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# AZIMUT HOLDING SpA

 Consolidated interim financial report  
at **30 June 2023**



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## Company bodies

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### Board of Directors

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Pietro Giuliani	Chairman
Gabriele Blei	Chief Executive Officer
Massimo Guiati	Chief Executive Officer
Paolo Martini	Chief Executive Officer
Giorgio Medda	Chief Executive Officer
Alessandro Zambotti	Chief Executive Officer
Daniela Pavan (*)	Director
Monica De Pau (*)	Director
Anna Maria Bortolotti	Director
Fiorenza Dalla Rizza	Director
Marcello Foa	Director
Silvia Priori	Director
Vittoria Scandroglio	Director
Costanza Bonelli	Director
Nicola Colavito	Director
Marco Galbiati	Director

### Board of Statutory Auditors

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Marco Lori	<i>Chairman</i>
Stefano Fiorini	<i>Standing auditor</i>
Maria Catalano	<i>Standing auditor</i>
Chiara Segala	<i>Alternate auditor</i>
Francesca Asquasciati	<i>Alternate auditor</i>

### Independent Auditors

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EY SpA

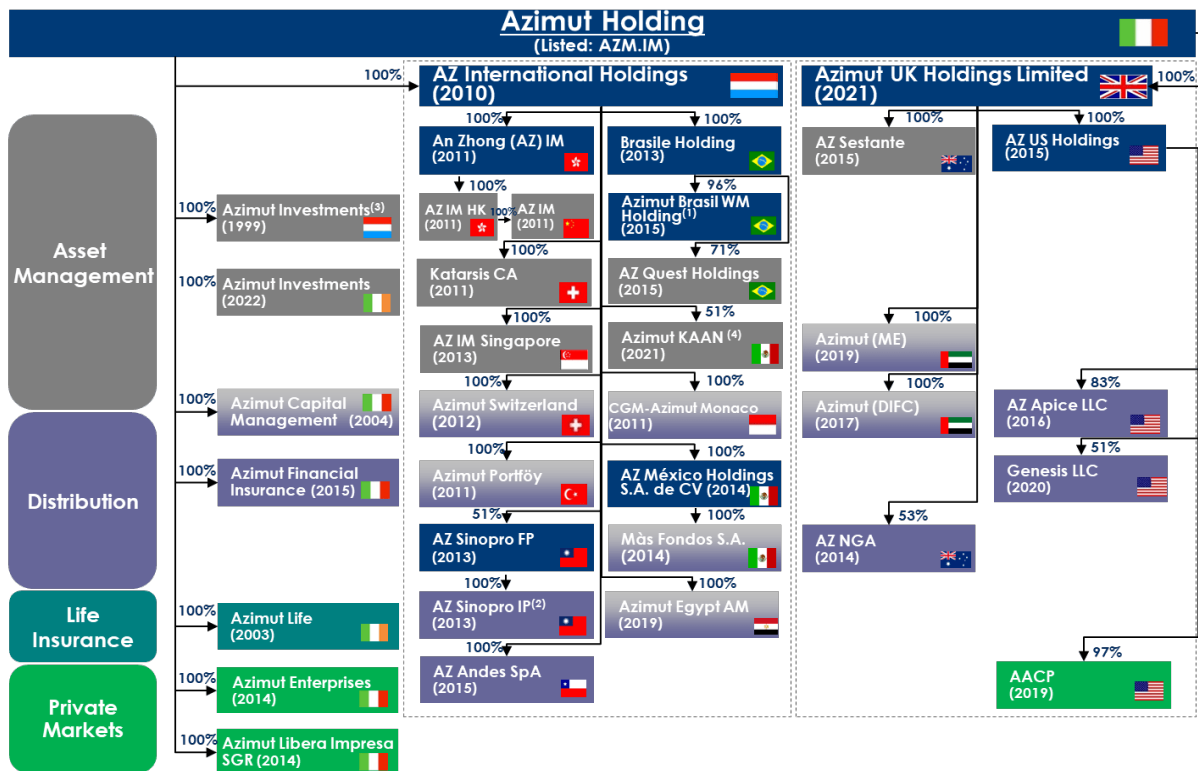
(\*) in office for one year (2023)

# Azimut Group's highlights and indicators

## AZIMUT GROUP'S STRUCTURE

The Azimut Group operates globally in 18 countries and is comprised of the parent company, Azimut Holding S.p.A., and 152 subsidiaries.

Azimut Summarized Group Structure



Company figures updated to 30/06/2023

Note (1): controls the distribution companies M&O Consultoria, FuturalInvest, Azimut Brasil Wealth Management and Gudance Gestora de Recursos

Note (2): controls AZ Sinopro Insurance Planning.

Note (3): 30% held by Azimut Capital Management SGR S.p.A. and 19% by Azimut Financial Insurance S.p.A., both owned by Azimut Holding S.p.A..

Note (4): controlled by AZ Mexico Holdings.

Azimut Summarized Group Structure

## Azimut Group—Highlights at 30 June 2023

<b>1989</b>	Year of incorporation	<b>2004</b>	Year of flotation
<b>85 billion</b>	Total assets	<b>18 countries</b>	Geographical coverage
<b>3.7 billion</b>	Net inflows	<b>1,877</b>	Financial advisors
<b>643 million</b>	Revenue	<b>223 million</b>	Net profit for the period
<b>1,663</b>	Employees	<b>19.75</b>	Share price

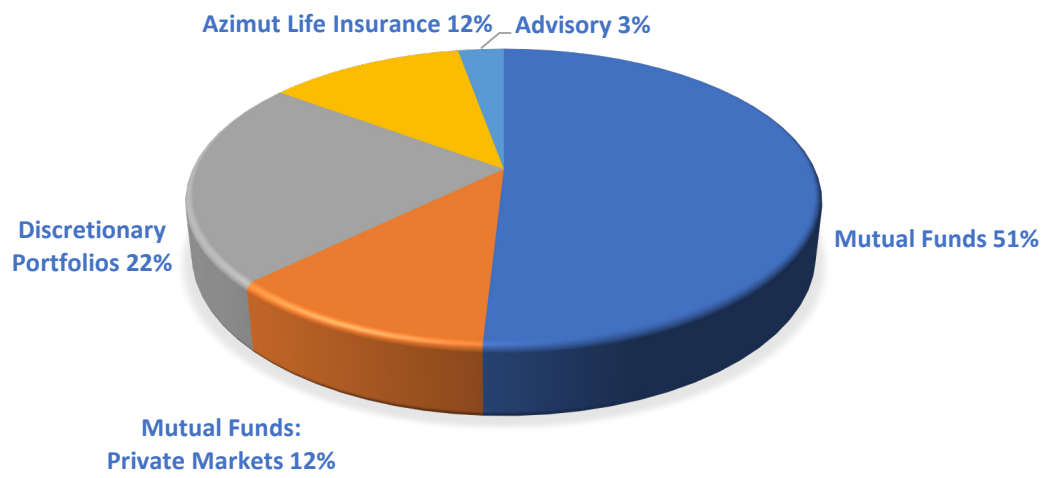
## Indicators

Financial indicators (millions of euro)	01/01/2023- 30/06/2023	01/01/2022- 30/06/2022	Change	
			Absolute	%
Total income:	643	668	-25	-4%
- of which fixed management fees	571	552	19	3%
EBIT	286	279	7	3%
Net profit for the period	223	225	-2	-1%
Net inflows (billions of euro)	3.7	3.5	0.2	6%

The prior period corresponding figures were reclassified in order to comply with IFRS 17.

Operating indicators	30/06/2023	31/12/2022
Financial advisors	1,877	1,851
AUM, net (billions of euro)	57.8	55.1

BREAKDOWN OF ASSETS UNDER MANAGEMENT AT 30 JUNE 2023



# Management report

## **Introduction**

The consolidated interim financial report at 30 June 2023 has been prepared in compliance with article 154-ter (Interim Reports) of Italian Legislative Decree 58/1998 (Consolidated Law on Finance), introduced by Italian Legislative Decree 195/2007, transposing EU Directive 2004/109/EC (known as the Transparency Directive), as amended.

The interim financial report includes the condensed consolidated interim financial statements, the interim management report and the statement required by article 154-bis, paragraph 5.

The condensed consolidated interim financial statements have been prepared in compliance with IAS 34 - Interim Financial Reporting, applying the international financial reporting standards (“IAS” and “IFRS”) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union and, in particular, applying the same accounting policies used to prepare the Consolidated Financial Statements at 31 December 2022, to which reference is made, except for the application of IFRS 17 - Insurance Contracts, which became effective on 1 January 2023. This standard is described in the notes to the condensed consolidated interim financial statements, section “Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023”.

## ***1 - GROUP RESULTS***

The Azimut Group ended the first half of 2023 with a consolidated net profit of 234,322 thousand euro (227,313 thousand euro for the first half of 2022) and consolidated EBIT of 321,070 thousand euro (301,697 thousand euro for the first half of 2022).

Total assets under management at 30 June 2023 reached 57.8 billion euro, while total assets, including assets under custody, amounted to 85.3 billion euro.

In the first half of 2023, the Group completed the acquisition of Kennedy Capital Management LLC, a leading US Small and Mid Cap Equity Manager. This acquisition contributed approximately 1.3 billion euro to assets under management. The Group closed the first tranche of a very sizable mandate in Mexico from one of the three largest sovereign wealth funds in the world (approximately 180 million euro) and generated robust growth in Turkey and Monaco. In June, it recorded positive flows in Brazil after months of prolonged volatility in the credit

markets, which caused outflows from the entire local asset management industry. Finally, the Group continued its platform expansion in Australia.

The Private Markets segment continued to grow strongly thanks also to private market transactions in Italy, including the launch of the second Private Debt Multistrategy fund and the investment with a club deal in Alps Blockchain, a company specialising in the construction of mining farms powered by clean energy. Assets in the Private Markets segment reached 7.1 billion euro. Furthermore, the Group boasts a platform of more than 50 products across various asset classes.

The recruitment of financial advisors showed a positive balance: in the first half of 2023, the Group's network in Italy showed 69 new engagements, compared to 43 outgoing advisors, bringing the total number of advisors in Italy to 1,877.

## ASSETS

<i>Figures in millions of euro</i>	30/06/2023	31/12/2022	30/06/2022	Change compared to 31/12/2022	
				Absolute	%
Mutual funds	44,443	44,660	42,203	-217	-0.5%
<i>of which: private markets</i>	7,077	6,465	5,464	612	9.5%
Discretionary portfolio management and other	16,642	14,507	13,435	2,135	14.7%
Azimut Life insurance	6,965	6,734	6,553	231	3.4%
Advisory	1,710	1,505	1,548	205	13.6%
Decreases for tail down and double counting	-12,003	-12,265	-11,647	262	2.1%
<b>AUM, net</b>	<b>57,757</b>	<b>55,141</b>	<b>52,092</b>	<b>2,616</b>	<b>4.7%</b>
Securities, third-party funds and c/a	27,546	23,823	29,129	3,723	15.6%
<b>Total assets</b>	<b>85,303</b>	<b>78,964</b>	<b>81,221</b>	<b>6,339</b>	<b>8.0%</b>



## NET INFLOWS

<i>Figures in millions of euro</i>	1H2023	1H2022	Absolute change compared to 1H2022	2022
Funds	-592	969	-1,561	3414
<i>of which: private markets</i>	778	746	32	1,937
Discretionary portfolio management and other	2308	152	2,156	836
AZ Life insurance	222	129	93	450
Advisory	106	-8	114	-17
Decreases for tail down and double counting	142	-95	237	-344
<b>Total net inflows - Assets under management</b>	<b>2,186</b>	<b>1,147</b>	<b>1,039</b>	<b>4,339</b>
Securities, third-party funds and c/a	1,552	2,350	-798	4,158
<b>Total net inflows</b>	<b>3,738</b>	<b>3,497</b>	<b>241</b>	<b>8,497</b>

## ***RECLASSIFIED CONSOLIDATED INCOME STATEMENT***

In order to provide a more effective representation of the results, the income statement has been reclassified and thus better reflects the content of the items according to management criteria.

The main reclassifications involved the following:

- cost recoveries on portfolio management reported under “Fee and commission income” have been reclassified as “Other income” in the reclassified income statement;
- the results of insurance services and financial income from insurance operations were reallocated to “Insurance income”;
- commission expenses paid to the sales network, reported under “Fee and commission expense” are now classified as “Acquisition costs”; similarly, the Enasarco/Firr contributions related to these commission expenses and the other trade payables associated with the sales network, recognised under “Administrative costs”, have been reclassified as “Acquisition costs”; the amount allocated to the supplementary indemnity reserve for agents (ISC) reported under “Accruals to the provisions and charges” has been reclassified as “Acquisition costs”;
- administrative cost recoveries, reported under “Other operating income and costs”, were recognised as a reduction of “Overheads/administrative costs”;
- the effects of the application of IFRS 17 – Insurance Contracts, included under “Financial income from insurance operations” were reallocated to “Net financial income”;
- interest expense on loans and bonds was recognised under “Interest expense” in the reclassified income statement.

<b>Euro/000</b>	<b>01.01.23 - 30.06.23</b>	<b>01.01.22 - 30.06.22</b>
Acquisition fees	5,307	6,279
Recurring fees	570,849	552,268
Variable management fees	-1,343	39,972
Other income	13,519	22,026
Insurance income	54,816	47,670
<b>Total income</b>	<b>643,149</b>	<b>668,216</b>
Acquisition costs	(195,652)	(237,199)
Overheads/administrative costs	(150,143)	(134,708)
Amortisation/depreciation and accruals	(11,766)	(17,497)
<b>Total costs</b>	<b>(357,561)</b>	<b>(389,403)</b>
<b>EBIT</b>	<b>285,588</b>	<b>278,812</b>
Net financial income	52,381	27,149
Net non-recurring income (costs)	(12,583)	1,772
Interest expense	(4,314)	(6,036)
<b>Pre-tax profit</b>	<b>321,073</b>	<b>301,698</b>
Income tax	(90,790)	(80,697)
Deferred tax assets/liabilities	4,040	6,313
<b>Net profit</b>	<b>234,322</b>	<b>227,313</b>
Profit attributable to minority interests	11,493	2,253
<b>Group net profit</b>	<b>222,829</b>	<b>225,060</b>

The prior period corresponding figures were reclassified in order to comply with IFRS 17.

Consolidated EBIT and consolidated Group net profit at 30 June 2023 came to 286 million euro (279 million euro at 30 June 2022) and 223 million euro (225 million euro at 30 June 2022), respectively. In the first half of 2023, assets managed generated fixed management fees of 571 million euro, up 3% on the same period of the previous year. The increase is due to the rise in assets managed and the application of a new pricing scheme as of April 2022, despite the deconsolidation of the investment in Sanctuary which the Group no longer controls. Insurance income came to 55 million euro, up on the same period of the previous year, mainly as a result of the increase in performance fees.

Total income reflects the lower contribution of variable management fees from mutual funds (-1.3 million euro). In the first half of 2022, variable management fees included the portion calculated using the method which was subsequently replaced by the above-mentioned new pricing scheme.

Acquisition costs are essentially in line with revenues. The improvement on the same period of the previous year is due to the deconsolidation of Sanctuary in the second half of 2022, which

was partially offset by the change in the consolidation scope in Australia and to the investments to support growth abroad and in the network of financial advisors in Italy.

In the first half of 2023, overhead costs increased on the same period of the previous year due to the consolidation of more foreign equity investments in Italy and abroad. The Group continued to invest in the expansion of its international business. This resulted in both an increase in recurring revenues and costs. The performance of costs related to equity investments in Italy (excluding new acquisitions) was essentially stable compared to the same period of the previous year.

Net financial income also includes the positive effects of the fair value measurement of the investments in the Group's UCI units and closed-end funds and of the measurement of liabilities relating to the future exercise of the options to purchase the remaining portion of the capital of certain acquirees not wholly owned. This item also includes the dividends received from associates and the effects of the adoption of IFRS 17 – Insurance Contracts.

Income tax includes the tax charge of the transaction completed in April 2023 with the Italian tax authorities.

## KEY BALANCE SHEET FIGURES

<i>Euro/000</i>	30.06.2023	31.12.2022
Cash and cash equivalents	373,485	298,142
Financial assets at fair value through profit or loss	7,380,291	7,319,772
Financial assets at fair value through other comprehensive income	16,092	15,872
Financial assets at amortised cost and equity investments	495,923	433,739
Property, plant and equipment and intangible assets	890,767	926,801
Other assets	455,082	514,917
<b>Total assets</b>	<b>9,611,640</b>	<b>9,509,243</b>
Financial liabilities at amortised cost	556,239	555,935
Insurance liabilities	1,220,334	1,154,434
Financial liabilities measured at fair value	5,659,429	5,518,376
Other liabilities and provisions	619,215	668,791
Shareholders' equity	1,556,423	1,611,707
<b>Total liabilities and shareholders' equity</b>	<b>9,611,640</b>	<b>9,509,243</b>

The prior period corresponding figures were reclassified in order to comply with IFRS 17. Reference should be made to the notes to the condensed consolidated interim financial statements, section "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption this standard.

**Cash and cash equivalents** refer to on-demand bank accounts, up from 373 million euro at 30 June 2023 to 298 million euro at 31 December 2022, and to cash.

**Financial assets at fair value through profit or loss** are in line with the balance at 31 December 2022. They mainly refer to the insurance operations carried out by Azimut Life Dac, specifically liquidity and investments, measured at fair value, relating to unit-linked policies where the investment risk is borne by policyholders. Furthermore, financial assets at fair value through profit or loss include the Group's portions of UCI units and closed-end funds which reflect the investment of the excess liquidity of operations and minority interests over which the Group does not exercise control, significant influence or joint control.

**Financial assets at fair value through other comprehensive income** are unchanged from 31 December 2022 and refer to investments in minority interests over which the Group does not exercise control, significant influence or joint control, and to the investments in government bonds with a hold-to-collect and sell business model.

**Financial assets at amortised cost** mainly comprise receivables for asset management services of 131 million euro and receivables from customers for advisory services of 53 million euro, while **equity investments** increased from 263 million at 31 December 2022 to 294 million euro at 30 June 2023. The main change in equity investments is due to the acquisition of the US-based Kennedy Capital. This transaction is described in the paragraph “Significant events of the period”.

**Property, plant and equipment and intangible assets** decreased on the previous year end partly as a result of the discontinuation of the IT platform developed to support the sales network and partly as a result of the decrease in goodwill as some subsidiaries are no longer part of the consolidation scope. This item also includes the right-of-use assets recognised in accordance with IFRS 16, amounting to 40 million euro at 30 June 2023 (unchanged from 31 December 2022).

**Other assets** mainly include tax assets (106 million euro), advances for virtual stamp duties (76 million euro) and amounts related to the payment of capital gain tax advances (9 million euro). They also include amounts due from financial advisors for loans and advanced commissions (approximately 21 million euro) and incentive costs relating to total inflow targets which are directly attributable to the contracts which meet the capitalisation requirements under the category of costs incurred to fulfil a contract introduced by IFRS 15. They are included under prepayments and amount to 140 million euro at 30 June 2023.

**Financial liabilities at amortised cost** mainly include the lease liabilities arising from the application of IFRS 16 (40 million euro at 30 June 2023) and **Outstanding securities** which refer to the “Azimut 2019-2024 1.625%” bond issued by the Parent Company.

**Insurance liabilities** include the insurance contracts of the Group’s Irish company.

## CONSOLIDATED FINANCIAL POSITION

With respect to the methods used to assess the net financial position, reference was made to the ESMA (European Securities and Markets Authority) Guidelines dated 4 March 2021, paragraph 175 and following paragraphs.

	<i>Euro/000</i>	<b>30/06/2023</b>	<b>31/12/2022</b>
A	Cash	373,485	298,142
B	Cash equivalents	155,213	205,089
C	Other current financial assets	227,057	288,031
<b>D</b>	<b>Liquidity (A + B + C)</b>	<b>755,755</b>	<b>791,262</b>
E	Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)		
F	Current portion of non-current financial debt	- 4,485	- 423
G	Current financial indebtedness (E + F)	- 4,485	- 423
<b>H</b>	<b>Net current financial indebtedness (G - D)</b>	<b>751,270</b>	<b>790,839</b>
I	Non-current financial debt (excluding current portion and debt instruments)	- 255	- 288
J	Debt instruments	- 496,388	- 497,493
K	Non-current trade and other payables	- 39,654	- 41,464
<b>L</b>	<b>Non-current financial indebtedness (I + J + K)</b>	<b>- 536,297</b>	<b>- 539,245</b>
<b>M</b>	<b>Total financial indebtedness (H + L)</b>	<b>214,973</b>	<b>251,594</b>

At 30 June 2023, the net financial position is at 215 million euro, down on the balance at 31 December 2022 (252 million euro).

The balance, net of the liquidity generated by the operating activities of the period, was impacted by the dividends paid in cash to Azimut Holding S.p.A. shareholders, the payment to Fondazione Azimut Onlus, the payment of profit-participating financial instruments held by top key people (totalling 239 million euro), 39 million euro paid as tax advances, tax dispute, the virtual stamp duty and taxes on the mathematical reserve (the latter pertaining to the Irish Azimut Life Dac), in addition to investments and acquisitions worth 126 million euro.

For additional information about the other significant transactions of the period, reference should be made to the section '*Significant events of the period*'.

## **SHAREHOLDERS' EQUITY**

At 30 June 2023, consolidated shareholders' equity, including the profit for the period, amounted to 1.505 million euro (1.557 million at 31 December 2022). This figure reflects the effects of the dividend distribution approved by the shareholders in their ordinary meeting called to approve the 2022 financial statements on 27 April 2023. The shareholders resolved to pay a dividend of 1.30 euro per ordinary share, pre-tax, which was paid starting from 24 May 2023, 22 May 2023 ex-dividend payment date and 23 May 2023 as the record date. The shareholders also approved the payment of 5.5 million euro to Fondazione Azimut Onlus, equal to 1% of pre-tax consolidated profit, and the payment of 40.24 euro for each profit-participating financial instrument held by Top Key People at the time of approval of payment of the dividend.

## **TREASURY SHARES**

At 30 June 2023, Azimut Holding S.p.A.'s subsidiaries did not hold, nor did they hold during the period, any treasury shares or shares of the Parent Company, either directly or via trust companies or third parties.

No treasury shares were sold and/or purchased during the period and up to the approval of this consolidated interim financial report.

At 30 June 2023, Azimut Holding S.p.A.'s treasury share portfolio comprised 4,868,987 shares, or 3.399% of the share capital.



### **Background scenario**

2022 ended with still restrictive monetary policies from both from the Fed and the ECB, pushing bond yields up and stock prices down in the last part of the year.

However, the first few days of 2023 were characterised by major surprises in terms of macroeconomic data: a substantial reduction in European inflation and a US ISM index below the psychological limit of 50, indicating contraction, and the likely arrival of the expected economic slowdown. These two surprises fuelled the expectation that the restrictive monetary policies of 2022 would soon drive the economy into recession and inflation would fall back to the major central banks' 2% target. Overall, the speed with which markets changed their expectations has subsequently characterised the performance of the entire first half of the year. During this period, market participants repeatedly challenged the base scenario outlined by the major central banks, in addition to the difficulty of making accurate macroeconomic forecasts after three years of economic shocks which included the pandemic, the military conflict between Russia and Ukraine, simultaneously expansive fiscal monetary policies and, finally, a coordinated, broad and rapid cycle of rate hikes.

Therefore, in January, financial market participants first shifted their expectations abruptly, bringing forward the end of the FED's restrictive monetary policy, up to assuming a final hike in February, followed by cuts in the second half of the year. On this assumption, the market also lowered its expectations on the ECB due to the widespread idea that the Frankfurt institution is not strong enough to deviate from the guidelines of the US central bank for long periods of time.

However, this exceptional economic cycle soon challenged the new scenario, with the actual figures showing the resilience of global growth and the stickiness of inflation (particularly in the service sector), in addition to the widespread strength in the labour market. This resulted in a new wave of market interest rate hikes for the whole of February, pushing European yields to new highs and the main market curves to a level of inversion not seen in 30 years. Therefore, once again, the markets questioned their expectations, also driven by central bankers' messages, and, in March, expected a terminal monetary policy rate of almost 6% for the Fed and 4% for the ECB.

