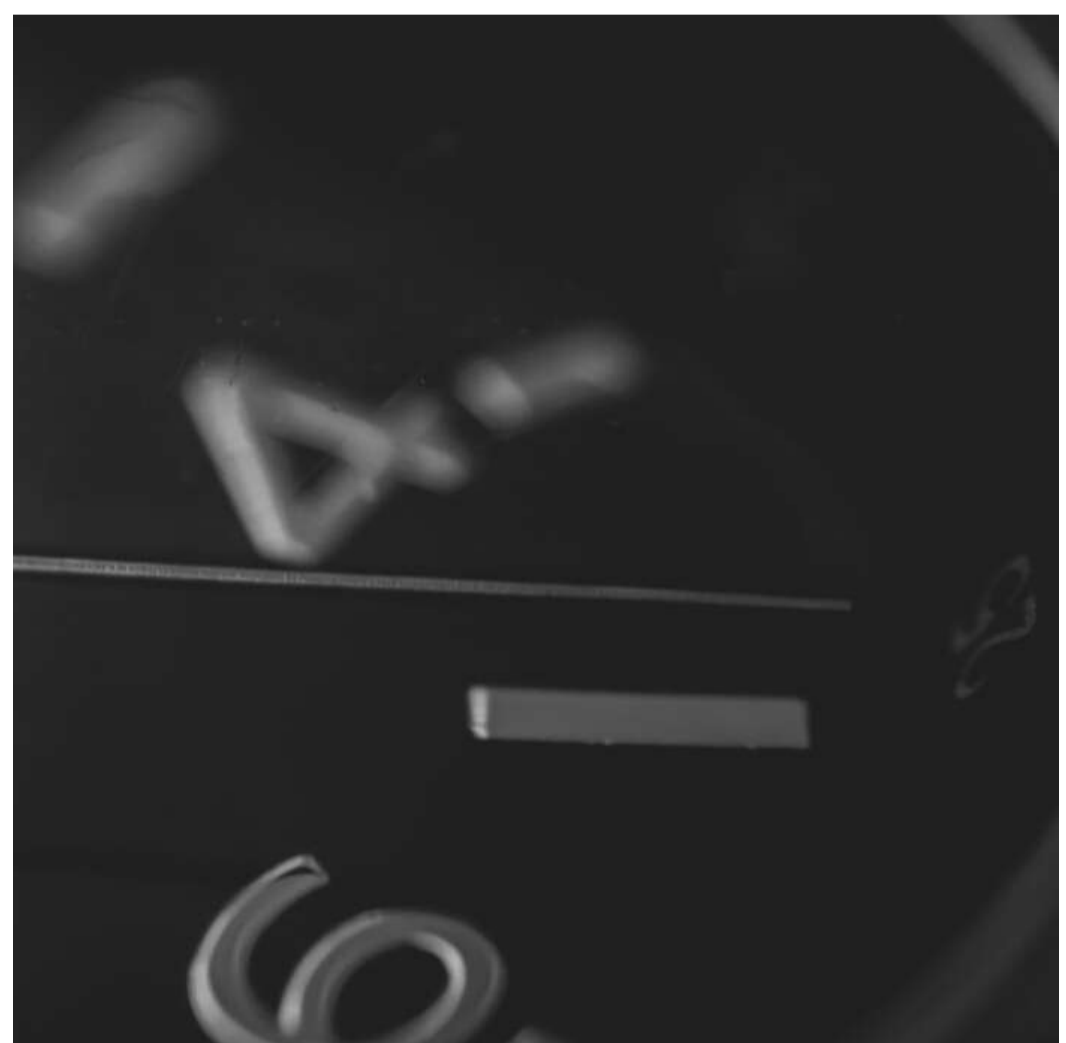
If a government wants to spend and expand, it will have **to finance itself on the market**, which is difficult for those under "special surveillance" like Italy.

Furthermore, if governments "remove the chestnuts from the fire" (i.e. solve the problems) of households and businesses, they merely **transfer them to Central Banks**: because if the shock originates in supply and higher prices cool demand, public hand-outs to help with utility bills will only feed demand, which the Central Banks want to moderate, given that they can only act on it and not on supply.

In other words, **larger deficits will lead to even higher interest rates**, partly because there will be a greater supply of government bonds and partly because Central Banks will have to step on the brakes of inflation with further hikes in interest rates.

Budgetary policy can be **targeted** at those households who can least afford such an increase in their utility bills and at those companies whose activities are predominantly based on energy (the famous "energy guzzlers").

However, **in Europe there are too many differences** in public finances and energy supplies, so this symmetrical shock cannot fail to have asymmetrical effects. There is only one solution: another "Next Generation EU" financed with **the solid name of the EU**. The energy crisis is European, like that of the pandemic, and requires common and supportive responses.



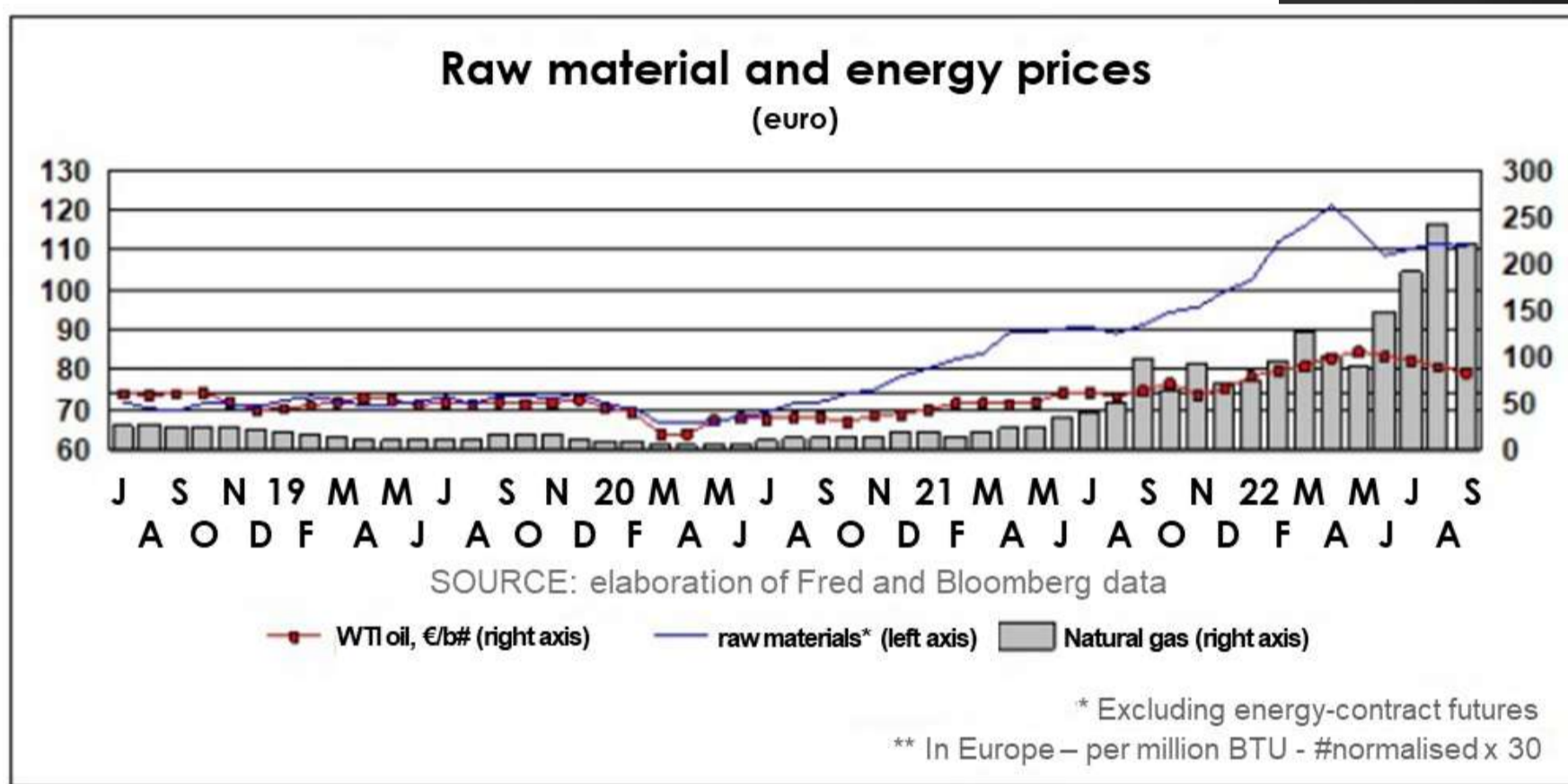
INFLATION

In a supply shock, rising prices is not only the mechanism through which the quid needed to pay for high-priced raw materials is "extracted" **from the pockets of citizens** and transferred to the pockets of their producers (in terms of real resources), it **also lowers the domestic demand** of these citizens and therefore tends to lower inflation.

