ITALIAN CAPITAL MARKETS MONITOR
YEAR 2022

Milan, 24th February 2023

Università Bocconi
BAFFI CAREFIN
Centre for Applied Research
on International Markets, Banking,
Finance and Regulation

EQUITA

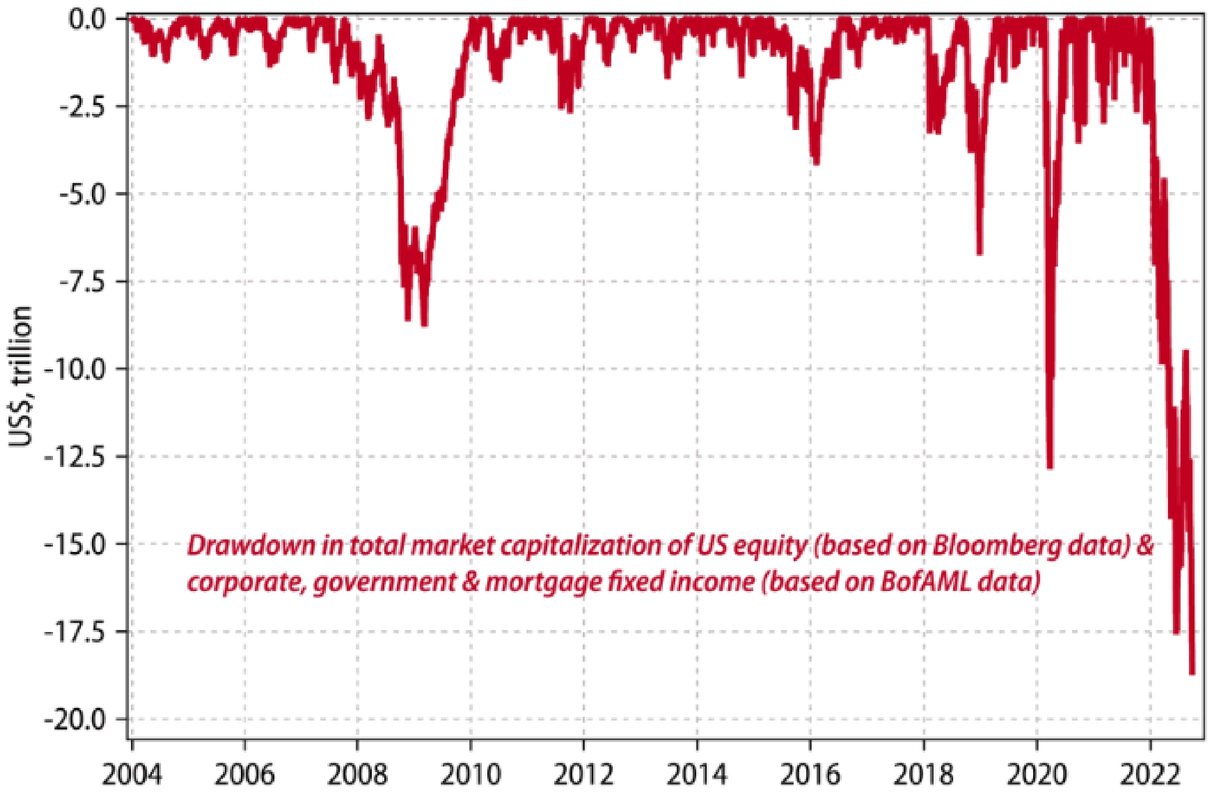
Contents

Executive Summary ▶ **Macro Overview**

2022: one of the worst market drawdown since 2004

In 2022, US financial assets loss was twice as large compared to 2008's one

Drawdown in total market capitalization of US equity & fixed income



USD -16.5 trillion

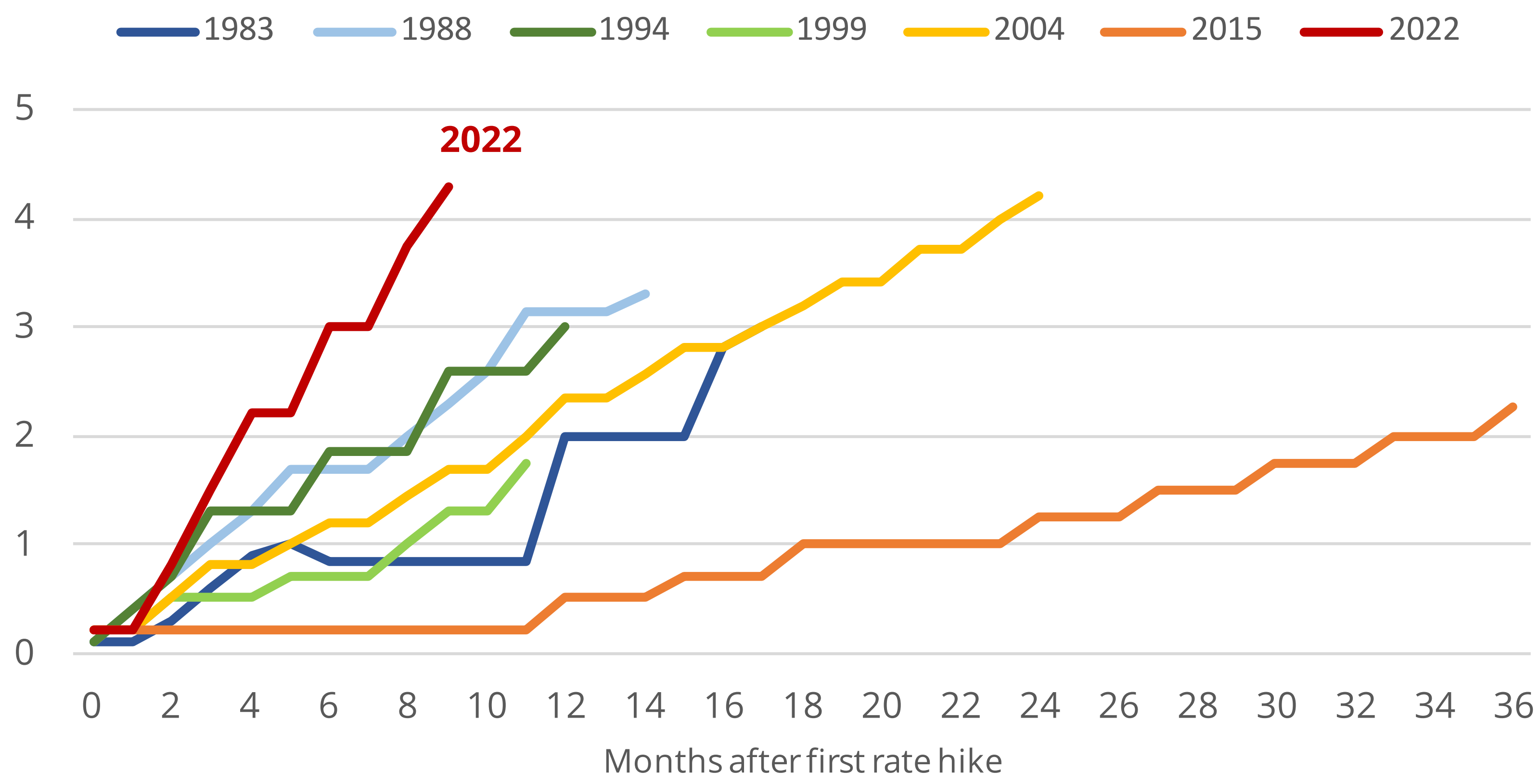
Source: Bloomberg, Gavekal research/Macrobond

