

**2020 FINANCIAL STATEMENTS REVIEWED BY THE BOARD OF DIRECTORS**

• **RESULTS OF ITALMOBILIARE SpA:**

- > *At December 31, 2020 the Net Asset Value of Italmobiliare S.p.A. amounted to 1,838.2 million euro, an increase of 97.2 million euro compared with December 31, 2019 (1,741.1 million euro), after the payment of dividends for a total of 76 million euro. NAV per share has increased by 9.4% compared with December 31, 2019 (gross of dividends distributed).*
- > *The increase in the value of Italmobiliare's NAV is mainly due to the overall increase in the value of the Portfolio Companies: +190.3 million based on the same scope of consolidation, thanks to the positive results of Caffè Borbone and the entire portfolio as a whole, which performed well in the complicated context of the global health emergency.*
- > *The acquisition of Officina Profumo-Farmaceutica di Santa Maria Novella S.p.A., Callmewine S.r.l. and Bea S.p.A. (Casa della Salute) has led to a further increase in the portion represented by the Portfolio Companies of 199.1 million euro, which represents 61.3% of NAV for a total value of 1,126 million euro at the end of the year.*
- > *Of the other investments that make up the NAV, the component represented by investments in listed companies (84 million in HeidelbergCement) was substantially halved following the partial disposal of the investment, while around 20% of NAV, equal to 387 million, is represented by financial assets and cash.*
- > *In 2020 Italmobiliare S.p.A. recorded a profit of 31.5 million (19.7 million in 2019). The profit before tax was 26.1 million (30.6 million at the end of 2019).*
- > *The Board of Directors will propose to the next Shareholders' Meeting the distribution of a dividend of 0.65 euro per share, to be taken from the profit for an amount of 27.4 million.*

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*The Board of Directors of Italmobiliare S.p.A. has reviewed the 2020 Annual Report and will propose to the Shareholders' Meeting the distribution of a dividend of 0.65 euro per share, to be taken from the profit for an amount of 27.4 million.*

*The portfolio of investments built up in recent years has confirmed that, even in such an unpredictable global scenario, it is balanced in such a way that it is able to cope with critical phases in the economy. Despite the many complexities linked to the exceptional nature of the situation brought about by the health emergency and the restrictions imposed by the pandemic, the increase in NAV reflects a positive performance overall. A particular contribution was given by the excellent results of Caffè Borbone and the sale of the main assets of Sirap (concluded at the beginning of 2021, based on an Enterprise Value of 162*

million euro), which confirmed Italmobiliare's ability to enhance the portfolio by taking advantage of the best industrial and strategic development opportunities for its assets. Despite the inevitable impact on the winter sports system of the block on ski activities, Tecnica Group has been able to limit the drop in revenue, thanks to the growth in orders linked to outdoor activities in general.

The NAV per share, gross of the extraordinary dividend distributed, has grown by more than 9%. In line with the performances achieved, during 2020 the market price of Italmobiliare's stock, which in September 2019 was promoted to the STAR segment (for companies that meet stringent requirements of transparency and governance), appreciated by 21.3%. This was reflected in a steady reduction in its discount to NAV, which at the end of the year was 32.7%.

In this period, new investments amounted to 250 million euro. The call option for *Officina Profumo-Farmaceutica di Santa Maria Novella* was exercised, allowing Italmobiliare to hold 80% of the iconic Florentine company, with the aim of creating a development plan for the company to further enhance this historic brand of high-end cosmetics on international markets. During 2020 Italmobiliare also invested in the healthcare sector, buying 92.5% of *Casa della Salute*, and in e-commerce, with the purchase of 60% of *Callmewine*. Other investments include the acquisition of 23.9% of *Florence InvestCO*, which aims to develop a leading platform in the supply of high-end manufactured products for the most important fashion brands.

*Italmobiliare S.p.A.* has closed its 2020 financial statements with a profit of 31.5 million euro (19.7 million in 2019). Compared with 2019, the profit before tax has gone from 30.6 million euro to 26.1 million euro.

With reference to the pro-forma aggregate, 2020 revenue amounted to 1.515 billion euro. Despite the decline in revenue (-5.4%) compared with 2019, gross operating profit rose considerably to 255.1 million euro, an overall improvement of 45.7 million euro compared with the previous year (+21.8%).

During the year, a significant stake in *HeidelbergCement* was sold, effectively halving the investments held in listed companies, which decreased to only 84 million euro. A significant net cash position remains at the start of the new year (over 380 million euro, but still not including the net proceeds from the sale of the *Sirap* assets), which will be available to finance further development deals.

The portfolio of Private Equity and Venture Capital funds also performed well overall, *Clessidra* in particular: *Italmobiliare* continues to support its growth both in the traditional private equity business and in the extension to other asset classes, such as the management of UTP ("unlikely to pay") bank loan and factoring portfolios.

"2020 - comments the **CEO Carlo Pesenti** - was a year characterised by a truly exceptional event, namely the world health emergency. *Italmobiliare's* primary commitment was to support a series of initiatives first and foremost to guarantee safety conditions and full operations and to protect its employees. *Italmobiliare* - both directly, through the *Pesenti Foundation* and with the help of the portfolio companies - has been involved in an exceptional effort to provide support to the institutions on the front line to cope with the Covid-19 emergency.

The inevitable uncertainties and complexities of the situation have not slowed down the intense search for excellence, consolidating, through careful management and further diversification of the equity portfolio, *Italmobiliare's* ability to present itself as a long-term strategic partner for companies with significant growth potential. *Santa Maria Novella* is a name that recalls the best of our country throughout the world and what it is loved for: beauty and exceptional craftsmanship. Precisely in a complicated situation like the current one, *Italmobiliare* - which has the enhancement of *Made in Italy* in its DNA - sees

*extraordinary potential of this kind in Officina Profumo-Farmaceutica di Santa Maria Novella. The latest investments in Casa della Salute and Callmewine also mark the entry into priority sectors, such as healthcare and e-commerce, as well as the expansion of Italmobiliare's range of investments into the small cap growth segment, i.e. small high-tech companies with considerable growth potential. In the meantime, Italmobiliare can still count on a significant reserve of cash to be allocated to new investments that are already under analysis."*

