

Smart Capital

The Smart Money is on SMEs

Smart Capital is a permanent investment holding company specialised in private equity and private investments in public equity (PIPE) transactions, with a focus on Italian small and medium-sized companies. A skilled management team and investors with important industry expertise enabling it to carefully select attractive opportunities in Italian SMEs are its distinguishing features. In the PIPE segment Smart Capital usually invests in IPOs on the Euronext Growth Milan (EGM), offering its investors a diversified risk and an appealing entry point to exploit the investee business' growth and potential trading multiples' re-rating from a delisting or translisting.

Permanent investment vehicle; industry expertise from top management and investors

Smart Capital is a permanent investment holding specialised in private equity and private investments in public equity (PIPE) transactions, with a minority but qualified approach, and with a focus on Italian small and medium-sized companies. Smart Capital can leverage on financial and industry expertise through its management team, but also on its current investors, which are major shareholders and/or hold top management positions in some of the most important SMEs operating in the fields of fastening systems, automotive, healthcare, industrial equipment, design and communications, among others.

Cornerstone and co-investment boosting opportunities in the Italian SMEs

Smart Capital's investment focus is on Italian small and medium-sized (SMEs), listed or unlisted (or in the pre-IPO phase) enterprises. In the PIPE (Private Investment in Public Equity) segment, Smart Capital mainly focuses on companies going public on the Euronext Growth Milan (EGM), which represents an interesting entry point for investors, looking for growth in the investee business but also for a trading multiples re-rating, usually triggered by a delisting or by a translisting to the Euronext Milan (MTA) or Euronext STAR Milan (STAR). Smart Capital acts as a cornerstone and adopts a co-investment approach, which further boosts its range of investment opportunities. Smart Capital has recorded a EUR 4.2M capital gain related to all the exits since 2020 and an IRR of over 26%.

Key risks

Among the key risks, we highlight: a large exposure to Italy, with related country risk; 2) a limited liquidity, typical of Italian listed SMEs, possibly impacting both Smart Capital and its investee companies; 3) need to write-down/off investee companies, thus impacting the net worth and ability to distribute dividends; and 4) the main growth channel for Smart Capital is through a capital increase, which would lead to dilution for those shareholders not willing to participate.

Valuation

To value Smart Capital we used a NAV approach, adopting the following methodology: 1) listed companies are valued at market prices; 2) large investments in non-listed companies are valued using multiples of comparable companies; 3) small investments in non-listed companies are valued at investment cost; 4) the latest reported net debt (cash) is deducted, adjusted for possible cashflows booked after the date of the last reported financials, including the net IPO proceeds (EUR 8.5M). We calculate an EUR 1.80/sh fair value and rate the company a BUY.

27 January 2025: 7:43 CET
Date and time of production

BUY

Target Price: EUR 1.80

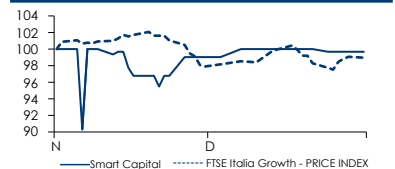
Italy/Holdings
Initiation of Coverage

EXM

Smart Capital - Key Data

Price date (market close)	24/01/2025	
Target price (€)	1.80	
Target upside (%)	16.50	
Market price (€)	1.55	
Market cap (EUR M)	45.53	
52Wk range (€)	NA/NA	
	EUR M	% of total
Listed assets	22.35	42.18
Unlisted assets	17.81	33.61
Net debt/-cash	12.83	24.20
NAV	52.99	100.0
Current disc (%)	100.0	

Price Perf. (RIC: SMCAP.MI , BB: SMCAP IM)



Source: FactSet and Intesa Sanpaolo Research estimates

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Smart Capital at a Glance






Smart Capital is a permanent investment holding specialised in private equity and private investments in public equity (PIPE) transactions, through minority stakes in Italian small and medium-sized companies, listed or unlisted (or in the pre-IPO phase), via a qualified approach.

Operating since 2020 by Andrea Costantini and Andrea Faraggiana, highly experienced managers in the fields of industry management and M&A/private equity, both at a national and international level, among its shareholders Smart Capital can count on some important Italian entrepreneurial families (>100) that bring knowledge, skills and capital, also allowing the company to act as the 'Anchor Investor' in some transactions.

Smart Capital seeks to be a conscious investor in public and private markets, using ESG considerations in its investment decisions to achieve long-term returns for all stakeholders.

Focus on Italian SMEs

Smart Capital – Key items

 8 <i>Club Deals</i>	 €0.009 <i>DPS⁽¹⁾²²</i> €0.012 <i>DPS⁽¹⁾²³</i>	 > 200 <i>Investment opportunities per year</i>	 ESG 
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(1) Dividend per share; Source: Company data

By scouting around 200 investment opportunities per year, the group has invested so far EUR 50.8M in 18 companies, including 8 club deals, of which 8 in private equity and 10 in PIPE. Smart Capital has recorded a EUR 4.2M capital gain related to all the exits since 2020 and an IRR of over 26%, calculated using only the cash flow associated with the total disinvestments completed since 2020.

... investing EUR 55M with an IRR of over 26% since 2020

Smart Capital – Key figures

Total Assets ⁽²⁾	NAV & NAV x share	IRR ⁽³⁾	Capital Gain ⁽⁴⁾
€ 50.8 m	<ul style="list-style-type: none"> ➤ € 41.4 m ➤ € 1.75 <i>(+73% since inception)</i> 	26.4 %	4.2 m

(2) Total asset consolidated; (3) NAV is calculated as the sum of: Pipe + Private Equity + Cash (equal to EUR 3.8M) + Cash equivalents (equal to EUR 2.8M and represented by readily marketable investments consisting of fixed income securities, mutual funds, bonds, insurance policies and SFP subscription) - Financial Debt (equal to EUR 3.2M); (4) The IRR is calculated using only the cash flow associated with all the disinvestments that Smart has completed since inception; (5) The capital gain consider all the exits since inception.

Investment Case

A leading Italian permanent capital investor ...

Smart Capital is a permanent investment vehicle, focused on Private Equity and Private Investments in Public Equity (PIPE) transactions. The company acquires minority stakes selected via a qualified approach in Italian small and medium-sized companies, listed, unlisted or in the pre-IPO phase. Smart Capital covers a full range of investment types and sizes, with a focus on SMEs, and will consider majority investments where opportunities arise. It also leverages on revenues from advisory and M&A services to its portfolio companies.

...with in-house competences...

Smart Capital can leverage on financial and industry expertise through its management team and investors. In particular, Andrea Costantini, chairman, CEO and managing partner, has more than 20 years of experience, first in auditor firms, then in industry, as a manager at d'Amico (shipping) and as the executive vice-president in Agrati (fastening systems). Andrea Faraggiana, general manager and managing partner, has more than 15 years of experience in financial and investment firms. Laura Pedrinazzi, general manager of Smart4 Tech, has more than 20 years of experience in technology companies, in particular as senior data scientist in bid (break in data) and Nokia. Roberto Francani, advisory and business development director, has more than 15 years of experience in financial advisory and consulting. In addition, some of Smart Capital's current investors have in-depth industrial expertise, as they are major shareholders and/or hold top management positions in some of the most important SMEs operating in the fields of fastening systems, automotive, healthcare, industrial equipment, design and communications, among others, offering to the company strong industrial expertise in these core investment markets.

...and a long-term value creation approach, leveraging on a stable shareholders' base

Smart Capital pursues a long-term and sustainable approach to value creation, combining different investment styles (private equity, PIPE, co-investment) to provide diversification and flexibility to capture growing opportunities in multiple reference markets. This long-term value creation approach is based on a stable shareholders' base, thanks to the presence of two top managers, Costantini and Faraggiana, and the Agrati family holding, which together hold 34.8% of the share capital and 56.8% of the voting rights.

Focused on a fragmented market offering investment opportunities

Smart Capital's investment focus is on Italian small and medium-sized (SMEs), listed or unlisted (or in the pre-IPO phase) enterprises. This segment is densely populated and offers investment opportunities in companies that not only held up during the pandemic, but in 2022 (latest aggregate data) achieved higher levels of revenue, gross profit, and RoE compared to 2019 pre-pandemic levels. In the PIPE (Private Investment in Public Equity) segment, Smart Capital mainly focuses on companies going public on the Euronext Growth Milan (EGM), which represents an interesting entry point for investors, looking for growth in the investee business but also for a trading multiples re-rating, usually triggered by a delisting or a translisting to the Euronext Milan (MTA) or Euronext STAR Milan (STAR). We highlight that EGM's average EV/EBITDA multiples, based on FactSet consensus, trade at a discount of between 24-34% vs. STAR in 2025-26. Secondly, thanks to its strong knowledge in specific sectors, the company also evaluates PIPE investments in listed companies that it considers undervalued or with an important growth path ahead.