Behind the **long wait on the part of Central Banks** in the face of the surge in prices during the second half of 2020 and the first half of 2021, there was precisely the belief that this mechanism would operate, together with the other: higher prices call for higher supply. But these two mechanisms are taking **too long** for the economy to excrete the viral toxins on its own. If no action is taken, there is a risk of pulmonary complications, i.e. **accelerating prices become part of daily life** and of the way that all operators work out what is best for them. A bad habit that then becomes more difficult and painful to remove.

In any case, what can be seen from price indices of various kinds is that **the peak is passing**, more in the USA than in the Euro area; however, prices continue to rise at a much higher rate than we were used to in the era of the Great Moderation and sooner or later these price hikes will hit the pockets of consumers and businesses alike; the **drop in commodity prices** helps lower inflation, but only a part of their previous price increases had been transferred downstream.

Last but not least, if **the price of energy gets used as a weapon of war**, the rules of the game don't apply any more, so we have to change game. Because the market is no longer free, it is cornered and therefore no longer signals a real scarcity, but someone's willingness to continue the war by other means.



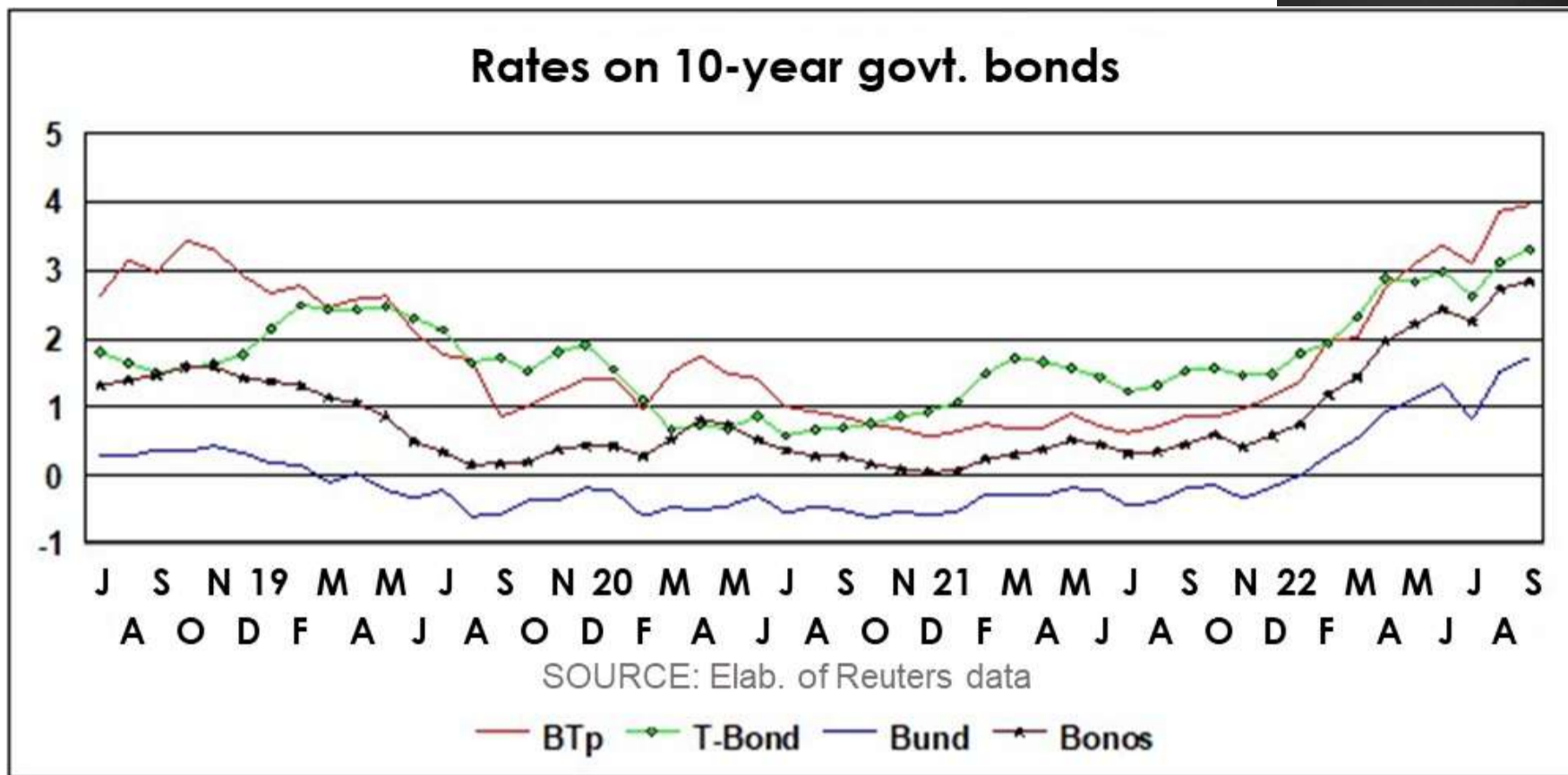
RATES AND CURRENCIES

The **yield curve inversion** has eased in America, but that's not good news. Both two-year and ten-year rates rose, but the latter more than the former, as they responded to the **Fed's iron determination** to continue tightening, whatever the cost. **Rates have also increased significantly** in Europe, the BTP is now close to 4% and **the spread** has widened against both the German Bund and Spanish Bonos.

As mentioned earlier, the economy, which is threatened by the recession, the energy crisis and, in particular, the closing of the gas taps, needs support. Support that can only come from **fiscal policy**, but this already has to suffer the negative effects of the automatic stabilisers and **cannot count on the support of the ECB**.

The problem is common to Europe and, as in the case of the pandemic, the answer must be European. We were already discussing the new Stability Pact, but this time there is something more on the table: **Europe needs to prepare another Next Generation** to cope with recession and energy transition. **Individual countries cannot go it alone**. Of course, the ECB could field the funds from repayments of maturing bonds, it could inaugurate the **Transmission Protection Instrument (TPI)** or take **Outright Monetary Transactions (OMTs)** out of the freezer; but instead of just plugging holes, it would be much better **to introduce a new common debt programme**, as it did - to its merit - with the pandemic.