*"Today's results – says the **Chairman Laura Zanetti** – are generated by a portfolio that reflects the considerable work of management in line with the strategy defined by the Board. In such a complex year, Italmobiliare's strategic support for the portfolio companies was structured even more. The pandemic has increased the sense of urgency of the holding company and of the other Group companies to consolidate an increasingly effective sustainable strategy, which saw the establishment of the Committee for Sustainability and Social Responsibility and of the Sustainability Department. This commitment is explained in detail in the Sustainability Report, which this year presents an in-depth focus not only on Italmobiliare, but on each of the portfolio companies."*

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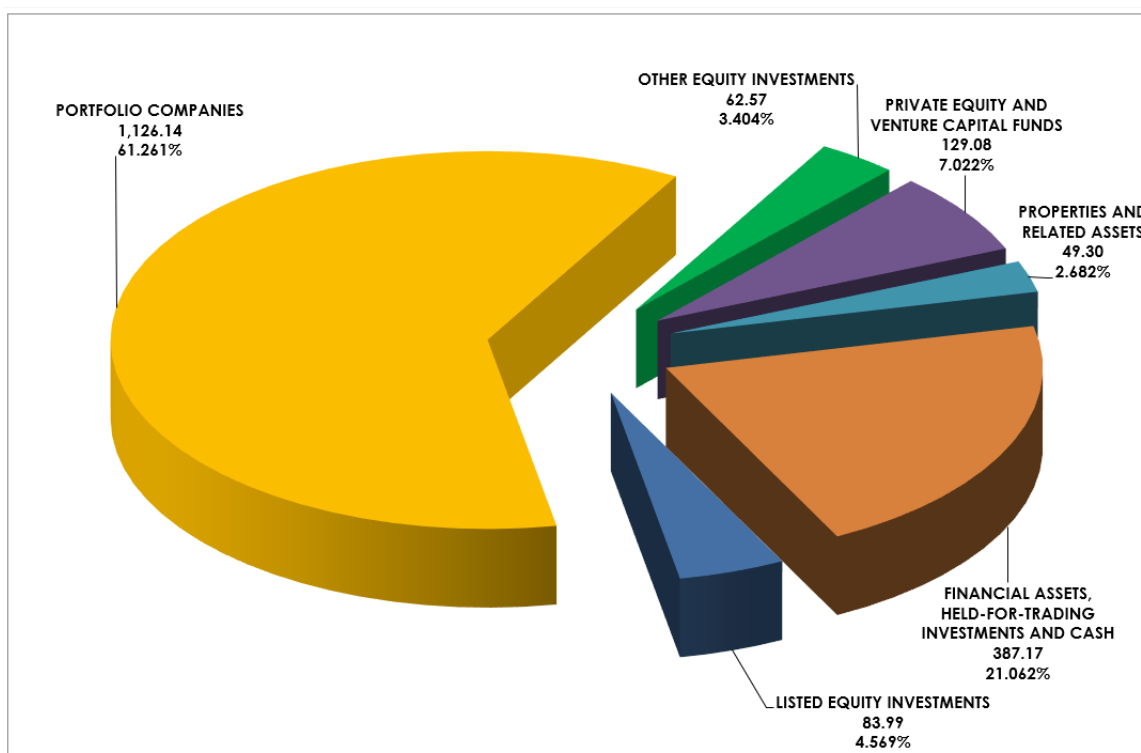
**Milan, March 4, 2021** – The Italmobiliare S.p.A. Board of Directors today reviewed and approved the consolidated financial statements and the draft financial statements of the Company at December 31, 2020.

#### **NET ASSET VALUE (NAV)**

At December 31, 2020 the Net Asset Value of Italmobiliare S.p.A. amounted to 1,838.2 million euro, up by 97.2 million euro compared with December 31, 2019 (1,741.1 million euro). The increase in NAV, following the distribution of ordinary and extraordinary dividends by Italmobiliare S.p.A. for a total of 76 million euro, mainly concerned the increase of 381 million in the Portfolio Companies, linked to the growth in the value of Caffè Borbone and Sirap and the new investments in Officina Profumo-Farmaceutica di Santa Maria Novella S.p.A., Callmewine S.r.l. and Casa della Salute S.r.l. (around 199 million euro). The component linked to HeidelbergCement AG decreased (about -81 million following the sale of shares for a total of 62.3 million euro and because of the reduction in the market value of 18.9 million euro). The carrying amount of financial assets, trading instruments and cash at the end of 2020 was around 387 million, not including the proceeds from the sale of Sirap assets.

At December 31, 2020, excluding treasury shares and after dividend payments of 1.8 million euro, NAV per share comes to 43.5 euro, an increase of 5.02% compared with the figure at December 31, 2019 (equivalent to an increase of 9.4% before dividends).

NAV December 31, 2020: 1,838.2 mn €



## SUMMARY OF RESULTS

Italmobiliare S.p.A. closed 2020 with a profit of 31.5 million (compared with 19.7 million in 2019). The profit before tax was 26.1 million, compared with 30.6 million at the end of 2019. Net income and charges from equity investments are positive for 48.8 million euro, an increase of over 40 million euro compared with 8.1 million euro at December 31, 2019, due to the revaluation of certain investments (+18.6 million euro at December 31, 2020 against -14.3 million euro at December 31, 2019) and the increase in dividends (+7.8 million euro). Net gains and losses on investments of cash and cash equivalents, on the other hand, have decreased by 39.7 million euro, mainly due to the reduction in profitability of investment and private equity funds (-26.6 million euro) and the negative performance of held-for-trading investments (-6.0 million euro) and exchange rates (-8.0 million euro).

Other income and expense are negative for 30.2 million euro, an increase of 5.4 million euro compared with the previous year, mainly due to higher costs not relating to ordinary operations of 5.8 million euro (MBO and LTI payouts referring to the previous three years and donations).

At December 31, 2020 the net financial position of Italmobiliare S.p.A. is positive for 387.2 million, compared with 569.6 million at the end of 2019.

The main flows include the sale of HeidelbergCement shares (62 million euro) and investments for the acquisitions of Officina Santa Maria Novella (161 million euro), Casa della Salute (23.7 million euro), Callmewine (13.3 million euro) and Florence (13.8 million euro).