Executive Summary ▶ **Macro Overview**

Russia-Ukraine war and inflation forced Central Banks to react

In comparison to previous years, the Fed raised rates at the historical fastest pace ever in order to tame inflation

Changes in the federal funds target rate in past tightening cycles (in percentage points)



Source: Federal Reserve

Executive Summary ▶ **Macro Overview**

The main market drivers for 2023 and for the years to come

Drivers for 2023…	…and structural themes ahead

Drivers for 2023…

- Signs of slowing inflation
- Energy crisis overcome
- Rates close to the peak
- Reopening of the Chinese market
- Cautious investor positioning
- Profit growth estimates
- Strong market performance YTD

…and structural themes ahead

1. **Rethinking supply chains and new perceptions of geopolitical risk**
   - Reshoring opportunities
   - Massive investments to rebuild production capacity and skills
   - Structurally higher inflation than in the past
2. **Higher cost of money**
   - More reasonable valuations than in 2021
   - Weak business models doomed to fail
   - Less aggressiveness in LBOs, more room for M&A by industry players and capital raisings

Executive Summary ▶ Equity

New regulation on the access to capital markets in Italy…

Trade associations and market players have argued in favour of important changes in the regulatory framework at European and national level, which were partially implemented by Consob and Borsa Italiana in the second half of 2022

CONSOB
COMMISSIONE NAZIONALE PER LE SOCIETA' E LA BORSA

- **Simplification of the procedures for prospectus approval:**
  - Administrative procedures to start from the date of submission of the relevant applications to Consob
  - Deadlines for maximum duration of proceedings and response to requests for supplementation have been abolished
  - Reduction of documentation to be attached to draft prospectuses
- **Possible to draft Prospectus in English for offers in Italy**

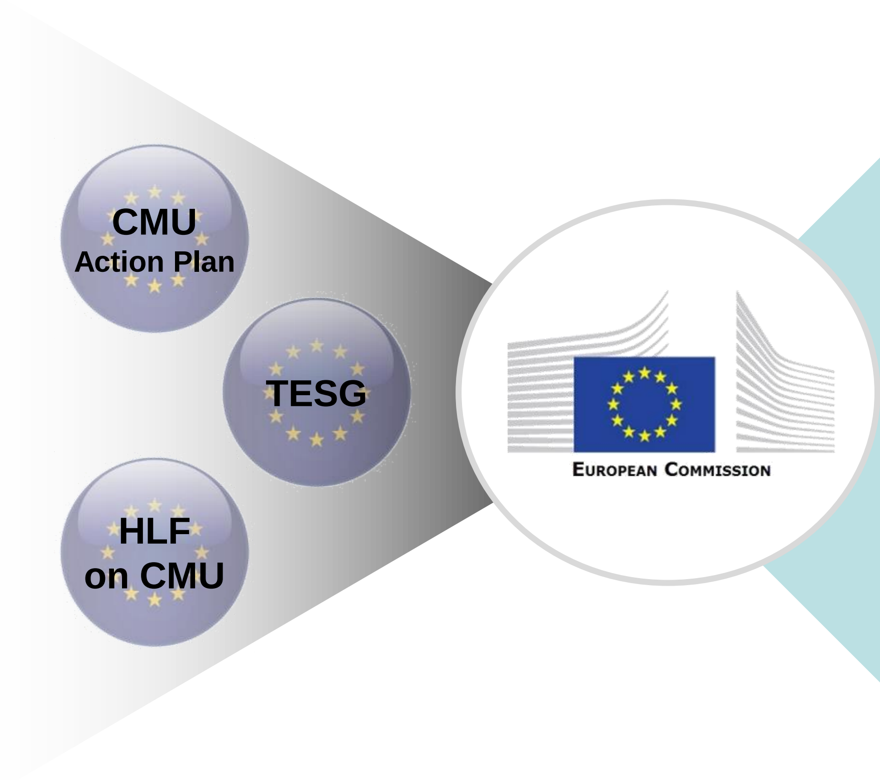
BORSA ITALIANA

- **Simplification of documentation:**
  - Removed the requirement to file with the Stock Exchange the Business Plan, MSCG, corporate governance report, valuation document, last 3 balance sheets and past due debt report
- **Listing Agent (former "Sponsor") role and responsibilities**
  - Listing Agent has to cover a senior role in the underwriting syndicate (Global Coordinator and/or Bookrunner)
  - Listing Agent no longer required to certify the management control system and budget
- **Equity Research coverage**
  - Applied the STAR Specialist model for three years from the date of admission to all companies with capitalisation below €1bn listed on Euronext Milan

Executive Summary ▶ **Equity**

… and in Europe: the EU Listing Act proposed by the European Commission

The proposals of the European Commission to enhance the appeal of its capital markets aim at simplifying the rules for listings and for listed companies, on the back of the recommendations provided by the High-Level Forum on Capital Markets Union ("HLF"), the Capital Markets Union Action Plan and the Technical Expert Stakeholder Group ("TESG") on SMEs