At the beginning of March, the Silicon Valley Bank, a medium-sized US bank, suffered a rapid run on its deposits in just a few days, which forced it to sell (at a loss) government bonds. This generated losses that eventually led to its bankruptcy. The Fed quickly acted to safeguard the deposits by guaranteeing full repayment to all. Furthermore, a law was immediately passed that enabled banks to obtain liquidity from the Fed against collateral measured at par and not at market value. These two measures prevented the risk of financial contagion and contained the fears of a crisis similar to the 2008-2009 Global Financial Crisis. However, the fear of losing deposits hit Switzerland, where the Saudi shareholders of Credit Suisse, which had been in trouble for some time, declared that they would no longer support the bank's capital. Within just a weekend, the Swiss authorities arranged the immediate merger of Credit Suisse with UBS. The deal provided for the zeroing of AT1 bonds, reversing the natural subordination order and dragging the credit market into severe stress. The ECB and the Bank of England, which were not affected by the above events as they had no banks directly involved therein, promptly reiterated that they would never take a decision such as that of Switzerland on the AT1 bonds. However, it took several days for the credit market to calm down.

The sudden return of financial instability generated market fears about the lagged effects of the year-long global cycle of restrictive monetary policy, bringing back expectations of an early end to US rate hikes. The crisis that hit the US regional banks amplified the market fears on issues such as the mark-to-market of book HTM securities and the soundness of commercial real estate. After several weeks of upside surprises on the resilience of the major developed countries' economies, once the widespread strength of services in counteracting the weaknesses of the manufacturing sector was confirmed, market participants became convinced that neither recession nor the end of restrictive monetary policies were around the corner.

The period ended with the June meetings of the world's major central banks tightening their restrictive approach, unhappy with the modest results in terms of inflation, which went little beyond the expected base effects, or even showed still bullish surprises, such as in the UK. Several different approaches were taken: from those resuming hikes (Canada and Australia) to those who went above expectations (Norway and the UK). However, the overall message was unanimous: actions are still in progress. Indeed, the Fed's decision to hold off on the rate hike in June only indicated a change of pace, i.e., a shift to 0.25% hikes every two meetings, with an estimated terminal rate of 5.75% likely to be achieved in November and no rate cuts for a long time in their central scenario. On the other hand, the ECB raised rates by 0.25% as expected,

stating its intention to raise them again at its July meeting and ultimately leaving the door open for the September meeting, which would bring official rates up to 4%. Furthermore, the macroeconomic data for the final weeks of the period indicated a re-acceleration of the economic cycle in the US and a worsening of the European slowdown (to the detriment of the manufacturing sector), which is currently held back by the strong recovery of tourism in the Mediterranean countries. Probably, the drop in inflation, although still insufficient compared to the Fed's targets, in a situation in which the labour market remains robust, is reinvigorating consumption, which contributes 70% to GDP growth, and has fostered an annualised first quarter US growth of 2%.

In addition to this, two other key issues characterised the period. However, they acted under the radar as macroeconomic factors and did not have the same impact on influencing the financial markets.

The first one refers to China's acceleration at the beginning of the year when it reopened after the long lock-down caused by the 2022 Covid. Because of this faster-than-expected reopening, at the beginning of the year, the market participants expected a positive boost to the growth of Europe, which is historically more commercially linked with Asia via the manufacturing channel. In fact, the boost was much smaller than expected, as confirmed by the widespread weakness of the manufacturing sector.

Finally, despite an expectation of further price increases, energy commodities, such as oil and natural gas, saw widespread disinflation. Accordingly, at period end, oil prices were 30% lower than a year ago (-40% from the highest peak), while natural gas prices were 80% lower compared to last June, similar to June 2021 levels. These elements have certainly built up the resilience of the economy and fostered a disinflationary process. However, they have not captured the attention of market participants as much as naturally expected.

### **International financial markets**

The significant fluctuations in the bond markets led to an unusual level of volatility, as a result of the different market scenarios priced in during the period. On the other hand, the trend for risk assets was much less volatile. This is a deviation from the current economic cycle; indeed, risk assets were less affected by different monetary policy expectations. The equity markets opted to focus on the resilience of growth in the main geographical macro-areas, irrespective of any expectations of further hikes. At the same time, the signs of weakness pointed out by many leading indicators (such as the ISM, the IFO and the manufacturing PMI) were ignored,

also due to the weaker correlation, compared to past economic cycles, with absolute levels of growth. Even China's modest "reopening effect" failed to significantly affect the performance of the equity markets, except for Europe, which has been confined to a narrow trading range since the end of the first quarter.

The equity markets began the year with a strong bullish momentum, boosted by the fall in prices in the last few days of 2022 that had left market participants with empty positions. The US market suffered in February and accelerated its corrective phase during the SVB's bankruptcy at the beginning of March, and subsequently promptly recovered and began a new bullish phase that substantially covered the remaining part of the period. Overall, the market underwent significant sector changes, with companies operating in the artificial intelligence sector subject to particular scrutiny over the past month. Many observers noted that the strong performance of global equity indices is due to a handful of stocks, which are closely linked to technology-related themes. At the same time, the small contribution of all other sectors may indicate that most of the market is indeed already pricing in the lower expectations of economic growth.

During the first half of the year, the European market followed a different trend which was initially driven by the expectation of China's positive contribution. The European stock markets were subsequently hit by the explosion of the Credit Suisse crisis which, in turn, had a depressive effect on the EuroStoxx50 index, which is structurally very exposed to the banking sector, only to culminate with a major recovery phase until mid-April, favoured by the underweight of many market participants.

Finally, the largely positive performance of the Japanese market is to be noted. After decades of stagnation caused by a long period of deflation, this market sees in the inflationary boost of this two-year period and in the BoJ's still strongly expansive monetary policy the key to emerge, perhaps definitively, from the peripheral situation to which it had been confined for long.

With respect to currency, the US dollar recorded modest volatility during the first half of the year, maintaining a high correlation with the trend in the interest rate differential. The pound fluctuated more significantly and steadily appreciated against the euro. This reflects, to some extent, the central bank's highly restrictive stance driven by continued bullish inflation data and unexpectedly resilient economic growth, which saw forecasts for a recession in 2023 fade. The yen continued its steady depreciation driven by the BoJ's accommodative stance against all other major central banks.

## **Emerging markets**

China was the big underperformer in the first half of the year, letting down expectations of strong growth fuelled by the reopening after the very long lock-down period. Chinese indicators report a trend rather similar to that of other economies, with widespread weakness in the manufacturing sector against a good level of expansion in the services sector. However, because of the overall level of the economy, the Chinese authorities maintained a certain level of monetary stimulus.

Emerging markets, one of the main favourite groups according to market consensus at the beginning of the year, did not particularly attract the attention of investors. Similarly, geopolitical issues, the great topic of 2022, failed to have the same effect on the financial markets as last year. However, the military conflict between Russia and Ukraine has continued unabated.

Finally, the elections in Turkey handed a new victory to Erdogan. The government's intention not to bring monetary policy back into more orthodox management, which would require official rates significantly higher than the current one, spurred a violent devaluation of the Turkish lira, which lost around 30% against the euro in June alone.

## **2 - SIGNIFICANT EVENTS OF THE PERIOD**

### **2.1 - Capitalisation transactions carried out by Azimut Holding S.p.A.**

During the first half of 2023, following the Board of Directors' resolutions of 10 March 2022, 28 July 2022 and 10 November 2022, Azimut Holding S.p.A. made a capital injection of 21.9 million euro to increase the quota capital of Azimut Enterprises S.r.l..

In the first half of 2023, following the Board of Directors' resolutions of 28 July 2022 and 10 November 2022, Azimut Holding S.p.A. made a cash capital injection of 17.5 million euro to increase the share capital of the subsidiary AZ International Holdings SA and finance the Group's international development.

During the period, Azimut Holding S.p.A. made capital injections totalling 0.6 million euro to increase the share capital of Azimut Investments Limited.

### **2.2 - Acquisitions carried out by Azimut Holding S.p.A. and its subsidiaries during the first half of 2023**

#### **Italy**

The main investments carried out through the subsidiary Azimut Enterprises S.r.l. are as follows:

- on 2 January 2023, Azimut Enterprises S.r.l. acquired 49.19% of Virtual B S.p.A. (now Wealthype S.p.A.) for a consideration of 3.9 million euro and concurrently subscribed a 2.5 million euro capital increase;
- on 23 January 2023, Azimut Enterprises S.r.l. acquired 22.47% of Alps Blockchain S.p.A. by subscribing a capital increase amounting to a total of 4.2 million euro;
- on 24 March 2023, Azimut Enterprises S.r.l. sold approximately 42% of ValueBiotech S.r.l. for a total of 5.4 million euro. Therefore, it no longer controls this company, which is now an associate and is consolidated using the equity method;
- on 27 June 2023, Azimut Enterprises S.r.l. made a second capital injection of 1.9 million euro in favour of Siamosoci S.r.l..

## **2.3 - AZ International Holdings SA and Azimut UK Holdings LTD and their direct and/or indirect subsidiaries - Transactions carried out in the first half of 2023**

### **Americas**

On 8 February 2023, the Group, through its US subsidiary Azimut US Holdings, completed the purchase of a 35% investment in Kennedy Capital Management LLC (“KCM”) for a total of 14 million euro. Azimut has the option to increase its investment to a majority interest through call/put options. The parties also agreed to work together to develop the company in the long term by implementing a 10-year business plan.

### **Asia & Pacific**

During the first half of 2023, the acquisition of the Australian companies Boutique Mortgage Solutions Pty Ltd, Bennet & Co. Pty Ltd, Rose Partners Pty Ltd, Rose Partners Holdings Pty Ltd, Rose Partners Management Accounting Pty Ltd and Kingsbridge Private Pty Ltd was completed for a total of 24.9 million euro.

## **2.4 Azimut Holding S.p.A. General Shareholders’ Meeting of 27 April 2023**

The shareholders’ meeting (both ordinary and extraordinary) of 27 April 2023 resolved the following:

### **Ordinary part**

#### **Approval of 2022 financial statements**

The shareholders’ meeting approved the 2022 financial statements, which included a Parent Company net profit of 384 million euro. The shareholders concurrently resolved to pay a dividend of 1.30 euro per ordinary share, pre-tax, which was paid as of 24 May 2023, 22 May 2023 ex-dividend payment date and 23 May 2023 as the record date. The shareholders also approved the payment of 5.5 million euro to Fondazione Azimut Onlus, equal to 1% of pre-tax consolidated profit, and the payment of 40.24 euro for each profit-participating financial instrument held by Top Key People at the time of approval of payment of the dividend.

#### **Proposal for purchase and allocation of treasury shares and consequent resolutions**

The shareholders approved the purchase of up to 14,000,000 Azimut Holding S.p.A. ordinary shares, or 9.77% of the current share capital, including in several tranches, (provided that in this maximum overall amount, a maximum of 7,000,000 Azimut Holding S.p.A. ordinary shares equal to 4.89% of the current share capital may be allocated to the funds necessary to

implement any stock option plans), considering the shares already in portfolio upon purchase. The purchase price will be a minimum unit price equal to at least the carrying amount of Azimut Holding S.p.A. ordinary shares and a maximum unit price of 35 euro. The shareholders also approved the whitewash mechanism that exempts the shareholders from the obligation of a full public tender offer in case it exceeds the relevant threshold (over 25%) as a consequence of the purchase of treasury shares.

Resolution on remuneration policies. Remuneration Report and resolution pursuant to article 123-ter, paragraph 6 of Legislative decree no. 58/98

The shareholders approved the first and second section of the point of the company policy concerning the remuneration of members of the management boards, general managers and key managers, as well as the procedures used to adopt and implement said policy.

Furthermore, with respect to that already resolved by the shareholders in their meeting on 27 April 2023, the new directors Daniela Pavan and Monica de Pau took office, replacing the directors Michela Morando and Elisabetta Castellazzi, again representing the Group's financial advisors.

## **2.5 Other significant events of the period**

### **Tax position of Azimut Capital Management SGR S.p.A.**

On 24 October 2022, the Lombardy Regional Tax Authority – Large Taxpayer Office (the “tax authorities”) had notified a preliminary assessment report on an inspection conducted at the company on 5 October 2022. In response to the preliminary assessment report, the company promptly had prepared and sent a defence brief on 5 December 2022, in which it had challenged all tax authorities' findings. The brief was followed by an invitation to appear by the tax authorities pursuant to article 5, paragraph 1, of Legislative decree no. 218/1997, based on which the company commenced meetings in which the inconsistency of the findings made was further emphasised in consideration of the TP documentation prepared in line with the agreements already entered into with the tax authorities, and the failure to take into consideration the preliminary prior agreement procedure on transfer pricing underway (APA). Following the meetings held between the parties concluded on 28 April 2023, the claims included in the preliminary assessment report dated 24 October 2022 were completely eliminated, acknowledging the correctness of the transfer pricing calculation methodology



adopted by the company, with some adjustments for 2016, 2017, 2018, 2019, 2020 and 2021. This resulted in the payment of 2.9 million euro for 2016 (for IRES and IRAP purposes, including interest expense) in April 2023 and of approximately 14 million euro (again for IRES and IRAP purposes, including interest expense) for the subsequent years, paid in July 2023, following the payment notices served by the Italian tax authorities.

#### **Tax position of Azimut Financial Insurance S.p.A.**

The audit activities carried out by the tax authorities in 2022 which covered the transfer pricing calculation methodologies, were finally completed with the notification of a preliminary assessment report dated 26 April 2023.

The audit substantially confirmed the correctness of the methodology used by Azimut Financial Insurance S.p.A. to determine the transfer prices of transactions (the CUP method). However, some critical issues were identified in connection with the activities carried out by the company during the start-up period. This led to the payment of some amounts taxable for IRES and IRAP purposes for 2017, 2018, 2019, 2020 and 2021 amounting to approximately 9 million euro (again for IRES and IRAP purposes, including interest expense) in April 2023, following the payment notices served by the Italian tax authorities.

#### **Bank of Italy inspection – Azimut Libera Impresa SGR S.p.A.**

On 29 March 2023, as part of a normal inspection procedure, the Bank of Italy inspected Azimut Libera Impresa SGR S.p.A., an Azimut group company. The inspection was completed on 30 June 2023. At the reporting date, the Bank of Italy had not yet issued its report thereon.

#### **The Group's cyber security**

As part of its constant monitoring activities, the Azimut Group detected unauthorised access to its systems by unknown persons and not due to a malfunction of the systems or human error. As a result of this cyber attack, the Azimut Group received a ransom demand to which it did not respond as it considered it to be of criminal origin and, in any case, totally in contrast with the Group's founding principles and values. Indeed, the Group has always been committed to fighting and combating the financing of all criminal activities.

On the one hand, the Azimut Group immediately informed the competent authorities and, on the other, it launched an internal security procedure that successfully limited the consequences of this criminal action. Furthermore, the Azimut Group, assisted by its legal and IT security

experts, carried out an in-depth analysis to better understand the nature of the attack, its extent and consequences.

The cyber attack had no impact on data or information that might allow access to the personal position of customers and/or financial advisors or the execution of unauthorised transactions, nor did it compromise and/or limit business continuity.

### **Impacts of the geopolitical crisis on the Group**

Following Russia's military invasion of Ukraine, in compliance with the recommendations set out in "ESMA32-63-1277, Implications of Russia's invasion of Ukraine on half-yearly financial reports" circular dated 13 May 2022 and the most recent public statement "European common enforcement priorities for 2022 annual financial reports" dated 28 October 2022 and Consob's call for attention, the Group took the necessary safeguards and implemented the necessary actions to comply with the European Union's provisions on economic restrictions and sanctions imposed on the Russian Federation. The conflict in Ukraine does not entail significant effects (direct and indirect - current and foreseeable) on the Group's business activities, financial position and financial performance.

Specifically, it conducted and updated analyses to identify any managed portfolios significantly exposed to the Russian and Ukrainian markets, to determine the impact of negative fluctuations of the financial markets caused by the crisis, to assess any operational impact on the Group following the sanctions adopted against Russia and to assess the financial impact on the Group's forward-looking results. Based on the elements and information available, which are regularly monitored, no significant consequences are expected on the Group's business and overall profitability.

Specifically, with respect to the UCITS funds set up by Azimut Capital Management SGR S.p.A. and Azimut Investments SA, including the sub-funds of pension funds, the direct exposure<sup>1</sup> to Russian or Ruble-denominated securities totalled 24.3 million euro. This is a residual amount both in relation to the total assets managed with respect to this type of product (exposure: 0.09%) and in relation to the assets comprising the 22 funds which include these exposures (exposure: 0.51%).

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<sup>1</sup> Direct exposures mean exposures directly held by the funds in shares, bonds, funds or ETFs with a geographical focus on Russia. Conversely, any indirect exposures to Russia that may arise from investing in funds or ETFs that do not have an exclusive geographical focus on Russia are not considered.

With respect to the insurance product portfolios established by Azimut Life Dac, the relevant exposures totalled 2.3 million euro. This is a residual amount both in relation to the total assets managed with respect to this type of product (exposure: 0.03%) and in relation to the assets comprising the 5 lines which include these exposures (exposure: 0.18%).

With respect to asset management portfolios, these exposures amount to approximately 11.8 million euro. This is a residual amount both in relation to the total assets managed (exposure: 0.23%) and in relation to the 96 mandates which include these exposures (1.54%).

The companies constantly monitors any developments in order to assess the potential impacts. Based on the necessary evaluations of the information available at the date of approval of this report, no critical issues were identified such to jeopardise the operational continuity of the investment products and services offered by the Group's SGRs. However, it is not possible to determine with a sufficient degree of reliability any effects that could affect the economy and the reference sector.

With respect to the impairment test, on 13 May 2022, the ESMA, in its "ESMA32-63-1277, Implications of Russia's invasion of Ukraine on half-yearly financial reports" circular, and the most recent public statement "European common enforcement priorities for 2022 annual financial reports" dated 28 October 2022, drew the attention of the members of the administrative and control bodies and of the managers in charge of financial reporting to the need to comply with the principles underpinning financial reporting, considering the impacts related to the Russian invasion of Ukraine, including the checks under IAS 36.

Reference should be made to the "*Impairment Test*" section in the note to "Intangible assets" for the considerations underlying the preparation of the condensed consolidated interim financial statements at 30 June 2023.

Finally, based on the recommendations issued by the National Cybersecurity Agency, also highlighted by Consob, the Group companies have adopted the necessary organisational and technical safeguards to mitigate cybersecurity risks.

### ***AZIMUT HOLDING S.p.A. AND GROUP: MAIN RISKS AND UNCERTAINTIES***

The main risks and uncertainties to which Azimut Holding S.p.A. and the Group are exposed are as follows:

- Strategic risk;
- Sales network risks;

- Operational risk;
- Outsourcing risk;
- Reputational risk;
- Compliance risk;
- Financial risk;
- Liquidity risk.

For further information on the main risks and uncertainties for the Group, reference should be made to the consolidated financial statements at 31 December 2022.

### ***RELATED-PARTY DISCLOSURES***

Pursuant to Consob Regulation on Related parties (CONSOB regulation no. 21396 of 10 June 2020), the Board of Directors of Azimut Holding S.p.A. approved the procedures that ensure transparency and the substantial and procedural fairness of related party transactions (“Related Party Transaction Procedure” available on Azimut’s website at [www.azimut-group.com](http://www.azimut-group.com)).

With reference to paragraph 8 of article 5 of the Consob regulation on periodic disclosure of related-party transactions, the Group did not engage in any “significant” or “minor” transactions during the first half of 2023.

No other atypical or unusual transactions or minor and exempted/excluded transactions were performed.

Disclosures on other related-party transactions and minor transactions carried out with related parties are provided in the relevant paragraph in the notes to the condensed consolidated interim financial statements.

## **ORGANISATIONAL STRUCTURE AND CORPORATE GOVERNANCE**

### **Human Resources**

At 30 June 2023, the Group's had 1,663 employees, broken down as follows:

<b>Position</b>	<b>30/06/2023</b>	<b>31/12/2022</b>	<b>30/06/2022</b>
Managers	171	166	194
Middle managers	327	316	292
Office staff	1,165	994	1,004
<b>Total</b>	<b>1,663</b>	<b>1,476</b>	<b>1,490</b>

### **BUSINESS OUTLOOK**

Given the positive results of the main subsidiaries and the positive trend of inflows in the first few months of the year, the consolidated performance for 2023 is expected to be positive.

The Group's operating and financial performance will also be affected by the performance of the financial markets, whose volatility has grown considerably following the current market situation, particularly with respect to inflation and the rise in interest rates, and the geopolitical crisis triggered by Russia's military invasion of Ukraine.

Although the economic outlook remains uncertain, an overall valuation of the past and current financial position and results of operations of the Group's business model, lead us to believe that the Group will continue to generate profits for the foreseeable future.

Milan, 27 July 2023

Chief Executive Officer  
On behalf of the Board of Directors  
(Gabriele Roberto Blei)

## CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2023

*Euro/000*

Assets	30.06.2023	31.12.2022
Cash and cash equivalents	373,485	298,142
Financial assets at fair value through profit or loss	7,380,291	7,319,772
c) other financial assets mandatorily measured at fair value	7,380,291	7,319,772
Financial assets at fair value through other comprehensive income	16,092	15,872
Financial assets at amortised cost	201,690	170,272
Equity investments	294,233	263,467
Property, plant and equipment	46,519	48,555
Intangible assets	844,248	878,246
of which:		
'- goodwill	724,868	743,667
Tax assets	24,659	63,553
<i>a) current</i>	4,285	40,664
<i>b) deferred</i>	20,374	22,889
Other assets	430,423	451,364
<b>TOTAL ASSETS</b>	<b>9,611,640</b>	<b>9,509,243</b>

The prior period corresponding figures were reclassified in order to comply with IFRS 17. Reference should be made to the notes to the condensed consolidated interim financial statements, section "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption this standard.

Chief Executive Officer  
On behalf of the Board of Directors  
(Gabriele Roberto Blei)

Euro/000

Liabilities and Shareholders' Equity	30.06.2023	31.12.2022
Financial liabilities at amortised cost	556,239	555,935
a) Liabilities	55,365	58,019
b) Outstanding securities	500,874	497,916
Insurance liabilities	1,220,334	1,154,434
Financial liabilities designated at fair value	5,659,429	5,518,376
Tax liabilities:	235,310	213,063
<i>a) current</i>	149,847	120,124
<i>b) deferred</i>	85,463	92,939
Other liabilities	316,255	382,799
Staff severance pay (TFR)	4,154	3,629
Provisions for risks and charges:	63,496	69,300
<i>c) other provisions for risks and charges</i>	63,496	69,300
Share capital	32,324	32,324
Treasury shares (-)	- 56,485	- 56,485
Equity instruments	36,000	36,000
Share premium reserve	173,987	173,987
Reserves	1,087,134	931,120
Valuation reserves	8,972	14,591
Profit for the period/year	222,829	425,374
Minority interests	51,662	54,796
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>9,611,640</b>	<b>9,509,243</b>

The prior period corresponding figures were reclassified in order to comply with IFRS 17. Reference should be made to the notes to the condensed consolidated interim financial statements, section "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption this standard.

Chief Executive Officer  
On behalf of the Board of Directors  
(Gabriele Roberto Blei)

## CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2023

Euro/000

Items	1H2023	1H2022
Fee and commission income	633,965	657,355
Fee and commission expense	(169,502)	(215,570)
<b>NET FEE AND COMMISSION INCOME</b>	<b>464,463</b>	<b>441,785</b>
Dividends and similar income	7,354	2,963
Interest income and similar income	2,880	1,944
Interest expense and similar charges	(5,969)	(8,483)
Profits (losses) on disposal or repurchase of:	106	126
b) financial assets at fair value through other comprehensive income	106	126
Net gains (losses) on other financial assets and financial liabilities at fair value through profit or loss	33,661	(6,059)
a) assets and liabilities designated at fair value	6,083	288
b) other financial assets mandatorily measured at fair value	27,578	(6,347)
Profit from insurance services	5,993	7,418
Financial income from insurance operations	18,064	27,767
<b>TOTAL INCOME</b>	<b>526,552</b>	<b>467,462</b>
Administrative costs:	(180,772)	(165,257)
a) personnel costs	(89,230)	(79,668)
b) other administrative costs	(91,542)	(85,589)
Net accruals to provisions for risks and charges	3,470	559
Net impairment losses/reversals of impairment losses on property, plant and equipment	(6,388)	(6,914)
Net impairment losses/reversals of impairment losses on intangible assets	(23,676)	(11,525)
Other operating income and costs	1,722	6,686
<b>OPERATING EXPENSE</b>	<b>(205,644)</b>	<b>(176,451)</b>
Profits (losses) on equity investments	162	10,686
<b>PRE-TAX PROFIT (LOSS) FROM CONTINUING OPERATIONS</b>	<b>321,070</b>	<b>301,697</b>
Income tax on profit from continuing operations	(86,748)	(74,384)
<b>NET PROFIT (LOSS) FROM CONTINUING OPERATIONS</b>	<b>234,322</b>	<b>227,313</b>
<b>PROFIT FOR THE PERIOD</b>	<b>234,322</b>	<b>227,313</b>
Profit for the period attributable to minority interests	11,493	2,253
Parent Company profit for the period/year	222,829	225,060

The prior period corresponding figures were reclassified in order to comply with IFRS 17. Reference should be made to the notes to the condensed consolidated interim financial statements, section "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption this standard.