A cornerstone approach and co-investments facilitate investment opportunities

Acting as a cornerstone and adopting a co-investment approach also boosts Smart Capital's investment opportunities. Investing as a cornerstone (as has been the case for A.L.A, Cofle, GM Leather and NextGeo) has given the company strong leverage in negotiating rights and investment conditions, in being allocated a significant stake, the possibility to appoint a director and/or auditor based on an investment agreement, and to closely monitor the evolution of the investment. Smart Capital has strategically decided to also adopt a co-investment approach, which allows it to work with leading institutional players and increase the investment size, thereby improving market positioning and visibility and providing access to further investment opportunities.

Supporting investee companies through M&A, advisory, management support

Leveraging the financial and industrial expertise of its management team and investors, Smart Capital acts as an "active investor" to create value for its strategic portfolio companies. In particular: 1) it supports the companies' strategic decisions thanks to a seat on the board of directors/auditors, usually defined by an investment agreement; 2) it provides strategic and financial support in M&A and advisory; and 3) it assists management in specific activities.

Well-defined sector targets and a diversified portfolio

Smart Capital has built up a well-diversified investment portfolio, with total assets of over EUR 50.8M. While generalist in nature, the portfolio is currently mainly focused on the Mechanical/Manufacturing, Specialized Logistics and Technology sectors, where Smart Capital can rely on in-house expertise, with a large portion of direct investments focused on Euronext Growth Milan companies. Co-investments were made through 8 special purpose vehicles with over 65 co-investors.

A track record of positive performance

Since its creation in 2020, Smart Capital's NAV as at 1H24 had increased by 73%, outperforming all the main benchmark indices such as FTSE STAR (+21% over the same period), FTSE Italia Mid Cap (+16% over the same period) and FTSE Italia Growth (+4% over the same period). It also generated a capital gain of c. EUR 4.2M, partly related to tender offers on the portfolio companies, such as Civitanavi Systems, Assiteca, Reevo, Net Insurance and IVS Group. The IRR, calculated using only the cash flow associated with all divestments, is around 26.4%.

Key Risks

A large exposure to Italy

As a vehicle almost totally focused on Italian companies, we see an 'Italy-related' risk for Smart Capital, in particular considering that Italian indexes (FTSE MIB, FTSE All Shares) in the last 20 years have been impacted by a deterioration in Italian "sovereign-risk", e.g. during the 2008 global financial crisis, or the European sovereign debt crisis started in 2010. We highlight that in general SMEs have performed better than large caps, when looking at their reference index, e.g. FTSE STAR for SMEs and FTSE MIB for large caps.

Liquidity risk in SMEs investments

The liquidity in Italian listed SMEs is quite limited and has deteriorated due to the redemption of PIR funds which have reached the 5-year maturity thus triggering fiscal benefits for the retail investor. Liquidity risk can possibly impact both Smart Capital and its investee companies. However, we think that PIR redemptions should soften this year and ahead, as the flows relative to the previous 5 years were modest or negative. Moreover, Smart Capital acts as a long-term investor, mitigating the liquidity risk of its listed companies' portfolio.

Write-down/off of investee companies

The value of investments made by Smart Capital is reflected in its NAV, directly related to the share price trend in the case of listed companies, and indirectly related to equity market trends in the case of non-listed companies, which can be valued with peer multiples. Should a significant difference between market value and book value of an investee company arise, a write-down/off could be needed, with a possible impact on Smart Capital's net worth and its ability to distribute dividends.

Capital increase is the main channel to grow, with a possible dilution for shareholders

Despite management's ability to increase the NAV value thus far, in order to significantly increase its assets under management, the main channel for growth is through a capital increase. This possibility would lead to dilution for those shareholders not prepared to participate in the capital increase.

Valuation

To value Smart Capital we used a NAV approach, adopting the following methodology:

- Listed companies are valued at market prices;
- Large investments in non-listed companies are valued using multiples of comparable companies;
- Small investments in non-listed companies are valued at investment cost;
- The latest reported net debt (cash) is deducted, adjusted for possible cashflows booked after the date of the last reported financials, including the net IPO proceeds (EUR 8.5M) and Venpa stake disposal (EUR 0.4M).

As better detailed below, based on this methodology, we calculate an EUR 1.80/sh fair value for Smart Capital and rate the company a BUY.

Non-listed companies' valuation

Regarding **non-listed companies**, we value the most important investments, i.e. Midolini (EUR 2M investment), MGM (EUR 1M investment) and Inunup (EUR 0.7M investment), using 2023 peers' average EV/Sales and EV/EBITDA.

Key investments in non-listed companies valued at peers' multiples...

Midolini Group provides services in the lifting sector, through the rental, with or without operator, of cranes and aerial platforms, and carries out turnkey lifting works, including design and feasibility studies. The group is made up of a lifting and transport BU (Tech2Lift), a terminal operator BU (Midsea) and a logistic BU (Midway). In 2023 pro-forma the company posted EUR 40M revenues, EUR 5.9M EBITDA, with a EUR 16.4M net debt. Using multiples of comparables, identified as H&E, Oshkosh, Terex Corp., Herc Hold., PALFINGER, United Rentals and Cargotec - we calculate a fair value of EUR 40.2M.

Smart Capital – Midolini valuation with multiples

x, EUR M	EV/Sales 2023	EV/EBITDA 2023
H&E	3.3	7.1
Oshkosh	0.7	6.5
Terex Corp.	0.7	4.8
Herc Hold.	3.0	6.8
PALFINGER AG	0.6	4.9
United Rentals	4.3	9.0
Cargotec	0.7	5.3
Average	1.9	6.3
Revenues	40.0	
		5.9
EV	75.8	37.4
Net debt	16.4	16.4
Equity	59.4	21.0
Average	40.2	

Market multiples at market close of 20/01/2025. Source: FactSet and Intesa Sanpaolo Research estimates

MGM is the main European production hub for technical and outdoor shoes. In 2023 the company posted EUR 60M revenues, EUR 6.4M EBITDA, with a EUR 10.7M net debt. Using the multiples of comparables - identified as Wolverine World Wide, Caleres and Crocs - we calculate a fair value of EUR 78.4M.

Smart Capital – MGM valuation with multiples

X, EUR M	EV/Sales 2023	EV/EBITDA 2023
Wolverine World Wide	1.2	26.8
Caleres	1.6	7.1
Crocs	1.9	6.4
Average	1.5	13.4
Revenues	60.0	6.4
EV	92.4	85.8
Net debt	10.7	10.7
Equity	81.7	75.1
Average	78.4	

Market multiples at market close of 20/01/2025. Source: FactSet and Intesa Sanpaolo Research estimates

Inunup is specialised in compacting, filling and packaging of cosmetic products. In 2023 it posted EUR 12.6M revenues, EUR 2.3M EBITDA, with a EUR 0.7M net cash. Using the multiples of comparables - identified as Intercos, Nu Skin, IFF, Symrise and Givaudan - we calculate a fair value of EUR 35.3M.

Smart Capital – Inunup valuation with multiples

x, EUR M	EV/Sales 2023	EV/EBITDA 2023
Intercos	1.5	10.9
Nu Skin	0.3	2.9
IFF	2.7	15.6
Symrise	3.4	18.0
Givaudan	5.9	27.1
Average	2.8	14.9
Revenues	12.6	2.3
EV	34.9	34.3
Net debt (-cash)	-0.7	-0.7
Equity	35.6	35.0
Average	35.3	

Market multiples at market close of 20/01/2025. Source: FactSet and Intesa Sanpaolo estimates

newcleo (an EUR 0.6M investment for Smart Capital) focuses on the design of and building of reactors and on the manufacturing of MOX (mixed oxide fuel), through an innovative combination of existing and affordable technologies, aiming at generating safe and clean nuclear energy. We used the valuation of the latest capital increase, occurred in April 2024 and reported in 2023 company's financial statements, when 31.1M new shares were issued for an equity raise of EUR 87.1M, i.e. around EUR 2.8/sh. Based on this transaction, Smart Capital stake in newcleo has a worth of around EUR 4M.