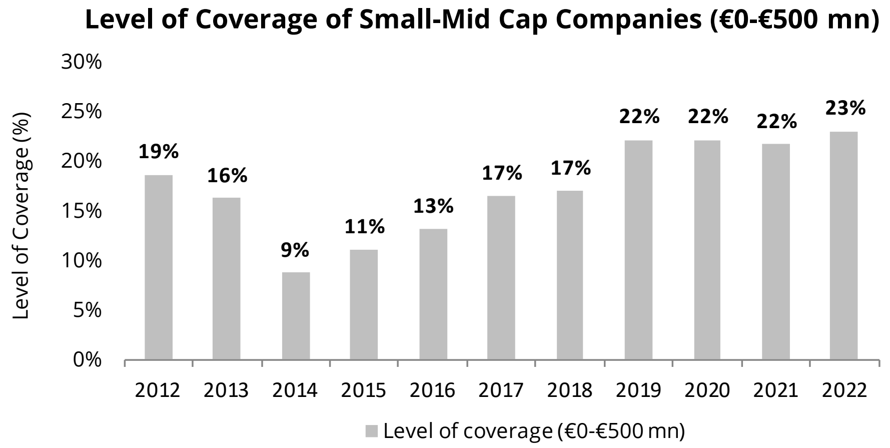
- **Key changes in the Prospectus Regulation:**
  - Prospectus exemption on secondary issuances raised to 40% and available for offers to the public
  - Introduction of Follow-On Prospectus, Summary Note and Growth Prospectus for secondary issuances
  - Minimum IPO offer period shortened to three days
  - Further harmonisation of prospectus structure (language, sequence, page limitations)
- **Key changes to MAR:**
  - Further specification of conditions for the delay of disclosure of inside information
  - Increased flexibility around disclosing inside information relating to the intermediate steps of a protracted process
  - Insider trading notification threshold increased to EUR 20,000 per year
- **Other**
  - Introduction of multiple-vote share structures for SME listings

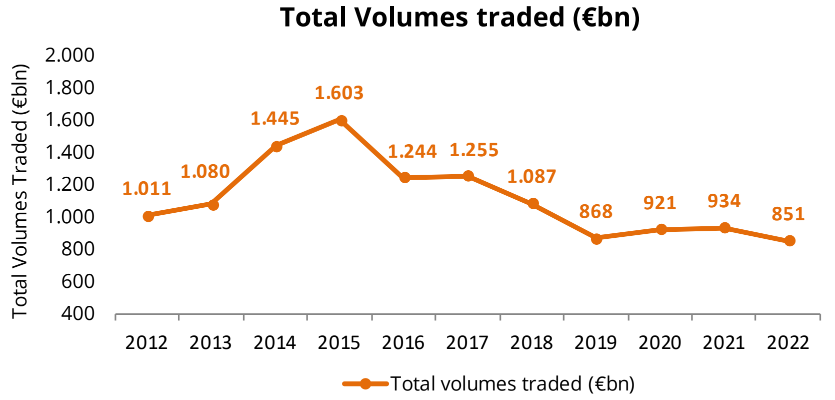
Executive Summary ▶ **Intermediaries**

Evolution of coverage of companies listed on EM

The coverage of smaller companies (market capitalization <€500 mn) in 2022 (23%) is slightly above the 2021 figure (22%), maintaining the levels since 2019

- **The coverage of smaller companies (market capitalization <€500 mn) in 2022 (23%) is slightly above the 2021 figure (22%) given the smaller number of firms listed**
- Since 2012 the **level of coverage** of small-mid companies increased from 19% to 23%.
- The **number** of **listed small-mid cap** firms decreased to 104 (vs 115 in 2021) due to the exit of 13 stocks from the index (8 of which through delisting)
- The breakdown of covered companies by market capitalization in 2022 shows that the coverage activity was focused mostly on the >€2.5 bn category and on the €500 mn – €2.5 bn one, representing 42% and 36% respectively of total covered companies.
- The **total volume traded** decreased by 8.8% from €934 bn in 2021 to €851 bn in 2022





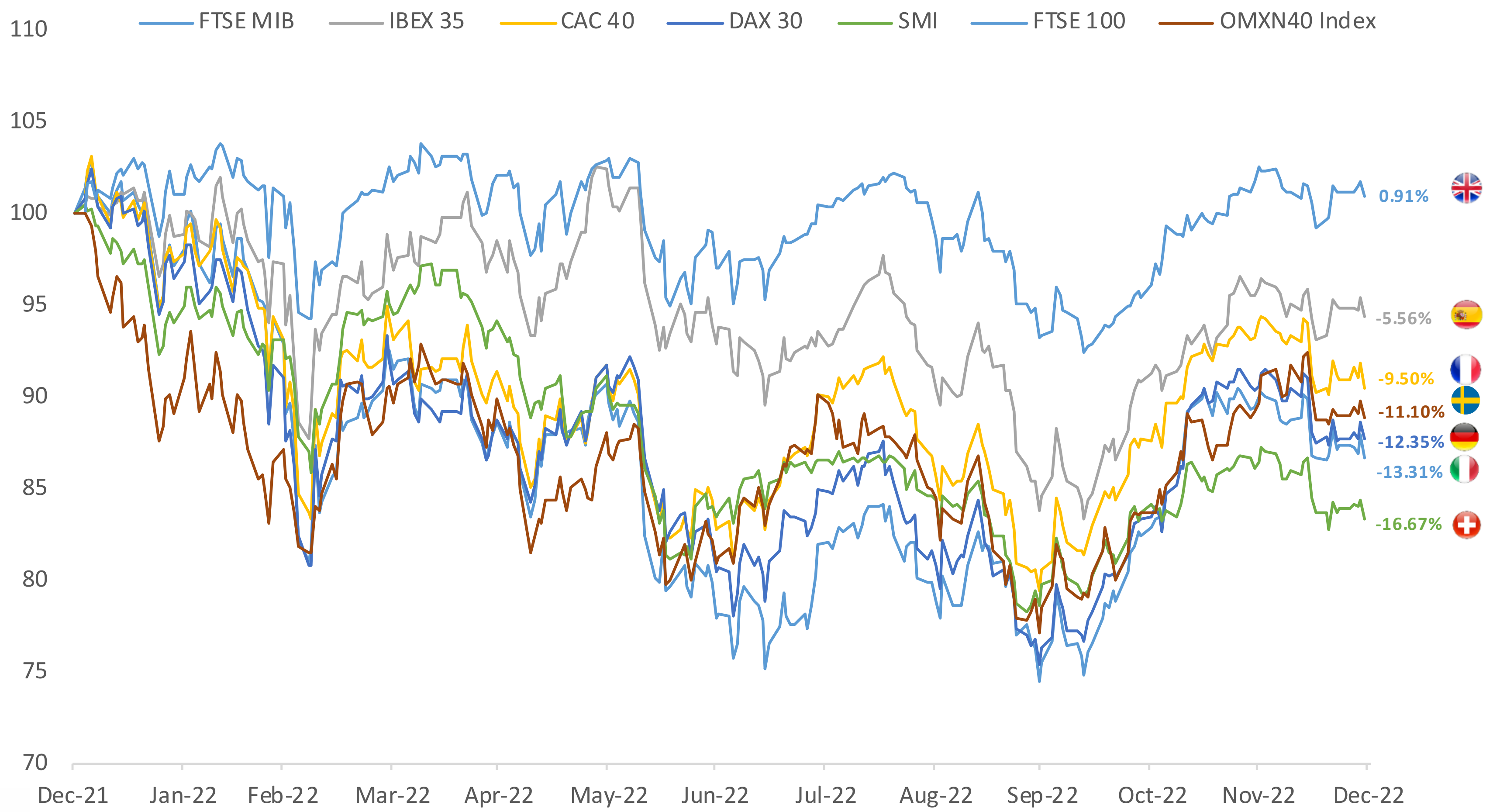
(a) Coverage level = Number of covered companies (followed by at least 3 brokers) in a given category divided by the number of companies belonging to the same category