At a consolidated level, taking into account the overall positive performance of the portfolio companies, **equity attributable to the owners of the parent company** has risen to 68.3 million from 63.5 million at the end of 2019 and the **consolidated equity attributable to**

**the owners of the parent company** amounts to 1,330.4 million (1,358.7 million at the end of 2019).

The other main economic results of the Italmobiliare Group are:

**Revenue and income:** 575.5 million (565.9 million at December 31, 2019)

**Gross operating profit:** 106.0 million (125.9 million)

**Operating profit:** 69.4 million (97.1 million).

## *DIVIDEND*

The Board of Directors of Italmobiliare will propose to the Shareholders' Meeting of April 21, 2021 a dividend of 0.65 euro per share, to be taken from the profit for an amount of 27.4 million.

The dividend will be paid on May 5, 2021, going ex-coupon on May 3, 2021 (with a record date of May 4, 2021).

## *PERFORMANCE OF THE PORTFOLIO COMPANIES*

Generally speaking, 2020 was a positive year for the portfolio companies, despite the impact of the current health emergency being significant, in particular on Santa Maria Novella, Tecnica and Iseo. Looking at the pro-forma aggregate:

- 2020 revenues amounted to 1.515 million euro, a decrease of 5.4% on 2019;
- Gross operating profit stood at 255.1 million euro, an overall improvement of 45.7 million euro compared with the previous year (+21.8%);
- Positive cash flow of 165.1 million euro, gross of the payment of 42.1 million of dividends in 2020.

### **CAFFE' BORBONE (60%)**

The trajectory of Caffè Borbone – one of the main specialist producers of compatible coffee capsules and pods – has not been slowed down by the emergency that characterised 2020; Caffè Borbone closed with revenue of 219.3 million euro (+27% on the previous year). At the level of distribution channels, both online and mass retailing are growing at above average rates (+64% on 2019). At a product level, pods remain the main product, with a growth rate in line with the average; the performance of capsules was also positive. Sales of coffee beans, which already had a limited weight on the company's total revenues, went down due to the overall slowdown of the Ho.Re.Ca. channel linked to the health emergency. Gross operating profit was 75.1 million euro, up by 44% compared with 2019: profit margins improved significantly to 34% (+4.1% compared with 2019), thanks to the further increase in the operating margin and the effect of scale on overheads. Net of amortisation and depreciation, which have gone up slightly, operating profit was 66.0 million euro, up 52% compared with 2019.

Profit for 2020 came to 90.5 million euro (34.2 million in 2019). Investments totalled 13.4 million euro, up on 2019 as the plan to expand production capacity was speeded up during 2020. Net financial debt at December 31, 2020 amounted to 11.8 million euro, with positive cash generation during the year of 39.8 million euro, gross of the 20 million euro of dividends paid in 2020.

### **SANTA MARIA NOVELLA (80%)**

The consolidated operating results of the Santa Maria Novella group at December 31, 2020 show a contraction in revenue due to the closure in March-May 2020 of most of the directly-managed stores and by a marked contraction in international tourist flows to Italy due to the pandemic. The year closed with an overall decline in revenue of 27.3%, the result of a sharp contraction in direct physical retail sales in Europe and the USA, only partially offset by the excellent performance of the direct e-commerce channel. Wholesale revenue also suffered a 6% reduction entirely attributable to Europe, particularly affected by the consequences of Covid-19, albeit offset by a good trend in orders in the APAC area. Gross operating profit was 3.0 million euro, 75.7% down on the same period in 2019, due to the loss of turnover mentioned above, in addition to some write-downs of slow-moving inventory for 1.8 million euro. Without these write-downs, which can be considered unrelated to operations and non-cash, and other one-off costs linked to the acquisition of the company by Italmobiliare, gross operating profit would have been 5.2 million euro, or 23% of sales. At December 31, 2020 the net financial position is positive for 21.5 million euro, with cash generation during the year of 2.3 million euro, prior to dividends paid to shareholders.

### **SIRAP (100%)**

2020 was a significant year for the history of the Sirap Group, which operates in the food packaging sector. In addition to the sale of some of the main corporate assets, finalised at the beginning of 2021, 2020 closed with a record result in terms of gross operating profit and with the completion of all the main activities envisaged in the Business Plan. Turnover for 2020 amounted to 250.6 million euro, 6.9% down on 2019; neutralising the change in the scope of consolidation compared with the previous year (i.e. OPS leaf production in the UK and Petruzalek's Turkish subsidiary), a decrease of 2.1%, mainly attributable to the impact of Covid on the "rigid" segment during the first lock-down. The gross operating profit of the Group stood at 24.7 million euro, including costs unrelated to operations for 3.4 million euro, mainly relating to the closure of the San Vito plant (1.3 million euro) and a one-off adjustment of the pension fund in France (0.6 million euro); without considering costs that are not related to operations, gross operating profit comes to 28.1 million euro, an increase of 6.9 million euro compared with the previous year (+33%). The consolidated net result at December 31, 2020 was positive for 4.5 million euro, with an increase of 3.5 million euro compared with the previous year.

The consolidated net financial position at December 31, 2020 was negative for 64.6 million euro, with an improvement in 2020 of 16.2 million euro thanks to good cash generation.

### **ITALGEN (100%)**

Italgen operates in the production of electricity from renewable sources through 15 hydroelectric plants. In 2020, it recorded hydroelectric energy production of 318.3 GWh, an increase compared with the previous year (+4%), thanks to above-average rainfall and an excellent level of plant availability. Against a unit production revenue of 43.5 €/MWh, down 20% compared with 2019, the Italgen Group's revenue in 2020 amounted to 30.2 million euro, 4.2 million euro lower than the previous year. This was also due to the decrease in pass-through revenues, which had no impact on the company's profitability.

In 2020, gross operating profit came to 23.6 million euro (14.2 in 2019). In October 2020 Italgem signed an Amicable Settlement for the reimbursement of costs incurred for the development of a wind farm in Egypt: at gross operating profit level, this agreement resulted in a one-off positive impact of 10.5 million euro.

The net financial debt of the Italgem Group amounted to -10.2 million euro at the end of 2020, with positive cash generation during the year of 17.1 million euro, gross of dividend payments of 7.2 million euro.