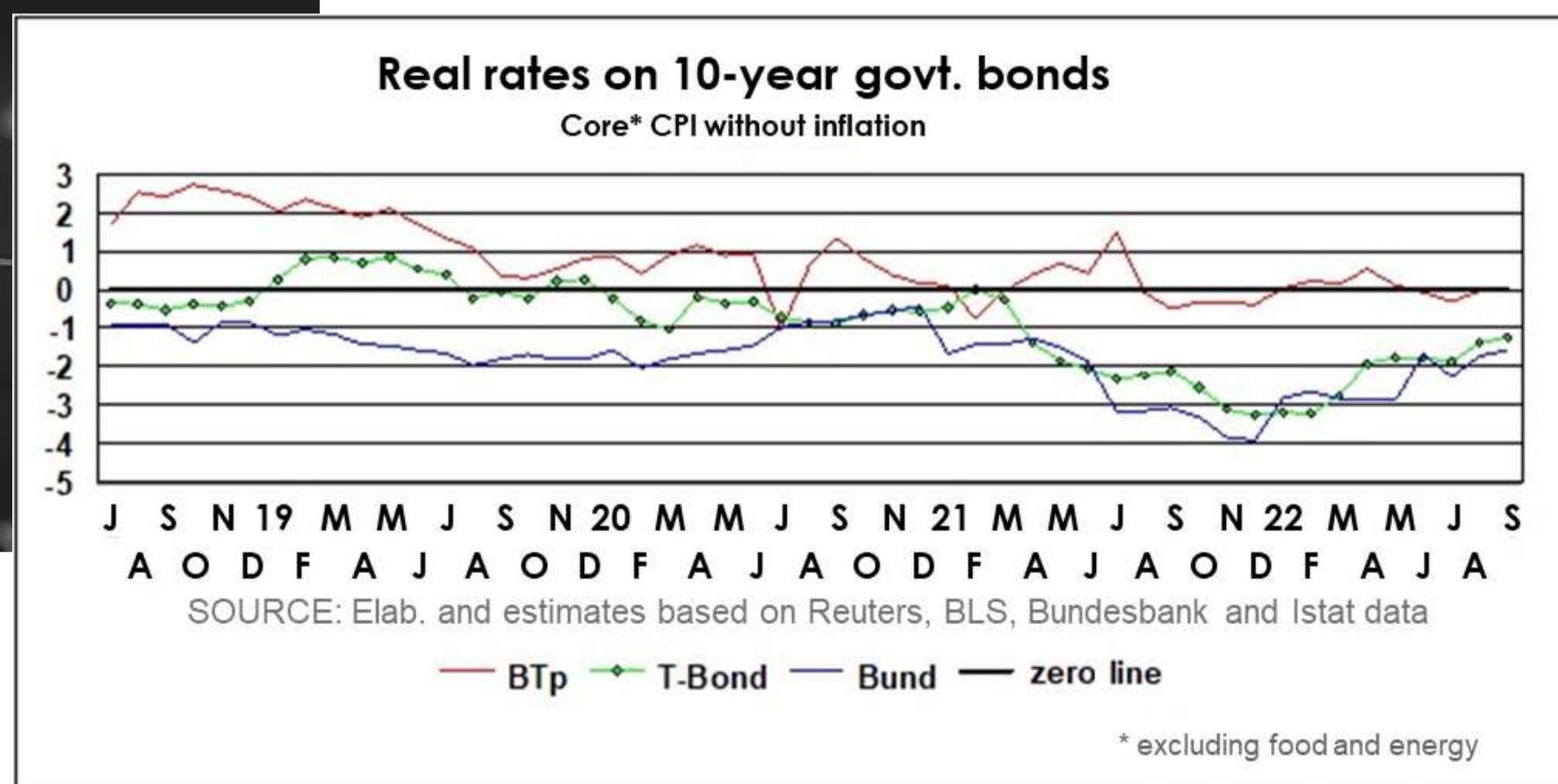
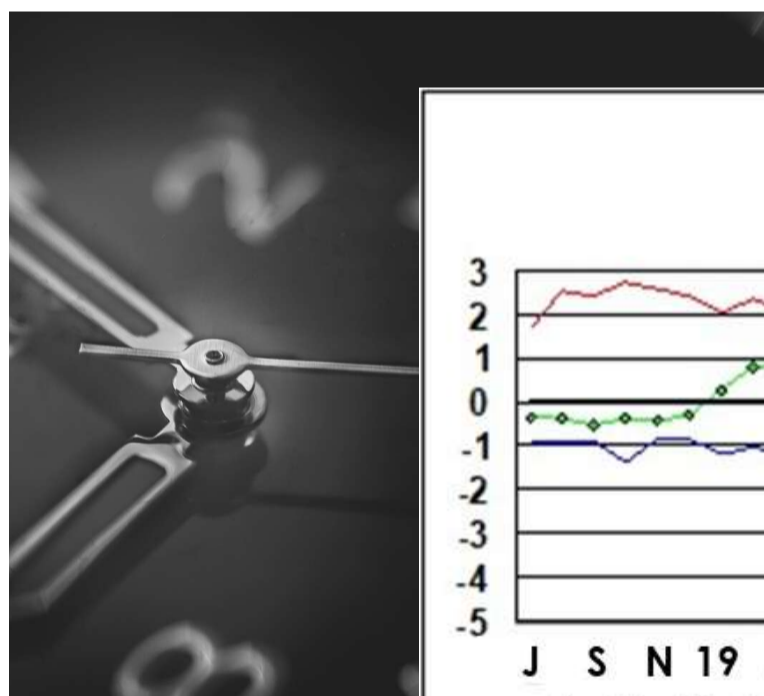
Of course, **real rates are still negative**, albeit a little less than before. However, this is meagre consolation: as Isabel Schnabel (a Board member of the ECB) observed, for various reasons, today's economy **responds less to changes in rates than in the past**.



The stimulus effect of low real rates therefore matters less, at a time when demand is undermined by low confidence and the sound of sabres rattling.

In the currency field, the dollar continues to dominate the scene. For advanced countries, the problem is not so serious (it favours price competitiveness), but it also prevents us from reaping the benefits of lower prices for commodities denominated in dollars.

Equity markets have emerged from their air of ambiguity and are now following the dim prospects of the real economy. Prospects that are also influenced by the wealth effect that involves both equities and bonds. In the past, when the economy was suffering, stocks went down but bonds went up due to lower interest rates. This time round, all prices are falling.



Fabrizio Galimberti was born in Rome in 1941. After graduating from the Bocconi University in Milan, he studied at Columbia University in New York, and subsequently taught Public Economics in Rome and Ferrara. Later he worked at the OECD Economics Department. In Rome, he was an economic advisor to the Treasury, with Beniamino Andreatta and Giovanni Gorla. In later years, he was FIAT Chief Economist and most recently a leader writer with Il Sole 24 Ore.

Luca Paolazzi is an economist and advisor at Ceresio Investors. From October 2007 to February 2018 he headed the Confindustria Studies Center. From September 1986 to September 2007 he worked at Il Sole 24 Ore, latterly as a leader column editor. From March 1984 to August 1986 he was an economist at the FIAT Studies Office. He is the author of many publications on economics, and a winner of the Q8, Brizio and Lingotto awards for economic journalism.

Read more on
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DOMUM DULCE DOMUM

ref.
ricerche

Luca Paolazzi



Domum dulce domum. Latin is better than Italian for translating the famous English phrase "Home Sweet Home". Because in Dante's language the word for home (*casa*) also means house, thus representing both the hearth around which the family gathers and the building in which the hearth is enclosed.

The pandemic has dramatically emphasised the first and innermost meaning of the term. Forced to remain closed within the four walls of the home, by public edicts no less than by the fear of being infected, people have rearranged their existential priorities according to a new scale. **Reassessing the hours spent indoors** compared to those spent out-of-doors.

If the previous scale assigned a high experiential value to external social life, with the inevitable corollary of clothing and accessories (due to hedonic rather than physical obsolescence), the current one assigns a much higher score to the living room sofa, kitchen, dinette/dining room, study, bedroom. And to the related outdoor areas: balconies, terraces and gardens...

This explains why the **furniture sector has accelerated from recovery to boom** from June 2020 onwards. Many entrepreneurs fear it won't last. Others complain about the higher raw material prices that have eaten into profits. Others can't find workers. And so on, listing their reasons for doubt and uncertainty. But in the meantime turnover and orders are rising; problems, when they arise, arise out of abundance.

The rediscovery of spending a lot of time indoors has triggered **new needs**, previously neglected or not felt at all. But these needs are guided by the **search for comfort and aesthetics**, the same search that in the past was directed towards choosing clothes. With an additional technological touch: for **ecological sustainability** and for **digitalisation** and **connectivity**. Home automation has made great strides thanks to artificial intelligence *applied to every area of the home*.

Too much light? The shutters descend to create the desired amount of shade. The alarm clock goes off? The coffee machine automatically brews your "usual" cup of coffee, just like you would ask your favourite barman. And when you wake up, the shutters rise (and windows open) according to your personal preference. Did we forget to buy milk (whether cow's milk or soya milk)? Impossible: the fridge sent a WhatsApp message on the mobile just as we left our place of work. The detection of pleasure itself, which is never exactly the same, can be entrusted to sensors of our mood.

Women are not the only ones to be *mobile* (translator's note: in Italian *mobile* as an adjective means fickle or changeable, as Giuseppe Verdi intended in *Rigoletto*, while as a noun it means a piece of furniture. The pun doesn't work in English). Today it is furniture, fully chipped and web-linked, that plays the caring role of a household member...

In fact, people nowadays buy "furnishing systems", not scattered pieces of furniture. Petrarch, who liked even his rhymes to be scattered, would not have been at ease. (translator's note: the reference is to the "Canzoniere" of Petrarch, also called "Rime sparse", or Scattered Rhymes).

