

## PRESS RELEASE

### **Azimut completes the acquisition of a stake in Kennedy Capital Management, leading US Small and Mid Cap Equity Manager, setting the grounds for the next stage of growth in the United States**

**St. Louis / Milan, 8 February 2023**

**Azimut Group** ("Azimut" or the "Group"), one of Europe's largest independent asset managers, through its subsidiary Azimut US Holdings, **completed today the acquisition of a 35% stake in Kennedy Capital Management LLC ("KCM")**, an **independent asset manager specializing in small and mid cap US equities, also through the management of mutual funds**. KCM is led by senior portfolio managers and analysts with a long track record in **US equities** and serves mostly **institutional** and **HNWI clients**.

As a result of this completion, **Azimut is now operating in the United States in its three main business divisions: Private Markets** through Azimut Alternative Capital Partners, whose six affiliates now manage over **\$ 17 billion in AUM**; **Wealth Management** through Sanctuary Wealth, Azimut Genesis and AZ Apice, whose **total assets** are now ca. **\$ 26 billion**, and traditional Asset Management, including mutual funds, with today's closing.

As announced on November 15<sup>th</sup>, 2022, KCM is a prominent boutique investment firm focused on generating superior returns in the small and mid-cap US domestic equity markets for its clients. Since announcing the deal, **KCM's AUM rose from \$3.6 billion to \$3.9 billion<sup>(1)</sup>**, and its **largest three strategies** (Extended Small Cap, Small Cap Value, and Micro Cap), each **rank in 1<sup>st</sup> or 2<sup>nd</sup> Quartiles of their peer groups over the most recent 3-year performance period** (ending 31/12/2022) and averaged approx. 200 basis points per year of outperformance net of fees during the same period.

With this acquisition, Azimut, through Azimut US Holdings Inc., acquires a 35% interest in KCM, with the remaining stake continuing to be widely held by existing KCM employees. Azimut will have the option to increase its stake to a majority interest over time through certain call/put options. The parties have also agreed to work together to grow the business successfully in the long term through a mutually agreed 10-year business plan.

Giorgio Medda, Azimut Group CEO and Global Head of Asset Management & Fintech, comments: *"The closing of this transaction confirms once again the Group's dynamism. Despite being executed in a particularly complex market environment, it reaffirms the long-term strategic vision that enabled us to achieve important milestones around the world. As already said on other occasions, many talk, Azimut does."*

Don Cobin, President & CEO of Kennedy Capital Management, says: *"This partnership with Azimut, an established international enterprise, sets the foundation for success. We are excited to leverage our combined strengths and expect to see the fruits of this over the coming months and years."*

*Note: performance data refer to Morningstar and eVestment. Past performance is no guarantee of future results. This press release shall not constitute an offer to sell or a solicitation to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer or solicitation or sale would be unlawful prior to registration or qualification under the laws of such state or jurisdiction.*

*Note 1: includes intended redemptions / inflows foreseen for the month of February 2023.*

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**Azimut** is one of Europe's leading independent groups active (since 1989) in the asset management sector. The parent company Azimut Holding was listed on the Italian stock exchange on 7 July 2004 (AZM.MI) and is a member, among others, of the main Italian index FTSE MIB. The shareholder structure includes over 1,900 managers, employees and financial advisors bound by a shareholders' agreement that controls ca. 22% of the company. The remaining is free float. The Group comprises various companies active in the sale, management and distribution of financial and insurance products, with registered offices mainly in Italy, Australia, Brazil, Chile, China (Hong Kong and Shanghai), Egypt, Ireland, Luxembourg, Mexico, Monaco, Portugal, Singapore, Switzerland, Taiwan, Turkey, UAE and USA. In Italy, Azimut Capital Management SGR sells and manages Italian mutual funds, Italian alternative investment funds, as well as being active in the discretionary management of individual investment portfolios. Furthermore, Azimut Capital Management SGR distributes Group and third-party products in Italy via a network of financial advisors while Azimut Libera Impresa focuses on the alternatives business. The main foreign companies are Azimut Investments SA (founded in Luxembourg in 1999), which manages the multi strategy funds AZ Fund 1 and AZ Multi Asset, and the Irish Azimut Life DAC, which offers life insurance products.

**KCM**, founded in 1980 in St. Louis, delivers investment strategies to corporate and public pension funds, endowments, foundations, multi-employer plans and high-net-worth individuals. As a registered investment adviser, KCM specializes in the management of small and mid-cap strategies across the growth-value spectrum. KCM integrates environmental, social and governance (ESG) considerations into its research process and has nearly 20 years' experience managing socially-responsible client accounts.

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