Chief Executive Officer  
On behalf of the Board of Directors  
(Gabriele Roberto Blei)



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Euro/000

Items	01.01.2023- 30.06.2023	01.01.2022- 30.06.2022
<b>Profit for the period</b>	<b>234,322</b>	<b>227,313</b>
<b>Other comprehensive income, net of taxes, not transferred to profit or loss</b>		
Equity instruments at fair value through other comprehensive income	809	(4,868)
Defined benefit plans	(313)	385
<b>Other comprehensive income, net of taxes, transferred to profit or loss</b>		
Exchange rate differences	(6,115)	47,382
<b>Total other comprehensive income (expense), net of taxes</b>	<b>(5,619)</b>	<b>42,899</b>
<b>Comprehensive income</b>	<b>228,703</b>	<b>270,212</b>
<b>Consolidated comprehensive income attributable to minority interests</b>	<b>11,493</b>	<b>2,253</b>
<b>Consolidated comprehensive income attributable to the parent company</b>	<b>217,210</b>	<b>267,959</b>

The prior period corresponding figures were reclassified in order to comply with IFRS 17. Reference should be made to the notes to the condensed consolidated interim financial statements, section "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption this standard.

Chief Executive Officer  
On behalf of the Board of Directors  
(Gabriele Roberto Blei)

## Statement of changes in consolidated shareholders' equity for the period ended 30 June 2023

Euro/000

Items	Balance at 31.12.22	Changes in opening balance	Balance at 01.01.23	Allocation of prior year profit (loss)		Changes during the period/year						Consolidated comprehensive income for the first half of 2023	Group shareholders' equity at 30.06.23	Shareholders' equity attributable to minority interests at 30.06.23
				Reserves	Dividends and other distributions	Changes in reserves	Shareholders' equity transactions				Other changes			
							Issue of new shares	Treasury share purchases	Extraordinary dividend distribution	Changes in equity instruments				
Share capital	32,324		32,324										32,324	176,724
Share premium reserve	173,987		173,987										173,987	
Other reserves:														
a) income-related	913,532	126,503	1,040,035	186,146							(30,132)		1,196,049	(125,141)
b) other	(108,915)	-	108,915										(108,915)	
Valuation reserves	14,591		14,591									(5,619)	8,972	(11,414)
Equity instruments	36,000		36,000										36,000	
Treasury shares	(56,485)	-	56,485										(56,485)	
Profit for the year/period	402,371	23,003	425,374	(186,146)	(239,228)							222,829	222,829	11,493
Group shareholders' equity	1,407,405	149,506	1,556,911								(30,132)	217,210	1,504,761	
Shareholders' equity attributable to minority interests	52,937		52,937									(3,134)		51,662

The opening balances were adjusted to comply with IFRS 17. Reference should be made to the notes to the condensed consolidated interim financial statements, section "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption this standard.

Chief Executive Officer  
On behalf of the Board of Directors  
(Gabriele Roberto Blei)

## Statement of changes in consolidated shareholders' equity for the period ended 30 June 2022

Euro/000

Items	Balance at 31.12.21	Changes in opening balance	Balance at 01.01.22	Allocation of prior year profit (loss)		Changes during the period/year					Consolidated comprehensive income for the first half of 2022	Group shareholders' equity at 30.06.22	Shareholders' equity attributable to minority interests at 30.06.22
				Reserves	Dividends and other distributions	Changes in reserves	Shareholders' equity transactions						
							Issue of new shares	Treasury share purchases	Extraordinary dividend distribution	Changes in equity instruments			
Share capital	32,324		32,324									32,324	145,023
Share premium reserve	173,987		173,987									173,987	
<b>Other reserves:</b>													
a) income-related	475,435	129,595	605,030	332,556						44,790		982,376	(110,318)
b) other	(108,915)		(108,915)									(108,915)	
Valuation reserves	9,191		9,191								42,899	52,090	4,137
Equity instruments	36,000		36,000									36,000	
Treasury shares	(40,834)		(40,834)									(40,834)	
Profit for the year/period	605,457		605,457	(332,556)	(272,901)						225,060	225,060	2,253
<b>Group shareholders' equity</b>	<b>1,182,645</b>	<b>129,595</b>	<b>1,312,240</b>							<b>44,790</b>	<b>267,959</b>	<b>1,352,088</b>	
<b>Shareholders' equity attributable to minority interests</b>	<b>52,937</b>		<b>52,937</b>							<b>(14,095)</b>	<b>2,253</b>		<b>41,095</b>

The opening balances were adjusted to comply with IFRS 17. Reference should be made to the notes to the condensed consolidated interim financial statements, section "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption this standard.

Chief Executive Officer  
On behalf of the Board of Directors  
(Gabriele Roberto Blei)

## CONSOLIDATED CASH FLOW STATEMENT

### Indirect method

Euro/000

A. OPERATING ACTIVITIES	1H2023	1H2022
<b>1. Operations</b>	<b>281,436</b>	<b>283,419</b>
- profit for the period (+/-)	222,829	225,060
- gains/losses on held-for-trading financial assets and financial assets/liabilities at fair value through profit or loss (-/+)	0	0
- gains/losses on hedging activities (-/+)	0	0
- net impairment losses for credit risk (+/-)	0	0
- net impairment losses on property, plant and equipment and intangible assets (+/-)	30,064	18,439
- net accruals to provisions for risks and charges and other expenses/income (+/-)	(3,470)	(559)
- taxes and tax credits still to be paid (+)	36,075	39,190
- net impairment losses on discontinued assets, net of tax (+/-)	0	0
- other changes (+/-)	(4,062)	1,289
<b>2. Cash generated from or used by financial assets</b>	<b>(146,495)</b>	<b>458,852</b>
- held-for-trading financial assets		
- financial assets measured at fair value	(224,387)	405,972
- other assets mandatorily measured at fair value	28,556	(89)
- financial assets at fair value through other comprehensive income	(118)	(9,306)
- financial assets at amortised cost	(7,058)	8,514
- other assets	56,512	53,761
<b>3. Cash generated from or used by financial liabilities</b>	<b>132,461</b>	<b>(938,976)</b>
- financial liabilities at amortised cost	4,366	(363,959)
- financial liabilities held-for-trading		
- financial liabilities measured at fair value	141,053	(358,474)
- insurance liabilities	65,900	(140,680)
- other liabilities	(78,858)	(75,863)
<b>Net cash generated from or used by operating activities</b>	<b>267,402</b>	<b>(196,705)</b>
<b>B. INVESTMENT ACTIVITIES</b>		
<b>1. Cash generated from</b>	<b>47,268</b>	<b>2,963</b>
- disposal of equity investments	0	0
- dividends from equity investments	7,354	2,963
- disposal of property, plant and equipment	0	0
- disposal of intangible assets	0	0
- disposal of subsidiaries and business units	39,914	0
<b>2. Cash used by</b>	<b>(72,064)</b>	<b>(83,057)</b>
- purchase of equity investments	(38,120)	(60,691)
- purchase of property, plant and equipment	(4,352)	(746)
- purchase of intangible assets	(8,477)	(6,938)
- purchase of subsidiaries and business units	(21,115)	(14,682)
<b>Net cash generated from or used by investment activities</b>	<b>(24,796)</b>	<b>(80,094)</b>
<b>C. FINANCING ACTIVITIES</b>		
- issue/purchase of treasury shares	0	0
- issue/purchase of equity instruments	0	0
- dividends and other distributions	(239,228)	(272,901)

- change in other reserves	(35,751)	87,689
- sale/purchase of non-controlling interests	(3,134)	(11,842)
<b>Net cash generated from or used by financing activities</b>	<b>(278,113)</b>	<b>(197,054)</b>
<b>NET CASH USED FOR THE PERIOD</b>	<b>(35,507)</b>	<b>(473,853)</b>
<b>RECONCILIATION</b>		
	<b>1H2023</b>	<b>1H2022</b>
Opening cash and cash equivalents	791,262	1,261,512
Total net cash used for the period	(35,507)	(473,853)
Closing cash and cash equivalents	755,755	787,659

"Cash and cash equivalents" include cash, amounts receivable and highly-liquid investments.

The prior period corresponding figures were reclassified in order to comply with IFRS 17. Reference should be made to the notes to the condensed consolidated interim financial statements, section "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption this standard.

Chief Executive Officer  
On behalf of the Board of Directors  
(Gabriele Roberto Blei)

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### **Reporting criteria for condensed consolidated interim financial statements and accounting standards**

The condensed consolidated interim financial statements at 30 June 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting and the International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the related interpretations of the IFRS Interpretations Committee, endorsed by the European Commission and in force on 30 June 2023, implementing Italian Legislative Decree No. 38/2005 and Regulation (EC) No. 1606/2002.

IFRS 17 - Insurance Contracts came into force on 1 January 2023. Its adoption is described in the paragraph “Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023”.

The condensed consolidated interim financial statements have been drawn up voluntarily in accordance with the instructions issued by the Bank of Italy about the financial statements of asset management companies, within the Measure “IFRS financial statements of intermediaries other than banking intermediaries” of 17 November 2022.

The instructions lay down the mandatory financial statements schedules and how they must be filled in by asset management companies. The Measure also stipulates that where the consolidation scope includes insurance companies, special items must be included in the financial statements to reflect the accounting entries related to insurance contracts. These items are described in the notes thereto. In this respect, the provisions of Bank of Italy Circular no. 262 of 22 December 2005 apply. In this respect, as required by the above Measure, it is noted that the balance sheet and the income statement include items that reflect the insurance business of the Irish-based Azimut Life Dac.

The condensed consolidated interim financial statements have been drawn up also based on the interpretative documents on the application of IAS/IFRS in Italy prepared by the Italian Accounting Standard Setter (OIC), and the European Securities and Markets Authority (ESMA) and Consob (the Italian Commission for Listed Companies and the Stock Exchange) documents

which refer to specific IAS/IFRS, including those issued in 2020 and 2021 following the outbreak of the pandemic.

These consolidated interim financial statements have been prepared in a condensed format; consequently, they should be read together with the annual financial statements at 31 December 2022. They have been prepared using the same accounting policies and methods applied to draw up the consolidated financial statements at 31 December 2022, except for the adoption of the new standards and amendments which became effective on 1 January 2023, to which reference is made in the next section. All prior period corresponding figures were reclassified in order to comply with IFRS 17.

They comprise a balance sheet, an income statement, a statement of comprehensive income, a cash flow statement (prepared using the indirect method), a statement of changes in shareholders' equity and these notes.

The consolidated balance sheet, income statement and statement of comprehensive income comprise items and sub-items.

Unlike the formats defined by the Bank of Italy, these financial statements and the notes thereto do not include items and sections with a nil balance in either the period to which these condensed consolidated interim financial statements refer or the previous period/year.

In accordance with the provisions of article 5, paragraph 2, of Legislative decree no. 38 of 28 February 2005 "Exercise of the options permitted by article 5 of (EC) regulation no. 1606/2002 on the application of international accounting standards", the condensed consolidated interim financial statements have been drawn up using the euro as the reporting currency. Unless otherwise specified, the amounts shown in the financial statements and the notes thereto are in thousands of euros.

These condensed consolidated interim financial statements have been prepared based on the going concern assumption.

Financial, operating and other indicators<sup>2</sup> have been considered which, as also shown in the document issued on 6 February 2009 by the supervisory authorities Bank of Italy, Consob and IVASS, may highlight problems that could compromise the stability and going concern assumption of the company if not taken into proper consideration.

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<sup>2</sup> Examples of which are shown in audit standard no. 570 on "Going Concerns".

Although the economic outlook remains uncertain, also in the light of the impacts of the post Covid-19 epidemic and the contingent market situation with particular reference to inflation and the rise in interest rates, as well as the geopolitical crisis arising from Russia's military invasion in Ukraine, an overall valuation of the past and current financial position and financial performance of the Group, its operating guidelines, the business model of investees and the risks to which the business activity is exposed<sup>3</sup>, lead us to believe that the Group will continue to operate on a going concern basis for the foreseeable future.

The condensed consolidated interim financial statements have been prepared clearly and give a true and fair view of the Group's financial position, results of operations for the period, changes in shareholders' equity and cash flows.

Transactions and other corporate events have been recognised and presented in accordance with the principle of substance over form. As stated above, the condensed consolidated interim financial statements have also been prepared based on the going concern assumption, on an accruals basis, based on the commonly-used criteria of historical cost, save for the valuation of certain financial assets and liabilities, in the cases where the fair value criterion must be applied. For information about the impact of the Ukraine-Russia conflict and the Group's financial position and results of operations, reference should be made to the "Other significant events" section of this report.

Assets and liabilities, costs and income have not been offset against each other, unless required or permitted by a standard or interpretation.

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<sup>3</sup> As described in the Management Report accompanying these condensed consolidated interim financial statements.



*Accounting standards, amendments and interpretations in force from 1 January 2023.*

<b>Amendments</b>	<b>IASB publication date</b>	<b>Date of coming into force</b>
Classification of liabilities as current or non-current - deferral of effective date [Amendment to IAS 1]	January 2020 July 2020	1 January 2023
Deferred tax related to assets and liabilities arising from a single transaction [Amendments to IAS 12]	May 2021	1 January 2023
Disclosure of accounting policies [Amendments to IAS 1 and IFRS Practice Statement 2]	February 2021	1 January 2023
Definition of accounting estimates [Amendments to IAS 8]	February 2021	1 January 2023
IFRS 17 - Insurance Contracts, including amendments issued in June 2020	May 2018	1 January 2023
Initial application of IFRS 17 and IFRS 9 - comparative information [Amendments to IFRS 17 and IFRS 9]	December 2021	1 January 2023

These condensed consolidated interim financial statements have been prepared using the same accounting policies applied to draw up the consolidated financial statements at 31 December 2022, except for the adoption of the new standards and amendments which became effective on 1 January 2023. No new standards, interpretations or amendments issued but not yet in force were adopted early.

## Transition to IFRS 17 - Insurance Contracts

This section describes the main impacts of the introduction of IFRS 17 - Insurance Contracts and the adoption of IFRS 9 - Financial Instruments on the Group's Irish insurance company, as well as the related implementation process currently underway, in compliance with the European Securities and Markets Authority (ESMA) guidelines and the requirements of paragraphs 30 and 31 of IAS 8.

The relationship between the two standards - IFRS 17 and IFRS 9 - which the Irish insurance company applied simultaneously and for the first time as of 1 January 2023, is also described. IFRS 17 - Insurance contracts issued by the IASB in May 2017 and subject to subsequent amendments published on 25 June 2020, was endorsed by EU Regulation no. 2036/2021 of 19 November 2021 and became mandatorily effective on 1 January 2023. The company decided to apply this standard for the first time from that date. The prior year (2022) corresponding figures were reclassified as required by said standard.

### ***Summary of IFRS 17***

IFRS 17 replaces IFRS 4, which, when introduced, was considered an interim standard and, as such, did not intend to provide, inter alia, a single methodology to present insurance contracts, referring to the accounting policies set out by the local regulations of individual countries.

The main changes are as follows:

- initial recognition of insurance liabilities: at the time the contract is signed with the policyholder, an entity recognises a liability whose amount reflects the algebraic sum of the present value of the future cash flows ("PVFCF"), including an appropriate risk adjustment ("RA") for non-financial risks and the expected contractual service margin ("CSM"), which represents the present value of future pre-tax profits;
- group of contracts: IFRS 17 identifies portfolios of insurance contracts. Each portfolio is further subdivided into groups consisting of contracts with similar characteristics in terms of expected profitability, thus distinguishing between profitable (with a positive expected profit margin) and onerous (with a negative expected profit margin) contracts;
- the measurement approaches envisaged by the standard, including the General Model ("GM") generally applies to all contracts, except as provided for by the standard;
- transition: upon initial application of IFRS 17, all contracts in the portfolio must be

recognised as if the new requirements had always been in force, using the full retrospective approach (“FRA”); since its application may be extremely complex because of the unavailability of the time series of attributes necessary to handle the large population of the data model required by IFRS 17, which would allow its full application, the standard provides for the two other optional methods: (i) the modified retrospective approach (“MRA”), which approximates the results of the FRA using a retrospective approach, simplifying CSM estimates, the level of aggregation of contracts, the use of annual cohorts and the discount rates to be applied; (ii) the fair value approach (“FVA”), whereby the CSM/Loss Component (for onerous contracts) is calculated as the difference between the fair value of the group of contracts to which it refers and the value of the fulfilment cash flows at the same date (being the sum of PVFCF and RA);

- subsequent measurement of insurance liabilities: insurance liabilities are to be measured at the end of each reporting period to check the appropriateness of estimates against current market conditions;
- measurement of insurance revenue: an entity shall present profitability based on the “margins” achieved over the duration of the contracts in profit or loss;
- performance measurement: for the purposes of disclosures that ensure a better comparability of the performance of insurance companies, the two main components that typically contribute to forming the profitability of such companies are presented distinctly: the first, which represents the profit from the insurance business provided (“insurance service result”) and the second, which instead groups together all the components of a “financial” nature (the results of investments, the effects of the financial variables used in the measurement of contracts, etc.).

New key performance indicators were introduced based on product margins compared to the previous premium income benchmarked both domestically and internationally.

With respect to the presentation of IFRS 17 in the consolidated financial statements of IFRS intermediaries other than banking intermediaries that own insurance companies, on 17 November 2022, the Bank of Italy published an update to the Measure “Financial statements of IFRS financial intermediaries, other than banking intermediaries” dated 29 October 2021.

In order to limit the compilation burden for intermediaries, in preparing the update, the Bank of Italy considered the similar provisions issued by Italy’ Insurance Industry Supervisory Body (IVASS) on IFRS insurance financial statements, making a cross-reference to the provisions

issued by IVASS for the aspects pertaining to the insurance contracts of consolidated insurance companies. The changes introduced refer to the consolidated financial statements and related disclosures provided in the notes thereto and to the provisions of IFRS 17, which amended IAS 1 and IFRS 7, and the alignment to the provisions issued by IVASS. Specifically, the “Insurance liabilities” of insurance contracts issued and reinsurance ceded are included in the consolidated balance sheet, while in the consolidated income statement, the interim results for insurance operations distinguish between revenue/costs for insurance services and net revenue/costs of a financial nature related to insurance contracts issued and reinsurance ceded. The notes to the consolidated financial statements are adjusted in accordance with IVASS provisions in order to present information on the nature and extent of risks arising from insurance contracts in accordance with IFRS 17. The Bank of Italy did not make any changes to the presentation of IFRS 9 balances. Therefore, the financial instruments of insurance companies (including the insurance products to which IFRS 9 applies) recognised pursuant to the previous Measure are presented together with those of the intermediary, providing specific evidence in the tables of the notes to the consolidated financial statements.

### ***IFRS 17 implementation project: organisational and IT impacts***

This project comprises the following actions:

- defining the methodological framework: key topics were identified which entail corresponding methodological decisions in terms of product classification, calculation of prospective cash flows and the CSM;
- information system evolution: the analysis and preparation of the business requirements that led to the necessary changes in the accounting system in order to bring it into line with the new requirements envisaged in the standard by 1 January 2023 have been completed. Specifically, with respect to actuarial engines, the relevant IT developments have been completed;
- developing training activities: these activities will be developed throughout the entire project and will involve board members, top managers and project teams;
- 2022 transition and parallel run: during the third and fourth quarters of the year, the calculation of the opening balances as at 1 January 2022 and the production of comparative figures for the quarters of 2022 have been completed.
- changes in processes and internal regulations: the target operating model, i.e., the design

and formalisation of systems, organisational processes and the relevant offices have been defined in order to oversee the new process underlying the preparation of financial statements.

### ***Methodological decisions***

IFRS 17 governs the recognition, measurement, presentation and disclosure of insurance, reinsurance and investment contracts with discretionary participation features (DPFs). The Group's Irish company assessed its contracts and identified those that fall in the scope of the standard. The variable fee approach was adopted.

Under IFRS 17, companies must initially aggregate contracts into groups for recognition, measurement, presentation and disclosure purposes. The Irish company's portfolio of insurance contracts consists exclusively of unit-linked policies, all of which have similar risks and are therefore managed together and grouped in a single portfolio.

Upon initial recognition, the company measured a group of contracts as the total fulfilment cash flows, which include estimates of future cash flows, adjusted to reflect the time value of money and associated financial risks, and an adjustment for non-financial risk and contractual service margin (CSM).

The changes to accounting policies resulting from the adoption of IFRS 17 were applied on a fully retrospective basis. Consequently, on 1 January 2022, the Irish company identified, recognised and measured each group of insurance contracts as if IFRS 17 had always been applied.

Furthermore, in the consolidated financial statements under IFRS 17, with respect to management of intra-group transactions, in order to calculate actual cash flows outside the Group, the intra-group costs projected by the Irish company in the estimate of its stand alone reporting package (usually the fees paid to the distribution network) must be replaced with the actual costs incurred by the Group vis-à-vis third party economies. This led to the recognition of a different CSM for the individual Group companies in the separate financial statements of the Irish company and the Group as a whole vis-à-vis third party economies in the consolidated financial statements. In its annual Communication on financial statements priorities<sup>4</sup>, the ESMA highlights the importance of consistently applying the consolidation requirements under IFRS

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<sup>4</sup> ESMA Public Statement "European enforcement priorities for 2022 annual financial statement" dated 30 October 2022

10 in order to ensure the correct application of IFRS 17 in the consolidated financial statements. Specifically, the ESMA notes that where Group companies distribute insurance products, the CSM at the consolidated level will often differ from that in the separate financial statements of the insurance company.

### ***Impacts on the financial position and financial performance***

The new standard introduces new financial position items and different ways of recognising the profitability of insurance products.

The impact of the initial application on the financial position depends on the level of market rates at the transition date (all other conditions being equal, a lower rate level corresponds to a greater negative impact) and on the transition approaches adopted.

On the other hand, the financial performance is closely related to how the CSM is released over time and how it is adjusted following the revised operational and financial assumptions included in cash flows and risk adjustment.

Through its Irish company the Group has assessed the estimated impact of the initial application of IFRS 17 on its financial statements. Based on the assessments made, at 1 January 2023, shareholders' equity rose by a net 149,506 thousand.

**The rules used to reclassify balance sheet and income statement items as at and for the six months ended 30 June 2023 in accordance with the format introduced by Bank of Italy Circular no. 262/2005 are described below.**

#### **Balance sheet - Assets**

The adoption of the new standard did not require any reclassification of assets.

#### **Balance sheet - Liabilities**

The adoption of the new standard resulted in the following reclassification of liabilities: the balances of "Technical reserves where the investment risk is borne by policyholders" have been reclassified to "Insurance liabilities".

#### **Income statement**

The adoption of the new standard resulted in the following reclassification of income statement items:

the balances included under “Net premiums”, “Net profits (losses) on financial instruments at fair value through profit or loss”, “Change in technical reserves where the investment risk is borne by policyholders” and “Redemptions and claims” have been reclassified to Results of insurance services a) insurance income from insurance contracts issued b) costs for insurance services arising from insurance contracts issued c) insurance income from reinsurance ceded d) costs for insurance services arising from reinsurance ceded and to Financial income (expense) from insurance operations a) net financial income/expense relating to insurance contracts issued b) net financial income/expense relating to reinsurance ceded and “Fee and commission income”.

The opening schedules are shown below, highlighting the items that were adjusted/reclassified following the adoption of IFRS 17 based, in particular, on the Bank of Italy circular no. 262.

Euro/000	31.12.2022	IFRS 17	01.01.2023
<b>Assets</b>			
Cash and cash equivalents	298,142		298,142
Financial assets at fair value through profit or loss	7,316,612	3,160	7,319,772
Financial assets at fair value through other comprehensive income	15,872		15,872
Financial assets at amortised cost	170,272		170,272
Equity investments	263,467		263,467
Property, plant and equipment and intangible assets	926,801		926,801
Tax assets	63,553		63,553
Other assets	451,926	- 562	451,364
<b>Total assets</b>	<b>9,506,645</b>	<b>2,598</b>	<b>9,509,243</b>

Euro/000	31.12.2022	IFRS 17	01.01.2023
<b>Liabilities</b>			
Financial liabilities at amortised cost:	555,935		555,935
b) Payables	58,019		58,019
c) Outstanding securities	497,916		497,916
Insurance liabilities	158,728	995,706	1,154,434
Financial liabilities measured at fair value	6,682,767	-1,164,391	5,518,376
Tax liabilities	191,192	21,871	213,063
Other liabilities	382,893	- 94	382,799
Staff severance pay (TFR)	3,629		3,629
Provisions for risks and charges	69,300		69,300
Share capital	32,324		32,324
Treasury shares (-)	- 56,485		- 56,485
Equity instruments	36,000		36,000
Share premium reserve	173,987		173,987
Reserves	804,617	126,503	931,120

Valuation reserves	14,591		14,591
Profit (loss) for the year	402,371	23,003	425,374
Minority interests	54,796		54,796

<b>Total liabilities</b>	<b>9,506,645</b>	<b>2,598</b>	<b>9,509,243</b>
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The table below shows the reconciliation between shareholders' equity at 31 December 2022 and at 1 January 2023 and discloses the impact of the adoption of IFRS 17 on shareholders' equity and the profit for the year.