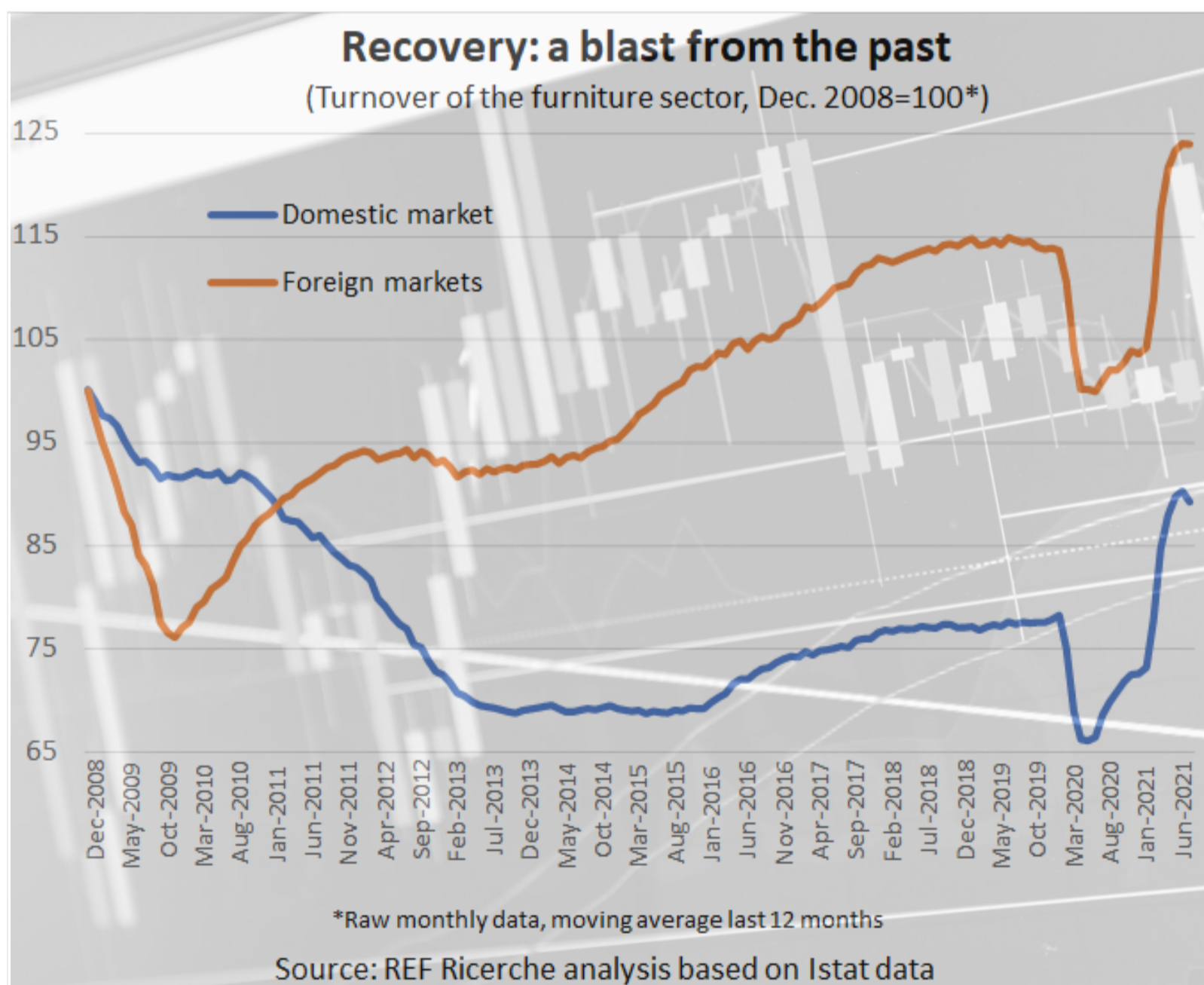
All coordinated and connected. And where to go to buy all of this, if not in Italy? **Furniture and furnishing systems** (including lighting and sanitary ceramics) are one of the points of that brilliant diamond called **Made in Italy**. Years ago, this writer coined the title *Export the Dolce Vita* (almost a slogan) for the analyses that narrate the potential for increased sales of beautiful, well-made Italian goods on foreign markets. These terms have now become *vox populi*.

Indeed, turnover in foreign markets has risen over time throughout the past decade; only the pandemic stopped it in its tracks. With the post-pandemic recovery - also by virtue of the new scale of values - **the domestic market has regained dimensions** not seen since before the Great Financial Crisis of 2008-09.

Because a piece of furniture is not just a material object; it now represents, above all, a way of experiencing the home. An Italian way, of which **the Salone del Mobile, the Furniture Expo** held every year in Milan involving the entire city, is an extraordinary showcase: a melting pot of ideas that include design and art, not to mention the art of living well. In the name of conviviality and the occasional discoveries which open up new horizons. Cross-fertilisation at the point where diversities meet.

Az én házam az én váram, the house is my castle, says an ancient Magyar proverb. Made even more beautiful and welcoming, the home should not be violated by invaders in search of loot. Burglary-proof locks, sophisticated alarms equipped with cameras linked to a smartphone that allow you to see who the stealthy intruder is. And if it turns out to be the dog or the cat, you would laugh with relief.

After all, **homes are a mirror of the times** and of the cultures. Ours impose the **connectivity and intelligence of objects**, which remain soulless. But they express who we are, therefore our feelings. As though they were Golems that we had given life to.





THE COMPANY

For over 50 years, ISEO Ultimate Access Technologies has been the Italian multinational leader in security and access control.

A symbol of Made in Italy, with almost 1,200 employees globally, ISEO develops, produces and markets mechanical and electronic locking systems: interconnected systems for the management of points of access to homes and buildings that are technologically innovative and reliable, capable of integrating guarantees of high safety standards with ever greater freedom of movement for users of the premises

The company's **portfolio of products, services and apps** includes mechanical locking systems (cylinders and keys, locks, panic and emergency exit devices, door closers) and access control products and solutions that combine mechanics and electronics (electronic keys and cylinders, motorised locks, electronic handles and credential readers), all connected and operating with **software and apps developed by ISEO** so that they can be operated by smartphone, fingerprint, card or tag.

A very wide range of products able to respond effectively to all market requests: from residential buildings to large commercial and financial complexes, from accommodation and transport facilities to critical infrastructures.

ISEO, which has been owned by Italmobiliare since 2018, generates **75% of its business abroad and operates through 14 companies** - of which 5 production sites in Italy, France, Germany, and Romania - and an international distribution network covering 5 continents.



Argo 3.0 and Smart Gateway: a new generation of smart devices allows remote access control in total freedom



X1R Smart motorised electronic lock with multi-reader



F9000 mechatronic cylinder and key



INVESTMENTS, RESEARCH AND INNOVATION TO SUPPORT GROWTH

The current complex state of the economy has not stopped the growth of ISEO, which in the first half of 2022 posted turnover of € 84.6 million - an increase of 7.6% compared with the same period of last year - and EBITDA essentially stable at € 11.4 million thanks to management's ability to defend the company's gross margin, despite the increase in the cost of raw materials. The result for the first half of 2022 also includes non-recurring costs, without which the EBITDA would have been € 12.2 million.

Globally, the access control sector continues to show a very positive trend, confirming its resilience, with projections of average annual growth of 8.73% from now to 2027.

In 2022 ISEO inaugurated a new research and development centre which extends over 700 square metres of laboratories and offices located right next to the company's headquarters. The company has invested € 1.5 million to build this modern laboratory, where technicians and young engineers work to develop the most modern and innovative technologies for the Italian and world access control market.

ISEO EXPECTS TO ALLOCATE MORE THAN € 37 MILLION FOR INDUSTRIAL INVESTMENTS BETWEEN NOW AND 2025.

At the end of 2021, ISEO strengthened its position in technologies related to access control and managing flows of people in buildings with the acquisition of a majority stake in Sofia Locks, a Milanese start-up that specialises in cloud native access control solutions.

Sofia Locks was founded in 2015 at the PoliHub of the Politecnico di Milano with the mission of creating innovation in the field of smart buildings. Composed of a dynamic team of young software engineers, with an average age of 33 and international experience in industry and academia, in 2017 the company developed and launched an innovative technology known as "cloud native" access control, thereby creating an IoT ecosystem for managing security in smart buildings.

Sofia Locks offers intelligent access tools that respond to the needs of offices and premises used for co-working or social-housing, residential spaces and those used for retail and logistics. The need, in particular, of an organised and secure way of managing flows in and out of the points of access.

"We estimate that the security and access control business is now worth 30% of the global building automation market, with a value in Europe of more than € 8 billion and an annual growth forecast of 10% over the next few years."



THE CAMPAIGN TO LAUNCH THE NEW BRAND IDENTITY

"To design new access systems that open up new possibilities and freedom of movement"

#UnlockYourFreedomToMove

ISEO's expansion towards digital solutions anticipates coming changes in the real estate sector, which is being asked to respond to new requirements. As pointed out by **Roberto Gaspari, CEO of ISEO**, "It's not a revolution, it's an evolution" that has led the company to take control of Sofia Locks.