Contents

Executive Summary ▶ **Equity**

Comparison among the Main European Stock Exchanges: 2022 performance

The effects of the Ukraine conflict, soaring inflation, a decade-high increase in interest rates, and a rise in food and energy prices all had an influence on EU main indeces. The FTSE MIB had the second worst performance in the panel



Source: Factset

Executive Summary ▶ Equity

Comparison among the Main European Stock Exchanges: 2022 Issues

The Italian primary market shows the 2nd lowest volume of equity issues in 2022 in absolute terms and it ranked 4th in terms of primary to total issuances ratio

2022 Cumulative Equity Issue Breakdown by Stock Exchanges (deal size >€10mn)

	ABB	Conv.	Fully Marketed	IPO	Rights Issue	Other	Total	o/w: Primary (€mn)	o/w: Primary (%)
London Stock Exchange(1)	9,223	-	2,696	1,095	742	559	14,315	9,891	69.1%
	81	*-*	*19*	*12*	*1*	*10*	*123*		
Boerse Frankfurt	2,503	1,562	-	9,407	653	-	14,125	3,461	24.5%
	11	*3*	*-*	*3*	*6*	*-*	*23*		
Euronext Paris(3)	1,822	1,505	-	457	7,984	46	11,815	10,082	85.3%
	15	*5*	*-*	*9*	*7*	*1*	*37*		
Nordics(2)	5,000	15	-	599	2,300	144	8,059	4,167	51.7%
	45	*1*	*-*	*11*	*26*	*4*	*87*		
Swiss Exchange	3,362	116	-	187	2,948	-	6,613	6,613	100.0%
	11	*2*	*-*	*1*	*5*	*-*	*19*		
Borsa Italiana(5)	1,494	-	-	1,436	3,612	-	6,542	4,184	64.0%
	6	*-*	*-*	*9*	*4*	*-*	*19*		
Bolsa de Madrid(4)	1,207	-	156	275	-	-	1,638	592	36.2%
	4	*-*	*1*	*4*	*-*	*-*	*9*		

- Considering only the transactions with a deal size above €10mn, the equity issues on the Italian Stock Exchange totaled **€6.5bn**, which represents the **2nd lowest** data point compared to the other main European stock exchanges. Despites that, Borsa Italiana ranked 4th for volume of primary issues (€4.1 bn)

Source: Dealogic

Note: (1) Includes EGM; (2) Includes Stockholm, Copenhagen and Helsinki (3) Includes also Alternext; (4) Includes alternative market; (5) EM and EGM

Executive Summary ▶ **Equity**

Delistings vs IPOs: more than €40 bn of capitalization wiped out of the market vs €1.5 bn raised from IPOs

In 2022 the Italian market lost more than €40 bn of market capitalization, largely outweighing new financial resources raised from IPOs (€1.5bn)

Main delistings of Italian companies in 2022

Company	Delisting Date	Market cap (€mn)	Buyer
Atlantia	04/2022	18,970	Financial Sponsor
Exor	08/2022	15,000	n.a.
Falck Renewables	02/2022	2,865	Financial Sponsor
Cattolica Assicurazioni	08/2022	1,501	Strategic
Banca Carige	06/2022	605	Strategic

Priced IPOs

Company	Market	Deal Value (€mn)	Price Range	Performance from IPO %
Technoprobe	EGM	712.5	5.6 5.7 5.8	7.7%
De Nora	EM	545	13.5 16.5	38.5%
General Finance	STAR	39	7.12 7.22 7.63	-0.3%
Civitanavi Systems	EM	34	4 5.2	-12.1%

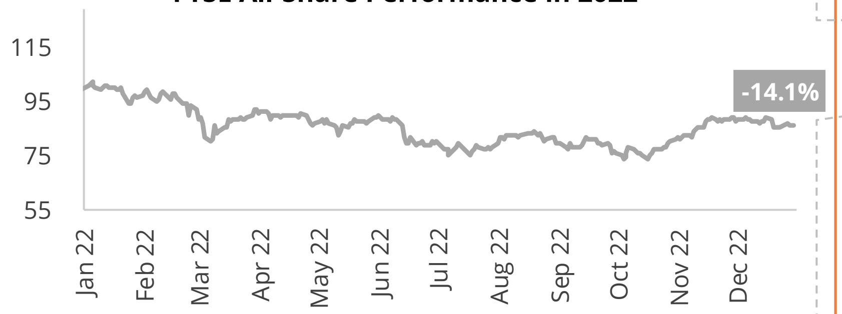
Securities Offerings ▶ **Equity**

Evolution of equity issues(a) on Euronext Milan(b)