<b>Consolidated shareholders' equity at 31 December 2022</b>	<b>1,407,405</b>
Impact on shareholders' equity at 1 January 2023	126,503
Impact on the profit for 2022	23,003
<b>Consolidated shareholders' equity at 1 January 2023</b>	<b>1,556,911</b>

The change in the opening shareholders' equity of the consolidated financial statements amounted to 149,506 thousand euro and may be analysed as follows:

- 126,503 thousand euro relating to the impacts of the first-time adoption of IFRS 17 on reserves at 1 January 2023;
- 23,003 thousand euro relating to the impacts of the first-time adoption of IFRS 17 on the profit for 2022 of the Irish company.



## Income statement

Euro/000

Items	01.01.2022- 30.06.2022 Reported	Effect of IFRS 17 transition	01.01.2022 - 30.06.2022 After the effect of IFRS 17 transition
Fee and commission income	603,758	53,597	657,355
Fee and commission expense	(219,799)	4,229	(215,570)
<b>NET FEE AND COMMISSION INCOME</b>	<b>383,959</b>	<b>57,826</b>	<b>441,785</b>
Dividends and similar income	2,963		2,963
Interest income and similar income	1,944		1,944
Interest expense and similar charges	(8,487)	4	(8,483)
Profits (losses) on disposal or repurchase of:	126		126
b) financial assets at fair value through other comprehensive income	126		126
Net gains (losses) on other financial assets and financial liabilities at fair value through profit or loss	(6,059)		(6,059)
a) assets and liabilities designated at fair value	288		288
b) other financial assets mandatorily measured at fair value	(6,347)		(6,347)
Profit from insurance services		7,418	7,418
Financial income from insurance operations		27,767	27,767
Net premiums	3,396	(3,396)	
Net profits (losses) on financial instruments at fair value through profit or loss	163,911	(163,911)	
Change in technical reserves where the investment risk is borne by policyholders	20,637	(20,637)	
Redemptions and claims	(121,400)	121,400	
<b>TOTAL INCOME</b>	<b>440,990</b>	<b>26,472</b>	<b>467,462</b>
Administrative costs:	(166,104)	847	(165,257)
a) personnel costs	(79,668)		(79,668)
b) other administrative costs	(86,436)	847	(85,589)
Net accruals to provisions for risks and charges	559		559
Net impairment losses/reversals of impairment losses on property, plant and equipment	(6,914)		(6,914)
Net impairment losses/reversals of impairment losses on intangible assets	(11,525)		(11,525)
Other operating income and costs	6,686		6,686
<b>OPERATING EXPENSE</b>	<b>(177,298)</b>	<b>847</b>	<b>(176,451)</b>
Profits (losses) on equity investments	10,686		10,686
<b>PRE-TAX PROFIT (LOSS) FROM CONTINUING OPERATIONS</b>	<b>274,378</b>	<b>27,319</b>	<b>301,697</b>
Income tax on profit from continuing operations	(70,407)	(3,977)	(74,384)
<b>NET PROFIT (LOSS) FROM CONTINUING OPERATIONS</b>	<b>203,971</b>	<b>23,342</b>	<b>227,313</b>
<b>PROFIT FOR THE PERIOD</b>	<b>203,971</b>	<b>23,342</b>	<b>227,313</b>
Profit for the period attributable to minority interests	2,253		2,253
Parent Company profit for the period/year	201,718	23,342	225,060

## **Accounting policies**

The IAS/IFRS applied to prepare the Azimut Group's consolidated financial statements, governing the classification, recognition, measurement and derecognition criteria of asset and liability items and the recognition of income and expense are those in force at the drafting date of the condensed consolidated interim financial statements, as endorsed by the European Union.

For information on the classification, recognition, measurement and derecognition criteria of the main items, reference should be made to that set out in Part A.2. of the Notes to the Azimut Group's consolidated financial statements at 31 December 2022. In addition to the information provided in Part A.2, it is noted that, following the completion of the endorsement procedure, IFRS 17 became effective on 1 January 2013.

## **Turkey - Hyperinflationary economy: impacts of the application of IAS 29**

As of the second quarter of 2022, the Turkish economy is considered hyperinflationary under “IAS 29 - Financial reporting in hyperinflationary economies”.

For the purposes of preparing these condensed consolidated interim financial statements at 30 June 2023 and in accordance with IAS 29, certain balance sheet items of the Turkish investee have been re-measured by applying the general consumer price index to historical data, in order to reflect the changes in the purchasing power of the Turkish lira at the reporting date. The Azimut Group acquired control of the Turkish companies in 2016. Consequently, the non-monetary balance sheet figures were re-measured by applying inflation indices as of that date. The accounting effects of this adjustment are already reflected in the opening balance sheet and also reflect the changes in the period. Specifically, the effect of re-measuring non-monetary assets and liabilities, shareholders' equity items and income statement items recognised in the first half of 2023 was recognised with a balancing entry in the income statement under financial income and charges.

Furthermore, in order to consider the impact of hyperinflation on the local currency exchange rate, the income statement balances expressed in the hyperinflationary currency were translated into the Group's presentation currency by applying, pursuant to IAS 21, the closing rate instead of the average rate for the period in order to align these amounts to current values. The cumulative levels of general consumer price indices are as follows:

- 1 January 2022 to 31 December 2022: 64.25%;
- 1 January 2023 to 30 June 2023: 19.78%.

In the first half of 2023, the application of IAS 29 resulted in the recognition of a net financial loss (pre-tax) of 651 thousand euro.

## **Significant events after the reporting date**

Between the reporting date and the date of approval of this report, no events occurred that could have a significant impact on the financial figures presented therein and require an adjustment to the financial statements.

This condensed consolidated interim financial report was authorised for publication by Azimut Holding S.p.A's Board of Directors on 27 July 2023.

## **Other aspects**

### **Risks and uncertainties related to estimates**

The drafting of the condensed consolidated interim financial statements also entails the use of estimates and assumptions that may have a significant impact on the carrying amounts recognised in the balance sheet and the income statement, and on the disclosure about contingent assets and liabilities. The computation of such estimates is based on the use of available information and the adoption of subjective assessments, also based on historical experience, used to develop reasonable assumptions underlying the recognition of operations. These estimates and assumptions, based on the best possible calculations by management, are revised periodically and the effects of any changes are reflected directly in the income statement.

Estimates with a significant impact on these condensed consolidated interim financial statements relate to the impairment test on intangible assets (trademark, goodwill and goodwill arising on consolidation), the recoverability of deferred tax assets, accruals to hedge contingent liabilities for litigation, charges for supplementary indemnity for customers to be paid to financial advisors, tax assessments underway and the financial liabilities recognised in respect of the contractual commitments to purchase the residual equity investments in some subsidiaries and/or contractual clauses which provide for put and call options on the Parent Company's shares assigned to transferors.

The overall impacts of the Russia-Ukraine conflict on the Group's operations are discussed in a specific section of the Management Report. It is also noted that the pandemic had no significant impacts on the Group's consolidated financial statements. Specifically, it did not require the recognition of write-downs and/or impairment losses on assets recognised in the consolidated balance sheet.

There is no other relevant information to be disclosed for reporting purposes.

## **Consolidation scope and methods**

The condensed consolidated interim financial statements include the balance sheet and income statement figures of Azimut Holding S.p.A. and the companies directly or indirectly controlled by the latter.

### *Subsidiaries*

The Azimut Group consolidation scope has been established in accordance with IFRS 10. Specifically, subsidiaries are those companies in respect of which the Azimut Group is exposed, or has rights, to variable returns from its involvement with the investees and has the ability to affect those returns through its power over the investees. Control exists only when the following elements simultaneously exist: (i) the power to direct the relevant activities; (ii) exposure, or rights, to variable returns from involvement with the investee; (iii) the ability to use its power over the investee to affect the amount of its returns.

Subsidiaries are consolidated on a line-by-line basis as of the acquisition date, i.e., the date on which the Group acquires control in accordance with IFRS 10. They are deconsolidated when the Group no longer controls them.

### *Associates*

Associates are those companies subject to significant influence, i.e. companies in which the Azimut Group, either directly or indirectly, holds at least 20% of the voting rights (including “potential” voting rights) or in which – despite holding a smaller percentage of voting rights – has the power to participate in the financial and operating policy decisions, such as the participation in shareholders’ agreements, due to specific legal relationships. These companies are consolidated using the equity method whereby on initial recognition the investment is recognised at cost, and the carrying amount is increased or decreased based on the investee’s share of equity, using the most recently approved financial statements of the companies. The difference between the carrying amount of the equity investment and the investee’s share of equity is included in the carrying amount of the investee.

Compared to 31 December 2022, the following companies joined the consolidation scope following their acquisition:

- the Italian-based Virtual B S.p.A. (now Wealthype S.p.A.) in which Azimut Enterprises S.r.l. acquired a controlling interest, entailing a total outlay of a further 3.9 million euro;
- the Australian-based Boutique Mortgage Solutions Pty Ltd, Bennet & Co. Pty Ltd, Rose Partners Pty Ltd, Rose Partners Holdings Pty Ltd, Rose Partners Management Accounting Pty and Kingsbridge Private Pty Ltd, for a total of 24.9 million euro.

The following companies were set up during the first half of 2023:

- Italian Excellence S.r.l., based in Italy and wholly owned by Azimut Financial Insurance S.p.A.;
- Nova Investments Limited, based in Ireland and wholly owned by Azimut Holding S.p.A. (dormant at 30 June 2023);
- AZ OpCo Ltd based in Australia and 52.85% owned by AZ NGA Next Generation Advisory Ltd;
- AZ Quest Agro LTDA and AZ Quest iNFRA LTD, based in Brazil and both owned by AZ Quest Holdings SA with a 71% investment.

In the first half of 2023, the Italian-based ValueBiotech S.r.l. left the consolidation scope due to loss of control.

Under the agreements governing the acquisition of the Australian companies, 49% of the agreed consideration is to be paid by exchanging the shares of each acquired company with AZ NGA shares and the progressive repurchase of these shares over the next ten years. The residual 51% was paid in cash to the founding members. For information about the acquisitions of the past twelve months, with reference to the difference between the fair value of the assets acquired and the liabilities assumed and the consideration paid to acquire the investments and the amount attributed to “Customer Relationships”, reference should be made to the note to Intangible Assets.

### Wholly and jointly-owned subsidiaries

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% stake	Voting rights %
	<b>A. Wholly-owned companies consolidated on a line-by-line basis</b>					
1	Azimut Capital Management Sgr SpA	Italy	1	Azimut Holding SpA	100	100
2	Azimut Investments SA	Luxembourg	1	Azimut Holding SpA	51	51
				Azimut Capital Management SGR SpA	30	30
				Azimut Financial Insurance SpA	19	19
3	Azimut Life DAC	Ireland	1	Azimut Holding SpA	100	100
4	Azimut Enterprises Srl	Italy	1	Azimut Holding SpA	100	100
5	Azimut Libera Impresa Sgr Spa	Italy	1	Azimut Holding SpA	100	100
6	Azimut Financial Insurance SpA	Italy	1	Azimut Holding SpA	100	100
7	Italian Excellence S.r.l. (*)	Italy	1	Azimut Financial Insurance SpA	100	100
8	Azimut Capital Tech Srl	Italy	1	Azimut Enterprises Srl	75	75
9	Azimut Direct SpA	Italy	1	Azimut Enterprises Srl	100	100
10	Azimut Direct Finance Srl	Italy	1	Azimut Direct SpA	100	100
11	Azimut Direct Solution S.r.l.	Italy	1	Azimut Direct SpA	100	100
12	Siamosoci S.r.l.	Italy	1	Azimut Enterprises Srl	54.37	54.37
13	AZ Venture Tech Srl	Italy	1	Azimut Enterprises Srl	75	75
14	Electa Ventures S.r.l.	Italy	1	Azimut Enterprises Srl	100	100
15	Electa Italia Srl	Italy	1	Electa Ventures S.r.l.	100	100
16	Wealthype S.p.A. (formerly Virtual B S.p.A.) (*)	Italy	1	Azimut Enterprises Srl	49.19	49.19

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% stake	Voting rights %
17	GH Investimenti S.r.l.	Italy	1	Azimut Enterprises Srl	100	100
18	Azimut Fintech Holding Spa	Italy	1	AZ International Holdings SA	100	100
19	Azimut Investments Limited	Ireland	1	Azimut Holding SpA	100	100
20	Azimut Alternative Capital Management Limited	Ireland	1	Azimut Enterprises Srl	100	100
21	Nova Investment Limited (*)	Ireland	1	Azimut Holding SpA	100	100
22	AZ International Holdings SA	Luxembourg	1	Azimut Holding S.p.A.	100	100
23	Eskatos Capital Management Sarl	Luxembourg	1	Katarsis Capital Advisors SA	100	100
24	Azimut Private Capital Management Sarl	Luxembourg	1	AZ International Holdings SA	100	100
25	Azimut Private Capital Management II Sarl	Luxembourg	1	AZ International Holdings SA	100	100
26	Azimut UK Holdings Ltd	England	1	Azimut Holding S.p.A.	100	100
27	Azimut (DIFC) Limited	United Arab Emirates	1	Azimut UK Holdings Limited	100	100
28	Azimut (ME) Limited	United Arab Emirates	1	Azimut UK Holdings Limited	100	100
29	AZ Sestante Ltd	Australia	1	Azimut UK Holdings Limited	100	100
30	AZ Next Generation Advisory Pty Ltd	Australia	1	Azimut UK Holdings Limited	52.85	52.85
31	Eureka Whittaker Macnaught Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
32	Pride Advice Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85



	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% stake	Voting rights %
33	Lifestyle Financial Planning Services Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
34	Eureka Financial Group PTY Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
35	Pride Financial Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
36	Wise Planners Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
37	Financial Lifestyle Partners Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
38	Onesta Advisory Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
39	Harvest Wealth Pty Ltd	Australia	1	Onesta Advisory Pty Ltd	52.85	52.85
40	RI Toowoomba Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
41	Empowered Financial Partners Pty Ltd	Australia	1	Lifestyle Financial Planning Services Pty Ltd	52.85	52.85
42	Wealthwise Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
43	Priority Advisory Group Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
44	Sterling Planners Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
45	On-Track Financial Solutions Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
46	People & Partners Pty Ltd	Australia	1	AZ Next Generation Accounting Pty Ltd	52.85	52.85
47	Menico Tuck Parrish Financial Services Pty Ltd	Australia	1	Menico Tuck Parish Pty Ltd	52.85	52.85

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% stake	Voting rights %
48	AZ Next Generation Accounting Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
49	Wealthmed Australia Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
50	Wealthmed Accounting Pty Ltd	Australia	1	Wealthmed Australia Pty Ltd	52.85	52.85
51	Wealthmed Property Pty Ltd	Australia	1	Wealthmed Australia Pty Ltd	52.85	52.85
52	FHM Holdings Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
53	Menico Tuck Parrish Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
54	ACN 623 166 772 Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
55	ACN 623 172 083 Pty Ltd	Australia	1	ACN 623 166 772 Pty Ltd	52.85	52.85
56	ACN 623 172 387 Pty Ltd	Australia	1	ACN 623 166 772 Pty Ltd	52.85	52.85
57	Hurwitz Geller Pty Ltd	Australia	1	AZ Next Generation Accounting Pty Ltd	52.85	52.85
58	Dunsford Financial Plannings Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
59	Nextstep Financial Services Pty Ltd	Australia	1	Sterling Planners Pty Ltd	52.85	52.85
60	Next Steps Home Loans Pty Ltd	Australia	1	Nextstep Financial Services Pty Ltd	52.85	52.85
61	RI Coastal Pty Ltd	Australia	1	RI Toowoomba Pty Ltd	52.85	52.85
62	MP Holdings WA	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% stake	Voting rights %
63	Sage Business Group Pty Ltd	Australia	1	Onesta Advisory Pty Ltd	52.85	52.85
64	PM Financial Services Pty Ltd	Australia	1	MP Holdings WA	52.85	52.85
65	MP Wealth WA Pty Ltd	Australia	1	MP Holdings WA	52.85	52.85
66	PT Services WA Pty Ltd	Australia	1	MP Holdings WA	52.85	52.85
67	MPM Finance Pty Ltd	Australia	1	MP Holdings WA	52.85	52.85
68	Moneycare Australia Pty Ltd	Australia	1	MP Holdings WA	52.85	52.85
69	Ottavo Financial Group Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
70	Kellaway Cridland Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
71	Tempus Wealth Group Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
72	Yarra Lane Tax & Accounting Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
73	Beezewax Business Solutions	Australia	1	Yarra Lane Tax & Accounting Pty Ltd	52.85	52.85
74	Yarra Lane Wealth Pty Ltd	Australia	1	Yarra Lane Tax & Accounting Pty Ltd	52.85	52.85
75	Yarra Lane Finance Pty Ltd	Australia	1	Yarra Lane Tax & Accounting Pty Ltd	52.85	52.85
76	Yarra Lane Legal Pty Ltd	Australia	1	Yarra Lane Tax & Accounting Pty Ltd	52.85	52.85
77	Yarra Lane Insurance Pty Ltd	Australia	1	Yarra Lane Tax & Accounting Pty Ltd	52.85	52.85

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% stake	Voting rights %
78	AZ Global Wealth Management Australia Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
79	Certe Wealth Protection Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
80	People & Partners Wealth Management Pty Ltd	Australia	1	People & Partners Pty Ltd	52.85	52.85
81	Matthews Steer Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
82	Wealthpro Sunshine Coast Pty Ltd	Australia	1	Wealthmed Australia Pty Ltd	52.85	52.85
83	Sterling Pts Pty Ltd	Australia	1	Sterling Planners Pty Ltd	26.425	26.425
				MP Holdings WA	26.425	26.425
84	AZ Service Co Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
85	HM Holdings Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
86	HM Advisory Services Pty Ltd	Australia	1	HM Holdings Pty Ltd	52.85	52.85
87	Logiro Unchartered Pty Ltd	Australia	1	HM Advisory Services Pty Ltd	52.85	52.85
88	Tokim Holdings Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
89	Cranage Financial Group Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
90	Cranage Landing Solutions Pty Ltd	Australia	1	Cranage Financial Group Pty Ltd	52.85	52.85
91	Cranage Private Wealth Pty Ltd	Australia	1	Cranage Financial Group Pty Ltd	52.85	52.85
92	Cranage Superannuation Services Pty Ltd	Australia	1	Cranage Financial Group Pty Ltd	52.85	52.85

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% stake	Voting rights %
93	Time Advice Pty Ltd	Australia	1	Cranage Financial Group Pty Ltd	52.85	52.85
94	Gordon Financial Services Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
95	Reimagine Finance Pty Ltd	Australia	1	Gordon Financial Services	52.85	52.85
96	Genesis Financial Partners Pty Ltd	Australia	1	Certe Wealth Protection Pty Ltd	52.85	52.85
97	KMS Accountitng and Tax Pty Ltd	Australia	1	People & Partners Pty Ltd	52.85	52.85
98	VBP Holdings Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
99	Virtual Business Partners Pty Ltd	Australia	1	VBP Holdings Pty Ltd	52.85	52.85
100	VBP Holdings Back Office Solutions Inc.	Australia	1	VBP Holdings Pty Ltd	52.85	52.85
101	Dunsford Finance Pty Ltd	Australia	1	Dunsford Financial Plannings Pty Ltd	52.85	52.85
102	SCM Financial Group Pty Ltd	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
103	SCM Consultants Pty Ltd	Australia	1	SCM Financial Group Pty Ltd	52.85	52.85
104	SCM Financial Services Pty Ltd	Australia	1	SCM Financial Group Pty Ltd	52.85	52.85
105	SCM Finance Solutions Pty Ltd	Australia	1	SCM Financial Group Pty Ltd	52.85	52.85
106	SCM Accounting and Advisory Pty Ltd	Australia	1	SCM Financial Group Pty Ltd	52.85	52.85
107	SCM Wealth Management Pty Ltd	Australia	1	SCM Financial Group Pty Ltd	52.85	52.85

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% stake	Voting rights %
108	Boutique Mortgage Solutions Pty Ltd (*)	Australia	1	SCM Financial Group Pty Ltd	52.85	52.85
109	Bennet & Co. Pty Ltd (*)	Australia	1	SCM Financial Group Pty Ltd	52.85	52.85
110	Rose Partners Pty Ltd (*)	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
111	Rose Partners Holdings Pty Ltd (*)	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
112	Rose Partners Management Accounting Pty Ltd (*)	Australia	1	Rose Partners Holdings Pty Ltd	52.85	52.85
113	AZ OpCo (*)	Australia	1	AZ Next Generation Advisory Pty Ltd	52.85	52.85
114	Kingsbridge Private Pty Ltd (*)	Australia	1	People & Partners	52.85	52.85
115	AZ Brasile Holding Ltda	Brazil	1	AZ International Holdings SA	100	100
116	AZ Quest Holdings SA	Brazil	1	AZ Quest Participacoes Ltda	71	71
117	AZ Quest Investimentos Ltda	Brazil	1	AZ Quest Holdings SA	71	71
118	AZ Quest MZK Investimentos Macro e Credito Ltda	Brazil	1	AZ Quest Holdings SA	70.83	70.83
119	Azimet Brasil Wealth Management Holding SA	Brazil	1	AZ Brasile Holding Ltda	95.52	95.52
120	Azimet Brasil Wealth Management Ltda	Brazil	1	Azimet Brasil Wealth Management Holding SA	87.57	87.57
121	Futurainvest Investimentos e Participações Ltda	Brazil	1	Azimet Brasil Wealth Management Holding SA	95.52	95.52
122	M&O Consultoria, Planejamento e Análise de Valores Mobiliários Ltda	Brazil	1	Azimet Brasil Wealth Management Holding SA	95.52	95.52

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% stake	Voting rights %
123	Gudance Gestora de Recursos Ltda	Brazil	1	Azimut Brasil Wealth Management Holding SA	48.71	48.71
124	AZ Quest Participacoes Ltda	Brazil	1	AZ Brasile Holding Ltda	100	100
125	Futurainvest Holding SA	Brazil	1	AZ Brasile Holding Ltda	100	100
126	Azimut Brasil DTVM Ltda	Brazil	1	Futurainvest Holding SA	100	100
127	AZ Quest Agro LTDA (*)	Brazil	1	AZ Quest Holdings SA	71	71
128	AZ Quest iNFRA LTDA (*)	Brazil	1	AZ Quest Holdings SA	71	71
129	Azimut Switzerland SA (formerly AZ Swiss & Partners SA)	Switzerland	1	AZ International Holdings SA	100	100
130	Katarsis Capital Advisors SA	Switzerland	1	AZ International Holdings SA	100	100
131	AZ Andes S.p.A.	Chile	1	AZ International Holdings SA	100	100
132	An Zhong Investment Management (Shanghai) Co. Ltd.	China	1	An Zhong (AZ) Investment Management	100	100
133	An Zhong (AZ) Investment Management	Hong Kong	1	AZ International Holdings SA	100	100
134	An Zhong (AZ) Investment Management Hong Kong Ltd	Hong Kong	1	An Zhong (AZ) Investment Management	100	100
135	CGM – Azimut Monaco	Monaco	1	AZ International Holdings SA	100	100
136	AZ Mexico Holdings S.A. De CV	Mexico	1	AZ International Holdings SA	100	100
137	Mas Fondos S.A.	Mexico	1	AZ Mexico Holdings S.A. De CV	100	100
138	KAAN Capital Asesores Independientes SAPI de CV	Mexico	1	AZ Mexico Holdings S.A. De CV	51	51
139	AZ Investment Management Singapore Ltd	Singapore	1	AZ International Holdings SA	100	100