With this operation, ISEO accelerates the development of "ultimate access" technologies, which have become an important component of the company's new brand identity, which last year launched an important campaign to renew its image. The heart of ISEO's new brand identity is contained in the payoff ***"Ultimate Access Technologies: the most advanced access technologies to open up your freedom of movement"***.

The question of access control has in fact evolved into a broader concept than that of mere security; just think of the need for contactless management of shared devices, in public and private places, which emerged during the Covid-19 emergency.

Companies in the sector must be able to respond to the new needs being felt by companies, organisations, public administrations and residential users in a constantly changing world. Thanks to ever increasing integration between the best of precision mechanics and smart electronics, ISEO is bringing the value of security into a new dimension: that of freedom of movement, through the Ultimate Access Technologies philosophy.

"THE MECHANICAL COMPONENTS - EXPLAINS CEO ROBERTO GASPARI - WILL REMAIN A STRONG POINT OF OUR PORTFOLIO, BUT INVESTMENTS TODAY ARE FOCUSING ON DIGITAL, ON ELECTRONIC SOLUTIONS AND SOFTWARE, ALSO IN TERMS OF CYBERSECURITY. OUR FUTURE IS IN THE COMBINATION OF ELECTRONICS AND MECHANICS."

ISEO's strength lies in its ability to combine the most advanced technological solutions in the world of access control with a deep knowledge of the sector, gained in more than fifty years of activity and through direct involvement in important national and international projects.

Two of the key values that have always inspired the company are the role of security - of places, assets and people - and that of research, the precursor of continuous business innovation. Quality and responsibility are a direct consequence of these values.



Roberto Gaspari, amministratore delegato di ISEO

All this flows into a design that integrates content and form according to parameters of functionality and aesthetics. **This core of values has also outlined the company's sustainability strategies**, in line with ISEO's social and market role: in addition to contactless access control solutions, our attention to security also manifests itself in our risk management training and planning activities, with company making extraordinary investments during the pandemic to ensure safe and secure workspaces.





ITALGEN AND VERDENEGIA REALIZE THEIR FIRST CO-INVESTMENT IN THE HYDROELECTRIC SECTOR

In July 2022 **Italgen** (Italmobiliare Group) and **Verdenegia** (Quiris Group) completed their first co-investment by acquiring 51% and 49%, respectively, of **Rovale Srl**, a company that has concessionary activities and titles for a 0.5 MW hydroelectric power plant installed in Val Divedro, a Piedmontese valley in the province of Verbania Cusio Ossola.

The Rovale plant, which produces energy from 100% renewable sources using the motive power of the water of the river of the same name with a water pressure head of 376 metres, went into operation in 2015 and is composed of a two-jet Pelton turbine unit with an annual production of around 2 GWh.

For Italgen, this is the **third investment in a year**, on top of the 8 hydroelectric derivations acquired through Idroenergy Srl in June 2021 in the province of Verbania and Vercelli and the 2 other derivations belonging to Idrodezzo Srl acquired in the municipality of Schilpario (BG).

With this acquisition, Italgen's total installed capacity increases to 66 MW, with approximately 327 GWh of energy produced annually, and the hydroelectric concessions that it manages rise to 28.

Luca Musicco, Chief Executive Officer and General Manager of Italgen and **Umberto Risso**, Chairman of Verdenegia commented on the deal as follows: *"Italgen and Verdenegia share the same values, the same attention to sustainability and production efficiency. The combination of our respective commitments with a*

long-term perspective is certainly the best tool to seize any other opportunities for co-investment in Italy in a sector, that of renewables, which has undoubtedly become vital to the ecological transition."

In addition to growing externally in the hydroelectric sector, Italgen currently has **3 photovoltaic plants** under construction for a total of 7.3 MW (expected entry into operation by the end of 2022) and other development projects in renewables for a further 50 MW.

These include **the programme agreed last March with the Municipality of Borgo San Dalmazzo (CN)** for the construction of a photovoltaic park of about 5 megawatts. It is a plant for the production of electricity from solar sources using photovoltaic panels that Italgen intends to build on disused industrial land already owned, so without using new land, regenerating an area of about 85,500 square metres that is currently unproductive.

In view of the need to modify the municipality's current town-planning document, for which the legal procedures are underway at the competent local bodies, the project – whose implementation is linked to successful completion of the authorisation process – provides for the free transfer by Italgen to the Municipality of 30% of the area (25,500 square metres) for the **creation of a large green park** and the payment to the Municipality of Borgo San Dalmazzo of € 90,000 to be used for the construction of works or activities of interest to the community.





CAPITELLI: SAN GIOVANNI IS AGAIN VOTED THE BEST COOKED HAM IN ITALY

Founded in 1976, **Prosciuttificio Capitelli** is an extraordinary example of the excellence of the Italian food tradition, the passion for work, the care dedicated to the entire supply chain and unconditional attention to the consumer.

One of the flagship products of the Borgonovo cured meat factory is **Prosciutto Cotto San Giovanni**, a precursor of "out-of-mould" cooked hams, produced with meat from the best Italian farms and prepared according to a recipe from over a hundred years ago. This year, the San Giovanni ham again won not only the maximum score of 5 needles in the "**Italian Salami Guide**", but



also became part of the "Top 11", a special selection of eleven excellences of Italian delicatessen. The Italian Salami Guide is a tribute to the best Italian pork butchery edited by **Master Sommelier from Reggio Emilia, Sabatino Sorrentino**: a field trip to relate the best of Italian food production and a point of reference for those working in the sector. The evaluations expressed by the expert tasters who assess the cured meats are translated in the Guide into marks using the traditional horse bone needle as a symbol: from three needles for well-made cured meats to five for excellence, as in the case of Prosciutto Cotto San Giovanni.

The award ceremony was held in Milan and for the occasion the famous **Michelin-starred chef Carlo Cracco** reinterpreted the winning cured meats using them for the preparation of unique dishes: for the Capitelli ham he proposed a "Pan Brioche with egg yolk and cubes of San Giovanni". The prestigious recognition of the Italian Salami Guide comes on top of the "**Top Italian Food 2022**" award from **Gambero Rosso**, which makes Prosciutto Cotto San Giovanni an ambassador for Italian cooked ham throughout the world.

Capitelli closed the first half of 2022 with revenue of € 9.7 million, up by 15.4% compared with the same period last year, a gross operating profit of € 1.6 million and a net profit of € 0.7 million.

The Capitelli cured meat factory is famous not only for its cooked hams (of which there are all of 11 types), but also for the creation of unique cured meats such as "**Giovanna**", which does not want to be called cooked bacon because it is first seasoned and then undergoes 3 different cooking processes. Another is "**Proibita**", cooked pork shoulder according to Angelo Capitelli, **awarded one Star at the International Taste Awards in Brussels** (the only Italian cured meat to win a prize in its category).



NEW STORES AND NEW PRODUCTS FOR OFFICINA PROFUMO-FARMACEUTICA DI SANTA MARIA NOVELLA

Officina Profumo-Farmaceutica di Santa Maria Novella is proceeding rapidly on its path of **growth and internationalisation**. In the first half of 2022, the company's revenue grew by 61% compared with the same period of the previous year, reaching € 19.5 million. EBITDA also increased, up 8% to € 4.1 million.

In addition to a better performance on the part of existing channels and products, the growth in revenue has been driven by **opening new stores in Italy and abroad**. Between the end of 2021 and the beginning of 2022, the oldest pharmacy in the world – which recently celebrated its **800-year history** – opened new stores in Doha, Sidney, Seoul, Florence and Milan. In this way, the points of sale of the Florentine Officina, famous all over the world for its perfumes, candles, liqueurs and "ancient preparations", rises to over 300.

A year of considerable satisfaction, substantiated by the performance of the individual channels: retail turned in **excellent performances**, more than tripling the previous year's result. In particular, the **stores abroad** – namely in the USA, UK and France – have reached and exceeded pre-pandemic levels.

Good results also for the **Italian shops**, even if the flagship in Via della Scala in Florence is still affected by the contraction in Asian tourist flows.

The double-digit growth of the **e-commerce** channel continues, also thanks to investment in the digital sector, and of the wholesale channel, up by 30% compared with 2021, due in particular to the excellent performance of **markets in the Far East**.



Revenue is also growing thanks to the new products that the company develops and launches on the market. One of the most recent additions, for example, is **"L'Iris", the first eau de parfum produced by the Officina**. A prestigious bouquet inspired by Florence, whose history it celebrates, given that the iris is the symbol of Florence. Launched in June 2022, "L'Iris" contributed over € 0.3 million to the company's revenue in just one month.