Spoki (an EUR 0.2M investment for Smart Capital) is a cutting-edge conversational marketing platform via WhatsApp, aiming at engaging companies' business with their customers. The platform facilitates seamless engagement over the customer's entire journey, covering everything from GDPR-compliant marketing and sales to post-purchase support. An EUR 5.5M capital increase has been recently finalized, which values Smart Capital stake at around EUR 1.1M.

NAV valuation points to EUR 1.80/sh

By applying the valuation described above for large investments among non-listed companies, investment cost for small investments among non-listed companies and market prices for listed companies, we calculate a fair value for Smart Capital of EUR 53M, or EUR 1.80/sh, as shown in the table below. In particular:

- A contribution of EUR 22.4M from listed companies, or EUR 0.76/sh;
- A contribution of EUR 17.8M in non-listed companies, or EUR 0.60/sh;
- A contribution of EUR 12.8M, or EUR 0.44/sh, from net cash and other financial instruments at 1H24, adjusted for the dividend distributed by Sogefi on 22 July, the cash-out for the purchase of ICF and Unieuro shares in July, the IPO proceeds and Venpa disposal, not included in 1H24 net cash.

... or at capital increase value

Smart Capital – NAV calculated at market prices

	Stake (%)	NAV (EUR M)
Smart A.L.A.	2.4	5.4
A.L.A.	0.8	1.7
SmartVSL Geosolutions	1.0	3.9
Sogefi	1.1	2.6
Eurogroup Laminations	0.5	2.3
SmartAgri (Cofle)	2.4	0.5
G.M. Leather	6.3	0.8
ICF*	2.8	0.9
Unieuro*	0.9	2.2
Giglio.com	1.5	0.2
Other		1.8
Total listed companies		22.4
Midolini	9.6	4.0
MGM	4.6	3.6
Inunup	6.7	2.5
newcleo	0.3	4.0
Spoki	NA	1.1
Other		2.5
Total non-listed companies		17.8
Cash**		12.8
Fair Value		53.0
Fair Value/sh (EUR)		1.80

Priced at market close of 20/01/2025. * Including the shares purchased in July ** Including the Sogefi dividend distributed on 22 July, the cash-out for the purchase of ICF and Unieuro shares in July, the net IPO proceeds and the Venpa disposal. Source: Intesa Sanpaolo Research estimates












We highlight that a large part of assets held by Smart Capital are listed and covered companies, around 55% of listed and non-listed companies' total value. As a pure indication, if we value each of Smart Capital's listed companies at average consensus target prices (source: FactSet), we calculate a fair value of EUR 61.2M, or EUR 2.08/sh.

A Permanent Capital Investor

Smart Capital is a permanent investment vehicle, focused on Private Equity and Private Investments in Public Equity (PIPE) transactions. The company acquires minority stakes selected via a qualified approach in Italian small and medium-sized companies, listed, unlisted or in the pre-IPO phase.

Smart Capital covers a full range of investment types and sizes, with a focus on SMEs, and will even consider majority stake investments should opportunities arise. In addition, it can leverage on revenues from advisory and M&A services to its portfolio companies.

Smart Capital – Comparison vs. competitors on types and dimensions of investments

Company	Focus on SMEs	Type		Dimension		Revenues from advisory and M&A
		PIPE	PE	Majority	Minority	
 Smart Capital <small>Long-term investors</small>	✓	✓	✓	⚠	✓	✓
 SOFINA		✓	✓		✓	
 WENDEL			✓	✓	✓	
 Exor	✓	✓	✓	✓	✓	
 ITALMOBILIARE <small>INVESTMENT HOLDING</small>	✓		✓	✓	✓	
 TIKEHAU <small>INVESTMENT HOLDING</small>	✓	✓	✓	✓	✓	
 NB AURORA	✓		✓	✓	✓	
 FSI			✓	✓	✓	
 REDFISH <small>INVESTMENT CAPITAL</small>	✓	✓	✓	✓	✓	
 T.I.P. <small>Talenti Investimenti Partners S.p.A.</small>	✓	✓	✓		✓	✓
 FIRST CAPITAL	✓	✓	✓		✓	✓

⚠ Coming soon 🏠 Listed company

Source: Company data

Smart Capital differentiates from its competitors thanks to well-defined target sectors (i.e. mechanics/manufacturing, logistics and technology), its industrial and technological know-how, its long-term value creation approach and its co-investment policy.

Well-defined sector targets

While a generalist by nature, the company has thus far mainly invested in mechanics, logistics and technology, also leveraging on the expertise of employees, shareholders and senior advisors. At present, Smart Capital is invested in the following companies:

- **Mechanics/manufacturing:** Cofle, Sogefi, Eurogroup Laminations, GM, OTK, MGM, Inunup, with a geographical focus in Lombardy, Veneto and Emilia Romagna;
- **Specialty logistics:** A.L.A. and Midolini, with a geographical focus in Lombardy, Campania and Veneto;
- **Technology:** Smart4Tech, NextGeo, Civitanavi Systems (divested), Newcleo, Bernardinello, Giglio.com and Knobs (divested), with a geographical focus in Lombardy, Lazio and Campania.

Smart Capital – Investments by sector

MANUFACTURING	SPECIALTY LOGISTICS	TECHNOLOGY
INVESTEE COMPANIES 	INVESTEE COMPANIES 	INVESTEE COMPANIES 
		

Source: Company data

Industrial and technological in-house know-how

Smart Capital has access to financial and industry expertise through its management team and investors:

- **Andrea Costantini**, chairman, CEO and managing partner, has more than 20-year experience first in auditor firms, then in industry, as manager in d'Amico (shipping) and as executive vice-president in Agrati (fastening systems);
- **Andrea Faraggiana**, general manager and managing partner, has more than 15-year experience in financial and investment firms;
- **Laura Pedrinazzi**, general manager of Smart4 Tech, has more than 20-year experience in technology companies, particularly as senior data scientist in bid (break in data) and Nokia;
- **Roberto Francani**, advisory and business development director, has more than 15-year experience in financial advisory and consulting;
- **Cesare Agrati**, chairman of the Agrati group, one of the worldwide leaders in fastening systems;
- **Paolo Bellocco**, managing director of Gds Communication, partner of The European House – Ambrosetti;
- **Elia Bonacina**, chairman and CEO of Bonacina 1889, a design company specialised in hand-crafted products made with rattan canes, weave and bind rattan core and synthetic materials;
- **Sergio Buoncristiano**, with expertise in operations and infrastructure projects for energy, oil and gas;
- **Andrea Dell'Orto**, executive vice president of Dellorto, which manufactures carburettors for motorcycles, alongside injection systems;
- **Diego Farina**, former owner with the family, and still a minority shareholder, of OME Group, a supplier of fastening systems;
- **Ricardo Rink**, former CEO of Ritrama, a self-adhesives producer, bought in 2020 by Fedrigoni;
- **Gianantonio Tomaselli**, CEO of Omega Pharma, a company specialised in food integrators;

- **Fabio Annettoni**, managing director at CEA Costruzioni Elettromeccaniche Annettoni, one of the worldwide leaders for the design and manufacture of welding machines and plasma cutting equipment for the industrial market.

A long-term value creation approach

Smart Capital takes a long-term and sustainable approach to value creation by combining different investment styles (private equity, PIPE, co-investment), which provides diversification and flexibility to capitalize on growing opportunities in multiple reference markets:

- **Private equity:** Investments with an industrial perspective and a long-term horizon, selecting market leaders;
- **PIPEs:** Search for excellent listed companies with a "patient capital" approach;
- **Co-investment:** Co-investments are made with leading partners (e.g. VSL Club, Clessidra, PFH), with fully aligned interests. It organises and/or takes part in "club deal" investments.

Different investment styles

Smart Capital – Investment styles

	Investment Approach		Key Investment Portfolio	
	Direct Investments	Club Deal	Direct Investments	Club Deal
Minority Private Equity	Investment Size: < € 5 m Stake acquired: <i>Minority</i>	Investment Size: € 3 – 15 m Stake acquired: <i>Qualified minority</i>	MGM KNOBS	INUN MIDOLINI
PIPE⁽¹⁾	Investment Size: < € 5 m Stake acquired: <i>Minority</i>	Investment Size: € 3 – 15 m Stake acquired: <i>Qualified minority</i>	CIVITANAVI SYSTEMS ⁽²⁾ EUROGROUP LAMINATIONS Gm SOCEFI GROUP unieuro	ALA Cfle NEXTGEO
Co-Investments	Investment Size: < € 3 m Stake acquired: <i>Minority</i>	Investment Size: € 3 – 15 m Stake acquired: <i>Qualified minority</i>	BERNARDINELLO VENPA	newcleo OTK

(1) Private Investment in Public Equity; (2) Civitanavi Systems and Knobs are disinvested companies; Source: Company data

Smart Capital has an active shareholder approach, usually holding a seat on the board of the companies it invests in, seeking to contribute to the development of the entrepreneurial projects, also through the know-how and the strong network of Smart Capital and its shareholders.