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% stake	Voting rights %
140	Azimut Portföy Yönetimi A.Ş.	Turkey	1	AZ International Holdings SA	100	100
141	AZ Sinopro Financial Planning Ltd	Taiwan	1	AZ International Holdings SA	51	51
142	AZ Sinopro Investment Planning Ltd	Taiwan	1	AZ Sinopro Financial Planning Ltd	51	51
143	AZ Sinopro Insurance Planning Ltd	Taiwan	1	AZ Sinopro Investment Planning Ltd	51	51
144	AZ US Holdings Inc.	United States	1	Azimut UK Holdings Limited	100	100
145	AZ Apice Capital Management LLC	United States	1	AZ US Holdings Inc.	83.1	83.1
146	Azimut Alternative Capital Partners LLC	United States	1	AZ US Holdings Inc.	96.5	96.5
147	Azimut Genesis Holdings LLC	United States	1	AZ US Holdings Inc.	51.0	51.0
148	Genesis Investment Advisors LLC	United States	1	Azimut Genesis Holdings LLC	51.0	51.0
149	Genesis Fund Management LLC	United States	1	Azimut Genesis Holdings LLC	51.0	51.0
150	AACP PL SPV LLC	United States	1	Azimut Alternative Capital Partners LLC	91.25	91.25
151	AACP Investments LLC (DE LLC) - Investment Manager	United States	1	AZ US Holdings Inc.	100	100
152	Azimut Egypt Asset Management	Egypt	1	AZ International Holdings SA	100	100

(\*) Newly consolidated compared to 31 December 2022

(\*\*) Type of ownership:

(1) majority of voting rights at ordinary shareholders' meetings



## Investments measured at equity

	Name	Registered office	Stake		Voting rights %
			Shareholder	% Stake	
	<b>Companies measured at equity</b>				
1	Cofircont Compagnia Fiduciaria srl	Italy	Azimut Enterprises Srl	30.00	30.00
2	P101 SGR S.p.A. Gestore EuVECA a Socio Unico	Italy	Azimut Enterprises Srl	30.00	30.00
3	FDNX S.r.l.	Italy	Azimut Enterprises Srl	30.00	30.00
4	Azimut Market Place Srl	Italy	Azimut Fintech Holding Srl	43.10	43.10
5	IPOC 1 S.r.l.	Italy	Electa Ventures S.r.l	35.00	35.00
6	IPOC 6 S.r.l.	Italy	Electa Ventures S.r.l	52.50	52.50
7	Valuebiotech Srl (**)	Italy	Azimut Enterprises Srl	24.90	24.90
8	Alps Blockchain S.p.A. (*)	Italy	Azimut Enterprises Srl	22.47	22.47
9	Sterling Planners WA	Australia	Sterling Planners Pty Ltd	26.43	26.43
10	Client Ready Pty Ltd	Australia	Yarra Lane Tax and Accounting Pty Ltd	17.60	17.60
11	CMW Financial Services Pty Ltd	Australia	Cranage Financial Group Pty Ltd	21.14	21.14
12	Pride Accounting X Numbergroup Pty Ltd	Australia	Pride Advice Pty Ltd	17.14	17.14
13	Pride Accounting X Numbersuper Pty Ltd	Australia	Pride Advice Pty Ltd	37.00	37.00
14	Shanghai Heyu Information Technology Ltd	China	AZ Investment Management (Shanghai) Co. Ltd.	12.50	12.50
15	Sweetwood Ventures II GP S.a r.l	Luxembourg	AZ International Holdings Sa	20.00	20.00
16	Kennedy Lewis	United States	Azimut Alternative Capital Partners LLC	19.30	19.30
17	High Post Capital LLC	United States	Azimut Alternative Capital Partners LLC	12.06	12.06
18	Pathlight Capital	United States	AACP PL SPV LLC	16.62	16.62

	Name	Registered office	Stake		Voting rights %
			Shareholder	% Stake	
19	Sanctuary Wealth Group LLC	United States	AZ US Holdings Inc.	53.37	53.37
20	Kennedy Capital Management Inc (*)	United States	AZ US Holdings Inc.	35.00	35.00
21	Diaman Partners Limited	Malta	Azimut UK Holdings Ltd	20.00	20.00
22	LCP Yonetim Danismanligi	Turkey	Azimut Portfoy Yonetimi AS	49.90	49.90
23	SCM Insurance Pty Ltd	Australia	SCM Financial Group Pty Ltd	26.43	26.43
24	Mc Lean Delmo Bentleys Holding Pty Ltd	Australia	AZ Next Generation Advisory Pty Ltd	25.90	25.90

(\*) Newly consolidated compared to 31 December 2022

(\*\*) Classified under associates due to loss of control

## **Significant assessments and assumptions used to determine the consolidation scope**

### *Unit linked*

The line-by-line consolidation scope excludes the Unit-Linked Funds (insurance internal funds) (“Unit linked”) in which the Azimut Group does not hold any equity investment and which do not meet the IFRS 10 definition of control. With respect to the mutual funds underlying the Unit linked funds, the Azimut Group believes that these requirements are not met. Indeed, it believes that:

- it does not hold the outstanding majority units;
- it does not have full power over the investment entity (funds), since it is limited by funds’ regulations governing asset allocation and management policies;
- it is not significantly exposed to the variable returns from the investment entity, since the profits or losses from the measurement of Unit-Linked assets are entirely paid to policyholders by adjusting the mathematical reserve.

The exposure to the changes in the value of the Group’s funds is limited to the change in terms of fee impact. Specifically, the Group is exposed to the risk of changes in entry fees and charges on premiums, linked to the performance of inflows, the management fees related to assets under management and the incentive fees linked to the performance of the managed funds.

### **Investments in subsidiaries with significant non-controlling interests**

Since 2015, the Azimut Group, through AZ NGA, the holding company incorporated in November 2014, has begun a series of acquisitions of controlling interests in Australia. The relevant agreements provide for the following: (i) an exchange of shares with AZ NGA shares and the progressive repurchase of said shares in the next ten years, equal to 49% of each company, starting from each acquisition date and ii) a cash payment to the founding shareholders over a two-year period for the remaining 51% (for certain subsidiaries, the percentages of 49% and 51% are modified based on the negotiations carried out at the time of the acquisition).

With respect to the contracts for the acquisition of the US-based Genesis Holdings LLC and the Italian-based Siamosoci S.r.l., it is noted that they include call/put options on the residual capital to be exercised over a contractually-agreed time horizon.

#### Significant restrictions

There are no significant legal, contractual or regulatory restrictions within the Azimut Group which may limit the Parent Company's ability to transfer cash and cash equivalents or other assets to other Group companies, or guarantees which may limit the distribution of dividends, capital or loans and advances granted or repaid to other Group companies.

#### **Other information**

##### *Basis of consolidation*

Investments in subsidiaries are consolidated on a line-by-line basis, while interests in jointly-controlled entities and associates are measured using the equity method.

**Line-by-line method**—Under this consolidation method, the companies' balance sheet and income statements figures are consolidated line-by-line. The carrying amount of equity investments is offset against the relevant equity of the subsidiary pertaining to the group after allocating the relevant portions of equity and profit or loss for the period/year to non-controlling interests. Upon first-time consolidation, the positive differences are recognised as goodwill under "Intangible assets", after allocation to the subsidiary's asset or liability items, where necessary. Conversely, negative differences are taken to profit or loss.

For the purposes of consolidation, the balance sheets and the income statements as at and for the six months ended 30 June 2023 (interim financial statements) of consolidated companies were used. They were prepared in accordance with the IFRS and Group criteria to which they make reference. The interim financial statements used are those prepared by the Boards of Directors of each company, duly reclassified and adjusted to comply with the above standards and criteria. The data about individual interim financial statements were obtained through the information included in the reporting packages prepared in accordance with the Group's accounting policies.

The Parent Company interim financial statements and those of the subsidiaries have been consolidated on a line-by-line basis, including all subsidiaries and assuming all assets, liabilities, costs and income of each subsidiary, while eliminating the carrying amount of the equity investments against the relevant share/quotaholders' equity, as set out by the IFRS.

The assets, liabilities, costs and income generated by transactions among consolidated companies have been eliminated in full, as have the profits and losses generated by transactions among consolidated companies which do not involve third parties.

The positive differences between the equity investments consolidated on a line-by-line basis and the related net fair value of the acquired assets and assumed liabilities, were considered goodwill arising on consolidation and tested for impairment to check the adequacy of their carrying amount.

For consolidated companies that prepare their interim financial statements in a functional currency different from that of the Parent Company, the amounts expressed in currencies other than the euro were translated as follows: for the balance sheet, using the closing rate (30 June 2023), and for the income statement, using the average exchange rate for the period. The differences arising from the translation of opening shareholders' equity using period-end exchange rates, along with those triggered by the use of period-end and average exchange rates are classified under the specific item "Exchange rate differences" in the valuation reserve.

For the Turkish company, whose functional currency is the currency of a hyperinflationary economy, the balance sheet figures not yet expressed in the current unit of measure at the reporting date are restated by applying a general price index. Non-monetary items recognised at cost or at cost less amortisation/depreciation are stated at their acquisition-date fair values. Each item is adjusted to either restated cost or cost less amortisation/depreciation and is determined by applying the change in a general price index that occurred between the acquisition date and the reporting date to historical cost and accumulated amortisation/depreciation. Monetary items are not restated as they are already expressed in the relevant unit of measure at the reporting date.

At the beginning of the first year of application of the accounting treatment of a hyperinflationary economy, shareholders' equity items, except for retained earnings, are restated by applying a general price index from the dates on which the items were

contributed or otherwise obtained. Retained earnings are restated based on the restatement of other balance sheet figures.

All statement of comprehensive income items are expressed in the unit of measure in force at the reporting date. Therefore, all figures are reclassified by applying the change in the general price index that has occurred since the recognition date of income and expenses.

**Equity method**—The investees over which the Group exerts significant influence or has joint control, as defined by IAS 28, are measured using the equity method.

Under this method, the equity investment is initially recognised at cost and the carrying amount is increased or decreased to reflect the parent's share of profit or loss of the investee earned/incurred after the acquisition date. The share of the profit (loss) for the period attributable to the parent is recognised in the latter's income statement. The dividends received from an investee decrease the carrying amount of the equity investment. Furthermore, the carrying amount may be adjusted also following a change in the percentage of investment in the investee, due to changes in the latter's equity not recognised in the income statement.

These changes include also those related to the differences arising from the translation of foreign currency amounts into the financial statements' functional currency. The portion related to these changes is recognised directly in equity. When the investee incurs losses and these losses exceed the carrying amount of the investment, the latter's carrying amount is zeroed and any further losses are recognised only when the parent has legal or constructive obligations or has made payments on behalf of the investee. If the investee subsequently earns a profit, the parent recognises the share of profit attributable to it only when it has reached the same amount of the previously unrecognised loss.

The consolidation of associates and/or jointly controlled entities considers the financial statements prepared by the Boards of Directors of each company.

#### Business combinations carried out in the first half of 2023

At the reporting date, the activities related to the implementation of IFRS 3 and the fair value calculation of the assets and liabilities of the companies acquired in the first half of 2023, as described in the notes to "Intangible assets" to which reference should be made, were still underway. In this respect, IFRS 3 allows the provisional allocation of acquisition costs, provided that completion takes place within twelve months of the acquisition date.

#### Partial sale of quotas in ValueBiotech S.r.l. and loss of control

In accordance with IFRS 10, following the loss of control over ValueBiotech effective from 31 March 2023, this company, which was previously consolidated on a line-by-line basis, has been consolidated using the equity method as of this date. Therefore, the Group derecognised all assets and liabilities, including goodwill, based on the carrying amounts at the date of loss of control. At the same time, the carrying amounts of minority interests were eliminated.

The fair value of the investment held was therefore recognised under “equity investments”. The related balancing item is recognised in the income statement under profits from equity investments.

## **Disclosure about financial asset transfers between portfolios**

### **Transfers between portfolios**

The Group did not transfer any financial assets between portfolios as a consequence of changes in business models during the period.

### **Fair value disclosure**

#### **Qualitative information**

The fair value of other financial assets mandatorily measured at fair value is based on the prices reported on the respective markets on the last day of trading in the reference period. At the end of each year, impairment tests are carried out to establish which financial assets are to be impaired. This test is performed for each individual financial instrument, considering the impairment effects in accordance with IFRS 9. Financial assets are derecognised when the contractual rights to the cash flows generated by the assets expire or when the asset is sold and all the risks and rewards of ownership have been transferred.

#### **Quantitative information**

In accordance with the provisions of IFRS 7 and IFRS 13, the Group companies classify fair value measurement of financial assets and financial liabilities based on a hierarchy that conveys the nature of inputs used. The levels are as follows:

- Level 1: (unadjusted) quoted prices in active markets for assets and liabilities identical to those subject to measurement;
- Level 2: inputs other than unadjusted quoted prices (as per level 1) that are directly (as in the case of prices) or indirectly (deriving from prices) observable market data;
- Level 3: inputs based on unobservable market data.

Specifically, the fair value of a financial instrument measured at level 1 corresponds to the unadjusted price, at which the instrument – or an identical instrument – is sold on an active market on the measurement date. For classification at level 1, prices are measured together with all other characteristics of the financial asset or financial liability: if the



quoted price is adjusted in order to take account of specific conditions that require adjustment, the financial instrument is classified under a level other than level 1.

Analyses for classification at other levels within the fair value hierarchy are performed analytically for each individual financial asset or liability held/issued; these analyses and measurement criteria are applied consistently over time.

With respect to the financial instruments held as part of liquidity management policies and financial liabilities issued, according to the Group's main policies:

- government bonds and open-ended mutual funds, whose fair value is designated as level 1 if represented by the Net Asset Value (NAV) provided by the fund manager at the measurement date, are classified as level 1; on the other hand, with respect to listed funds and Exchange Traded Funds (ETF), level 1 fair value is equal to the closing price of the relevant stock market, the liquidity to be invested relating to unit-linked policies issued and the bonds issued;
- level 2 reflects the investments related to the unit-linked policies issued (where the investment risk is borne by policyholders), the associated financial liabilities and the closed-end mutual funds;
- level 3 reflects the equity securities reported as "Financial assets at fair value through other comprehensive income" measured at cost and financial liabilities related to the commitments to purchase the residual equity investments in some subsidiaries in accordance with ruling contractual agreements. With respect to liabilities, the measurement reflects the estimated amount to be paid to the seller, based on the estimate of the future parameters set out in the relevant contracts, including AUM and profit for the year and which are subject to specific sensitivity analyses. The change in the amount on first recognition is taken to the income statement. Financial liabilities are derecognised once settled. This level also includes derivatives classified in financial assets at fair value through profit or loss, including those embedded in complex financial contracts - where the host contract is a financial liability - that have been separately recognised.

### ***Fair value hierarchy***

*Assets and liabilities measured at fair value on a recurring basis: breakdown by fair value level*

	30/06/2023			31/12/2022		
<b>Financial assets/liabilities measured at fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>1. Financial assets at fair value through profit or loss</b>						
a) held-for-trading financial assets						
b) financial assets designated at fair value						
c) financial assets mandatorily measured at fair value	248,091	7,049,973	82,227	383,403	6,872,088	64,281
<b>2. Financial assets at fair value through other comprehensive income</b>	2,173		13,920	2,071		13,801
3. Hedging derivatives						
4. Property, plant and equipment						
5. Intangible assets						
<b>Total</b>	<b>250,264</b>	<b>7,049,973</b>	<b>96,147</b>	<b>385,475</b>	<b>6,872,088</b>	<b>78,082</b>
<b>1. Held-for-trading financial liabilities</b>						
<b>2. Financial liabilities designated at fair value</b>		5,562,685	96,744		5,419,060	99,316
<b>3. Hedging derivatives</b>						
<b>Total</b>		<b>5,562,685</b>	<b>96,744</b>		<b>5,419,060</b>	<b>99,316</b>

*Annual changes in financial assets measured at Level 3 fair value on a recurring basis*

	<b>Total</b>	of which: a) held-for- trading financial assets	of which: b) financial assets designate d at fair value	of which: c) other financial assets mandatorily measured at fair value	Financial assets at fair value through other comprehensive income	Hedging derivatives	Property, plant and equipment	Intangible assets
<b>1. Opening balance</b>	<b>78,082</b>			<b>64,281</b>	<b>13,801</b>			
<b>2. Increases</b>	<b>18,953</b>			<b>18,753</b>	<b>200</b>			
2.1. Purchases	17,007			17,007				
2.2. Profits allocated to:	<b>1,921</b>			<b>1,746</b>	<b>175</b>			
2.2.1 Profit or loss	1,345			1,345				
<i>of which: gains</i>	-							
2.2.2 Shareholders' equity	576			401	175			
2.3. Transfers from other levels	-							
2.4. Other increases	25				25			
<b>3. Decreases</b>	<b>888</b>			<b>- 807</b>	<b>- 81</b>			
3.1. Sales	-				-			
3.2. Redemptions	-							
3.3. Losses charged to:	- 26			- 26	-			
3.3.1 Profit or loss	- 26			- 26				
<i>of which: losses</i>	-				-			
3.3.2 Shareholders' equity	-							
3.4. Transfers from other levels	-							
3.5. Other decreases	- 862			- 781	- 81			
<b>4. Closing balance</b>	<b>96,147</b>			<b>82,227</b>	<b>13,920</b>			

*Annual changes in liabilities measured at Level 3 fair value on a recurring basis*

	Held-for-trading financial liabilities	Financial liabilities measured at fair value	Hedging derivatives
<b>1. Opening balance</b>		<b>99,316</b>	
<b>2. Increases</b>		<b>6,228</b>	
2.1. Purchases		4,667	
2.2. Losses charged to:		1,561	
2.2.1 Profit or loss		1,234	
<i>of which: losses</i>			
2.2.2 Shareholders' equity		327	
2.3. Transfers from other levels			
2.4. Other increases			
<b>3. Decreases</b>		<b>8,799</b>	
3.1. Sales			
3.2. Redemptions			
3.3. Profits allocated to:		8,799	
3.3.1 Profit or loss		6,761	
<i>of which: gains</i>			
3.3.2 Shareholders' equity		2,038	
3.4. Transfers from other levels			
3.5. Other decreases			
<b>4. Closing balance</b>		<b>96,744</b>	

*Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value level*

Assets/liabilities not measured at fair value or measured at fair value on a non-recurring basis	30/06/2023				31/12/2022			
	CA	L1	L2	L3	CA	L1	L2	L3
1. Financial assets at amortised cost	201,690	-	-	201,690	170,272	-	-	170,272
2. Property, plant and equipment held for investment purposes	-	-	-	-	-	-	-	-
3. Non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-	-
<b>Total</b>	<b>201,690</b>	<b>-</b>	<b>-</b>	<b>201,690</b>	<b>170,272</b>	<b>-</b>	<b>-</b>	<b>170,272</b>
1. Financial liabilities at amortised cost	556,239	479,608	-	55,365	555,935	473,286	-	58,019
2. Liabilities related to discontinued operations	-	-	-	-	-	-	-	-
<b>Total</b>	<b>556,239</b>	<b>479,608</b>	<b>-</b>	<b>55,365</b>	<b>555,935</b>	<b>473,286</b>	<b>-</b>	<b>58,019</b>

### **Disclosure about the “Day one profit/loss”**

The Group did not carry out transactions which entailed recognition of the so-called “day one profit/loss”.

### **Operating segment disclosure (IFRS 8)**

The Azimut Group operates via various companies, each specialising in the sale, marketing, and management of financial and insurance products (essentially unit-linked).

As a matter of fact, the nature of the various products and services offered, the structure of the management and operating processes, the type of customers, as well as the methods adopted for the distribution of products and services are sufficiently similar as to ensure that the risks and benefits of the various Group companies do not differ to any great extent but, on the contrary, have many comparable features.

Although it operates as a single structure, dedicated in its entirety to asset management and the sale of investment instruments, in which the contributions made by the individual companies appear to be indistinguishable, in accordance with IFRS 8, the Group chose the allocation by geographical areas as the method to measure its performance and make significant economic decisions.

Indeed, the Group identified four geographical areas:

- the first area (Italy) reflects the activity carried out by the companies directly controlled by Azimut Holding S.p.A., each specialising in the distribution, promotion

and management of financial and insurance products (basically unit-linked products) and operating as a single structure, dedicated in its entirety to asset management and the sale of investment instruments, in which the contributions made by the individual companies appear to be indistinguishable and operating results are revised periodically by management for the purpose of decisions regarding allocation of resources and measurement of results and company performance. This area also includes the foreign product companies Azimut Investments SA and Azimut Life Dac;

- On the other hand, the other three CGUs relate to the activities carried out by the foreign companies, which are presented and classified by geographical segment (EMEA, America and Asia Pacific). Foreign companies also specialise in the management, promotion and distribution of financial and asset management products, each in the relevant geographical segment and in accordance with the same integrated business model of the above-mentioned CGU. Therefore, management implemented a consolidated reporting system for AZ International Holdings SA which, in turn, sends the Parent Company Azimut Holding S.p.A. a consolidated reporting package for all foreign companies broken down by the above geographical segments.

This section shows the consolidated figures broken down by geographical area, according to the reporting system selected by management and in line with the information disclosed to the market.

The main figures broken down by geographical area are as follows:

Area	<i>Figures in millions of euro</i>	<i>Euro/000</i>	<i>Euro/000</i>	<i>Figures in millions of euro</i>	<i>Euro/000</i>	<i>Euro/000</i>
	Net assets at 30.06.23	Fee and commission income	Total income	Net assets at 30.06.22	Fee and commission income	Total income
		1H2023	1H2023		1H2022	1H2022
Italy	47,111	479,529	365,361	45,220	438,070	321,624
Europe - Middle East	6,035	69,241	69,080	5,148	47,718	45,382
Americas	23,656	21,059	25,193	22,771	71,807	26,105
Asia-Pacific	8,500	64,136	66,918	8,082	46,164	47,878

With respect to the information about the financial position required by IFRS 8, the Group's management does not show or analyse a different breakdown of assets and liabilities other than that approved in the interim consolidated financial statements.

In accordance with paragraph 34 of IFRS 8, it is noted that the Group has no customers which account for more than 10% of consolidated revenue.

## Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period by the average number of outstanding ordinary shares.

There were no earnings-dilutive transactions to be disclosed at 30 June 2023.

	1H2023	1H2022
Basic earnings per share (*)	1.610	1.445
<i>Average number of outstanding shares (*)</i>	138,385,510	139,606,600
Diluted earnings per share (*)	1.610	1.445
<i>Average number of diluted outstanding shares (*)</i>	138,385,510	139,606,600

\* outstanding shares are calculated net of treasury shares held by Azimut Holding S.p.A. at the reporting date.



## NOTES TO THE BALANCE SHEET

### ASSETS

#### Cash and cash equivalents

The item amounts to 373,485 thousand euro (298,142 thousand euro at 31 December 2022) and refers to bank demand deposits which bear interest at market rates, and cash.

#### Financial assets at fair value through profit or loss

This item amounts to 7,380,291 thousand euro (7,319,772 thousand euro at 31 December 2022).

#### Other financial assets mandatorily measured at fair value: breakdown

Items/Value	Total 30/06/2023			Total 31/12/2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt instruments	-	-	16,207	-	-	-
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt instruments	-	-	16,207	-	-	-
2. Equity instruments	-	-	66,020	-	-	64,281
3. UCI units	248,091	7,049,973	-	383,403	6,872,088	-
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
<b>Total</b>	<b>248,091</b>	<b>7,049,973</b>	<b>82,227</b>	<b>383,403</b>	<b>6,872,088</b>	<b>64,281</b>

“UCI units” (Level 1) refers to the units in mutual funds managed by the Azimut Group as part of the Group’s liquidity management policies.

“UCI units” (Level 2) refers to liquidity and investments, respectively, measured at fair value, relating to unit-linked policies issued by Azimut Life Dac, where the investment risk is borne by policyholders. This item also includes the investment in the Luxembourg-based vehicle Azimut Private Equity I SCSp through which the Company made a single indirect investment in a listed company (INWIT). The balance at 30 June 2023 is 12,067 thousand euro. This amount was repaid in part in June.

“Equity instruments” (Level 3) refer to the fair value of the future exercise of the call options on the remaining portion of capital for the acquisition of the associate Azimut Market Place S.r.l., in addition to minority interests over which the Group exercises neither control, significant influence or joint control.

*Other financial assets mandatorily measured at fair value: breakdown by debtor/issuer*

Items/Value	Total 30/06/2023	Total 31/12/2022
<b>1. Equity instruments</b>	<b>66,020</b>	<b>64,281</b>
of which: banks	-	-
of which: other financial companies	-	-
of which: non-financial companies	66,020	64,281
of which: insurance companies	-	-
<b>3. Debt instruments</b>	<b>16,207</b>	-
a) Public administrations	-	-
b) Banks	-	-
c) Other financial companies	-	-
of which: insurance companies	-	-
d) Non-financial companies	16,207	-
<b>3. UCI units</b>	<b>7,298,064</b>	<b>7,255,491</b>
<b>4. Loans</b>	-	-
a) Public administrations	-	-
b) Banks	-	-
c) Other financial companies	-	-
of which: insurance companies	-	-
d) Non-financial companies	-	-
e) Households	-	-

**Financial assets at fair value through other comprehensive income**

This item amounts to 16,092 thousand euro (31 December 2022: 15,872 thousand euro). It comprises minority interests over which the Group has no control, significant influence or joint control (13,919 thousand euro) and government securities in portfolio held as part of the Group's liquidity (2,173 thousand euro).