Overall, the Officina offers **over 600 products**, designed for every sensitivity and taste: from the historic *Acqua della Regina*, a fragrance created in honour of Caterina de' Medici's trip to France in 1533, and particularly appreciated by Parisians, to the favourite aromas and essences of international celebrities.



A complete assortment that has its **roots in the thirteenth century**, an era of cultural ferment and rebirth, when the Dominican friars, rendering service to the local community through herbal remedies and therapeutic treatments, established their sacred relationship with the monastery's botanical garden.

And it was precisely as a sign of gratitude for the therapeutic ability of the monks that the merchant Dardano Acciaiuoli donated the funds to build **the chapel of San Niccolò**, which even today is still **the main hall of the Florentine museum-shop**, the city's long-established, iconic and must-see destination.

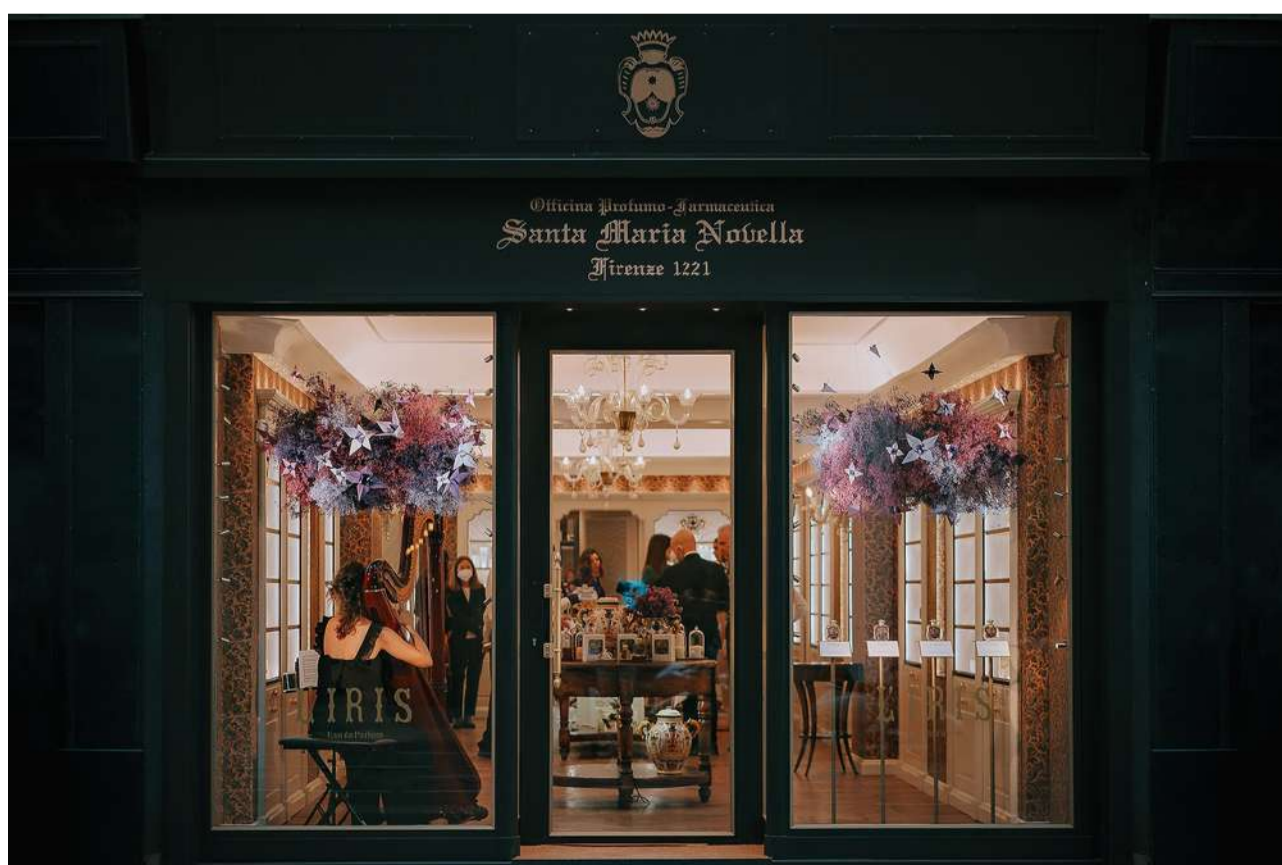


The historic shop of Santa Maria Novella in Florence's Via della Scala was the protagonist of a digital exhibition hosted by Vogue Italia entitled "L'Officina delle Meraviglie".

A digital journey, navigable with 360° visibility, to explore the Green Room, the Grand Sales Room and the former Chapel of San Niccolò and contemplate the poetic dioramas that tell the story of the eight iconic products in the limited edition "Firenze 1221" collection, launched to celebrate the Officina's 800th anniversary.

THE NEW MILANESE BOUTIQUE OF OFFICINA PROFUMO-FARMACEUTICA DI SANTA MARIA NOVELLA IN CORSO MAGENTA STRENGTHENS THE PRESENCE OF PERFUMERY IN ITALY'S MOST IMPORTANT SHOPPING STREETS.

INAUGURATED IN JUNE, IT ADDS TO ANOTHER STORE TO THE OTHERS ALREADY PRESENT IN MILAN: THE HISTORIC FLAGSHIP STORE IN VIA MADONNINA AND THE CORNER OPENED RECENTLY IN THE RINASCENTE DEPARTMENT STORE.





CLESSIDRA PRIVATE EQUITY INVESTS IN IMPRESOFT TECHNOLOGIES

Clessidra Private Equity SGR S.p.A. - a leading company in the Italian market for private equity fund management with over Euro 2.8 billion in total capital commitments - has acquired a majority stake in **Impresoft Group**, which is one of the most innovative groups in the software and IT services market in Italy.

Impresoft Group provides companies operating in any business sector, from small businesses to large multinationals, support and consultancy in choosing the best business applications, from technologies in Enterprise Resource Planning, Manufacturing Execution System and Customer Relationship Management, to solutions in the field of Corporate Performance Management and Data Centre. It also offers **a complete range of services and products related to digital transformation** in terms of application modernisation, digitisation of business processes, managed services, modern workplace, security and training.

Founded in 2018, **Impresoft Group** has developed rapidly, both through strong organic growth and through the aggregation of leading companies in their respective sectors, including **Formula, 4wardPRO, Qualitas Informatica, NextTech, OpenSymbol, NextCRM, Kipcast, GN Techonomy** and **Cloudnova**. The synergies generated by these integrations, together with the combination of very different talents, skills, solutions and services, have allowed the group to build **a portfolio of products and services that is without rivals on the market**. In 2021, Impresoft Group posted revenue of almost Euro 90 million, an increase of more than 25% on the previous year, and aims to close 2022 again with double-digit rates of growth.

"The Impresoft Group's sector of reference - commented Andrea Ottaviano, Chief Executive Officer of Clessidra Private Equity SGR - has considerable growth prospects, with a potential even in double digits for certain segments; it is also driven by a macro-trend, which is the digitisation of small and medium-sized enterprises, which is a huge opportunity for development, especially in Italy. The genesis and peculiar structure of this Group make it an ideal asset for organic growth, especially linked to sector dynamics, commercial synergies and an ideal platform for conducting business combinations in a sector that is traditionally characterised by a strong propensity for M&A".

Impresoft Group accompanies companies in the process of digital transformation with an agile and scalable approach, identifying the most suitable technological ecosystem to make business processes evolve in compliance with current regulations. Thanks to the wide value proposition that it has on offer, it is able to design, develop and manage solutions that meet the specific needs of customers.

THE HEART OF TECHNOLOGY

Although they have only recently joined Clessidra, the employees of the Impresoft Group have already distinguished themselves for their generosity, establishing a record of donations to the fundraising promoted by the Pesenti Foundation in support of UNHCR - the United Nations High Commissioner for Refugees. UNHCR is the world's leading organisation in the front line of saving lives and protecting the rights of millions of refugees, displaced and stateless persons. Since the outbreak of the conflict with Russia, it has been at the forefront in Ukraine and neighbouring countries to support the populations hit by the war. The many generous donations by Impresoft employees to fundraising coordinated by the Pesenti Foundation have made it possible to make a real contribution to the fundamental task that UNHCR is carrying out in this very complicated moment in history.