Active shareholder approach

A long-term value creation approach also requires a stable shareholder base, which is guaranteed by the presence of two top managers, Costantini and Faraggiana, and the Agrati family holding, which together represent 34.8% of the share capital and 56.8% of the voting rights.

The Investment Strategy

Smart Capital's strategy is to invest in market leaders in the case of private equity, to be "patient capital" in the case of PIPE, and to act as a "value investor" in the case of co-investments. Typically, investments are based on agreements with the target company, which vary depending on whether the investment is a PIPE or a PE/co-Investment, and meet the following governance, lock-up and, in some cases, especially for unlisted companies, exit strategy requirements.

As part of its strategy, Smart Capital aims to become a cornerstone investor in companies' IPOs, leveraging on the benefits of this role and executing co-investments with leading institutional players. Finally, Smart Capital acts as an "active investor" to create value for its strategic portfolio companies.

Investment agreements

In the case Smart Capital's investment is a **PIPE** at a company's IPO, the investment agreement generally includes:

■ **Governance:**

- One seat on the target's board of directors and/or board of auditors;
- A dividend policy based on best efforts;
- Translisting on STAR based on best efforts.

■ **Lock-up:** 12-18 months;

■ **Exit:**

- Right to participate at a pro-quota rate, if the main shareholders' stake is sold;
- No terms or guarantees are made to ensure a particular return on the investment.

■ **Duration:** the investment activity terminates in the following cases:

- After 3-5 years;
- At translisting to STAR;
- If Smart Capital sells more than 75% of the originally owned stake.

In the case Smart Capital's investment is made as **private equity**, the agreement generally includes:

■ **Governance:** One seat on the target's board of directors and/or board of auditors;

■ **Lock-up:** not expected;

■ **Exit:**

- Pre-emption and tag-along right;
- Valuation of an IPO process;
- Drag-along in case no other exit options are possible.

■ **Duration:** 5-7 years.

A leading cornerstone investor

Since its creation, Smart Capital has invested as a cornerstone investor in some important IPOs, such as A.L.A. (EUR 4.5M), Cofle (EUR 3M), GM Leather (1.5M) and NextGeo (11M).

Smart Capital – Cornerstone investments



Source: Company data

We believe that acting as a cornerstone provides some benefits for the company in terms of closing interesting investments, such as:

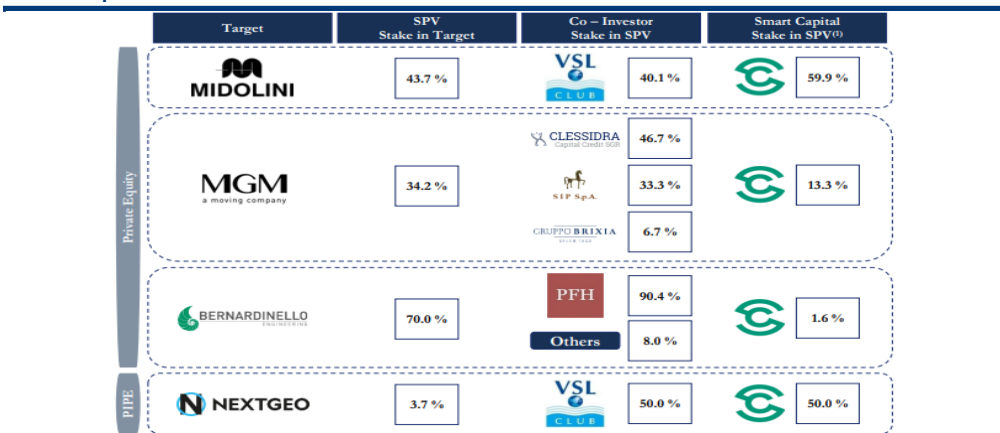
- Strong influence in negotiating rights and investment terms;
- Significant stake allocated, given its primary role in the bookbuilding process;
- Since being a cornerstone is an important role for a successful IPO, Smart Capital is in a prime position to select investment opportunities;
- Close monitoring of the development of the investment, usually with the possibility of appointing a director and/or auditor on the basis of an investment agreement.

The importance of co-investments

Smart Capital has strategically chosen to also adopt a co-investment approach, which allows it to:

- Collaborate with leading institutional players;
- Increase the investment size;
- Enhance market positioning and visibility;
- Gain access to interesting investment opportunities.

Smart Capital – The co-investments



Source: Company data; 1) The stake refers to the investment made by Smart Capital in the SPV both directly and/or with a club deal

An active investor

Leveraging on the financial and industrial know-how of its management team and investors, Smart Capital, acts as an “active investor”, in order to create value for its strategic portfolio companies by:

- Supporting the strategic decisions of the companies through a seat on the board of directors/auditors, usually defined by an investment agreement;
- Strategic and financial support in M&A and Advisory;
- Management support in some specific activities.

Smart Capital – Active management by company

						
BoD	✓	✓ ⁽¹⁾	✓	✓	✓	✓
BoA	✓	✓	✓	✓	✓	✓
Advisory/ M&A			✓	✓	✓	✓
Active management support				✓	✓	✓

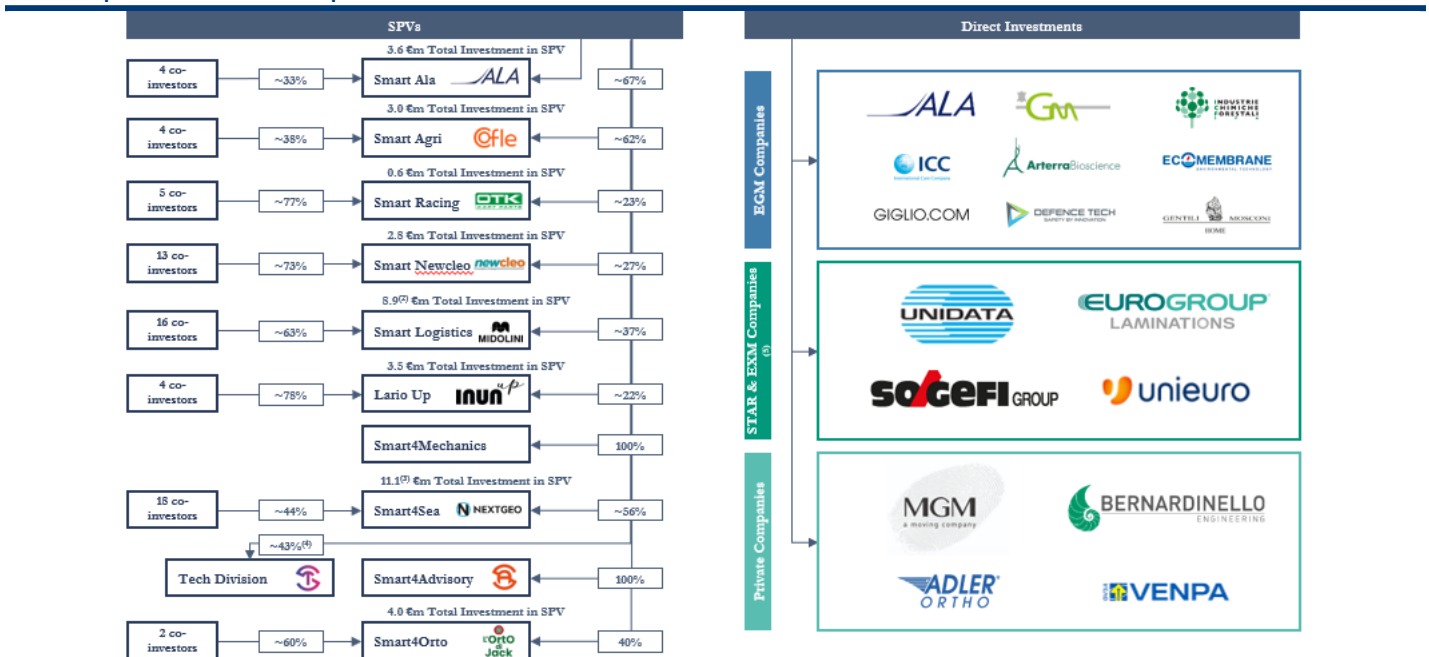
1) A Smart Capital representative may attend BoD meetings; Source: Company data

A Well-Diversified Portfolio

Leveraging on the expertise of its management team and investors, as well as its well-defined investment criteria, Smart Capital has built a well-diversified investment portfolio with total assets of around EUR 50.8M.