*Financial assets at fair value through other comprehensive income: breakdown*

Items/Value	Total 30/06/2023			Total 31/12/2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt instruments	2,173	-	-	2,071	-	-
- of which: government securities	2,173	-	-	2,071	-	-
2. Equity instruments	-	-	13,919	-	-	13,801
3. Loans	-	-	-	-	-	-
<b>Total</b>	<b>2,173</b>	<b>-</b>	<b>13,919</b>	<b>2,071</b>	<b>-</b>	<b>13,801</b>

*Financial assets at fair value through other comprehensive income: breakdown by debtor/issuer*

Items/Value	Total 30/06/2023	Total 31/12/2022
<b>1. Debt instruments</b>	<b>2,173</b>	<b>2,071</b>
a) Public administrations	2,173	2,071
b) Banks		
c) Other financial companies of which: insurance companies		
d) Non-financial companies		
<b>2. Equity instruments</b>	<b>13,919</b>	<b>13,801</b>
a) Banks	1,424	1,424
b) Other financial companies of which: insurance companies		
c) Non-financial companies		
d) Other	12,495	12,377
<b>3. Loans</b>		
a) Public administrations		
b) Banks		
c) Other financial companies of which: insurance companies		
d) Non-financial companies		
e) Households		

Financial assets at fair value through other comprehensive income: gross balance and total impairment losses

	Gross balance				Total impairment losses			Total partial write-offs (*)
	First stage	of which: instruments with low credit risk	Second stage	Third stage	First stage	Second stage	Third stage	
Debt instruments Loans	2,173							
<b>Total at 30.06.2023</b>	<b>2,173</b>							
<b>Total at 31.12.2022</b>	<b>2,071</b>							
of which: impaired, acquired or originated financial assets	X		X		X			

(\*) for disclosure purposes

**Financial assets at amortised cost**

This item amounts to 201,690 thousand euro (31 December 2022: 170,272 thousand euro) and mainly comprises receivables for portfolio management services (131,267 thousand euro) and receivables for services (64,517 thousand euro). As those related to portfolio management services and services are due in the very short term, the amortised cost coincides with their nominal amount.

*Financial assets at amortised cost: breakdown*

Breakdown	Total 30/06/2023						Total 31/12/2022					
	Carrying amount			Fair value			Carrying amount			Fair value		
	I and II stage	III stage	of which: impaired acquired or originated	Level 1	Level 2	Level 3	I and II stage	III stage	of which: impaired acquired or originated	Level 1	Level 2	Level 3
<b>1. Receivables for portfolio management services</b>	<b>131,267</b>	-	-	<b>131,267</b>	-	-	<b>107,003</b>	-	-	<b>107,003</b>	-	-
1.1. UCI units	126,082	-	-	126,082	-	-	101,134	-	-	101,134	-	-
1.2 individual portfolio management	1,809	-	-	1,809	-	-	1,874	-	-	1,874	-	-
1.3 pension fund management	3,375	-	-	3,375	-	-	3,995	-	-	3,995	-	-
<b>2. Receivables for other services</b>	<b>64,517</b>	-	-	<b>64,517</b>	-	-	<b>57,499</b>	-	-	<b>57,499</b>	-	-
2.1 advisory services	-	-	-	-	-	-	-	-	-	-	-	-
2.2 outsourced corporate functions	-	-	-	-	-	-	-	-	-	-	-	-
2.3 other	64,517	-	-	64,517	-	-	57,499	-	-	57,499	-	-
<b>3. Other receivables</b>	<b>803</b>	-	-	<b>803</b>	-	-	<b>696</b>	-	-	<b>696</b>	-	-
3.1 repurchase agreements	-	-	-	-	-	-	-	-	-	-	-	-
<i>of which: government securities</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>of which: for other debt instruments</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>of which: for equity instruments and units</i>	-	-	-	-	-	-	-	-	-	-	-	-
3.2 deposits and current accounts	803	-	-	803	-	-	696	-	-	696	-	-
3.3 other	-	-	-	-	-	-	-	-	-	-	-	-
<b>4. Debt instruments</b>	<b>5,103</b>	-	-	<b>5,103</b>	-	-	<b>5,073</b>	-	-	<b>5,073</b>	-	-
<b>Total</b>	<b>201,690</b>	-	-	<b>201,690</b>	-	-	<b>170,272</b>	-	-	<b>170,272</b>	-	-

“Receivables for other services” mainly includes receivables in the form of fees and commissions from the sale of products of third-party banks and receivables in the form of fee income to be collected for the sale of insurance products of third-party companies.

“Receivables for portfolio management services” include receivables in the form of fee and commission income on mutual funds and discretionary portfolios accrued during June 2023 and collected the following month.

*Financial assets at amortised cost: breakdown by debtor/issuer*

Breakdown/Counterparty	Banks		Financial institutions		Customers	
		of which: Group		of which: Group		of which: Group
<b>1. Receivables for portfolio management services</b>	-	-	<b>3,375</b>	-	<b>127,892</b>	-
1.1. UCI units	-	-	-	-	126,082	-
1.2 individual portfolio management	-	-	-	-	1,809	-
1.3 pension fund management	-	-	3,375	-	-	-
<b>2. Receivables for other services</b>	<b>6,477</b>	-	<b>5,023</b>	-	<b>53,018</b>	-
2.1 advisory services	-	-	-	-	-	-
2.2 outsourced corporate functions	-	-	-	-	-	-
2.3 other	6,477	-	5,023	-	53,018	-
<b>3. Other receivables</b>	-	-	<b>803</b>	-	-	-
3.1 repurchase agreements	-	-	-	-	-	-
<i>of which: government securities</i>	-	-	-	-	-	-
<i>of which: for other debt instruments</i>	-	-	-	-	-	-
<i>of which: for equity instruments and units</i>	-	-	-	-	-	-
3.2 deposits and current accounts	-	-	-	-	-	-
3.3 other	-	-	803	-	-	-
<b>4. Debt instruments</b>	-	-	<b>5,103</b>	-	-	-
<b>Total 30/06/2023</b>	<b>6,477</b>	-	<b>14,304</b>	-	<b>180,909</b>	-
<b>Total 31/12/2022</b>	<b>6,176</b>	-	<b>16,505</b>	-	<b>147,590</b>	-

## Equity investments

This item amounts to 294,233 thousand euro (263,467 thousand euro at 31 December 2022). It comprises equity investments in associates.

### Equity investments: Information

	Name	Registered office	Stake		Voting rights %
			Shareholder	% Stake	
	<b>Companies measured at equity</b>				
1	Cofircont Compagnia Fiduciaria srl	Italy	Azimut Enterprises Srl	30.00	30.00
2	P101 SGR S.p.A. Gestore EuVECA a Socio Unico	Italy	Azimut Enterprises Srl	30.00	30.00
3	FDNX S.r.l.	Italy	Azimut Enterprises Srl	30.00	30.00
4	Azimut Market Place Srl	Italy	Azimut Fintech Holding Srl	43.10	43.10
5	IPOC 1 S.r.l.	Italy	Electa Ventures S.r.l	35.00	35.00
6	IPOC 6 S.r.l.	Italy	Electa Ventures S.r.l	52.50	52.50
7	Valuebiotech Srl (**)	Italy	Azimut Enterprises Srl	24.90	24.90
8	Alps Blockchain S.p.A. (*)	Italy	Azimut Enterprises Srl	22.47	22.47
9	Sterling Planners WA	Australia	Sterling Planners Pty Ltd	26.43	26.43
10	Client Ready Pty Ltd	Australia	Yarra Lane Tax and Accounting Pty Ltd	17.60	17.60
11	CMW Financial Services Pty Ltd	Australia	Cranage Financial Group Pty Ltd	21.14	21.14
12	Pride Accounting X Numbergroup Pty Ltd	Australia	Pride Advice Pty Ltd	17.14	17.14
13	Pride Accounting X Numbersuper Pty Ltd	Australia	Pride Advice Pty Ltd	37.00	37.00
14	Shanghai Heyu Information Technology Ltd	China	AZ Investment Management (Shanghai) Co. Ltd.	12.50	12.50
15	Sweetwood Ventures II GP S.a r.l	Luxembourg	AZ International Holdings Sa	20.00	20.00
16	Kennedy Lewis	United States	Azimut Alternative Capital Partners LLC	19.30	19.30
17	High Post Capital LLC	United States	Azimut Alternative Capital Partners LLC	12.06	12.06
18	Pathlight Capital	United States	AACP PL SPV LLC	16.62	16.62



	Name	Registered office	Stake		Voting rights %
			Shareholder	% Stake	
19	Sanctuary Wealth Group LLC	United States	AZ US Holdings Inc.	53.37	53.37
20	Kennedy Capital Management Inc (*)	United States	AZ US Holdings Inc.	35.00	35.00
21	Diaman Partners Limited	Malta	Azimut UK Holdings Ltd	20.00	20.00
22	LCP Yonetim Danismanligi	Turkey	Azimut Portfoy Yonetimi AS	49.90	49.90
23	SCM Insurance Pty Ltd	Australia	SCM Financial Group Pty Ltd	26.43	26.43
24	Mc Lean Delmo Bentleys Holding Pty Ltd	Australia	AZ Next Generation Advisory Pty Ltd	25.90	25.90

(\*) Newly consolidated compared to 31/12/2022

(\*\*) Classified under associates due to loss of control

#### Changes for the period in equity investments:

	Total value
<b>A. Opening balance</b>	<b>263,467</b>
<b>B. Increases</b>	<b>42,112</b>
B.1 Purchases	17,885
B.2 Reversals of impairment losses	
B.3 Revaluations	1,320
B.4 Other changes	22,907
<b>C. Decreases</b>	<b>- 11,346</b>
C.1 Sales	
C.2 Impairment losses	- 11,072
C.3 Other changes	- 275
<b>D. Closing balance</b>	<b>294,233</b>

Significant equity investments: accounting figures

Name	Carrying amount	Fair value (*)	Dividends received
Cofircont Compagnia Fiduciaria srl	1,108	1,108	45
P101 SGR S.p.A. Gestore EuVECA a Socio Unico	3,177	3,177	
FDNX S.r.l.	300	300	
Valuebiotech Srl (**)	3,898	3,898	
Alps Blockchain S.p.A.	4,585	4,585	
IPOC 1 S.r.l.	140	140	
IPOC 6 S.r.l.	315	315	
Azimet Market Place Srl	3,089	3,089	
Shanghai Heyu Information Technology Ltd	7,954	7,954	
Sweetwood Ventures II GP S.a r.l	2	2	
Kennedy Lewis	80,301	80,301	2,597
High Post	6,090	6,090	
Pathlight Capital	111,349	111,349	
Sanctuary Wealth Group LLC	37,591	37,591	
Diaman Partners Limited	350	350	
LCP Yonetim Danismanligi	581	581	
Kennedy Capital Management Inc	13,685	13,685	407
Mc Lean Delmo Bentley Holding Pty Ltd	19,085	19,085	
SCM Insurance Pty Ltd	608	608	

(\*) As these companies are not listed, their fair value coincides with the carrying amount.

(\*\*) Classified under associates due to loss of control

The carrying amounts of Kennedy Lewis and Pathlight Capital include not only the consideration paid in cash, but also the residual outstanding liability to the sellers, estimated over a long-term time horizon as a result of the contractually-agreed price adjustment and earn-out mechanisms. For additional information, reference should be made to Note 9 - Other Liabilities.

## **Property, plant and equipment**

This item amounts to 46,519 thousand euro (48,555 thousand euro at 31 December 2022).

### **“Property, plant and equipment - business purposes: breakdown of assets at cost”**

Items/Value	Total 30/06/2023	Total 31/12/2022
<b>1. Owned</b>	<b>8,417</b>	<b>9,020</b>
a) land	-	-
b) buildings	100	104
c) furniture & fixtures	1,385	1,557
d) electronic systems	497	446
e) other	6,435	6,913
<b>2. Right-of-use assets: leases</b>	<b>38,102</b>	<b>39,535</b>
a) land	-	-
b) buildings	36,978	38,796
c) furniture & fixtures	-	-
d) electronic systems	-	-
e) other	1,124	739
<b>Total</b>	<b>46,519</b>	<b>48,555</b>

*Property, plant and equipment - business purposes: changes in the period*

	Land	Buildings	Furniture & fixtures	Electronic systems	Other	Total
<b>A. Opening gross balances</b>		<b>92,540</b>	<b>10,934</b>	<b>3,852</b>	<b>36,556</b>	<b>143,882</b>
A.1 Total net impairment losses		-53,641	-9,378	-3,406	-28,904	-95,328
<b>A. 2 Opening net balances</b>		<b>38,900</b>	<b>1,556</b>	<b>446</b>	<b>7,652</b>	<b>48,555</b>
<b>B. Increases</b>		<b>2,709</b>	<b>16</b>	<b>184</b>	<b>1,490</b>	<b>4,399</b>
B.1 Purchases		2,709	16	184	1,490	4,399
B.2 Leasehold improvements						-
B.3 Reversals of impairment losses						-
B.4 Increases in fair value taken to:						
a) shareholders' equity						
b) profit or loss						
B.5 Exchange rate gains						
B.6 Transfers from investment property			X	X	X	
B.7 Other changes						-
<b>C. Decreases</b>		<b>- 4,531</b>	<b>- 188</b>	<b>- 132</b>	<b>- 1,583</b>	<b>- 6,434</b>
C.1 Sales						-
C.2 Amortisation/depreciation		- 4,531	- 174	- 131	- 1,552	- 6,388
C.3 Impairment losses charged to:						
a) shareholders' equity						
b) profit or loss						
C.4 Decreases in fair value:						
Charged to:						
a) shareholders' equity						
b) profit or loss						
C.5 Exchange rate losses						
C.6 Transfers to:						
a) property, plant and equipment held for investment purposes			X	X	X	
b) non-current assets held for sale and discontinued operations						
C.7 Other changes			- 14	- 1	- 31	- 46
<b>D. Gross closing balance</b>		<b>95,249</b>	<b>10,950</b>	<b>4,036</b>	<b>38,046</b>	<b>148,281</b>
D.1 Total net impairment losses		-	-	-	-	-
		58,172	9,565	3,538	30,487	101,762
<b>D.2 Net closing balance</b>		<b>37,078</b>	<b>1,385</b>	<b>497</b>	<b>7,559</b>	<b>46,519</b>
E. Measurement at cost		<b>37,078</b>	<b>1,385</b>	<b>497</b>	<b>7,559</b>	<b>46,519</b>

## Intangible assets

This item amounts to 844,248 thousand euro (878,246 thousand euro at 31 December 2022).

### Breakdown of “Intangible assets”

	Total 30/06/2023		Total 31/12/2022	
	Assets at cost	Assets at fair value	Assets at cost	Assets at fair value
<b>1. Goodwill</b>	724,868		743,667	
<b>2. Other intangible assets</b>	<b>119,380</b>		<b>134,579</b>	
2.1 generated internally				
2.2 other	119,380		134,579	
<b>Total</b>	<b>844,248</b>		<b>878,246</b>	

- “Goodwill” refers to:
  - the acquisition by Azimut Holding S.p.A. (formerly Tumiza S.p.A.) of the merged company Azimut Holding S.p.A., completed on 12 February 2002. This company wholly owned (directly or indirectly) all the companies of the Azimut Group. This item was calculated as the difference between the initial cost of the equity investment, at acquisition date, and the shareholders’ equity of the subsidiaries at 31 December 2001. Following the merger of Azimut Holding S.p.A. into Tumiza S.p.A., with accounting effects on 1 July 2002, a portion of goodwill arising on consolidation, equal to 176.3 million euro amortised by 26.4 million euro prior to the adoption of IFRS (calculated based on a valuation by the independent company PricewaterhouseCoopers Corporate Finance S.r.l.) was included in “Goodwill” in the separate financial statements of Azimut Holding S.p.A.;
  - the acquisitions made in Italy through Azimut Enterprises S.r.l. and abroad through the subsidiaries AZ International Holding SA and Azimut UK Holdings LTD, in order to support the Group’s expansion.

Goodwill and changes on the previous year are shown below:

Company	Total 31/12/2022	New acquisitions	Write-downs 2023	Other changes	Total 30/06/2023
Azimut Holding Spa	292,145			-	292,145
Azimut Libera Impresa SGR S.p.A.	6,376				6,376
Azimut Direct SpA	15,936				15,936
Siamosoci S.r.l.	10,352				10,352
Electa Venture	61,588				61,588
Valuebiotech S.r.l.	7,952			-7,952	-
Wealthype S.p.A.		4,268			4,268
<b>- Total Azimut/Italy CGU</b>	<b>394,349</b>	<b>4,268</b>		<b>-7,952</b>	<b>390,665</b>
CGM – Azimut Monaco	31,732				31,732
Azimut Switzerland	7,490				7,490
Azimut Portföy	9,232				9,232
Katarsis Capital Advisor	6,756				6,756
Azimut (DIFC) Limited	255				255
Azimut Egypt Asset Management	9,548				9,548
<b>- Total Europe, Middle East &amp; Africa CGU</b>	<b>65,013</b>				<b>65,013</b>
AZ NGA and subsidiaries	231,035	16,847		-29,158	218,724
AZ Sestante	50				50
AZ Sinopro Financial Planning	1,247				1,247
AZ Investment Management Singapore	592				592
<b>- Total Asia &amp; Pacific CGU</b>	<b>232,924</b>	<b>16,847</b>		<b>-29,158</b>	<b>220,613</b>
Azimut Brasil Holdings and subsidiaries	32,833			-2,805	30,028
MZK	11,185				11,185
Mas Fondos	6,122				6,122
Kaan Capital	153				153
Genesis	1,087			2	1,089
<b>- Total America CGU</b>	<b>51,380</b>			<b>-2,803</b>	<b>48,577</b>
<b>Total</b>	<b>743,667</b>	<b>21,115</b>		<b>-39,913</b>	<b>724,868</b>

During the first half of 2023, the Group continued to expand by acquiring the Australian companies Boutique Mortgage Solutions Pty Ltd, Bennet & Co. Pty Ltd, Rose Partners Pty Ltd, Rose Partners Holdings Pty Ltd, Rose Partners Management Accounting Pty Ltd and Kingsbridge Private Pty Ltd and the Italian-based Wealthype S.p.A. via the subsidiary Azimut Enterprises S.r.l., recognising goodwill of 21,115 thousand.

Specifically, the following table summarises the fair value of the assets and liabilities related to the above business combinations at the acquisition date and the related goodwill or customer relationships (in thousand of euros):

	Business combinations - First half of 2023		
	Rose Partners Pty Limited	Kingsbridge Private Pty Ltd	Wealthype S.p.A.
Purchase price	21,559	2,510	3,902
<b>Total purchase price (A)</b>	<b>21,559</b>	<b>2,510</b>	<b>3,902</b>
Cash and cash equivalents			30
Other assets	1,688		463
Other liabilities		-1	-859
Deferred tax liabilities	-2,190	-182	
<b>Fair value of the net assets acquired (B)</b>	<b>-502</b>	<b>-183</b>	<b>-366</b>
<b>Difference (A - B) allocated to:</b>	<b>22,061</b>	<b>2,693</b>	<b>4,268</b>
- Customer relationships	7,300	607	
- Goodwill (including deferred tax liabilities)	14,761	2,086	4,268

Goodwill and customer relationships were calculated on a provisional basis as their calculation is based on preliminary estimates and assumptions: fair value adjustments, which may differ considerably, will be recognised when final information, including assessments and other analyses, is available, however within one year from the acquisition date.

With respect to the 39.9 million decrease, the following should be noted:

- as of 31 March 2023, the Group no longer holds the majority of voting rights of ValueBiotech S.r.l., as already explained in the section “*Significant events of the period*” of the Management Report. Therefore, the company has been consolidated using the equity method;
- the decrease in the Australian-based AZ NGA and its subsidiaries, in addition to the change in exchange rates, is mainly due to the completion, during the period, of the Purchase Price Allocation (“PPA”) procedure which had previously been determined provisionally following the acquisition of the SCM Group in the fourth quarter of 2022;

- the decrease in the Brazilian-based Azimut Brasil Holdings and its subsidiaries is due to the change in exchange rates.

“Other intangible assets – Other” refers to:

- Trademarks of 42,859 thousand euro, of which the “Azimut” trademark amounts to 35,338 thousand euro;
- Software totalling 21,155 thousand euro;
- Other intangible assets of 55,366 euro.

“Other intangible assets” includes customer relationships relating to:

- 7,007 thousand euro allocated to customer relationships relating to the business unit acquired from Sofia SGR S.p.A. in 2018 and amortised over the residual useful life of 10 years;
- 47,114 thousand euro allocated to customer relationships relating to AZ NGA’s acquisitions described above and amortised over the residual useful life of 10 years;
- 1,013 thousand euro allocated to customer relationships relating to the P&G SGR business unit initially acquired by CGM Italia and subsequently transferred to Azimut Libera Impresa Sgr S.p.A. following the demerger which took place in 2021 and amortised over the residual useful life or, if lower, the fund duration whose management mandate was acquired.

Under IAS 38, these are intangible assets from which the buyer will probably obtain future economic benefits.



“Intangible assets”: changes in the period

	<b>Total</b>
<b>A. Opening balance</b>	<b>878,246</b>
<b>B. Increases</b>	<b>29,591</b>
B.1 Purchases	29,591
B.2 Reversals of impairment losses	
B.3 Increases in fair value taken to:	
- shareholders’ equity	
- profit or loss	-
B.4 Other changes	-
<b>C. Decreases</b>	<b>-63,589</b>
C.1 Sales	-7,952
C.2 Amortisation/depreciation	-14,238
C.3 Impairment losses charged to:	-9,438
- shareholders’ equity	
- profit or loss	-9,438
C.4 Decreases in fair value charged to:	
- shareholders’ equity	
- profit or loss	
C.5 Other changes	-31,961
<b>D. Closing balance</b>	<b>844,248</b>

**Impairment test**

IAS 36 requires that goodwill and other intangible assets with an indefinite useful life and, therefore, the Cash Generating Unit (CGU) or groups of CGUs to which these assets are allocated, be tested for impairment at least once a year and the continuous monitoring of certain qualitative and quantitative impairment indicators in order to identify the existence, if any, of assumptions leading to more frequent impairment tests.

On 13 May 2022, the ESMA, in its circular “ESMA32-63-1277, Implications of Russia’s invasion of Ukraine on half-yearly financial reports” circular, and the most recent public statement “European common enforcement priorities for 2022 annual financial reports” dated 28 October 2022, drew the attention of the members of the administrative and control bodies and of the managers in charge of financial reporting to the need to comply with the principles underpinning financial reporting, considering the impacts related to the Russian invasion of Ukraine, including the checks under IAS 36.

The analyses carried out on the financial results for the first half of 2023 were aimed at assessing the existence of any trigger points for the period on the Group’s intangible assets and at identifying any impairment losses.

Two analyses were carried out which covered the factors underlying the value in use of the Azimut CGU: the WACC at 30 June 2023 and, only to the extent of the CGUs including the foreign scope, a check of the estimated year-end trend of cash flows compared to 2023 forecasts.

Conclusions:

The above analyses did not identify any impairment indicators that would require the performance of an interim impairment test.

Furthermore, the market cap has not once fallen below shareholders’ equity since the company was listed.

### **Tax assets and tax liabilities**

#### **Tax assets**

This item amounts to 24,659 thousand euro (63,553 thousand euro at 31 December 2022).

The breakdown is as follows:

#### *Breakdown of Tax assets: current and deferred*

<b>Breakdown</b>	<b>Total 30/06/2023</b>	<b>Total 31/12/2022</b>
Current	4,285	40,664
Deferred	20,374	22,889
<b>Total</b>	<b>24,659</b>	<b>63,553</b>

“Current tax assets” mainly refers to IRES and IRAP taxes paid on account for 2023 and not offset against the provision for current taxes.

“Deferred tax assets” relate to temporary differences resulting from the different timing of the IRES and IRAP tax deductibility for some cost items compared to that recognised in the income statement.