A COMBINATION OF EXCELLENCES

Impresoft Group was born from the union of several innovative and complementary companies. All of the Group's companies have been active on the market for decades and at a certain point decided to share their rich wealth of skills, technologies and human resources in a common path started at the end of 2019, with the merger of Impresoft and Formula; it then continued with the acquisition of Qualitas Informatica, the merger of 4ward with Progel and the inclusion of NextTech, OpenSymbol, NextCRM, Kipcast, GN Techonomy and Cloudnova between 2020 and 2022. It is still a work in progress that aims to transform a plurality of experiences and skills into a single point of reference for the needs of the Italian businesses for technological innovation, covering them from every angle.



Formula is the point of reference for the supply of software to companies in various environments: ERP, CRM, CPM/BI, Treasury and Credit Document Management. Its complementary and integrated offer on the applications side enables companies to accelerate business processes, increase efficiency and improve productivity by selecting the best solutions on the market.

Qualitas Informatica is the main partner for Italian companies in the manufacturing sector, able to optimise production to the maximum and increase production standards thanks to its proprietary Manufacturing Execution System (MES). With over 300 active projects in Italy and abroad, the company's mission is to convey to its customers the importance of a change that goes beyond mere technology.



NextTech deals exclusively with managing the commercial area on the move: it is a 100% Sales Force Automation (SFA) company. Since its inception, it has created applications on mobile devices that allow businesses to keep in touch with their sales networks wherever they may be. **NextTech's** in-depth knowledge of the world of sales networks and commercial problems allows it to offer clear and functional solutions.

4wardPRO was born with the aim of bringing a new vision of Corporate Resilience to all companies that wish not only to address change, but to embrace it. Every day it helps its customers to create a new way of living and working, thanks to the passion and skills acquired in 30 years of experience, during which they have helped companies operating in many sectors to achieve their goals, with the best and most innovative technologies available. **4wardPRO** operates with an integrated approach in the most important areas of IT: Data driven & AI Solutions, IT Governance, Modern Work, Adoption Change Management & Learning, Cybersecurity and Managed Services, also thanks to the creation of some proprietary solutions, developed precisely with a view to successfully facing up to the challenge of Corporate Resilience.



OpenSymbol is Italy's first Customer Relationship Management (CRM) company. With a team of 80 people, it is structured to offer end-to-end CRM solutions, providing both consultancy to set up a customer-oriented strategy and to implement the technology that best suits specific needs. It is a partner of SugarCRM and Microsoft Dynamics 365 and operates mainly in the Manufacturing, Automotive, Insurance and Fintech sectors. Sectors in which, together with others, it has so far implemented more than 300 successful projects.

Kipcast is a producer of Software as a Service (SaaS) solutions involving data feed management for "AdTech" and "MarTech" integration projects. Through Highstreet.io, the feed management and marketplace synchronisation platform, and clicktobrick.io, the local inventory campaign management platform, **Kipcast** provides retail with the tools to increase the performance of marketing campaigns and sales. By sharing offers within social networks, search engines and affiliate sites, companies can optimise retargeting and remarketing subsequently through integrated management of orders on third-party e-commerce and marketplaces and taking charge of all integration activity for order processing can improve logistics and fulfilment; promoting the growth of online business.



NextCRM is a spinoff of OpenSymbol born in 2019. It includes certified professionals in the implementation of Salesforce, the most widespread customer engagement platform in the world. **NextCRM** helps companies to manage the relationship with their customers in the best way possible, offering itself with the dynamism of a start-up and, at the same time, with the maturity of a long-term system integrator. An ally with which to increase competitiveness in its reference markets, as demonstrated by more than 60 success stories on the part of as many organisations after only two years from its launch.

GN Techonomy is a consulting company that has been offering technological and innovative enterprise solutions since 1995. Through its strategic use of Information Technology, **GN Techonomy** allows its customers to develop a lasting advantage. Thanks to the specialisation and experience of its consultants, as well as the technologies of the most important vendors worldwide, such as Oracle and Software AG, it is able to offer large companies and those undergoing expansion a complete suite of solutions so that they can always be competitive in the global market.



Cloudnova is the point of reference in the Inbound Marketing and Marketing Automation sector, a diamond partner of HubSpot and an advanced partner of Zoho. **Cloudnova** employs around 20 professionals and accompanies more than 250 companies on their growth path through the optimisation and digitisation of the customer experience and of the marketing, sales and customer service processes.



KEY FIGURES AT JUNE 30, 2022

The **Net Asset Value (NAV) of Italmobiliare** at June 30, 2022 was 1,975.1 million euro (2,082.1 million euro at December 31, 2021), after the payment of total **dividends** of 59.2 million euro and taxes of 21 million euro. Even though the situation still makes it difficult to offer a thoughtful and detailed assessment of the future, we can confirm the overall solidity of the portfolio and the ability of Italmobiliare to stimulate and encourage that quantum leap that is needed more than ever in times of acute uncertainty.

In the first half of the year, the Group continued its strategy of expanding its investment portfolio and supporting situations of Italian excellence with the closing of capital investment in **Bene Assicurazioni** in April and the agreement for the acquisition of **SIDI Sport**, an iconic brand in the world of cycling and motorcycling footwear, in July 2022.

The **NAV of the Portfolio Companies** increased to 1,274.4 million euro, mainly as a result of the acquisition of Bene Assicurazioni, and was stable on a like-for-like basis (net of dividend distributions and new investments in the first half), despite the increase in the discount rates used in equity investment valuation.

During the half year, the overall **results of the Portfolio Companies** - which represent 64.5% of the NAV - showed revenues of 843.8 million euro, up by 19% compared with the first half of the previous year. EBITDA of the Portfolio Companies for the half year comes to 93.8 million euro (-25% compared with the same period of 2021), mainly due to the neutralisation of some positive contingent factors which had a positive impact in the first half of last year and to the negative impact on the margins linked to the increase in raw material costs which is expected to be at least partially offset during the second half of the year.

At June 30, 2022 the **net financial position of Italmobiliare S.p.A.** was showing a positive balance of 220.7 million euro (337.5 million euro at December 31, 2021).