The portfolio is mainly focused on mechanics/manufacturing, specialty logistics and technology, with a large portion of direct investments focused on Euronext Growth Milan companies. Co-investments have been made through 8 Special Purpose Vehicles, which have involved over 66 co-investors.

Smart Capital – The investment portfolio



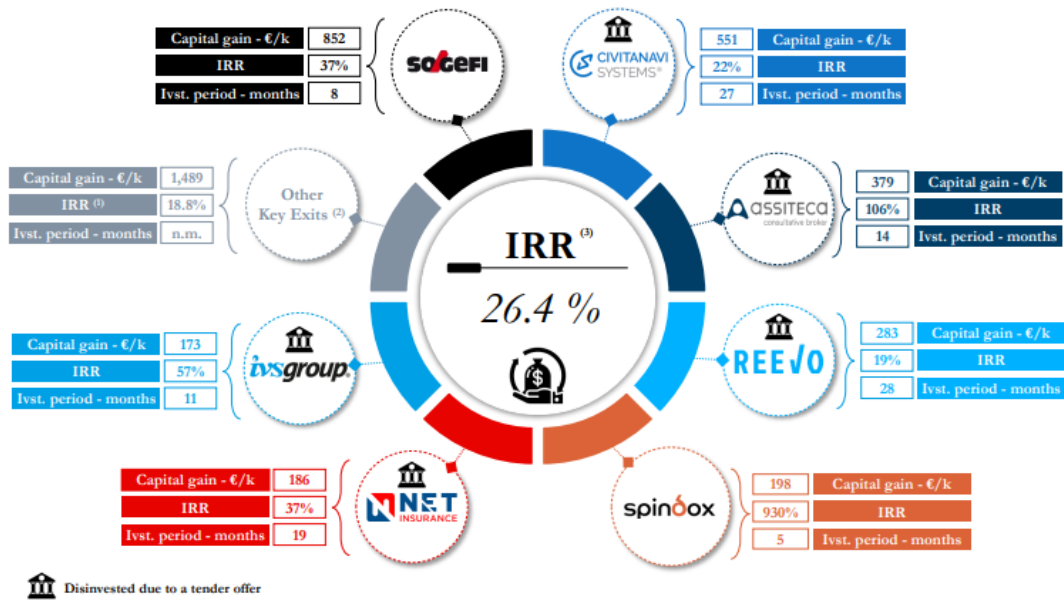
(1) Considering EUR 3.5M of investments computed as equity value in the consolidated balance sheet; (2) Considering EUR 5.5M investments of computed as equity value in the consolidated balance sheet; (3) Corresponding to 100% of voting rights; (4) Eurogroup Laminations is listed on Euronext Milan; Source: Company data

Since its creation in 2020, Smart Capital's NAV at 1H24 has increased by 73%, outperforming all the main benchmark indices, such as FTSE STAR (+22% over the same period), FTSE Italia Mid Cap (+10% over the same period) and FTSE Italia Growth (+6% over the same period).

The company generated a capital gain of c. EUR 4.2M, partly related to tender offers on the portfolio companies, such as Civitanavi Systems, Assiteca, Reevo, Net Insurance and IVS Group. The IRR, calculated using only the cash flow associated with all divestments, is around 26.4%.

These returns and capital gain were supported by the delisting of some Smart Capital investments from the EGM, an event that, alongside the translisting from EGM to MTA/STAR is a trigger for a multiples re-rating, as we discuss in more detail in the section "Investment Opportunities in a Fragmented Market".

Smart Capital – The capital gains



(1) The IRR is calculated based on all cash flows related to the key exits that have been selected; (2) The key exits only include divestments with a capital gain above EUR 15K or a loss greater than – EUR 15K; (3) The IRR is calculated using only the cash flow associated with all the divestments; Source: Company data

Investment Opportunities in a Fragmented Market

Smart Capital focuses on investments in Italian small and medium sized companies, listed, unlisted or in pre-IPO phase. As discussed below, the Italian SME segment is densely populated with investment opportunities in companies that not only held up during the pandemic, but in 2022 (latest data available) reported a higher value of revenue, gross profit, and RoE compared to pre-pandemic levels in 2019.

In the PIPE segment, Smart Capital mainly focuses on companies going public on the Euronext Growth Milan (EGM), which represents an interesting entry point for investors, looking for growth of the investee business but also for a trading multiples re-rating, usually triggered by a translisting to Euronext Milan or Euronext STAR Milan.

SMEs are the backbone of the Italian economy

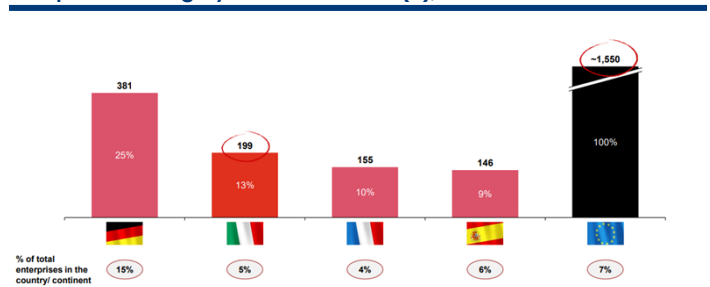
According to a PwC report (Italian Specialised Credit Market for SMEs, March 2024), there are around 1.6M SMEs in Europe, defined on the basis of employees (between 10 and 250), revenues (between EUR 2M and EUR 50M) and total assets (between EUR 2M and EUR 43M).

Criteria for SMEs definition

	Employees (#)	Revenues (€m)	Total Assets (€m)
Large	≥ 250	> 50	> 43
Medium	≥ 50 and < 250	> 10 and ≤ 50	> 10 and ≤ 43
Small	≥ 10 and < 50	> 2 and ≤ 10	> 2 and ≤ 10
Micro	< 10	≤ 2	≤ 2

Source: PwC analysis on ECB, OECD, ISTAT, Eurostat, Cerved - PwC Report "The Italian Specialized Credit Market for SMEs", Mar 24

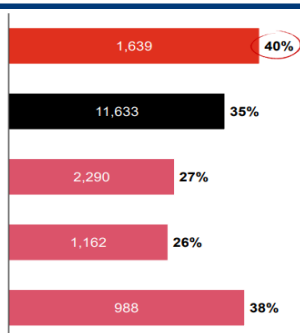
European ranking by number of SMEs (k), at 2020



Source: PwC Report "The Italian Specialized Credit Market for SMEs", Mar 24

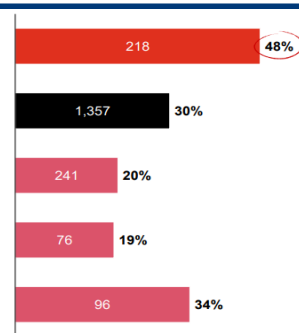
While Germany is the country with the highest number of SMEs, Italy comes second with around 199k SMEs, which are the backbone of its economy. In fact, Italian SMEs account for 40% of net sales and 48% of exports, more than the EU average and German SMEs.

SMEs contribution to Italy's net turnover



Source: PwC Report "The Italian Specialized Credit Market for SMEs", Mar 24

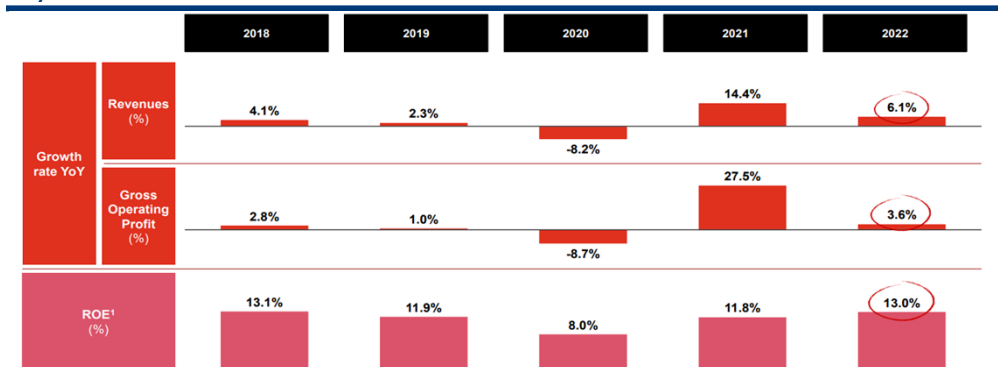
SMEs contribution to Italy's export



Source: PwC Report "The Italian Specialized Credit Market for SMEs", Mar 24

The pandemic has had a significant impact on the economics of Italian SMEs, but looking at the 2018-22 trend, we highlight a positive evolution of revenues, gross profit and RoE, all of which reached higher values in 2022 compared to the pre-pandemic levels in 2019.