### **CASA DELLA SALUTE (92.5%)**

On December 10, 2020, Italmobiliare completed the purchase of 92.5% of Casa della Salute, a clinic that is characterised by high-level healthcare services with an innovative business model and a high level of digitisation. Management figures for 2020 show revenue of 16.5 million euro, up 40.7% compared with the previous year, also thanks to the gradual entry into operation of the five clinics opened in 2019.

The gross operating profit stood at 1.0 million euro (-11.4% compared with 2019), with the impact of costs related to Covid-19 for 0.3 million euro (extra sanitisation, the procurement of personal protective equipment for employees) and the one-off increase in the cost of personnel to guarantee the opening of the structures even during the first lock-down. In addition, other costs unrelated to operations had an impact on 2020 for an additional 1.0 million euro, largely attributable to Italmobiliare's entry into the shareholder structure. Net of these two items, gross operating profit totalled 2.3 million euro, which substantially doubles that of 2019.

The net result for 2020 is a loss of 0.6 million euro, also affected by the increase in costs described in the previous paragraph. The net financial position at December 31, 2020 was negative for 16.5 million euro.

### **CAPITELLI (80%)**

Despite the significant impact of the pandemic, Capitelli, a producer of premium-range cooked ham and other cured meats, closed 2020 with revenue of 14.8 million euro, up by 5.7% compared with 2019. In terms of products, "San Giovanni" cooked ham is confirmed as the company's flagship product, with growth above the company's average compared with 2019.

The gross operating profit was 3.8 million euro, including costs not related to operations for 0.2 million euro. Gross of these costs, gross operating profit was 4.0 million euro, up 4% compared with 2019.

Capitelli closed 2020 with a net result of 2.2 million euro, down compared with 2019 (3.1 million) due to the impact on depreciation, amortisation and finance costs.

The net financial position at December 31, 2020 was positive for 3.7 million euro, already net of the distribution to Italmobiliare of a capital reserve of 8.6 million euro which took place during the fourth quarter of 2020. Without considering it, positive cash generation for the year was 2.1 million euro.

### **CALLMEWINE (60%)**

On December 18, 2020, Italmobiliare acquired 60% of Callmewine.com, one of the leading Italian e-commerce platforms for wines and spirits with excellent growth opportunities

thanks to the combination of digital skills and a wide knowledge of Italian excellence in the wine sector. Callmewine closed 2020 with revenue of 12.4 million euro, almost doubling the turnover recorded in the previous year. The overall growth trend of online wine sales was in fact further accelerated by the changed consumption habits linked to the pandemic, creating a market window that is certainly interesting for e-commerce players dedicated to this category like Callmewine. Gross operating margin stood at 0.5 million euro, up 33.2% compared with the previous year despite costs not related to operations for 0.1 million euro, relating to Italmobiliare's entry into the shareholder structure. Net profit for 2020 amounted to 0.3 million euro, again an improvement on the previous year. The net financial position at December 31, 2020 was positive for 4.8 million euro, mainly thanks to the resources contributed at the time of the acquisition and intended to finance the company's growth.

### **TECNICA GROUP (40%)**

For Tecnica Group, one of Europe's leading players in outdoor footwear and ski equipment, with brands such as Tecnica, Nordica, Blizzard, Lowa, Moon Boot and Rollerblade, the impact of Covid-19 on the results for 2020 was significant: in relation to winter brands, due to the uncertainty over the course of the winter season in Europe and, for all brands, due to the closure of retail sales channels in all the main areas in which the Group operates during the first lock-down.

In terms of revenue, the Tecnica Group closed the year at 382.5 million euro, a decrease of 9.8% compared with the previous year. Rollerblade continued to be an exception, with revenue up 52% compared with 2019, thanks to the momentum of the entire category of in-line skates.

Gross operating profit came to 59.4 million euro. Neutralising the impact of the acquisition of Riko, which in 2020 generated a gross operating profit of 7.9 million euro (compared with 0.2 million euro in 2019, when five months of consolidation of Riko's profits were substantially offset by negative one-off effects), gross operating profit was substantially in line with the previous year. Group management has in fact implemented a series of measures to contain fixed costs, which have made it possible to offset the decrease in revenue. The net financial position was negative at December 31, 2020 for 171.1 million euro, an improvement of 50.0 million euro compared with the figure at the end of 2019 thanks to good cash generation, especially at Lowa-Riko, and the extreme attention by management to the dynamics of working capital, given the uncertainty over revenue in 2020 due to the pandemic.

### **AUTOGAS – AGN Energia (30%)**

Autogas - AGN Energia, one of the national leaders in the distribution of LPG, alongside a complete range of products and services in the energy sector, closed 2020 with decidedly positive results, despite the fact that the pandemic had a material impact on various areas, including lower consumption, and consequently lower revenue for the Autogas Group, in some customer segments, and the drop in the cost of LPG in the central part of the year. In 2020, the Autogas Group continued the corporate rationalisation begun before the acquisition of Lampogas in 2019. 2020 closed with turnover of 438.1 million euro, a decrease compared with 2019 (495.2 million) also because of the decrease in the average selling price of LPG (linked to the decrease in the purchase price of the raw material), without any real impact on the company's margins.



Gross operating profit came to 50.7 million euro, a marked improvement on the previous year (+31%, a difference of 12.1 million euro). In addition to the attention paid to unit margins, which made it possible to keep the Group's value added margin substantially unchanged despite the decline in volumes, this improvement is attributable to the synergies on fixed costs, linked in part to the integration with Lampogas (overall, fixed costs are down by 3.8 million euro) and the sharp decline in bad debts (-8.9 million euro compared with 2019), which reflects the improvement in credit management.

The consolidated net result of the Autogas Group was positive for 20.3 million euro, 12.9 million up on 2019.

At December 31, 2020 the net financial position showed a negative balance of 124.7 million euro, an improvement compared with December 31, 2019 thanks to positive cash generation during the year of 18.5 million euro, before dividend payments of 4.6 million euro.

### **ISEO (39%)**

In 2020, the turnover of the Iseo Group, one of the leading European producers of mechatronic and digital solutions for access control and security, amounted to 128.4 million euro, down 10% compared with the previous year. This was mainly due to the impact of the pandemic on 2020, even if concentrated in the first part of the year (the second half of 2020 saw turnover up by 2.7% compared with the same period of 2019).