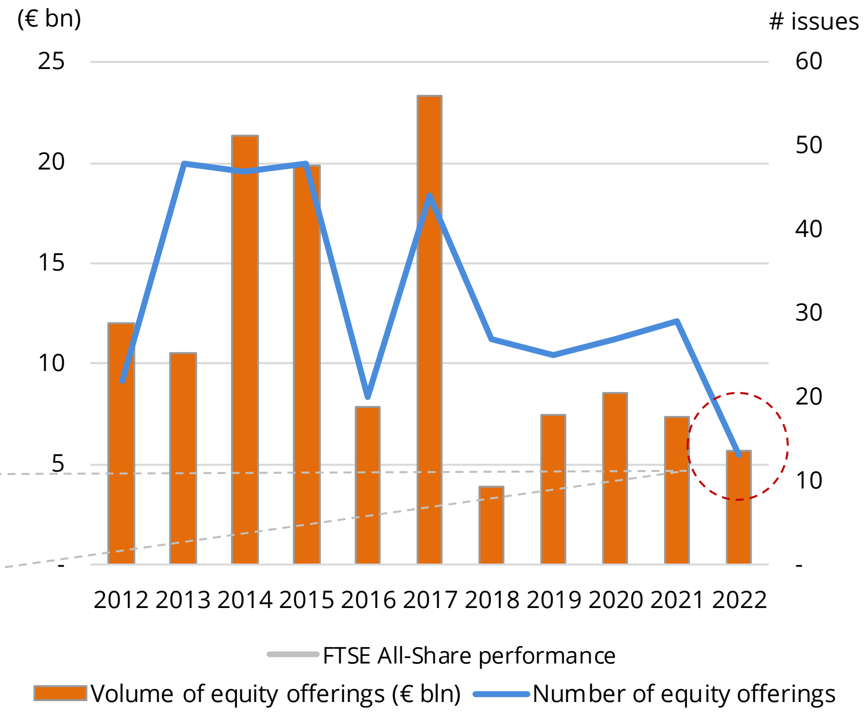
Equity issues offering volume decreased by 22%; FTSE All-Share showed a negative performance (-14.1%) in 2022

- **Equity issues decreased by 22% by offering volume**: in 2022 the equity capital markets activity on the EM totaled €5.7 bn, a 22% decrease compared to 2021 (€7.3 bn)
- By **number of issues**, 13 new offerings were brought to the market, implying a 55% decrease compared to 2021 (29 offerings)

FTSE All-Share Performance in 2022



Volume and Number of Equity Issues on Euronext Milan



(a) Equity Issues include IPOs, Rights Issues, ABBs, Convertibles and Fully Marketed

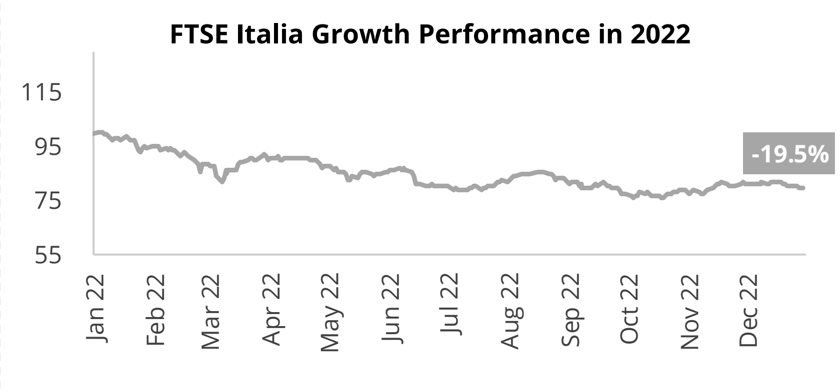
(b) In the context of our analysis EM also includes MIV, MTF (replaced with MIV in 2009) and EXPANDI (merged with EM (ex MTA) in 2009)

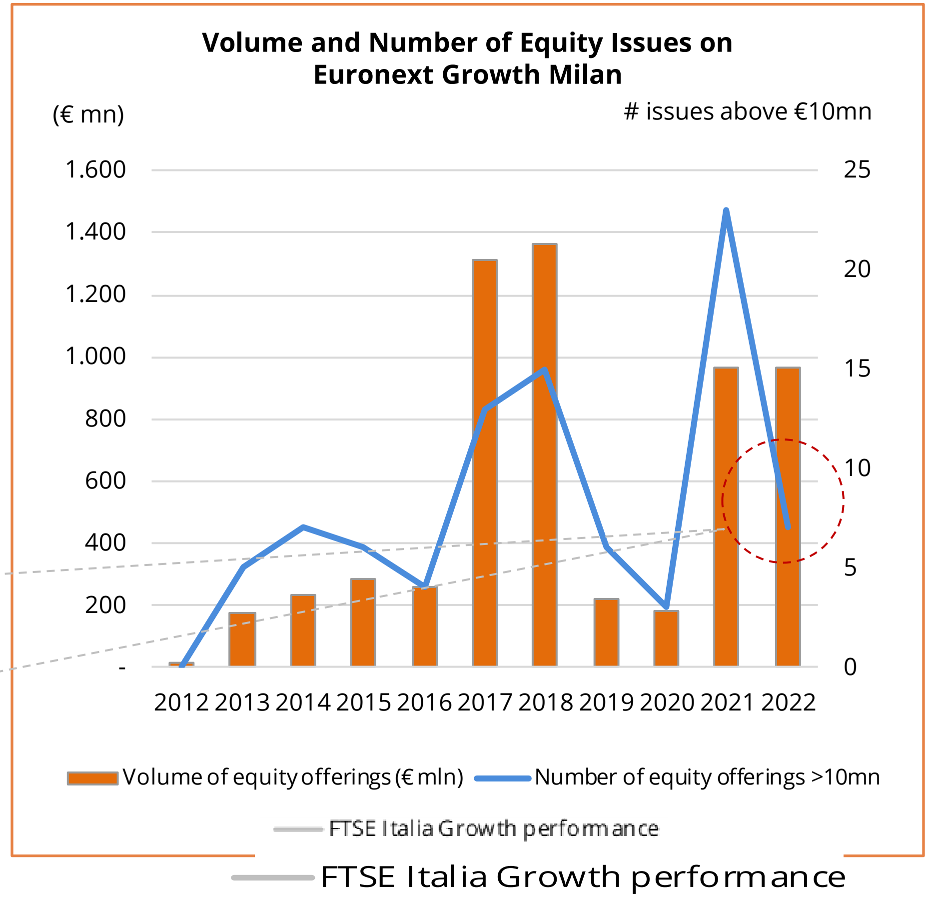
Securities Offerings ▶ **Equity**

Evolution of equity issues on Euronext Growth Milan[(a)]