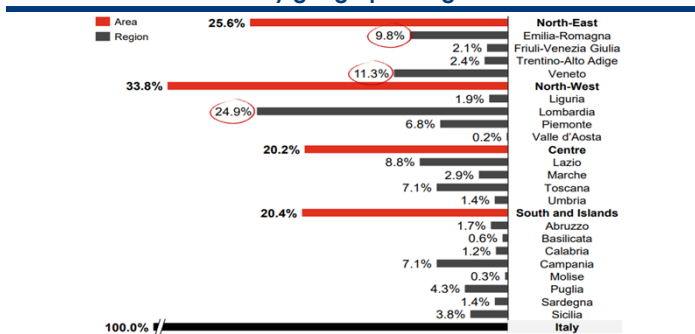
Key economic data of Italian SMEs in 2018-22



1) Before taxes and extraordinary items; Source: PwC Report "The Italian Specialized Credit Market for SMEs", March 2024

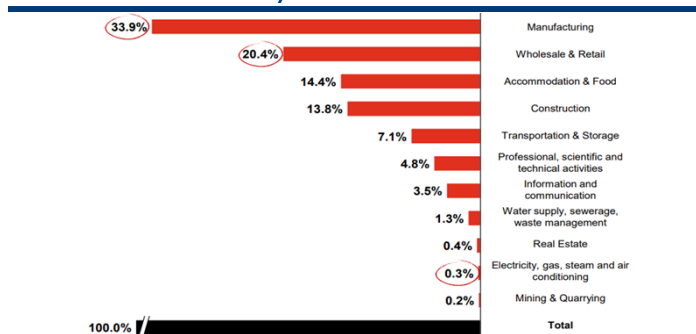
Geographically, about 60% of Italian SMEs are located in the north of Italy, and about 25% in Lombardy. Manufacturing represents more than a third of SME activities, followed by retail (about 20%) and accommodation/food (about 14%).

Italian SMEs breakdown by geographic region



Source: PwC Report "The Italian Specialized Credit Market for SMEs", March 2024. Data as of 2021

Italian SMEs breakdown by economic sector



Source: PwC Report "The Italian Specialized Credit Market for SMEs", March 2024. Data as of 2022

A still limited, but growing access to public capital

Bank debt is, by far, the main source of funding for Italian SMEs, around 99% in 2020 (source: PwC report). While bank lending to Italian corporates has declined by about 0.7% CAGR over 2013-22, loans to Italian SMEs have grown by about 0.9% CAGR and accounted for about 28% of bank lending in 2022.

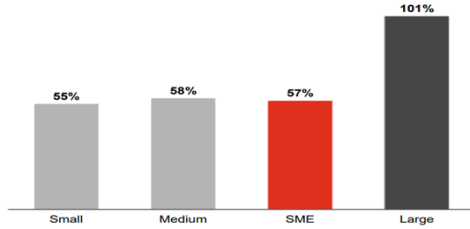
Outstanding bank loans to Italian corporates

EUR M	2013	2022	13-22 CAGR %
Bank loans	1,061	1,000	-0.7
Bank loans to SME	255	277	0.9
SME loans on total (%)	24	28	

Sources: Cerved – "Rapporto PMI 2015-2023"; 2017, 2021, 2022 data estimated from Cerved

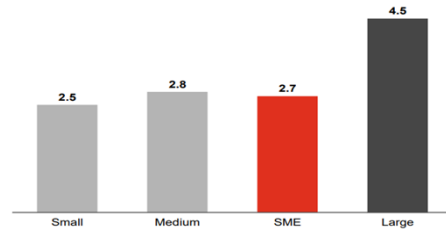
In general, SMEs still have room to increase lending from banks, considering a better financial debt-to-equity and financial debt-to-EBITDA ratio compared to Italian large companies.

Financial debt to equity



Source: Cerved "Rapporto PMI 2023"

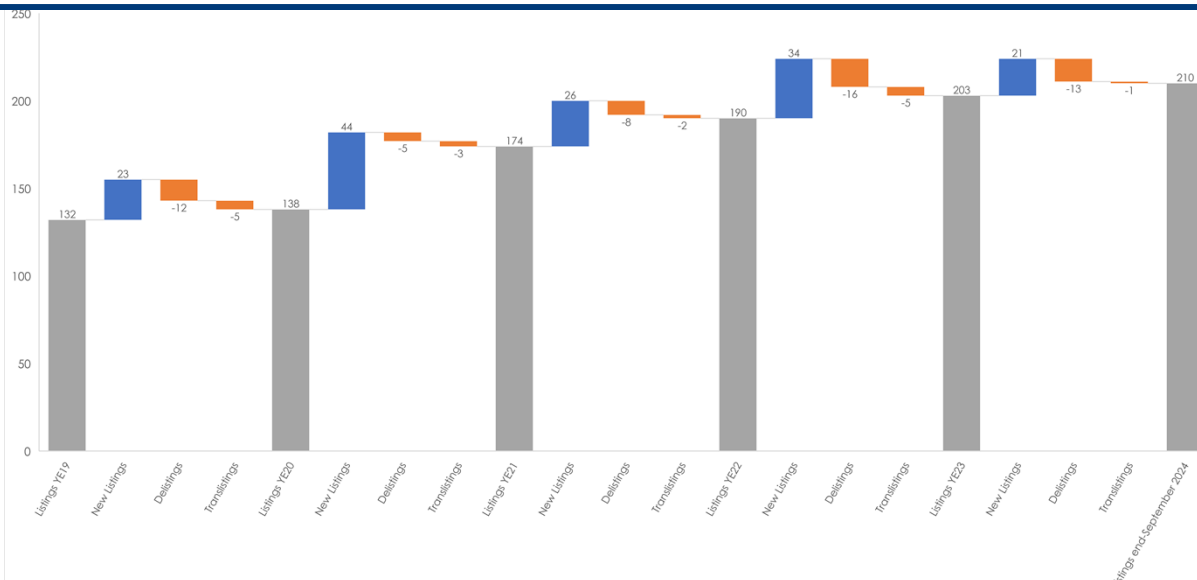
Financial debt to EBITDA



Source: Cerved "Rapporto PMI 2023"

Nevertheless, an increasing number of SMEs have decided to go public through an IPO, mainly in the EGM segment. The latter now counts on 210 listings, around half of total Italian listed companies, with an acceleration being seen since 2020 (148 new listings to date).

Listing evolution on EGM from 2000 to date



Source: Intesa Sanpaolo Research elaboration on Borsa Italiana data

We also note several delistings (54 in the period) and a solid portion, after delivering strong growth, moved to the regulated market (MTA or STAR) through a translisting, 16 in the period.

EGM: an interesting entry point for investors

We believe that the EGM is an interesting entry point for investors for "quality stocks", as the initial investment can benefit from the growth of companies that can then typically go public on EGM during an expansion phase and from a multiples re-rating. In particular, looking at FactSet consensus multiples, we highlight that, on average, EGM companies trade at a discount ranging from around 24% and 34% on 2025-26 EV/EBITDA, and at a discount ranging from around 15% and 27% on 2025-26 P/E to the STAR index.

EGM vs. STAR on EV/EBITDA

X, %	2025	2026
FTSE STAR	7.0	5.9
EGM	5.3	3.9
EGM premium/-discount	-23.9	-34.3

Source: Intesa Sanpaolo Research elaboration on FactSet data

EGM vs. STAR on P/E

x, %	2025	2026
FTSE STAR	12.9	11.5
EGM	11.0	8.5
EGM premium/-discount	-15.0	-26.6

Source: Intesa Sanpaolo Research elaboration on FactSet data

Among the main trigger events for a multiples re-rating are a delisting (54 since 2020) or a translisting to MTA/STAR (16 since 2020).

Case Study: A.L.A.