## Tax liabilities

This item amounts to 235,310 thousand euro (213,063 thousand euro at 31 December 2022). The breakdown is as follows:

### *Breakdown of Tax liabilities: current and deferred*

<b>Breakdown</b>	<b>Total 30/06/2023</b>	<b>Total 31/12/2022</b>
Current	149,847	120,124
Deferred	85,463	92,939
<b>Total</b>	<b>235,310</b>	<b>213,063</b>

“Current tax liabilities” include the IRAP liability, net of the advances paid during the year, and the IRES liability resulting from the taxable income transferred by the companies participating in the tax consolidation regime, net of the tax losses incurred in previous years by the companies and transferred to the above regime. This item also includes the tax liabilities with the Group’s foreign companies, net of the advances paid during the year. “Deferred tax liabilities” include those relating to the temporary difference between the carrying and tax amounts of goodwill (36.401 thousand euro). and the trademark (3,373 thousand euro).

The item also includes the deferred tax liabilities recognised on incentive costs relating to total inflow target which are directly attributable to the existing contracts which meet the requirements for deferring the costs incurred to fulfil a contract introduced by IFRS 15. Moreover, this item includes deferred IRES and IRAP taxes on unallocated earnings of the subsidiaries at 30 June 2023.

### **Other assets**

This item amounts to 430,423 thousand euro (451,364 thousand euro at 31 December 2022).

#### *Other assets: breakdown*

	<b>Total 30/06/2023</b>	<b>Total 31/12/2022</b>
Due from Inland Revenue	106,694	109,143
Due from financial advisors	21,134	19,380
Other receivables	134,442	176,817
Prepayments	168,153	146,023
<b>Total</b>	<b>430,423</b>	<b>451,364</b>

“Due from Inland Revenue” includes amounts related to mathematical reserves of 106,118 thousand euro.

“Due from financial advisors” mainly includes loans granted to financial advisors amounting to 11,344 thousand euro, which generate interest income in line with the Euribor plus spread, in addition to advance commissions paid to the same financial advisors of 2,647 thousand euro. The terms for repayment of these loans vary on average from 12 to 36 months.

“Other receivables” mainly comprise advance payments of virtual stamp duties of 76,939 thousand euro and receivables related to the payment of capital gain tax advances of 9,898 thousand euro.

“Prepayments” include the assets generated via the deferral of acquisition costs for the unit-linked policies issued by the Group’s Irish insurance company, classified as investment contracts.

The item also includes incentive costs relating to total inflow targets which are directly attributable to the contracts that meet the requirements for deferral to the new category of costs incurred to fulfil a contract introduced by IFRS 15. They amount to 140,627 thousand euro at 30 June 2023.

## LIABILITIES

### Financial liabilities at amortised cost

This item amounts to 556,239 thousand euro (555,935 thousand euro at 31 December 2022). The breakdown is as follows:

#### Financial liabilities at amortised cost: breakdown

Breakdown/Value	Total 30/06/2023	Total 31/12/2022
<b>1. Due to sales networks:</b>	<b>683</b>	<b>677</b>
1.1 for UCI sales	683	677
1.2 for individual portfolio management sales	-	-
1.3 for pension fund sales	-	-
<b>2. Payables for asset management services:</b>	<b>4,201</b>	<b>5,120</b>
2.1 for proprietary portfolio management	4,201	5,120
2.2 for discretionary portfolio management	-	-
2.3 for other	-	-
<b>3. Payables for other services:</b>	<b>10,572</b>	<b>10,471</b>
3.1 advisory services	-	-
3.2 outsourced corporate functions	-	-
3.3 other	10,572	10,471
<b>4. Other payables</b>	<b>39,654</b>	<b>41,751</b>
4.1 repurchase agreements	-	-
<i>of which: government securities</i>	-	-
<i>of which: for other debt instruments</i>	-	-
<i>of which: for equity instruments and units</i>	-	-
4.2 Lease liabilities	39,654	41,463
4.3 Other payables	255	288
<b>Total</b>	<b>55,365</b>	<b>58,019</b>
Fair value – Level 1	-	-
Fair value – Level 2	-	-
Fair value – Level 3	55,365	58,019
<b>Total fair value</b>	<b>55,365</b>	<b>58,019</b>

“Due to sales networks” mainly includes commissions accrued and to be settled for the sale of fund units.

“Other payables -Lease liabilities” comprise the residual liability at 30 June 2023 in connection with the right-of-use assets recognised under IFRS 16. For additional information, reference should be made to the note to “Leases”.

“Other payables” include a loan granted by Banco BPM SpA in January 2021 to the subsidiary Siamosoci S.r.l. of 255 thousand euro with a repayment plan of 60 instalments of 11 thousand euro to be paid monthly with final maturity in January 2026.

*Financial liabilities at amortised cost: breakdown by counterparty*

Breakdown/Counterparty	Banks		Financial companies		Customers	
		of which: Group		of which: Group		of which: Group
<b>1. Due to sales networks</b>	<b>257</b>	-	<b>426</b>	-	-	-
1.1 for UCI sales	257	-	426	-	-	-
1.2 for individual portfolio management sales	-	-	-	-	-	-
1.3 for pension fund sales	-	-	-	-	-	-
<b>2. Payables for asset management services:</b>	-	-	-	-	<b>4,201</b>	-
2.1 for proprietary portfolio management	-	-	-	-	4,201	-
2.2 for discretionary portfolio management	-	-	-	-	-	-
2.3 for other	-	-	-	-	-	-
<b>3. Payables for other services:</b>	<b>39</b>	-	<b>10,532</b>	-	-	-
3.1 advisory services received	-	-	-	-	-	-
3.2 outsourced corporate functions	-	-	-	-	-	-
3.3 other	39	-	10,532	-	-	-
<b>4. Other payables</b>	<b>255</b>	-	-	-	<b>39,654</b>	-
4.1 repurchase agreements	-	-	-	-	-	-
<i>of which: government securities</i>	-	-	-	-	-	-
<i>of which: for other debt instruments</i>	-	-	-	-	-	-
<i>of which: for equity instruments and units</i>	-	-	-	-	-	-
4.2 Lease liabilities	-	-	-	-	39,654	-
4.3 Other payables	255	-	-	-	-	-
<b>Total 30/06/2023</b>	<b>551</b>	-	<b>10,958</b>	-	<b>43,855</b>	-
<b>Total 31/12/2022</b>	<b>533</b>	-	<b>10,903</b>	-	<b>46,583</b>	-

*Breakdown of “Financial liabilities at amortised cost”: “Outstanding securities”*

Breakdown	Total 30/06/2023				Total 31/12/2022			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>1. Securities</b>								
Bonds	500,874	479,608		-	497,916	473,286		-
Other securities	-	-		-	-	-		-
<b>Total</b>	<b>500,874</b>	<b>479,608</b>		<b>-</b>	<b>497,916</b>	<b>473,286</b>		<b>-</b>

This item includes the “Azimut 2019-2024 1.625%” bond amounting to 500,874 thousand euro, originally composed of 5,000 bonds with a nominal amount of 100,000 euro and a duration of five years issued on 12 December 2019. The amount refers to total bonds sold and includes the charges incurred by the company for the issue and placement, in addition to interest expense accrued at 30 June 2023 which will be paid on the pre-established date. The bond bears annual fixed interest of 1.625%.

Subordinated securities

The Group has no subordinated securities.



### **Insurance liabilities**

This item amounts to 1,220,334 thousand euro (1,154,434 thousand euro at 31 December 2022) and refers to the commitments arising from the unit-linked policies issued by the subsidiary Azimut Life Dac, classified as insurance contracts.

### **Financial liabilities designated at fair value**

This item amounts to 5,659,429 thousand euro (5,518,376 thousand euro at 31 December 2022) and comprises:

- 5,562,685 thousand euro relating to the unit-linked policies issued by the subsidiary Azimut Life Dac, classified as investment contracts (level 2);
- 96,744 thousand euro relating to liabilities that arose mainly from the future exercise of the call options over the residual portion of capital of some companies that were acquired, but are not wholly owned (level 3).

### **Financial liabilities designated at fair value**

Liabilities	Total 30/06/2023				Total 31/12/2022			
	Carrying amount	Fair value			Carrying amount	Fair value		
		L1	L2	L3		L1	L2	L3
1. Payables	5,659,429	-	5,562,685	96,744	5,518,376	-	5,419,060	99,316
2. Debt instruments	-	-	-	-	-	-	-	-
bonds	-	-	-	-	-	-	-	-
other securities	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5,659,429</b>	<b>-</b>	<b>5,562,685</b>	<b>96,744</b>	<b>5,518,376</b>	<b>-</b>	<b>5,419,060</b>	<b>99,316</b>

Financial liabilities designated at fair value (L3) are broken down as follows:

<b>Company</b>	<b>Fair value measurement 30/06/2023</b>	<b>Fair value measurement 31/12/2022</b>
Eureka Whittaker Macnaught	595	850
Pride Advice	449	786
Lifestyle Financial Planning Services	585	148
Financial Lifestyle Partners	636	887
Harvest Wealth	436	471
RI Toowoomba	747	1,291
Wealthwise Pty Ltd	937	1,041
Priority Advisory Group	945	1,273
Sterling Planners Pty Ltd	1,451	2,035
Logiro Unchartered Pty Ltd	676	884
On Track Financial Solutions Pty Ltd	458	711
Menico Tuck Parrish Financial Solutions Pty Ltd	342	416
Wealthmed Australia Pty Ltd	1,320	1,662
Farrow Hughes Mulcahy Financial Services Pty Ltd	1,758	2,294
Hurwitz Geller Pty Ltd	728	958
Dunsford Financial Plannings Pty Ltd	573	1,047
MP Holdings WA	3,818	4,245
Sage Business Group Pty Ltd	496	603
Spencer Fuller & Associates	1,507	1,520
Kellaway Cridland Pty Ltd	1,235	1,248
Tempus Wealth Group Pty Ltd	1,051	1,061
JPH Group Holdings Pty LTD	2,039	2,047
Certe Wealth Protection Pty Ltd	992	996
Parallel Financial Planning Pty Ltd	2,436	2,436
Matthews Steer Pty Ltd	1,977	1,981
Henderson Matusch Holdings Pty Ltd	3,366	3,326
Tokim Holdings Pty Ltd	3,008	2,969
Cranage Group	2,245	2,226
RI Newcastle	1,388	1,372
VBP Holdings Pty Ltd	3,412	3,358
SCM Financial Group Pty Ltd	6,766	6,285
Rose Partners Holdings Pty Ltd	4,667	-
AZ Sinopro Financial Planning Ltd	2,409	5,940
Azimut Genesis Holdings LLC	3,329	3,278
KAAAN Capital Asesores Independientes SAPI de CV	2,233	1,874
Azimut Direct Spa	18,056	17,660
Azimut Capital Tech Srl	5,688	5,578
Siamosoci S.r.l.	9,533	9,508
FDNX S.r.l.	2,457	3,051
<b>Total</b>	<b>96,744</b>	<b>99,316</b>

The measurement reflects the discounted amount to be paid to minority investors, following the exercise of the call options on the subsidiaries. The measurement reflects an estimate of the discounted amount to be paid to the seller. This amount is based on the estimate of key parameters (future income statement, balance sheet and financial position parameters set out in the relevant contracts), that are subject to specific sensitivity analyses.

Financial liabilities measured at fair value and the related measurement at 30 June 2023 led to the recognition of losses of 6,083 thousand euro under “Net result of financial assets and financial liabilities measured at fair value”.

### **Tax liabilities**

“Tax liabilities” are described in detail in the section on “Tax assets” of these notes to which reference should be made.

## **Other liabilities**

This item amounts to 316,255 thousand euro (382,799 thousand euro at 31 December 2022) and is broken down as follows:

	<b>Total 30/06/2023</b>	<b>Total 31/12/2022</b>
Due to suppliers	79,245	82,800
Due to Inland Revenue and tax authorities	25,395	15,450
Due to employees	22,503	28,009
Due to social security bodies	4,850	5,013
Other payables	109,829	175,004
Due to financial advisors	73,277	75,384
Deferred income	1,155	1,139
<b>Total</b>	<b>316,255</b>	<b>382,799</b>

“Other payables” mainly include:

- 30,067 thousand euro relating to the residual amount to be paid to acquire an investment in Kennedy Lewis last year. The amount reflects the estimated consideration to be paid to the sellers over a long-term time horizon as a result of contractually-agreed price adjustment and earn-out mechanisms and recognised in 2021, also given the positive results achieved by the company in terms of new inflows. This led to the review of the business plan;
- 18,934 thousand euro relating to the residual amount to be paid to acquire an investment in Pathlight last year. The amount reflects the estimated consideration to be paid to the sellers over a long-term time horizon as a result of contractually-agreed price adjustment and earn-out mechanisms;

“Due to financial advisors” mainly includes June 2023 commissions paid in July 2023, in addition to other amounts which will be paid during the year, and other contractual commitments for commissions, including loyalty commissions, to be paid to financial advisors over the medium-long term.

“Deferred income” includes liabilities arising from the deferral of fee and commission income on the premiums of unit-linked policies issued by the Irish insurance company Azimut Life Dac, classified as investment contracts.

### **Staff severance pay (TFR)**

This item amounts to 4,154 thousand euro (3,629 thousand euro at 31 December 2022) and refers to the TFR accrued by personnel employed by the Group companies at 30 June 2023.

### **Provisions for risks and charges**

This item amounts to 63,496 thousand euro (69,300 thousand euro at 31 December 2022).

#### *“Provisions for risks and charges”: breakdown*

<b>Items/Value</b>	<b>Total 30/06/2023</b>	<b>Total 31/12/2022</b>
1. Commitments and guarantees issued	-	-
2. Company pension funds		
3. Other provisions for risks and charges	63,496	69,300
3.1 tax and legal disputes	11,758	15,720
3.2. personnel costs	-	-
3.3 other	51,738	53,580
<b>Total</b>	<b>63,496</b>	<b>69,300</b>

“Other provisions for risks and charges” mainly comprise the supplementary indemnity provision for financial advisors calculated on an actuarial basis in accordance with IFRS, the provision for legal disputes related to the risks arising from disputes with customers, equal to the present value of the charge deemed necessary to settle the obligations, and the provision for risks to adjust the life annuities of the supplementary pension benefits of the Azimut Previdenza open-ended pension fund to the new ratios set out in the insurance contract.

## **Shareholders' Equity**

### **Breakdown of "Share Capital"**

<b>Types of shares</b>	<b>Amount</b>
1. Share capital	32,324
1.1 Ordinary shares	32,324
1.2 Other shares	-

At 30 June 2023, the fully paid-up and subscribed share capital was composed of 143,254,497 ordinary shares, with a total value of 32,324 thousand euro.

### **Breakdown of "Treasury shares"**

<b>Types of shares</b>	<b>Amount</b>
1. Treasury shares	56,485
1.1 Ordinary shares	56,485
1.2 Other shares	-

At 30 June 2023, Azimut Holding S.p.A. held 4,868,987 treasury shares with a unit average carrying amount of 11.60.

### **Breakdown of "Equity instruments"**

At 30 June 2023, this item amounted to 36,000 thousand euro and related to the issue amount, as per the shareholders' resolution of 29 April 2010, of 1,500,000 financial instruments (equal to their fair value calculated by an independent leading company upon issue).

### **Breakdown of "Share premium reserve"**

The share premium reserve amounts to 173,987 thousand euro at 30 June 2023.

### Breakdown of “Other reserves”

	Legal reserve	Other reserves	Total
<b>A. Opening balance</b>	<b>6,465</b>	<b>924,655</b>	<b>931,120</b>
<b>B. Increases</b>		<b>186,146</b>	<b>186,146</b>
B.1 Profit appropriations		186,146	<b>186,146</b>
B.2 Other changes			-
<b>C. Decreases</b>		<b>30,132</b>	<b>30,132</b>
C.1 Allocations		-	-
- loss account reserve			
- dividends		-	-
- transfers to share capital			
C.2 Other changes		30,132	<b>30,132</b>
<b>D. Closing balance</b>	<b>6,465</b>	<b>1,080,669</b>	<b>1,087,134</b>

### Minority interests

#### Breakdown of “Minority interests”

Items/Value	30/06/2023	31/12/2022
1. Share capital	176,724	157,377
2. Treasury shares		
3. Equity instruments		
4. Share premium reserve		
5. Reserves	- 125,141	- 120,366
6. Valuation reserves	- 11,414	- 2,755
7. Profit for the period/year	11,493	20,540
<b>Total</b>	<b>51,662</b>	<b>54,796</b>

“Minority interests” relate to stakes held by third parties.

## NOTES TO THE INCOME STATEMENT

### Fee and commission income and expense

#### Breakdown of “Fee and commission income and expense”

The breakdown is as follows:

SERVICES	Total 30/06/2023			Total 30/06/2022		
	Fee and comm. income	Fee and comm. expense	Net fees and comm.	Fee and comm. income	Fee and comm. expense	Net fees and comm.
<b>A. ASSET MANAGEMENT</b>						
<b>1. Proprietary portfolio management</b>						
<b>1.1 Mutual funds</b>						
- Management fees	422,386	-	422,386	377,588	-	377,588
- Incentive fees	- 6,241	-	6,241	35,682	-	35,682
- Entry / redemption fees	2,602	-	2,602	5,092	-	5,092
- Switch fees	4	-	4	6	-	6
- Other fees	844	-	844	1,329	-	1,329
<b>Total mutual fund fees</b>	<b>419,596</b>	<b>-</b>	<b>419,596</b>	<b>419,697</b>	<b>-</b>	<b>419,697</b>
<b>1.2 Individual portfolio management</b>						
- Management fees	21,208	-	21,208	21,595	-	21,595
- Incentive fees	4,781	-	4,781	4,021	-	4,021
- Entry / redemption fees	-	-	-	-	-	-
- Other fees	721	-	721	636	-	636
<b>Total individual portfolio management fees</b>	<b>26,710</b>	<b>-</b>	<b>26,710</b>	<b>26,252</b>	<b>-</b>	<b>26,252</b>
<b>1.3 Open-ended pension funds</b>						
- Management fees	12,434	-	12,434	10,727	-	10,727
- Incentive fees	-	-	-	-	-	-
- Entry / redemption fees	-	-	-	-	-	-
- Other fees	955	-	955	914	-	914
<b>Total open-ended pension fund fees</b>	<b>13,390</b>	<b>-</b>	<b>13,390</b>	<b>11,641</b>	<b>-</b>	<b>11,641</b>
<b>2. Discretionary portfolio management</b>						
- Management fees	638	-	638	1,225	-	1,225
- Incentive fees	-	-	-	-	-	-
- Other fees	-	-	-	-	-	-
<b>Total discretionary portfolio management fees</b>	<b>638</b>	<b>-</b>	<b>638</b>	<b>1,225</b>	<b>-</b>	<b>1,225</b>
<b>TOTAL ASSET MANAGEMENT FEES (A)</b>	<b>460,333</b>	<b>-</b>	<b>460,333</b>	<b>458,815</b>	<b>-</b>	<b>458,815</b>



<b>B. OTHER SERVICES</b>	173,632	-	173,632	198,540		198,540
- Advisory services	8,615	-	8,615	8,423		8,423
- Sales commissions	75,490	-	75,490	60,798		60,798
- Order intake	73	-	73	96		96
- Insurance products	71,594	-	71,594	62,266		8,669
- Other services	17,860	-	17,860	66,957		66,957
Fee expenses for sales, distribution and order intake	-	(169,502)	(169,502)		(215,570)	(215,570)
<b>TOTAL FEES AND COMMISSIONS (A+B)</b>	<b>633,965</b>	<b>(169,502)</b>	<b>464,463</b>	<b>657,355</b>	<b>(215,570)</b>	<b>441,785</b>

Fee and commission expense: breakdown by type and counterparty

SERVICES	Banks		Financial institutions		Other		Total	
		of which Group		of which Group		of which Group		of which Group
<b>A. ASSET MANAGEMENT</b>								
<b>1. Proprietary portfolio management</b>	-	-	-	-	-	-	-	-
<b>1.1 Sales fees</b>	-	-	-	-	-	-	-	-
- UCI	-	-	-	-	-	-	-	-
- Individual portfolio management	-	-	-	-	-	-	-	-
- Pension funds	-	-	-	-	-	-	-	-
<b>1.2 Maintenance fees</b>	-	-	-	-	-	-	-	-
- UCI	-	-	-	-	-	-	-	-
- Individual portfolio management	-	-	-	-	-	-	-	-
- Pension funds	-	-	-	-	-	-	-	-
<b>1.3 Incentive fees</b>	-	-	-	-	-	-	-	-
- UCI	-	-	-	-	-	-	-	-
- Individual portfolio management	-	-	-	-	-	-	-	-
- Pension funds	-	-	-	-	-	-	-	-
<b>1.4 Other fees and commissions</b>	-	-	-	-	-	-	-	-
- UCI	-	-	-	-	-	-	-	-
- Individual portfolio management	-	-	-	-	-	-	-	-
- Pension funds	-	-	-	-	-	-	-	-
<b>2. Discretionary portfolio management</b>	-	-	-	-	-	-	-	-
- UCI	-	-	-	-	-	-	-	-
- Individual portfolio management	-	-	-	-	-	-	-	-
- Pension funds	-	-	-	-	-	-	-	-
<b>TOTAL ASSET MANAGEMENT FEES (A)</b>	-	-	-	-	-	-	-	-
<b>B. OTHER SERVICES</b>	<b>2,438</b>	-	<b>1,728</b>	-	<b>165,336</b>	-	<b>169,502</b>	-
- Advisory services	-	-	-	-	-	-	-	-
- Other services	2,438	-	1,728	-	165,336	-	169,502	-
<b>TOTAL FEES FOR OTHER SERVICES (B)</b>	<b>2,438</b>	-	<b>1,728</b>	-	<b>165,336</b>	-	<b>169,502</b>	-
<b>Fee expenses for sales, distribution and order intake</b>	-	-	-	-	-	-	-	-
<b>TOTAL FEES AND COMMISSIONS (A+B)</b>	<b>2,438</b>	-	<b>1,728</b>	-	<b>165,336</b>	-	<b>169,502</b>	-

## **Interest**

### **Breakdown of “Interest income and similar income”**

This item amounts to 2,880 thousand euro (first half of 2022: 1,944 thousand euro).

<b>Items/Technical forms</b>	<b>Debt instruments</b>	<b>Repurchase agreements</b>	<b>Deposits and current accounts</b>	<b>Other</b>	<b>Total 30/06/2023</b>	<b>Total 30/06/2022</b>
1. Financial assets at fair value through profit or loss:	-	-	-	-	-	-
1.1. Held-for-trading financial assets	-	-	-	-	-	-
1.2. Financial assets designated at fair value	-	-	-	-	-	-
1.3 Other financial assets mandatorily measured at fair value	-	-	-	-	-	-
2. Financial assets at fair value through other comprehensive income	27	-	-	-	27	14
3. Financial assets at amortised cost:	295	-	2,094	-	2,388	1,691
3.1. Due from banks	-	-	2,094	-	2,094	1,691
3.2. Due from financial companies	295	-	-	-	295	-
3.3 Due from customers	-	-	-	-	-	-
4. Hedging derivatives	-	-	-	-	-	-
5. Other assets	-	-	-	465	465	240
6. Financial liabilities	-	-	-	-	-	-
<b>Total</b>	<b>321</b>	<b>-</b>	<b>2,094</b>	<b>465</b>	<b>2,880</b>	<b>1,944</b>
<i>of which: interest income on impaired financial assets</i>	-	-	-	-	-	-

Breakdown of “Interest expense and similar charges”

This item amounts to 5,969 thousand euro (first half of 2022: 8,487 thousand euro).

Items/Technical forms	Loans	Repurchase agreements	Deposits and current accounts	Other	Total 30/06/2023	Total 30/06/2022
1. Financial liabilities at amortised cost	4,925	-	91		5,016	6,445
1.1. Payables	611	-	91		701	409
1.2. Outstanding securities	4,314	-	-	-	4,314	6,036
2. Held-for-trading financial liabilities	-	-	-	-	-	-
3. Financial liabilities measured at fair value	-	-	-	-	-	-
4. Other liabilities				953	953	2,039
5. Hedging derivatives				-	-	-
6. Financial assets					-	-
<b>Total</b>	<b>4,925</b>	<b>-</b>	<b>91</b>	<b>953</b>	<b>5,969</b>	<b>8,483</b>
of which: interest expense on lease liabilities	611				611	550

## **Profits (losses) on disposal or repurchase**

This item amounts to 106 thousand euro (126 thousand euro in the first half of 2022).