Equity issues stable by offering volume; FTSE Italia Growth[(b)] showed a negative performance (-19.5%) in 2022

- **Equity issues stable by offering volume**: conversely from the EM market, equity capital markets activity on the EGM totaled €967 mn in 2022, showing a nearly nil increase compared to 2021 (€966 mn).
- By **number of issues**, 34 new offerings were brought to the market, implying a decrease of 41% compared to 2021 (58 offerings) (7 issues with a size above €10mn vs 23 in 2021)





(a) EGM also includes MAC (merged with EGM (ex AIM) in 2012)
(b) FTSE Italia Growth performance only available since 2013

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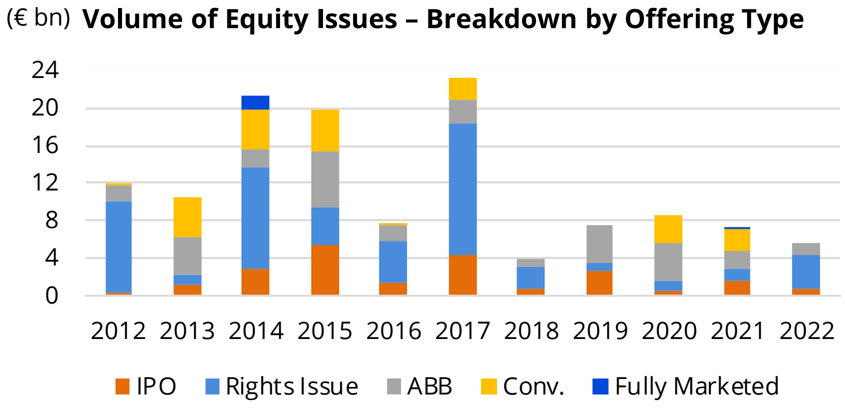
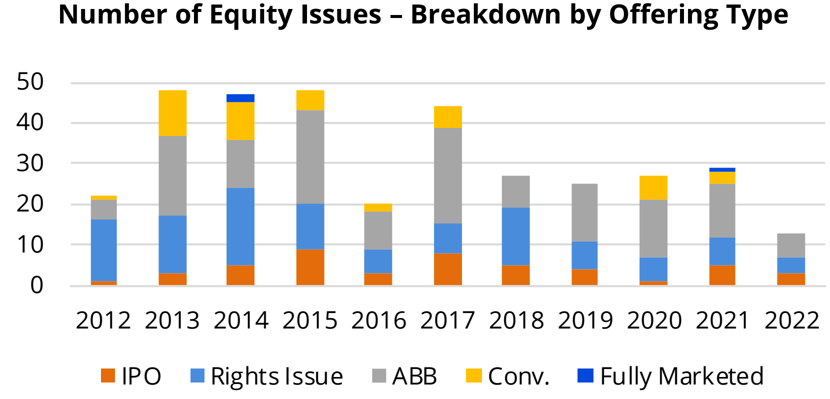
Securities Offerings ▶ **Equity**

Evolution of equity issues by offering type on Euronext Milan

Significant decrease in IPOs volume (-61%), increase in Rights Issues (+179%), decrease in ABBs (-25%) and no Convertibles issuance for the year

- **Significant increase in Right Issues (+179%), while IPO volume (-61%), ABB (-25%) and Convertibles had negative year**. IPOs decreased by 61% to €0.6 bn in 2022 (11% of total equity issues). Right Issues, amounting to €3.6 bn (€1.3 bn vs 2021) in volumes and accounted for 63% of total equity issues. ABBs totaled c.a. €1.5 bn, accounting for 26% of total equity issues on EM, showing a 25% decrease compared to 2021. No Convertibles issues have occurred in the year.
- By **number of issues**, IPOs nearly halved (3 vs 5 in 2021); no Convertibles issues have been offered (0 vs 3 in 2021) and decrease of -43% for Right Issues (4 vs 7 in 2021); ABBs number lowered too by -54% (6 vs 13 in 2021). The total number of equity issues decreased by -55% (13 vs 29 in 2021)