In 2020, the gross operating profit amounted to 13.7 million euro (15.3 million euro in 2019), with expenses unrelated to operational management of 3.0 million euro, mainly relating to the closures of two minor plants (as per the reorganisation of the Italian production activities) and to the reorganisation of the subsidiary Liras (Locken). Gross of these expenses, gross operating profit was 16.7 million euro. The steps taken to reduce fixed costs, even before the health emergency arose, and the subsequent containment of expenses led to an improvement in the "recurring" gross operating profit of 22.6% in the second half.

The net financial position at December 31, 2020 was negative for 19.7 million euro, an improvement of 14.9 million euro compared with the figure at the end of 2019, already net of dividend payments during the year of 1.2 million euro. Cash generation was very positive, helped by the action taken to reduce working capital under the company's new business plan.

### **CLESSIDRA SGR (100%)**

In 2020, Clessidra SGR - the main private equity fund manager dedicated exclusively to the Italian market - continued to manage its investments. Clessidra also had an acquisition, completed on November 16, 2020, of a financial intermediary, Clessidra Factoring S.p.A. (formerly CoEFI).

The brokerage margin was positive for 13.3 million euro and is essentially represented by the management fees of the Clessidra funds for 13.2 million euro and by the result of financial asset management which shows a positive balance of 0.1 million euro.

Administrative expense for the period amounted to 19.3 million (16.8 million in 2019) and is made up mainly of personnel expense, consultancy and management expense.

After other operating income and charges of +5.6 million euro and income tax of 0.3 million euro, the year ended with a loss of 0.9 million euro.

## **PRIVATE EQUITY FUNDS**

The Company has invested in a portfolio of select Italian and international Private Equity funds with a view to diversifying sectors and geographical investments, including the CCP3 fund and Clessidra's Restructuring Fund, the BDT Fund II and III, Isomer Capital I, Connect Ventures 3, Iconiq IV and V and Lindsay Goldberg Fund V. During 2020, the value of the Private Equity funds, which recorded an overall positive performance with an increase in fair value of 18.7 million euro, decreased by 23.0 million euro, mainly due to the effect of capital repayments and disposals (52.6 million euro) and exchange rate differences (-5.1 million euro) against further investments (16.0 million euro) and revaluation of the funds.

## *OUTLOOK*

In a context characterised by high uncertainty, the Company's commitment will remain focused on providing economic and strategic support to the companies in its portfolio, in order to adapt their business models to intercept the acceleration imposed by the pandemic phenomenon on some macro-trends already in place and explore growth opportunities also through acquisitions and extraordinary corporate finance, with particular attention to careful monitoring and risk management.

Further investment opportunities will be evaluated with careful analysis of aspects such as their technological evolution and sustainability of their business models over time, with a focus on macro-sectors where unique and specific skills and product excellence typical of the Italian entrepreneurial landscape can benefit most from the transversal skills offered by the holding company's management team: industrial and financial planning, best practices in terms of governance and sustainability, and international networks of both business and institutional contacts.

The pro-active approach that has characterised Italmobiliare's activity with its portfolio companies will also characterise its commitment to the new companies that have entered the portfolio, starting with Officina Profumo-Farmaceutica di Santa Maria Novella, an iconic brand recognised for its high quality and with high growth potential; as well as the two dynamic "Small cap growth" companies Casa della Salute and Callmewine, in which to combine rapid expansion with structured management and a solid organisation.

The recent investments and positive performance of the companies acquired are reflected in a higher weight of the Portfolio Companies, which by the end of the year had increased to approximately 60% of Italmobiliare's total NAV, with the rest of the portfolio split between Private Equity Funds, other equity investments (including minority interests in listed companies such as HeidelbergCement, which has now fallen below 5% of NAV) and a reserve of cash and cash equivalents to take advantage of market opportunities. With a view to natural rotation of the portfolio, the beginning of 2021 saw the successful sale of an important part of the assets of the Sirap Group, a historic investment, allowing full enhancement of its long development path and ensuring an excellent business combination within the Faerch group.

In the portfolio of Private Equity Funds and alternative investments, where important segments such as Venture Capital and High-Tech Growth Capital have been added, in addition to the American mid cap, the main commitment will remain the continuous support in Italy for Clessidra, both in the development of the traditional Private Equity business and in the most recent initiatives in the credit segment.

## *NOTICE OF CALLING*

The Board of Directors has decided to convene the Ordinary Shareholders' Meeting on April 21, 2021 to vote on the 2020 Annual Report and dividend distribution, on the remuneration policy for 2021, on the compensation paid in 2020 and renewal of the mandate to buy and sell treasury shares. Furthermore, given the co-option of the director Marco Cipelletti, which took place on January 27 to replace Antonio Salerno following his resignation (both on the minority list presented at the previous Shareholders' Meeting on April 21, 2020), the meeting will be called upon to approve the appointment of a director. The Board of Directors' proposal is to confirm Mr. Cipelletti, who meets the independence requirements of the Consolidated Law on Finance and of the Code of Conduct.

Considering the Covid-19 health emergency and taking into account the measures being taken to limit the contagion, the Company has decided to take advantage of the option provided for by art. 106, paragraph 4, of Decree Law 18 dated March 17, 2020, converted into Law 27 of April 24, 2020, and subsequently extended by art. 3 paragraph 6 of Decree Law 183/2020, providing that attendance at the Shareholders' Meeting by those who have the right to vote can take place exclusively through the representative appointed by the Company pursuant to art. 135-undecies of Legislative Decree 58 of February 24, 1998. The appointed representative may also be given proxies or sub-proxies pursuant to art. 135-novies of the CLF, notwithstanding art. 135-undecies, paragraph 4, of the same decree.

## *AUTHORISATION TO BUY AND SELL TREASURY SHARES*

The Board of Directors will propose to the Shareholders' Meeting renewal of the authorisation to buy and sell treasury shares for the next 18 months for the usual purposes governed by the law and therefore destined: to set up a portfolio of securities that could be used in place of financial resources, to carry out extraordinary corporate finance transactions or to implement compensation plans based on financial instruments that could be approved in the future; to carry out activities to stabilise and support the liquidity of the Italmobiliare stock, favouring regular trading, including securities lending to support third-party liquidity providers, market makers and specialists.