A.L.A. is an historical Italian group with more than 30 years of experience in the distribution, logistics and supply for the Aerospace & Defence sector, representing the first national player and the seventh operator worldwide in these sectors, holding a market share equal to 3%. The group is identified as a strategic partner for full-outsourcing activity, offers customised supply chain solutions, often close to or directly integrated with the partner's factory.

A.L.A. has a strong track record of new customer acquisition, product/service expansion and international expansion.

Smart Capital – A.L.A. key financials 2021A-25F

EUR M	2021A	2022A	2023A	2024F	2025F
Total revenues	130.7	158.7	233.1	279.3	303.0
yoy (%)		21.4	46.9	19.8	8.5
EBITDA	13.8	16.8	25.4	32.3	35.2
EBITDA margin (%)	10.6	10.6	10.9	11.6	11.6
EBIT	11.3	13.6	21.2	28.0	30.5
EBIT margin (%)	8.6	8.6	9.1	10.0	10.1
Net profit	6.1	7.8	9.8	15.8	18.6
NP margin (%)	4.7	4.9	4.2	5.7	6.1
Net equity	56.8	60.5	66.3	74.3	85.9
NFP	5.0	28.7	29.2	45.2	42.3

Source: Company data based on Intesa Sanpaolo report of 21/02/2024

Smart Capital's role in its growth

In July 2021 A.L.A. went public on Euronext Growth Milan (EGM) through a EUR 25M transaction consisting of a EUR 20M capital increase and a EUR 5M secondary offering.

At the IPO, SMART A.L.A. SPV was established by Smart Capital and a club deal of investors, to act as a cornerstone investor in the transaction at a price of EUR 10/sh, for a total amount, also including further purchases in 2022 and 2023, of around EUR 4.5M (4.5% of capital).

Following the agreement, Mr Costantini was appointed as an Independent Member in the company's BoD, and Mr Carena was appointed as Standing Auditor in the Board of Statutory Auditors.

Currently, Smart Capital holds approximately 4.5% of A.L.A. shares and has achieved a 142% return on its investment from July 2021 to date and a total return of 158.9%, including dividends.

Smart Capital – Return on A.L.A. investment

EUR	@ IPO	2022	2023	2024	Current
Price	10.0				24.2
Dividend		0.47	0.47	0.75	
Return (%)	142.0				
Total return (%)	158.9				

Price at market close of 20/01/2025; Source: Company Intesasanpaolo elaboration on Factset data

Case Study: Next Geosolutions

Founded in late 2014, NextGeo is a company that operates in the field of submarine surveys, providing marine geoscience services to support the engineering and construction of offshore infrastructure in the EMEA market.

Clients primarily operate in the fields of: 1) submarine electrical cables; 2) offshore renewable energy; and 3) offshore oil gas industry (to a lesser extent).

The group's activities are carried out both offshore (in the open sea, at great depths, far from the coast) and nearshore (in shallow waters, close to the coast).

NextGeo has recently expanded its operations by hiring specialised operational and commercial personnel, investing in new equipment, and improving its positioning through the NextPoli JV.

Smart Capital – NextGeo key financials 2022A-25E

EUR M	2022A	2023A	2024E	2025E
Total revenues	67.2	148.6	203.8	235.5
yoy (%)		121.1	37.2	15.5
EBITDA	10.6	40.5	53.1	62.5
EBITDA margin (%)	15.8	27.3	26.0	26.5
EBIT	8.4	35.3	46.8	53.5
EBIT margin (%)	12.5	23.8	23.0	22.7
NetProfit	7.4	29.2	38.8	45.4
NP margin (%)	11.0	19.7	19.1	19.3
NetEquity	20.0	49.2	138.1	183.5
NFP	19.2	9.7	(49.2)	(30.5)

Source: Company data and Intesa Sanpaolo research estimates

Smart Capital's role in its growth

In May 2024 NextGeo was listed on EGM, raising EUR 57.5M of which EUR 50M in a capital increase and EUR 7.5M through the exercise of the green-shoe option.

At the IPO, SMART4SEA SPV was established by Smart Capital to join VSL Club deal, to act as cornerstone investor in the transaction at a price of EUR 6.25/sh, for a total amount of around EUR 11M. Through SPV named Smart4Sea, Smart Capital invested EUR 2.9M and Smart4Tech invested EUR 0.5M.

Pursuant to the agreement, Mr Costantini was appointed as an Independent Member in the company's BoD.

Smart Capital has obtained an 35% return on the investment from May 2024 to date.

Smart Capital – Return on NextGeo investment

EUR	@ IPO	Current
Price	6.3	8.4
Return (%)	35.0	

Price at market close of 20/01/2025; Source: Company Intesasanpaolo elaboration on Factset data

Case Study: Midolini Group

Midolini Group provides services in the lifting sector, through the rental, with or without operator, of cranes and aerial platforms, and carries out turnkey lifting works, including design and feasibility studies. The group is made up of a lifting and transport BU (Tech2Lift), a terminal operator BU (Midsea) and a logistic BU (Midway).

In 2023, the company obtained the renewal of the port concession for the operations in San Giorgio di Nogaro (UD) for a total duration of 14 years plus additional 4 years.

Midolini Group has recently carried out: 1) an acquisition to increase its position as a bulk cargo operator in the Trieste Port; and 2) an acquisition in the logistics division. These acquisitions have been included in 2023 pro-forma key financials shown in the table below.

Smart Capital – Midolini Group key financials 2022A-23PF

EUR M	2022A	2023PF
Total revenues	30.2	40.0
yoy (%)		32.5
EBITDA	3.9	5.9
NFP	12.7	16.4

Source: Company data

Smart Capital's role in its growth

Smart Capital, through a club deal, invested EUR 9M in the Midolini Group, to support the generational transition process within the company, which led to the appointment of a 35-year-old CEO, representing the third generation of the family. Moreover, middle management profiles were hired, to support growth, including IT manager, quality manager, marketing manager and new CEOs for the operating companies.

Smart Capital's goal is to support the company's upcoming growth. In this context Andrea Costantini has been appointed as Board Member, while Ugo Palumbo and Federico Mascheroni have been appointed respectively as President Auditor and Acting Auditor in the Board of Statutory Auditors.

Case Study: Spoki

Spoki is a cutting-edge conversational marketing platform via WhatsApp, aiming at engaging companies' business with their customers. The platform facilitates seamless engagement over the customer's entire journey, covering everything from GDPR-compliant marketing and sales to post-purchase support.

In 2023, revenues grew by over 150% to EUR 1M, and total clients from 287 in 2022 to 995. In 2024, Spoki signed contracts with two new customers in the Travel & Leisure sector, and started contact with large-sized potentially interested enterprises. The company tripled revenues in January-February 2024 and is growing to match demand and increase market share, with new hirings in the marketing & sales department.

Smart Capital – Spoki revenues 2022-23 (EURM)



Source: Company data

Smart Capital – Customers 2022-23 (#)



Source: Company data

Smart Capital's role in its growth

Smart4Tech, Smart Capital's subsidiary specialised in investments in innovative and technological scale-ups, covering the trends of digitalization, blockchain, artificial intelligence & machine learning, invested in Spoki EUR 220k, divided into two tranches, to foster the company's organic growth and support Spoki in the development of its supply-chain network.

To support development, Laura Pedrinazzi, Smart4Tech General Manager, has been appointed as a Spoki Board Member.

Case Study: newcleo

newcleo core business focuses on the design and build of Lead Cooled Fast Reactors and on the manufacturing of MOX (mixed oxide fuel), through an innovative combination of existing and affordable technologies, aiming at generating safe and clean nuclear energy. Moreover, its group companies develop and deliver a wide range of services across the entire nuclear lifespan, from design, to build, to decommissioning. It counts on a well-established presence across Europe, with over 17 locations in the UK, France and Italy.

The recent milestones include:

- an agreement with Maire for hydrogen and chemicals production (January 2024);
- a contract with Nuclear Transport Solutions (NTS) (January 2024);
- submission of Regulatory Justification in the UK (April 2024);
- Opening of a second R&D facility: CORE-1 (April 2024);
- an agreement for a JV between Maire's subsidiary NEXTCHEM (Sustainable Technology Solutions) to develop a new generation commercial-scale power plant, based on newcleo's 200 MWe Advanced Modular Reactor (AMR);
- the signing of framework agreements with JAVYS and VUJE, two Slovakian nuclear companies, for the building up to four 200 MW GEN IV reactors in Bohunice (Slovakia).