### **Breakdown of “Profits (losses) on disposal or repurchase”**

Items/Income items	Total 30/06/2023			Total 30/06/2022		
	Profit	Loss	Net result	Profit	Loss	Net result
<b>1. Financial assets</b>						
1.1 Financial assets at amortised cost:						
- due from banks						
- due from financial companies						
- due from customers						
1.2 Financial assets at fair value through other comprehensive income						
- debt instruments		106	106	126		126
- loans						
1.3 Other financial assets						
<b>Total (1)</b>		<b>106</b>	<b>106</b>	<b>126</b>		<b>126</b>
<b>2. Financial liabilities at amortised cost</b>						
2.1 Payables						
2.2 Outstanding securities						
<b>Total (2)</b>		-	-			
<b>Total (1+2)</b>		<b>106</b>	<b>106</b>	<b>126</b>		<b>126</b>

**Net gains (losses) on financial assets and financial liabilities at fair value through profit or loss**

This item amounts to 6,083 thousand euro (288 thousand euro in the first half of 2022).

*Net gains (losses) on financial assets and financial liabilities at fair value through profit or loss: assets and liabilities designated at fair value*

Items/Income items	Gains	Profits on disposal	Losses	Losses on disposal	Net result
<b>1. Financial assets</b>					
1.1 Debt instruments					
1.2 Loans					
<b>2. Financial assets and financial liabilities in foreign currency: exchange rate differences</b>					
<b>3. Financial liabilities</b>	<b>6,995</b>		<b>- 912</b>		<b>6,083</b>
3.1 Payables					
3.2 Debt instruments					
<b>Total</b>	<b>6,995</b>		<b>- 912</b>		<b>6,083</b>

This item includes the effect recognised in profit or loss of the fair value measurement of the put and call options in place to purchase the residual portion of the capital of some subsidiaries that are not wholly owned.

Net gains (losses) on financial assets and financial liabilities at fair value through profit or loss: other financial assets mandatorily measured at fair value

This item amounts to a gain of 27,578 thousand euro (first half of 2022: loss of 6,347 thousand euro).

Items/Income items	Gains	Profits on disposal	Losses	Losses on disposal	Net result
<b>1. Financial assets</b>					
1.1 Debt instruments of which: government securities					
1.2. Equity instruments					
1.3. UCI units	19,462	11,240	-	3,124	27,578
<i>of which: owned UCI</i>	19,462	11,240		3,124	27,578
1.4 Loans					
<b>2. Financial assets and financial liabilities in foreign currency: exchange rate differences</b>					
<b>Total</b>	19,462	11,240	-	3,124	<b>27,578</b>

### **Results of insurance services**

This item amounts to 5,993 thousand euro (7,418 thousand euro in the first half of 2022) and relates to revenues/costs for services related to policies of the Irish insurance company Azimut Life Dac classified as insurances contracts.

### **Financial income from insurance operations**

This item amounts to 18,064 thousand euro (27,767 thousand euro in the first half of 2022) and relates to financial income/costs related to policies of the Irish insurance company Azimut Life Dac classified as insurances contracts.

### **Administrative costs**

#### **Breakdown of "Personnel costs"**

This item amounts to 89,230 thousand euro (79,668 thousand euro in the first half of 2022). The breakdown is as follows:

<b>Items</b>	<b>Total 30/06/2023</b>	<b>Total 30/06/2022</b>
<b>1. Employees</b>	<b>78,818</b>	<b>71,390</b>
a) wages and salaries	65,739	58,462
b) social security	6,121	6,647
c) staff severance pay (TFR)	-	-
d) pension contributions	-	-
e) TFR provisions	883	851
f) accrual to the pension provision and similar obligations:	-	-
- defined contribution	-	-
- defined benefit	-	-
g) private pension plans:	3	5
- defined contribution	3	5
- defined benefit	-	-
h) other employee benefits	6,072	5,425
<b>2. Other personnel</b>	<b>817</b>	<b>1,030</b>
<b>3. Directors and Statutory Auditors</b>	<b>9,595</b>	<b>7,248</b>
<b>4. Early retirement costs</b>	<b>-</b>	<b>-</b>
<b>5. Cost recoveries for employees seconded to other companies</b>	<b>-</b>	<b>-</b>
<b>6. Reimbursed costs for employees seconded to the company</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>89,230</b>	<b>79,668</b>



### Average number of employees by category

	30/06/2023	2022	30/06/2022
Managers	173	198	192
Middle managers	326	306	293
Other employees	1,144	1,026	984
<b>Total</b>	<b>1,643</b>	<b>1,530</b>	<b>1,469</b>

### Breakdown of “Other administrative costs”

This item amounts to 91,542 thousand euro (85,589 thousand euro in the first half of 2022). The breakdown is as follows:

Items	Total 30/06/2023	Total 30/06/2022
Professional services rendered	13,449	11,650
Advertising, promotion and marketing expenses	6,070	6,735
Telephone and fax	1,514	1,516
Insurance premiums	788	931
Tax liabilities	2,070	1,429
Enasarco/Firr contributions	5,094	4,638
Lease and hire	12,006	11,285
Outsourced functions	24,518	24,543
Services other than IT services	9,719	12,427
Maintenance costs	764	847
Other administrative costs	15,550	8,588
<b>Total</b>	<b>91,542</b>	<b>85,589</b>

### Net accruals to provisions for risks and charges

#### Breakdown of “Net accruals to provisions for risks and charges”

This item amounts to 3,470 thousand euro (559 thousand euro in the first half of 2022) and includes the net accrual to the provision for sundry risks and charges which comprises the legal fees for disputes with customers, as described in the note to “Provisions for risks and charges” under liabilities.

**Net impairment losses/reversals of impairment losses on property, plant and equipment**

In the first half of 2023, net impairment losses on property, plant and equipment based on depreciation may be broken down as follows:

**Breakdown of “Net impairment losses/reversals of impairment losses on property, plant and equipment”**

Items/Impairment losses and reversals	Amortisation	Impairment losses	Reversals of impairment losses	Net result
1. Business purposes	<b>6,388</b>			<b>6,388</b>
- Owned	1,595			1,595
- Right-of-use assets	4,793			4,793
2. Held for investment purposes	-			-
- Owned				-
- Right-of-use assets				-
<b>Total</b>	<b>6,388</b>			<b>6,388</b>

**Net impairment losses/reversals of impairment losses on intangible assets**

In the first half of 2023, net impairment losses on intangible assets based on amortisation may be broken down as follows:

**Breakdown of “Net impairment losses/reversals of impairment losses on intangible assets”**

Items/Impairment losses and reversals	Amortisation	Impairment losses	Reversals of impairment losses	Net result
1. Goodwill	-	-		-
2. Other intangible assets	<b>14,239</b>	<b>9,438</b>		<b>23,676</b>
2.1 owned	14,239	9,438		23,676
- generated internally				
- other	14,239			14,239
(software packages)	13,440			13,440
Customer relationships	799			799
2.2 under finance lease				
<b>Total</b>	<b>14,239</b>	<b>9,438</b>		<b>23,676</b>

“Impairment losses” relate to the discontinuation of the IT platform developed to support the sales network.

### **Income tax on profit from continuing operations**

#### **Breakdown of “Income tax on profit from continuing operations”**

<b>Breakdown</b>	<b>Total 30/06/2023</b>	<b>Total 30/06/2022</b>
1. Current taxes	90,787	76,720
2. Changes in current taxes of previous years		
3. Decrease in current taxes for the year		
3.bis Decrease in current taxes for the year due to tax credits pursuant to Italian Law No. 214/2011		
4. Change in deferred tax assets	3,323	854
5. Change in deferred tax liabilities	-7,363	-3,190
<b>Total</b>	<b>86,748</b>	<b>74,384</b>

Current income taxes for the period mainly refer to the IRAP and IRES paid by the Group’s Italian companies, taxes payable by the foreign companies as well as the income and charges from tax consolidation equal to the taxes receivable and due on taxable income transferred to the Parent Company by the Group’s Italian subsidiaries that have adopted the tax consolidation regime pursuant to article 117 of Presidential Decree no. 917/86. The tax charge related to the settlement with the Italian tax authorities agreed in April 2023 is also included. Additional information is provided in the Management Report section “Other significant events” to which reference should be made.

Taxes for the Group’s foreign companies are calculated in accordance with the tax regulations in force in the individual countries of residence.

“Change in deferred tax assets” includes the deferred tax assets recognised on temporary differences resulting from the different timing criteria of IRES tax deductibility.

The same item also includes the deferred tax liabilities on dividends to be paid by the subsidiaries within the consolidation scope.

### **Profit for the period attributable to minority interests**

The profit for the period amounts to 11,493 thousand euro (2,253 thousand in the first half of 2022) and reflects the net balance of profits and losses attributable to minority interests in consolidated companies.

### **Risks**

#### ***FINANCIAL RISKS***

As regards financial risks, the Group's proprietary trading is exposed to market risks. Moreover, these financial instruments are easily liquidated and are monitored closely, most being mutual fund units managed by the Group companies. As for credit risk, there are no specific problems given the nature of the corporate activity.

At 30 June 2023, the Group held only funds managed by Group companies in its proprietary portfolio as part of liquidity management policies.

The financial risks associated with the use of liquidity refer to flexible mutual funds, whose goal is the appreciation of capital by investing in the Eurozone in the equity, bond and liquidity markets to the extent of UCIs managed by Azimut Investments Sa.

As regards financial risks linked to the investment held in Eskatos Multistrategy ILS Fund, this UCI is an asset that is completely uncorrelated with the normal risks that instruments usually present on the market are subject to.

As regards controls over financial management, the risk management function controls the risk profile of the managed portfolio and provides the Investment Department with a market risk assessment risk. Specifically, the assessment is performed by analysing the portfolios of the individual funds and monitoring, on an on-going basis, the significant risk factors identified, such as the average financial duration, exposure to various asset classes and financial instruments, currency exposure and the credit rating of the issuers.

In general, the assessment of the portfolios' risk profile is performed ex-post both in absolute terms (volatility understood as the standard annual deviation) and in relative terms compared to the benchmark (tracking error volatility). With regard to the ex-ante assessment of the market risk, the risk management function uses external providers to calculate the Value at Risk (VaR) of the managed portfolio. Where necessary, the VaR

represents the basis for the establishment of the limits within which the manager may accept the risk. In addition, the risk management function monitors the development of the risk models adopted and the return of the funds in relation to peers and the benchmark, where disclosed.

### Disclosure required by IFRS 7 about the Group's indebtedness:

#### *Loans raised and repaid during the period*

At 30 June 2023, the Group had the following debt structure:

<i>Euro/000</i>	Currency	Interest rate		Nominal amount	Maturity
		Nominal	Effective		
<b>Balance at 01.01.2023</b>					
<i>Of which:</i>					
Banco BPM S.p.A. loan	Euro			288	2026
"Azimut 2019-2024" Bond	Euro	1.625%	1.73%	500,000	2024
<b>Redemptions:</b>					
<i>Of which:</i>					
Banco BPM S.p.A. loan	Euro			-33	2023

(\*) This amount reflects the carrying amount and includes interest accrued at 30 June 2023 but not yet paid, net of transaction costs.

The maturity profile of the nominal debt structure is as follows:

Maturity	Loan	Bond	Total
Up to 6 months			
Up to 1 year	70		70
Between 1 and 3 years	185	500,000	500,185
Between 3 and 5 years			
Over 5 years			
<b>Total</b>	<b>255</b>	<b>500,000</b>	<b>500,255</b>

No quantitative disclosure is provided about recognised financial assets since the financial instruments invested in can be easily liquidated as specified above.

### **OPERATIONAL RISKS**

This form of risk includes those that are typical of the various business operating procedures.

In the broader framework of its own activities, the Risk Management function “maps out” and monitors the risks, through specific analyses based on an internally-developed model approved by the internal control and risk management committee. The operating model applied associates an index which summarises the risk level, to each type of risk identified, based on the combination of empirical findings, theoretical assessments and interviews with operators. The results of the analyses are subsequently presented, analysed and discussed with the internal control and risk management committee. Where necessary, the latter takes the necessary measures in respect of the irregularities identified.

Since the Company’s incorporation, the losses arising from the above-mentioned operational risks have never been significant.

With respect to operational risks arising from outsourced functions, when the relevant contract was signed, the Company agreed the terms and conditions governing the provision of the outsourced services and prepared specific service level agreements whereby the outsourcer undertakes to provide its supplies at an appropriate qualitative service level, allowing the Company to take action against the supplier in the event of any economic losses arising from problems in the provision of services.

Another measure to ensure that services are performed correctly was the creation of an Operating Committee, whose members come from both Azimut Capital Management SGR S.p.A. and the supplier company, to establish the procedures, define the timescales, and

monitor the correct execution of all services provided. This Committee meets at least once a month. Minutes are drawn after the meeting which are subsequently discussed with the participants.

## **Information on Shareholders' Equity**

### **Company equity**

#### **Qualitative information**

As regards the individual items of the consolidated shareholders' equity, please see the relevant description in these notes.

#### **Quantitative information**

Company equity: breakdown

<b>Items/Value</b>	<b>30/06/2023</b>	<b>31/12/2022</b>
<b>1. Share capital</b>	<b>32,324</b>	<b>32,324</b>
<b>2. Share premium reserve</b>	<b>173,987</b>	<b>173,987</b>
<b>3. Reserves</b>	<b>1,087,134</b>	<b>931,120</b>
income-related		
<i>a) legal</i>	<i>6,465</i>	<i>6,465</i>
<i>b) statutory</i>		
<i>c) treasury shares</i>		
<i>d) other</i>	<i>1,189,584</i>	<i>1,033,570</i>
other	-108,915	-108,915
<b>4. (Treasury shares)</b>	<b>-56,485</b>	<b>-56,485</b>
<b>5. Valuation reserves</b>	<b>8,972</b>	<b>14,591</b>
Financial assets at fair value through other comprehensive income	1,036	227
Property, plant and equipment		
Intangible assets		
Foreign investment hedge		
Cash flow hedge		
Exchange rate differences	7,080	13,195
Non-current assets held for sale and discontinued operations		
Special revaluation laws		
Actuarial gains/losses on defined benefit plans	856	1,169
Share of valuation reserves for investments measured at equity		
<b>6. Equity instruments</b>	<b>36,000</b>	<b>36,000</b>
<b>7. Profit for the period/year</b>	<b>222,829</b>	<b>425,374</b>
<b>Total</b>	<b>1,504,761</b>	<b>1,556,911</b>



## Statement of comprehensive income

Items	1H2023	1H2022
<b>10. Profit for the period</b>	234,322	227,313
<b>Other comprehensive income not transferred to profit or loss</b>	496	-4,483
<b>20. Equity instruments at fair value through other comprehensive income:</b>		
a) changes in fair value	809	-4,868
b) transfers to other equity items		
<b>30. Financial liabilities designated at fair value through profit or loss (change in credit rating)</b>		
a) changes in fair value		
b) transfers to other equity items		
<b>40. Hedges of equity instruments at fair value through other comprehensive income:</b>		
a) changes in fair value (hedged item)		
changes in fair value (hedging instrument)		
<b>50. Property, plant and equipment</b>		
<b>60. Intangible assets</b>		
<b>70. Defined benefit plans</b>	-313	385
<b>80. Non-current assets held for sale and discontinued operations</b>		
<b>90. Share of valuation reserves of investments measured at equity</b>		
<b>100. Income taxes on other comprehensive income not transferred to profit or loss</b>		
<b>Other comprehensive income transferred to profit or loss</b>		
<b>110. Foreign investment hedge:</b>		
a) changes in fair value		
b) transfer to profit or loss		
c) other changes		
<b>120. Exchange rate differences:</b>	-6,115	47,382
a) changes in fair value		
b) transfer to profit or loss		
c) other changes	-6,115	47,382
<b>130. Cash flow hedge:</b>		
a) changes in fair value		
b) transfer to profit or loss		
c) other changes		
<b>140. Hedging instruments (non-designated items)</b>		
a) changes in fair value		
b) transfer to profit or loss		
c) other changes		

<b>150. Financial assets (other than equity instruments) at fair value through other comprehensive income:</b>		
a) changes in carrying amount		
b) transfer to profit or loss		
- credit risk adjustments		
- profits/losses on disposal		
c) other changes		
<b>160. Non-current assets held for sale and discontinued operations:</b>		
a) changes in fair value		
b) transfer to profit or loss		
c) other changes		
<b>170. Share of valuation reserves of investments measured at equity:</b>		
measured at equity:		
a) changes in fair value		
b) transfer to profit or loss		
- impairment losses		
- profits/losses on disposal		
c) other changes		
<b>180. Income taxes on other comprehensive income transferred to profit or loss</b>		
<b>190. Total other comprehensive income (expense)</b>	<b>-5,619</b>	<b>42,899</b>
<b>200. Comprehensive income (Items 10+190)</b>	<b>228,703</b>	<b>270,212</b>
<b>210. Consolidated comprehensive income attributable to minority interests</b>	<b>11,493</b>	<b>2,253</b>
<b>200. Consolidated comprehensive income attributable to the parent company</b>	<b>217,210</b>	<b>267,959</b>

## **Related-party transactions**

### **Information on key management fees**

Directors' fees amount to 9,089 thousand euro in the first half of 2023.

Fees for the Board of Statutory Auditors, calculated based on the parameters in force, amount to 386 thousand euro.

### **Information on related-party transactions**

Related-party transactions referring to commercial transactions carried out by Azimut Holding S.p.A. with its subsidiaries and associates, as well as among its subsidiaries and/or associates during the first half of 2023, are part of the Group's ordinary business and were conducted on an arm's length basis.

Moreover:

- for the use of the trademark, the subsidiary Azimut Capital Management Sgr S.p.A. pays Azimut Holding S.p.A. contractually established annual royalties totalling 2,000 thousand euro;
- Azimut Holding S.p.A., as the Parent Company, Azimut Capital Management Sgr S.p.A., Azimut Financial Insurance S.p.A., Azimut Libera Impresa SGR S.p.A., Azimut Enterprises S.r.l., Azimut Capital Tech S.r.l. and AZ Venture Tech S.r.l. (from 1 January 2023) as subsidiaries, have adopted the tax consolidation regime;
- a contractually established annual fee (totalling 1,000 thousand euro) is payable for the coordination activities carried out by the Parent Company on behalf of the subsidiary Azimut Capital Management Sgr S.p.A.;
- a contractually established annual fee (totalling 300 thousand euro) is payable for the coordination activities carried out by the Parent Company on behalf of the subsidiary Azimut Libera Impresa Sgr S.p.A..

Azimut Capital Management Sgr S.p.A. has disbursed loans to several financial advisors, identified as related parties, to develop their business. The terms and conditions of these loans are at arm's length. At 30 June 2023, they amounted to 11,344 thousand euro.

Moreover, the directors of the Group who also act as managers of mutual funds are exempt from paying fees and commissions on any personal investments made in the funds they manage.

An annual fee calculated based on contractually established percentages is payable for the Risk Management, Internal Audit, Compliance and Anti-money Laundering control activities carried out by Azimut Capital Management SGR S.p.A., in favour of Azimut Holding S.p.A., Azimut Financial Insurance S.p.A., Azimut Libera Impresa SGR S.p.A., Azimut Life Dac (only to the extent of the Anti-money Laundering function) and Azimut Direct S.p.A..

An annual fee calculated based on contractually established percentages is payable for the IT/operation activities carried out by Azimut Capital Management SGR S.p.A. in favour of AZ Fund Management Sa.

With respect to profit-participating financial instruments, in accordance with Shareholders' resolutions, 4 key managers subscribed 200,000 instruments (paying the corresponding amount), including the Chairman Pietro Giuliani (110,000), the Chief Executive Officers Gabriele Blei (30,000), Paolo Martini (30,000) and Alessandro Zambotti (30,000). As per the Shareholders' agreement related to Azimut Holding S.p.A., 1,234 related parties subscribed a total of 1,136,414 profit-participating financial instruments. At 30 June 2023, the Parent Company held 163,586 profit-participating instruments.

Minor transactions refer to an investment transaction carried out last year by Azimut Enterprises S.r.l. and Azimut Libera Impresa SGR S.p.A., on behalf of the Azimut Digitech Fund which entailed the capital increase for consideration of Up2You S.r.l. (capital increase for consideration to be carried out in several tranches), a related party of Azimut Holding S.p.A..

Lastly, the transactions of lesser importance also include Azimut Enterprises S.r.l.'s investment in FinGroove S.r.l., whose founder, and a party to the investment agreement, is a related party as a member of the voting and blocking syndicate related to Azimut Holding S.p.A. shares, in compliance with the company's procedure applicable to related party transactions.

The following table shows the impact that the transactions or positions with related parties have on the Group's financial position and results of operations:

	Total	Related parties	
		Absolute value	%
<u>Assets</u>			
Other assets	430,426	11,344	2.64
<u>Liabilities</u>			
Other liabilities:	316,255	6,859	2.17
<i>Due to the Board of Statutory Auditors</i>		333	0.11
<i>Due to Directors</i>		6,526	2.06
<u>Income statement</u>			
Administrative costs	180,772	11,032	6.10
<i>Statutory Auditors' fees</i>		386	0.21
<i>Directors' fees</i>		9,088	5.03
<i>VAT on royalties, coordination activities and recharges of control and IT/operation activities</i>		1,558	0.86

## **Leases**

This section provides the information required of lessees by IFRS 16 which has not been already included in other sections of these interim consolidated financial statements.

### *Qualitative information*

This item provides the qualitative disclosure required by paragraph 60 of IFRS 16. The leases entered into by the Group and falling within the scope of IFRS 16 refer to buildings, printers and cars. Property leases are the most significant item as they account for approximately 99% of the recognised right-of-use assets. Conversely, the impact of cars and printers is marginal.

The costs of leases where the underlying asset has a low value (i.e., below 5,000 euro) and the term is 12 months or less are recognised under “*Other administrative costs*” in the income statement. These costs coincide with the invoice related to the lease payment of the period (quarterly or monthly).

With respect to the contracts falling under the scope of IFRS 16, no discount on lease payments was granted. Therefore, the rules under the ESMA amendment of 28 October 2020 were not applied.

### *Quantitative disclosure*

In the first half of 2023, lease liabilities with a term of 12 months or less were recognised for 358 thousand euro. There are no lease liabilities related to low-value assets.

The specific notes to the balance sheet and the income statement provide information about right-of-use assets.

### **Other information**

#### Average number of financial advisors

In the first half of 2023, the average number of financial advisors was 1,864.

#### Dividends paid

The unit dividend for 2023 amounted to 1.3 euro per ordinary share and was paid in May 2023 in cash.

#### Significant non-recurring events and transactions

In the first half of 2023, the Azimut Group did not carry out non-recurring transactions which have not already been disclosed in these notes.

There were no atypical and/or unusual transactions.

On behalf of the Board of Directors  
Chief Executive Officer  
(Gabriele Roberto Blei)

## **Certification of the condensed consolidated interim financial statements pursuant to article 154-bis of Italian Legislative Decree No. 58/98**

1. The undersigned, Gabriele Roberto Blei, Chief Executive Officer, and Alessandro Zambotti, manager in charge of financial reporting of Azimut Holding S.p.A., hereby represent, having also taken into account the provisions of Article 154-bis, paragraphs 3 and 4 of Italian Legislative Decree No. 58 of 24 February 1998:

- the adequacy in view of the nature of the business and
- the effective application

of the administrative and accounting procedures used for the preparation of the condensed consolidated interim financial statements for the first half of 2023.

2. The evaluation of the adequacy of the administrative and accounting procedures for the preparation of the condensed consolidated interim financial statements at 30 June 2023 is based on a system drafted by Azimut Holding, in accordance with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, an internationally accepted reference framework.

3. The undersigned also represent that:

**3.1.** the condensed consolidated interim financial statements at 30 June 2023:

- a) were prepared in accordance with the International Financial Reporting Standards endorsed by the European Commission pursuant to Regulation (EC) 1606/2002 of the European Parliament and Council, of 19 July 2002;
- b) are consistent with the accounting books and records;
- c) and give a true and fair view of the financial position and results of operations of the issuer and the companies included in its scope of consolidation.

**3.2.** The interim management report contains a reliable analysis of the references to important events during the first six months and their impact on the condensed consolidated interim financial statements, as well as a description of the key risks and uncertainties for the remaining six months of the year. The interim management report also includes a reliable analysis of significant related-party transactions.

Milan, 27 July 2023

*Chief Executive Officer*

(Gabriele Roberto Blei)

*The Manager in charge of financial reporting*

(Alessandro Zambotti)

## Review report on the interim condensed consolidated financial statements

(Translation from the original Italian text)

To the Shareholders of  
Azimut Holding S.p.A.

### Introduction

We have reviewed the interim condensed consolidated financial statements, comprising the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity and cash flows and the related explanatory notes of Azimut Holding S.p.A. and its subsidiaries (the "Azimut Holding Group") as of 30 June 2023. The Directors of Azimut Holding S.p.A. are responsible for the preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### Scope of Review

We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of 31 July 1997. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements of Azimut Holding Group as of 30 June 2023 are not prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, 7 August 2023

EY S.p.A.

Signed by: Giuseppe Miele, Auditor

*This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*