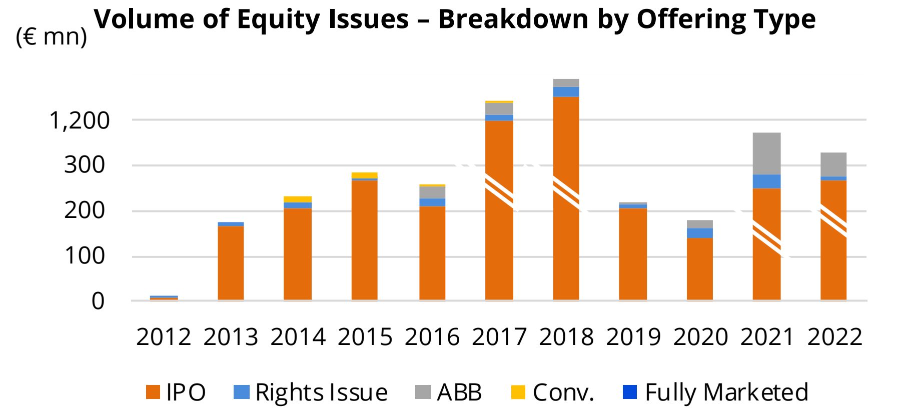


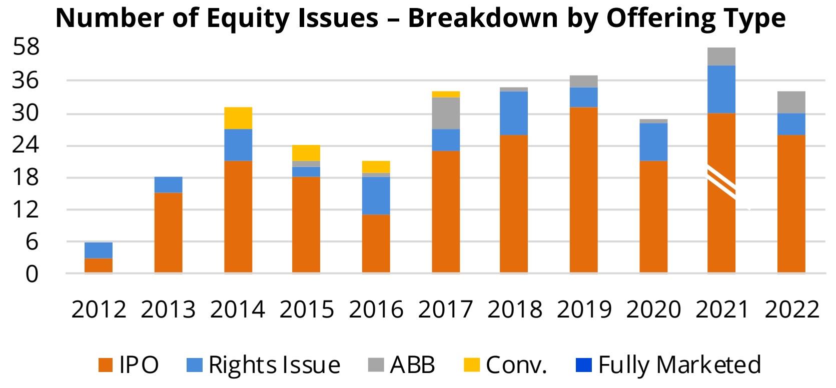
Securities Offerings ▶ **Equity**

Evolution of equity issues by offering type on Euronext Growth Milan

In 2022 IPOs on EGM increased by 7% vs 2021 in terms of volume, accounting for the largest portion of equity issues for the year (94%). On the other hand, ABBs and Rights Issues showed a decrease namely by -41% and -72% vs the previous period

- **Overall, Equity Issues on EGM in terms of volume are in line with 2021; IPOs +7%. A negative trend featured ABBs (-41%) and Right Issues (-72%)**
- **IPOs volume increased by 7% compared to 2021.** Amounting to €903 mn, IPOs volume in 2022 showed a +7% increase vs 2021
- No SPAC listed in 2022
- The number of Equity Issues on EGM decreased by -41% (34 vs 58 in 2021). IPOs accounted for 76% of the total amount of equity issues (-41% vs 2021), Right Issues for 12% (-56% vs 2021) and ABB for 12% (-20% vs 2021)



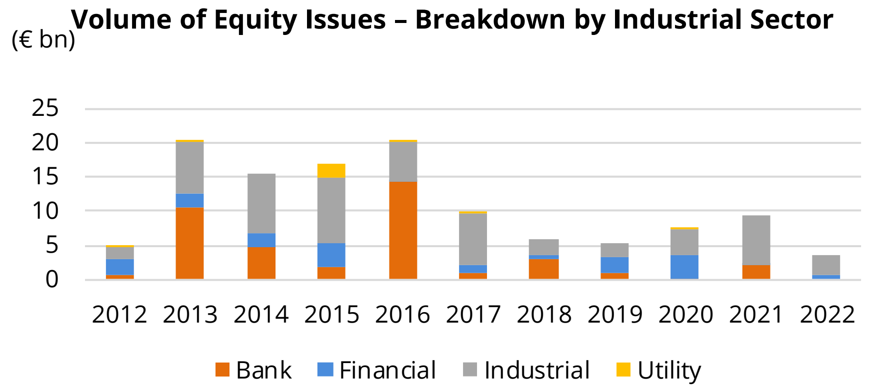


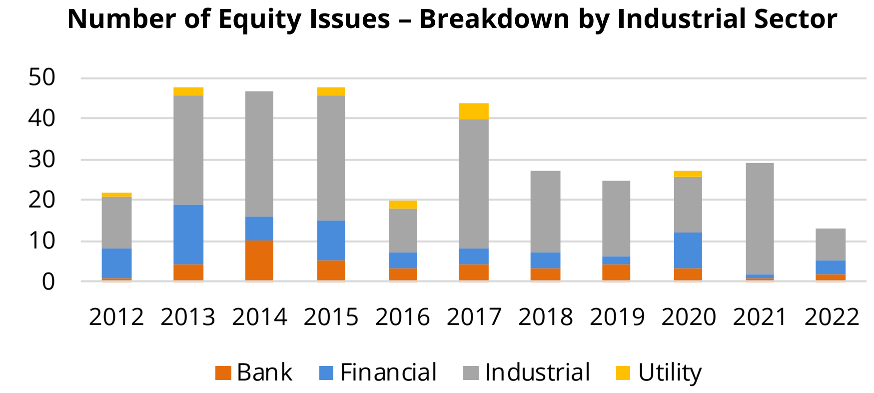
Securities Offerings ▶ **Equity**

Evolution of equity issues by industrial sector on Euronext Milan

13 equity issues on EM, 8 of which in the industrial sector, 3 in the financial and 2 in the banking segment

- In terms of **volume of issues**, industrial issues raised €3 bn in 2022 and they accounted for 53% (vs 99% in 2021) showing an YoY decrease of -59%. Ca €66 mn have been raised from financial segment issues, accounting for the 12% (vs 1% in 2021). The Banking issues in 2022 accounted for 35% (vs 0.3% in 2021) with a volume of €2 bn
- In terms of **number of issues**, industrial offerings accounted for 62% of the deals (93% in 2021), the financial and banking segments accounted namely for 23% and 15% (3% and 3% in 2021) showing an increase against the previous year





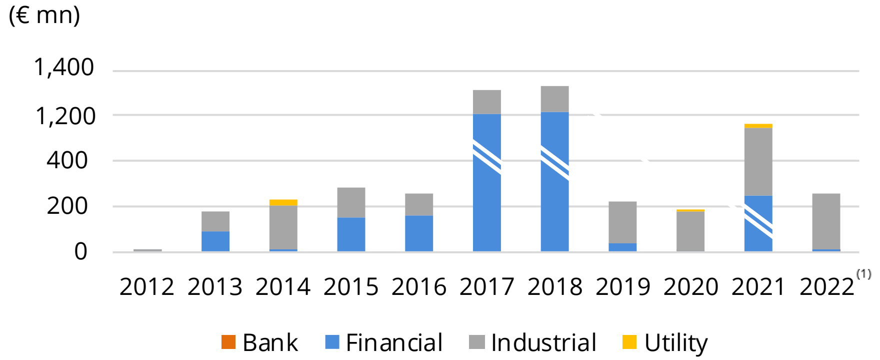
Securities Offerings ▶ **Equity**

Evolution of equity issues by industrial sector on Euronext Growth Milan

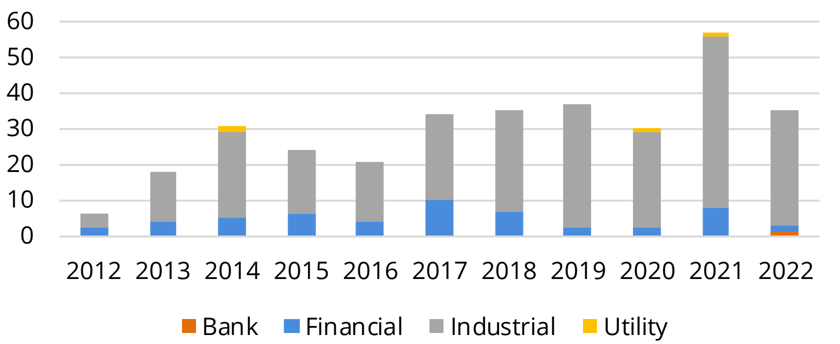
Around 99% of equity issues took place in the industrial sector and 1% in the financial sector by volumes; neither utilities nor banking segment offering took place in the year