The proposed authorisation concerns a maximum of 1,000,000 shares (representing 2.35% of the shares that currently make up the share capital) for a maximum outlay of 30,000,000 euro. The Company currently has 278,470 treasury shares in its portfolio, equal to 0.655% of the share capital. The Company will be able to buy treasury shares in one or more tranches. Purchases will be made on the electronic stock exchange in compliance with art. 144-bis, paragraph 1, letters b), and d-ter) of the Issuers Regulation, so as to allow compliance with the principle of equal treatment of shareholders, as required by article 132 of the CLF, and therefore (i) on regulated markets, according to the operating procedures established in the organisation and management regulations of Borsa Italiana, which do not allow direct matching of purchase proposals with predetermined sale proposals, or (ii) with the methods established by market practices allowed by Consob pursuant to article 13 of (EU) regulation no. 596/2014 from time to time in force, and in any case in accordance with the further provisions of the law and regulations applicable to this type of transaction.

Purchases will be made - in compliance with the conditions established in article 3 of the (EU) Delegated Regulation 2016/1052 of the Commission dated March 8, 2016 and other applicable rules - at a unit price not exceeding the highest price between the price of the last independent transaction and the price of the current highest independent purchase offer on the electronic stock exchange organised and managed by Borsa Italiana, it being understood that this consideration may not in any case be lower in the minimum and higher in the maximum by 15% (fifteen percent) with respect to the reference price that the Italmobiliare share recorded in the stock market session of the day preceding each transaction. If authorised by the Meeting, the Company will be able to carry out disposals, also fractionally and without time limitations, of the Italmobiliare shares to be purchased or already purchased on the basis of previous shareholders' authorisations, according to the purposes and methods indicated above, providing the unit selling price (or in any case the unit value established in the context of the sale) is not lower than the average carrying price of the shares bought on the basis of the authorisation.

### **PRESENTATION TO THE ANALYSTS**

The presentation for the financial community, updated with the results at December 31, 2020, will be made available on the Company's website in the Investor/Presentations section (<https://www.italmobiliare.it/en/investor/presentations>) tomorrow March 5, 2021.

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*Italmobiliare's 2020 Annual Report, the Report on Corporate Governance and the Ownership Structure, the Consolidated Non-Financial Report and the other documents required by current legislation will be available at the registered office and on the website [www.italmobiliare.it](http://www.italmobiliare.it) as required by law.*

*The Financial Reporting Officer of Italmobiliare S.p.A., Mauro Torri, certifies - pursuant to art. 154-bis, paragraph 2 of the Consolidated Law on Finance (Legislative Decree 58/1998) - that the accounting information contained in this press release agrees with the supporting documentation, books of account and accounting entries.*

#### **Disclaimer**

This press release may contain forward-looking statements. These statements are based on the Group's current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future, and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: continued volatility and further deterioration of capital and financial markets, changes in commodity prices, changes in general economic conditions, economic growth and other changes in business conditions, changes in laws and regulations and the institutional environment (in each case in Italy or abroad), and many other factors, most of which are beyond the Group's control.

**ITALMOBILIARE ON THE INTERNET: [www.italmobiliare.it](http://www.italmobiliare.it)**

#### **Italmobiliare**

**Media Relations      Tel. (0039) 02.29024.212**

**Investor Relations    Tel. (0039) 02.29024.212**

The attached income statement and statement of financial position figures are currently being examined by the independent auditors.

<b>Italmobiliare Group</b>					
<b>INCOME STATEMENT</b> (in thousands of euro)	<b>2020</b>	<b>%</b>	<b>2019</b>	<b>%</b>	<b>Change</b> <b>%</b>
<b>Revenue and other income</b>	<b>575,520</b>	<b>100.0</b>	<b>565,875</b>	<b>100.0</b>	<b>1.7</b>
Other revenue and income	15,152		11,216		
Changes in inventories	1,313		5,000		
Internally produced and capitalised assets	112		326		
Raw materials and supplies	(243,087)		(246,091)		
Services	(95,701)		(87,472)		
Employee benefits	(111,555)		(103,458)		
Other operating income (expenses)	(35,764)		(19,488)		
<b>Gross operating profit</b>	<b>105,990</b>	<b>18.4</b>	<b>125,908</b>	<b>22.3</b>	<b>-15.8</b>
Amortisation and depreciation	(30,169)		(27,704)		
Impairment losses on non-current assets	(6,381)		(1,119)		
<b>Operating profit</b>	<b>69,440</b>	<b>12.1</b>	<b>97,085</b>	<b>17.2</b>	<b>-28.5</b>
Finance income	482		326		
Finance costs	(5,787)		(6,026)		
Exchange-rate differences and net gains (losses) on derivatives	(1,455)		316		
Impairment losses on financial assets	(749)		(2,601)		
Share of profit/(loss) of equity-accounted investees	15,015		10,475		
<b>Profit/(loss) before tax</b>	<b>76,946</b>	<b>13.4</b>	<b>99,575</b>	<b>17.6</b>	<b>-22.7</b>
Income tax	26,528		(22,537)		
<b>Profit/(loss) for the year</b>	<b>103,474</b>	<b>18.0</b>	<b>77,038</b>	<b>13.6</b>	<b>34.3</b>
Attributable to:					
Owners of the parent company	68,315	11.9	63,520	11.2	7.5
Non-controlling interests	35,159	6.0	13,518	2.4	n.s.
Earnings per share					
Basic      ordinary shares	1.619 €		1.514 €		
Diluted    ordinary shares	1.616 €		1.510 €		