According to newcleo's plan, the first non-nuclear pre-cursor prototype of the AMR is expected to be ready by 2026 in Italy, the first reactor operational in France at the end of 2031, while final investment decision for the first commercial power plant is expected by 2029.

In 2021-22, newcleo has raised more than EUR 400M, counting among investors Exor Seeds, Azimut, Liffit, the families Rovati, Drago (De Agostini) and Lundin, Novacapital and the banker Claudio Costamagna.

In 2023, Newcleo announced a new capital increase, aimed at rising EUR 1Bn, and an EUR 87.1M tranche was finalised in April 2024 and allowed Fin Posillipo (Petroni family's holding) to join the investor pool.

Smart Capital's role in its growth

In May 2022, the SPV SMART NEWCLEO was established, in which Smart Capital owns a 30.9% stake (24.7% directly from Smart Capital and 6.2% through Smart4Tech), and a club deal involving 13 investors owns the remaining part. SMART NEWCLEO invested around EUR 2.8M in newcleo (a 0.3% stake), to support newcleo's R&D activities.

newcleo investment is an example how the co-investment approach promoted by Smart Capital allows to engage with global primary firms, giving its network of shareholders and families access to opportunities that would not otherwise be available.

1H24 Results

Smart Capital's consolidated revenues come from four sources: 1) advisory activities to investee companies; 2) free market advisory activities; 3) monitoring commissions of the «club deal»; and 4) performance fee on disposal. In 1H24 revenues amounted to EUR 0.4M.

The cost structure amounted to around EUR 1M, including variable bonus, broadly in line with the FY23 trend (EUR 1.6M for the entire year), and includes a reinforcement of the team, the new headquarters in Monza and an increase in administrative costs related to the new finalised deals.

Financial income includes dividends paid by the PIPE investee companies and the capital gains from the sale of the portfolio companies. In 1H24, it amounted to EUR 2M, of which EUR 0.8M from dividends and EUR 1.2M from capital gains.

Net income in 1H24 reached EUR 1.1M, growing vs. FY23 (EUR 0.9M for the entire year).

The balance sheet is quite solid, with a net equity of EUR 45.5M vs. EUR 38.5M in FY23 and a net cash position of EUR 1.5M (net cash of EUR 2.6M in FY23).

Smart Capital – Key financials

EUR M	2022A	2023A	1H24A
Advisory revenues	0.1	0.4	0.4
Financial income (1)	1.1	2.1	2.0
Group net income	0.5	0.9	1.1
Net equity	24.7	38.5	45.5
Net debt/-cash	2.8 ⁽²⁾	-2.6	-1.5

1) Financial income is the sum of dividends and capital gains; 2) Including a EUR 3M shareholder loan converted in equity in FY23; Source: Company data

Valuation and Key Risks

Valuation basis

Our TP is derived with a NAV approach, valuing listed companies at market price, large investments in non-listed companies through comparables' multiples, and small investments in non-listed companies at investment cost.

Key Risks

Company specific risks:

- A large exposure to Italy
- A limited liquidity, typical of Italian listed SMEs
- Stock performance is highly correlated to stock market performance

Sector generic risks:

- Write-down/off investee companies
- Need of capital increases to foster growth
- Increasing compliance requirements

Company Snapshot

Company Description

Smart Capital is a permanent investment holding specialised in private equity and private investments in public equity (PIPE) transactions, with a minority but qualified approach, and with a focus on Italian small and medium-sized companies. Smart Capital can leverage on financial and industry expertise through its management team, but also on its current investors, which are major shareholders and/or hold top management positions in some of the most important SMEs operating in the fields of fastening systems, automotive, healthcare, industrial equipment, design and communications, among others.

Key data

Mkt price (€)	1.55	Free float (%)	35.0
No. of shares	29.47	Major shr	Finagrati
52Wk range (€)	NA/NA	(%)	27.1
Reuters	SMCAP.MI	Bloomberg	SMCAP IM
Performance (%)	Absolute		Rel. FTSE Italia Growth
-1M	0.7	-1M	-0.4
-3M	NA	-3M	NA
-12M	NA	-12M	NA

Estimates vs. consensus – not applicable

Source: Company data, Intesa Sanpaolo Research estimates and FactSet consensus data (priced at market close of 20/01/2025)

Appendix 1: ESG Corner

Smart Capital recognises the importance of sustainability and promotes actions to meet targets 4, 8 and 9, as defined by the Sustainable Development Goals (SDG) scheme provided by the United Nations.

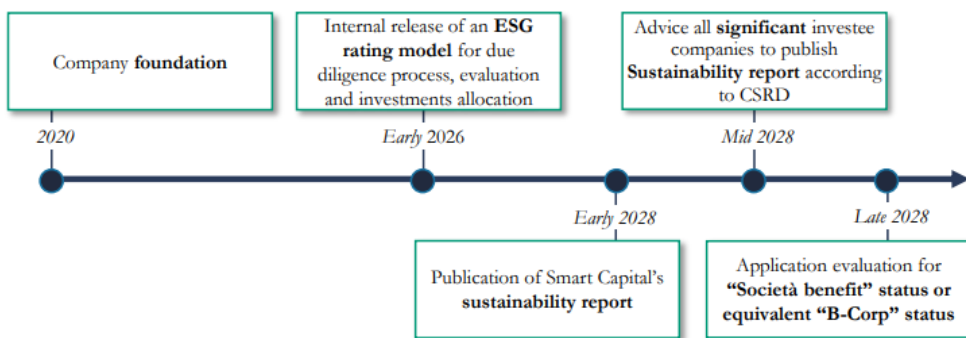
Smart Capital is defining its steps towards an ESG-oriented approach, which at present includes a high attention to sustainability factors during the target analysis and selection phase, as well as in the monitoring phase which follows the investment activity.

Meanwhile, the company is developing a model for internal application, to be effective from early 2026, to focus on companies capable of generating value in the medium-long term, while contributing to the improvement of society from Environmental, Social and Governance aspects.

By early 2028, the company plans the publication of a sustainability report, while by mid 2028 all significant investee companies are to be advised to publish a sustainability report according to CSRD.

Finally, in late 2028 Smart Capital would consider the application for "Società benefit" status or equivalent "B-Corp" status.

Smart Capital - The steps towards an ESG oriented approach



Source: Company data

Appendix 2: Management Team

Smart Capital – Management team

<p>SENIOR MEMBERS</p>	 <p>AGRATI KPMG Coca-Cola Harvard Business School Università Commerciale Luigi Bocconi</p> <p>A. Costantini - Managing Partner, Chairman & CEO</p>	 <p>Rothschild & Co LAZARD Deutsche Bank FINIS/CAPITAL Università Commerciale Luigi Bocconi</p> <p>A. Faraggiana - Managing Partner & General Manager</p>	 <p>BANCA FININT STPG VeNetWork Nice BIERRE Università Commerciale Luigi Bocconi</p> <p>R. Francani - Partner, Advisory & Business Development Director</p>	 <p>UNIVERSITÀ DI PAVIA vodafone SIMITA UNIVERSITÀ DI TORINO NOKIA UNIVERSITÀ DI BERGAMO</p> <p>L. Pedrinazzi - General Manager Smart4Tech</p>																											
<p>EXECUTION TEAM MEMBERS</p>	 <p>FERRERO ARTHUR ANDERSEN</p> <p>I. Fiori - CFO Services & Business Development</p>	 <p>[TBD] - Smart 4Mechanics Partner</p>	 <p>EUROPA INVESTIMENTI Università Commerciale Luigi Bocconi CREDIMI</p> <p>M. Vabanesi - Investment Associate</p>	 <p>OSSERVATORI POLITECNICO MILANO 1863 AiIG</p> <p>M. Conti - Financial Analyst</p>																											
<p>SHAREHOLDERS AND INDUSTRY EXPERTS</p>	<table border="0"> <tbody> <tr> <td></td> <td>Cesare Agrati</td> <td></td> <td>Paolo Bellocco</td> <td></td> <td>Elia Bonacina</td> <td></td> <td>Sergio Buoncristiano</td> </tr> <tr> <td></td> <td>Andrea Dell'Orto</td> <td></td> <td>Diego Farina</td> <td></td> <td>Ricardo Rink</td> <td></td> <td>Gianantonio Tomaselli</td> </tr> <tr> <td></td> <td>Fabio Annettoni</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>								Cesare Agrati		Paolo Bellocco		Elia Bonacina		Sergio Buoncristiano		Andrea Dell'Orto		Diego Farina		Ricardo Rink		Gianantonio Tomaselli		Fabio Annettoni						
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Source: Company data

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