PERFORMANCE OF THE MAIN GROUP COMPANIES

AT JUNE 30, 2022

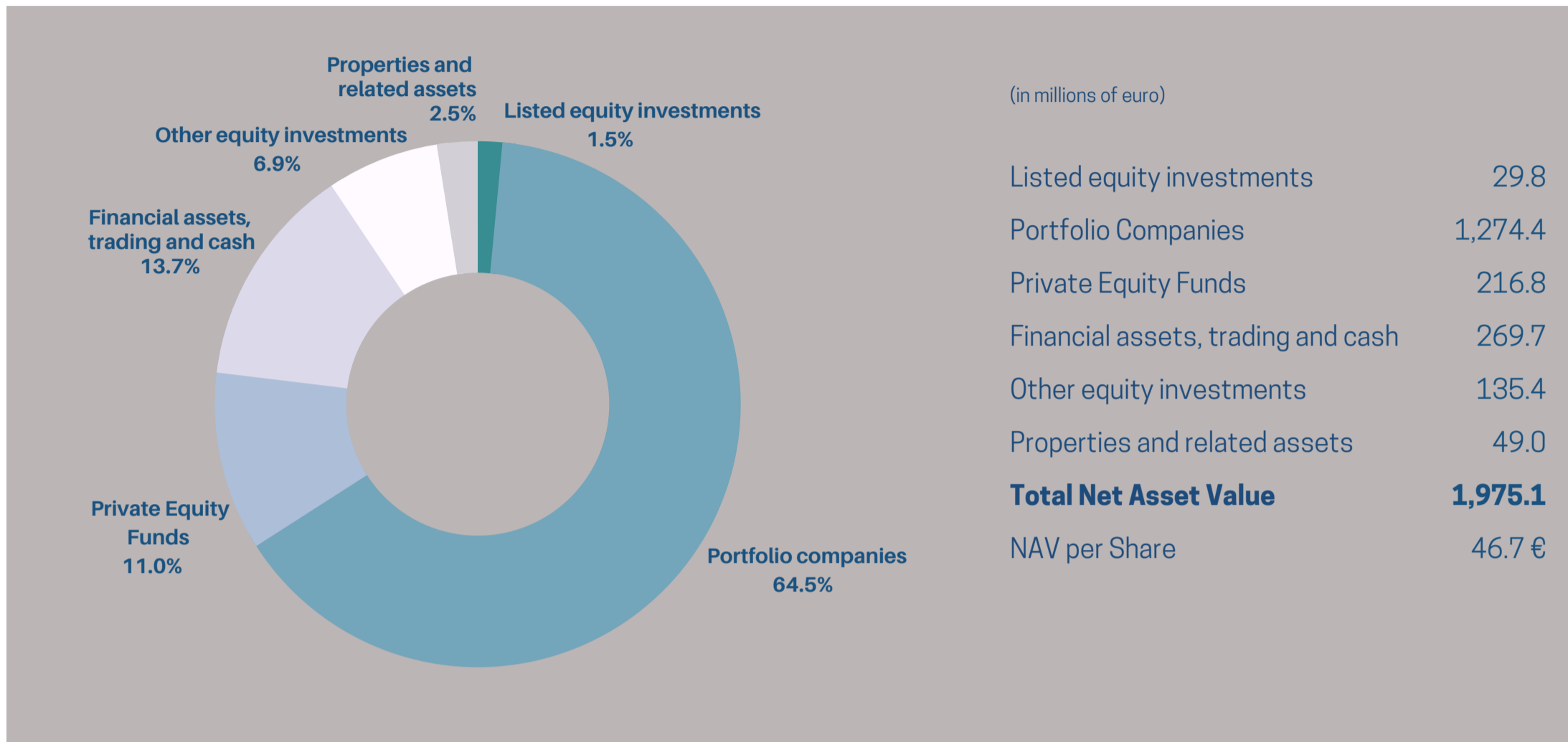
(in millions of euro)	Revenue			Gross operating profit (EBITDA)		
	June 30 2022	June 30 2021	Change %	June 30 2022	June 30 2021	Change. %
Italmobiliare	140.9	63.9	>100	103.5	45.9	>100
Portfolio Companies						
Caffè Borbone	134.0	129.2	3.7	33.9	46.2	(26.5)
Officina Profumo-Farmaceutica di Santa Maria Novella	19.5	12.1	61.2	4.1	3.8	7.9
Italgen	22.3	18.3	21.8	0.9	8.7	(89.9)
Casa della Salute	16.6	12.5	32.8	2.5	1.6	56.3
Capitelli	9.7	8.4	15.4	1.6	2.0	(23.0)
Callmewine	7.7	8.3	(7.2)	(1.1)	0.0	n.s.
Tecnica Group	191.4	173.7	10.2	9.6	17.1	(43.6)
AGN Energia ¹	342.3	259.5	31.9	26.3	34.4	(23.5)
Iseo	84.6	78.6	7.6	11.4	12.0	(5.0)
Total Industrial Portfolio Companies	828.1	700.6	18.2	89.2	125.8	(29.1)
Clessidra Group	15.7	6.9	>100	4.6	(0.8)	>100
Total Portfolio Companies²	843.8	707.5	19.3	93.8	125.0	(25.0)

1. Note that during the first half of 2022 the extraordinary shareholders' meeting of the company approved the change in the company name from "Autogas Nord S.p.A." to "AGN Energia S.p.A."

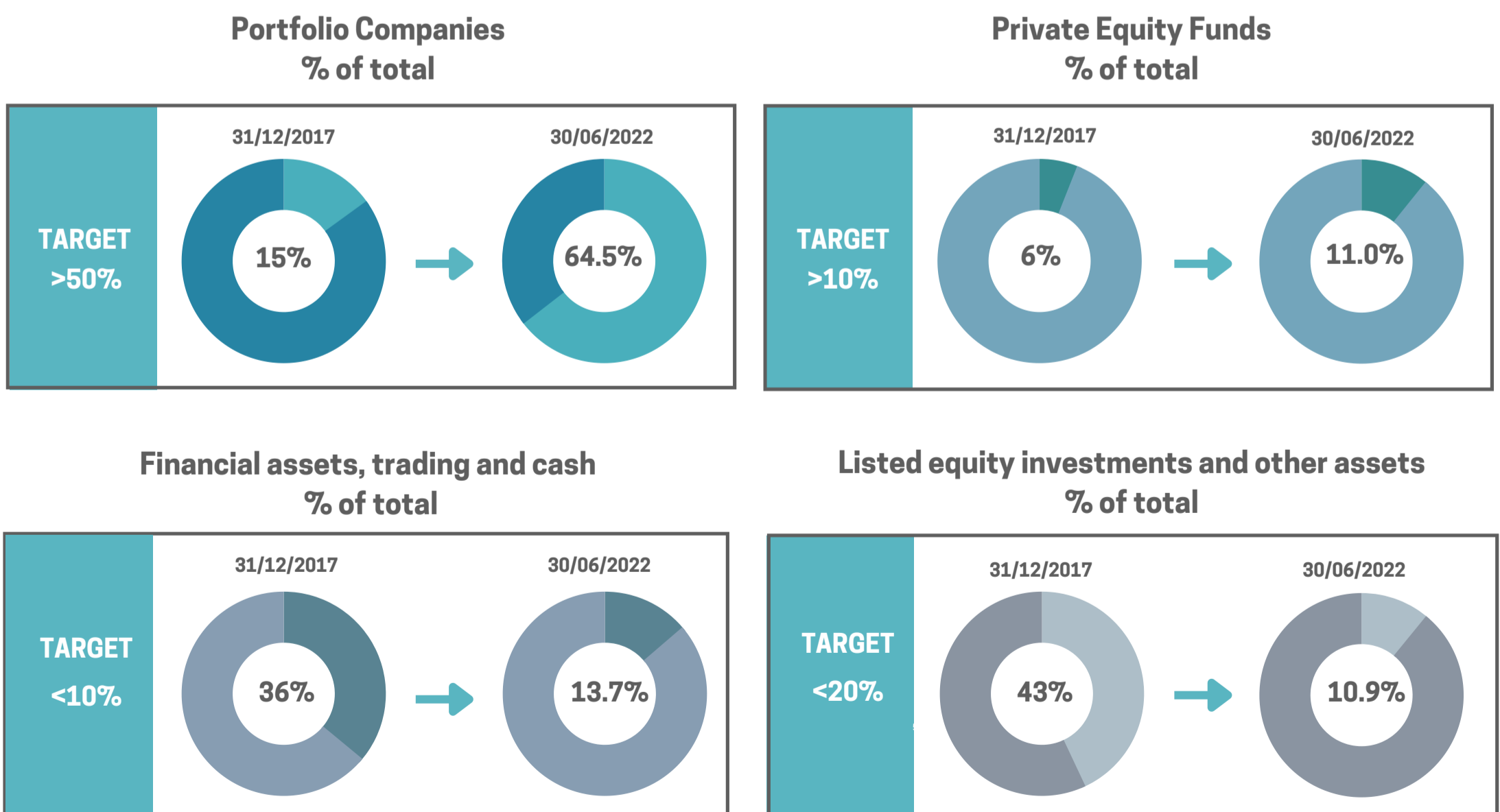
2. The information in the table relates to the financial statements of each Group company regardless of the date of acquisition of control by Italmobiliare.

n.s. not significant

NAV OF 1,975.1 MILLION EURO at June 30, 2022



NAV TRANSITION



SHARING IDEAS: THE PESENTI FOUNDATION



The Foundation was established in honour of Carlo Pesenti (1907-1984), one of Italy's most prominent industrial and financial figures of the XX century.

Founded in June 2004 in Bergamo as a non-profit, autonomous and independent organisation, the Foundation aims to promote and enhance among the younger generations a culture of innovation as a driver of ideas, projects and actions to make a positive social, environmental and educational impact.

The Foundation develops modern interactions between the public sector and for-profit/non-profit private sector, providing sustainable solutions to major social challenges.

The Foundation's areas of intervention – alongside its traditional attention to the conservation of national historic and artistic heritage, scientific-educational programs, conferences and publications, humanitarian projects and social solidarity – aim to promote and support the development of new socially-relevant activities and enterprises.

The Foundation increasingly supports the development of impact investing projects in favour of businesses established by young people through specific grants and scholarships. This theme is accompanied by its traditional commitment to charitable projects, under the guidance of the Charity Committee, whose appointment was renewed by the current Board of Directors for the three-year period 2022-24.

Amongst the most significant projects over the years are: partnerships with Italian and foreign universities; continued support for scientific research; humanitarian aid; conferences on matters of economic and social relevance.

In 2022, in response to the humanitarian emergency in Ukraine, the Pesenti Foundation responded to the appeal by the UNHCR - United Nations High Commissioner for Refugees, committing itself to significant donations and fundraising initiatives also through the involvement of Italmobiliare and the companies of the Group. The initiative, shared by 170 employees and 20 companies, has raised over 380,000€ to date. You can find more information about donations at the following [link](#).

edited by the Communication Department @ ITALMOBILIARE

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