n.s.= not significant

<b>Italmobiliare Group</b>						
<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b> (in thousands of euro)	<b>2020</b>	<b>%</b>	<b>2019</b>	<b>%</b>	<b>Change</b>	<b>%</b>
<b>Profit/(loss) for the period</b>	<b>103,474</b>	<b>18.0</b>	<b>77,038</b>	<b>13.6</b>	<b>26,436</b>	<b>34.3</b>
<b>Other comprehensive income (expense) from continuing operations</b>						
<b>Items that will not be reclassified subsequently to profit or loss</b>						
Remeasurement of net defined benefit liability	(405)		(304)		(101)	
Remeasurement of net defined benefit liability/(asset) - investments in equity-accounted investees	(46)		(36)			
Fair value gains/(losses) on investments in equity instruments at FVTOCI	(29,709)		114,651		(144,360)	
Income tax	101		502		(401)	
<b>Total items that will not be reclassified to profit or loss</b>	<b>(30,059)</b>		<b>114,813</b>		<b>(144,862)</b>	
<b>Items that may be reclassified subsequently to profit or loss</b>						
Foreign exchange differences on translation of foreign operations	1,604		1,471		133	
Foreign exchange differences on translation of foreign operations - investments in equity-accounted investees	(1,558)		523		(2,081)	
Fair value gains/(losses) on cash flow hedging instruments	619		(194)		813	
Fair value gains/(losses) on cash flow hedging instruments - investments in equity-accounted investees	913		518		395	
Income tax	(182)		182		(364)	
<b>Total items that may be reclassified subsequently to profit or loss</b>	<b>1,396</b>		<b>2,500</b>		<b>(1,104)</b>	
<b>Total other comprehensive income for the year</b>	<b>(28,663)</b>		<b>117,313</b>		<b>(145,966)</b>	
<b>Total comprehensive income for the year</b>	<b>74,811</b>	<b>13.0</b>	<b>194,351</b>	<b>34.3</b>	<b>(119,540)</b>	<b>-61.5</b>
Attributable to:						
Owners of the parent company	39,472		180,866		(141,394)	
Non-controlling interests	35,339		13,485		21,854	

<b>Italmobiliare Group</b>			
<b>STATEMENT OF FINANCIAL POSITION</b> (in thousands of euro)	<b>12.31.2020</b>	<b>12.31.2019</b>	<b>Change</b>
<b>Non-current assets</b>			
Property, plant and equipment	159,857	161,033	(1,176)
Investment property	7,632	7,919	(287)
Goodwill	250,723	181,864	68,859
Intangible assets	302,832	178,592	124,240
Investments in equity-accounted investees	183,749	164,147	19,602
Investments in other companies	119,737	210,531	(90,794)
Non-current trade and other receivables	161,404	180,909	(19,505)
Deferred tax assets	18,177	13,075	5,102
Non-current receivables from employees	612	648	(36)
<b>Total non-current assets</b>	<b>1,204,723</b>	<b>1,098,718</b>	<b>106,005</b>
<b>Current assets</b>			
Inventories	48,057	57,202	(9,145)
Trade receivables	76,892	96,646	(19,754)
Other current assets including derivative financial instruments	19,461	22,953	(3,492)
Tax assets	17,125	8,089	9,036
Investments, bonds and current financial receivables	324,174	372,150	(47,976)
Cash and bank balances	123,066	248,112	(125,046)
<b>Total current assets</b>	<b>608,775</b>	<b>805,152</b>	<b>(196,377)</b>
Non-current assets held for sale	131,531	6,713	124,818
<b>Total assets</b>	<b>1,945,029</b>	<b>1,910,583</b>	<b>34,446</b>
<b>Equity</b>			
Share capital	100,167	100,167	
Share premium account	55,607	55,607	
Reserves	(6,495)	1,236	(7,731)
Treasury shares	(6,620)	(12,154)	5,534
Retained earnings	1,187,705	1,213,873	(26,168)
<b>Equity attributable to owners of the parent company</b>	<b>1,330,364</b>	<b>1,358,729</b>	<b>(28,365)</b>
Non-controlling interests	193,766	115,467	78,299
<b>Total equity</b>	<b>1,524,130</b>	<b>1,474,196</b>	<b>49,934</b>
<b>Non-current liabilities</b>			
Borrowings	83,050	118,817	(35,767)
Retirement benefit obligations	12,007	12,525	(518)
Provisions	64,175	64,107	68
Other non-current payables and liabilities	14,330	8,358	5,972
Deferred tax liabilities	4,004	861	3,143
<b>Total non-current liabilities</b>	<b>177,566</b>	<b>258,511</b>	<b>(80,945)</b>
<b>Current liabilities</b>			
Bank loans and overdrafts	10,937	21,658	(10,721)
Borrowings	46,907	36,416	10,491
Trade payables	51,497	68,857	(17,360)
Provisions	1,608	788	820
Tax liabilities	16,722	2,252	14,470
Other liabilities	55,560	47,338	8,222
<b>Total current liabilities</b>	<b>183,231</b>	<b>177,309</b>	<b>5,922</b>
<b>Total liabilities</b>	<b>360,797</b>	<b>435,820</b>	<b>(75,023)</b>
Liabilities directly associated with assets classified as held for sale	60,102	567	59,535
<b>Total equity and liabilities</b>	<b>1,945,029</b>	<b>1,910,583</b>	<b>34,446</b>

<b>Italmobiliare Group</b>		
<b>STATEMENT OF CASH FLOWS</b> (in thousands of euro)	<b>December 31, 2020</b>	<b>December 31, 2019</b>
<b>Net financial position at the beginning of the period</b>	<b>475.2</b>	<b>222.3</b>
Cash flows from operating activities	95.4	105.4
Capital investment in:		
<i>PPE, investment property and intangible assets</i>	(35.2)	(33.5)
<i>Non-current financial assets</i>	(249.6)	(122.9)
Cash flows from investing activities	<b>(284.8)</b>	<b>(156.4)</b>
Proceeds from disposal of non-current assets	123.0	357.7
Purchase of treasury shares		0.9
Dividends paid	(84.0)	(26.3)
Increases in capital		3.5
Translation differences	(15.4)	10.3
Other		(42.2)
<b>Change in net financial position</b>	<b>(165.8)</b>	<b>252.9</b>
Cash flows from assets classified as held for sale	11.4	
<b>Net financial position at the end of the period</b>	<b>320.8</b>	<b>475.2</b>

<b>Italmobiliare Group</b>			
<b>NET FINANCIAL POSITION</b> (in thousands of euro)	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>Change</b>
<b>Current financial assets</b>	<b>456,505</b>	<b>630,936</b>	<b>(174,431)</b>
Cash and bank balances	123,066	248,112	(125,046)
Derivative financial instruments	539	431	108
Other current financial assets	332,900	382,393	(49,493)
<b>Current financial liabilities</b>	<b>(67,904)</b>	<b>(67,330)</b>	<b>(574)</b>
Bank loans and overdrafts	(10,937)	(21,658)	10,721
Borrowings	(56,413)	(45,276)	(11,137)
Derivative financial instruments	(554)	(396)	(158)
<b>Non-current financial assets</b>	<b>35,179</b>	<b>31,059</b>	<b>4,120</b>
Non-current financial assets	35,179	31,027	4,152
Derivative financial instruments		32	(32)
<b>Non-current financial liabilities</b>	<b>(83,171)</b>	<b>(119,576)</b>	<b>36,405</b>
Borrowings	(83,050)	(118,817)	35,767
Derivative financial instruments	(121)	(759)	638
<b>Total net financial position</b>	<b>340,609</b>	<b>475,089</b>	<b>(134,480)</b>
Assets classified as held for sale	2,529	147	2,382
Liabilities directly associated with assets classified as held for sale	(22,307)		(22,307)
<b>Net financial position relating to discontinued operations</b>	<b>(19,778)</b>	<b>147</b>	<b>(19,925)</b>
<b>Total net financial position</b>	<b>320,831</b>	<b>475,236</b>	<b>(154,405)</b>



<b>Italmobiliare S.p.A.</b>					
<b>INCOME STATEMENT</b> (in thousands of euro)	<b>2020</b>		<b>2019</b>		<b>Change</b>
		%		%	%
<b>Revenue</b>					
Revenue and income	67,921,423		86,117,938		
<b>Total revenue and income</b>	<b>67,921,423</b>	<b>100.0</b>	<b>86,117,938</b>	<b>100.0</b>	<b>-21.1</b>
Other revenue and income	1,611,952		815,118		
Raw materials and supplies	(225,532)		(263,487)		
Services	(8,101,988)		(7,695,973)		
Employee benefits	(15,551,275)		(14,162,043)		
Other operating income (expenses)	(37,247,364)		(19,134,688)		
<b>Gross operating profit</b>	<b>8,407,216</b>	<b>12.4</b>	<b>45,676,865</b>	<b>53.0</b>	<b>-81.6</b>
Amortisation and depreciation	(686,929)		(699,490)		
<b>Operating profit</b>	<b>7,720,287</b>	<b>11.4</b>	<b>44,977,375</b>	<b>52.2</b>	<b>-82.8</b>
Finance income and costs	(106,144)		(69,809)		
Impairment losses on financial assets	18,519,641		(14,280,652)		
<b>Profit/(loss) before tax</b>	<b>26,133,784</b>	<b>38.5</b>	<b>30,626,914</b>	<b>35.6</b>	<b>-14.7</b>
Income tax	5,430,914		(10,896,888)		
<b>Profit/(loss) for the year</b>	<b>31,564,698</b>	<b>46.5</b>	<b>19,730,026</b>	<b>22.9</b>	<b>60.0</b>

<b>Italmobiliare S.p.A.</b>			
<b>STATEMENT OF FINANCIAL POSITION</b> (in thousands of euro)	<b>12.31.2020</b>	<b>12.31.2019</b>	<b>Change</b>
<b>Non-current assets</b>			
Property, plant and equipment	6,746,360	5,518,287	1,228,073
Investment property	8,307,328	9,502,229	(1,194,901)
Intangible assets	107,542	231,351	(123,809)
Equity investments in subsidiaries and associates	660,080,617	429,709,019	230,371,598
Investments in other companies	119,565,009	210,398,883	(90,833,874)
Deferred tax assets	7,829,321	7,433,566	395,755
Other non-current assets	155,964,095	187,075,722	(31,111,627)
<b>Total non-current assets</b>	<b>958,600,272</b>	<b>849,869,057</b>	<b>108,731,215</b>
<b>Current assets</b>			
Trade receivables	655,793	498,327	157,466
Other current assets including derivative financial instruments	1,262,882	1,137,745	125,137
Tax assets	12,249,156	5,837,594	6,411,562
Equity investments, bonds and current financial receivables	312,147,027	354,368,645	(42,221,618)
Cash and bank balances	54,654,301	190,080,907	(135,426,606)
<b>Total current assets</b>	<b>380,969,159</b>	<b>551,923,218</b>	<b>(170,954,059)</b>
<b>Total assets</b>	<b>1,339,569,431</b>	<b>1,401,792,275</b>	<b>(62,222,844)</b>
<b>Equity</b>			
Share capital	100,166,937	100,166,937	-
Share premium	55,606,873	55,606,873	-
Reserves	(7,692,609)	1,464,087	(9,156,696)
Treasury shares	(6,620,158)	(12,153,618)	5,533,460
Retained earnings	1,138,881,166	1,201,936,002	(63,054,836)
<b>Total equity</b>	<b>1,280,342,209</b>	<b>1,347,020,281</b>	<b>(66,678,072)</b>
<b>Non-current liabilities</b>			
Borrowings	178,342	218,122	(39,780)
Retirement benefit obligations	758,177	689,314	68,863
Provisions	19,362,000	20,500,000	(1,138,000)
Tax liabilities	7,262,252	8,300,000	(1,037,748)
Other non-current liabilities	105,253	116,878	(11,625)
Deferred tax liabilities	93,094	460,369	(367,275)
<b>Total non-current liabilities</b>	<b>27,759,119</b>	<b>30,284,683</b>	<b>(2,525,564)</b>
<b>Current liabilities</b>			
Bank loans and overdrafts	13,964	1,018	12,946
Borrowings	2,116,589	2,340,561	(223,972)
Trade payables	1,657,600	2,043,048	(385,448)
Provisions	-	-	-
Tax liabilities	13,452,228	72,683	13,379,545
Other current liabilities	14,227,723	20,030,001	(5,802,278)
<b>Total current liabilities</b>	<b>31,468,103</b>	<b>24,487,311</b>	<b>6,980,792</b>
<b>Total liabilities</b>	<b>59,227,222</b>	<b>54,771,994</b>	<b>4,455,228</b>
<b>Total equity and liabilities</b>	<b>1,339,569,431</b>	<b>1,401,792,275</b>	<b>(62,222,843)</b>

The effects of transactions with related parties on the statement of financial position, income statement and statement of cash flows are shown in the relevant attachments, pursuant to Consob Resolution no. 15519 of July 27, 2006.