- **Around 99% of equity issues took place in the industrial sector and 1% in the financial sector by volumes; firms belonging to utility and banking segments did not raise any capital:** by **volume of equity offerings**, in the industrial segment 2022 saw an increase of 85% against 2021, totaling €953 mn (€240 mn excluding Technoprobe), and a 99% incidence (vs 53% in 2021). Financial sector issues amounted to €14 mn, with an incidence of 1%, implying a strong decrease compared to 2021 (€441 mn)
- In terms of **number of issues**, the industrial sector (32 vs 48 in 2021) accounted for 94% (vs. 83% in 2021). 2 transactions were completed in the financial sector (vs 8 in 2021) accounting for 6% of the total.

Volume of Equity Issues – Breakdown by Industrial Sector



Number of Equity Issues – Breakdown by Industrial Sector



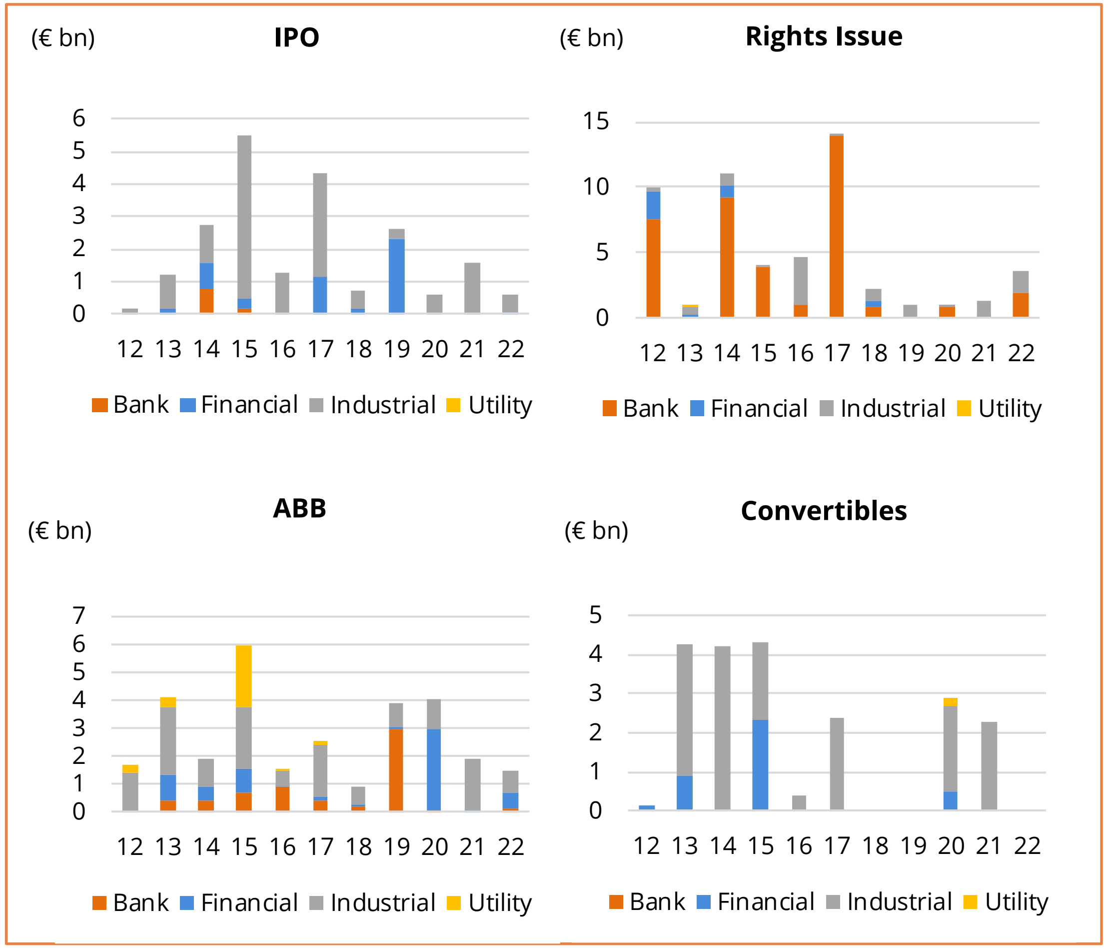
(1) Excluding Technoprobe IPO (€713 mn of deal value)

Securities Offerings ▶ **Equity**

Evolution of IPOs, Rights Issues, ABBs and Convertibles by sector on Euronext Milan

Significant increase of IPOs, with 2 of them in the industrial sector and 1 in the financial sector; the most relevant Rights Issues, ABBs and Convertibles took place in the industrial and banking segments

- **2 industrial and 1 financial IPOs**: 3 IPOs took place in 2022 for a total amount of ca €600 mn (vs 5 IPOs in 2021)
- **Most relevant Rights Issues in the Banking sector**: the most relevant Rights Issue concerned Monte dei Paschi (€1.9 bn), followed by Saipem (€1.4 bn), IVS Group (€185 mn), Landi Renzo (€59 mn) and Expert.ai (€5.9 mn), for a total amount of €3.6 bn
- **ABBs mostly in the industrial (52%) and financial sector (43%)**: 3 ABBs completed in the industrial sector, with the most relevant concerning Stellantis (€732 mn), 2 in the financial segment with Nexi at €583 mn and €38 mn, and 1 in the banking sector that only featured the BFF ABB (€80 mn).
- **Convertible offerings**: no deals during 2022

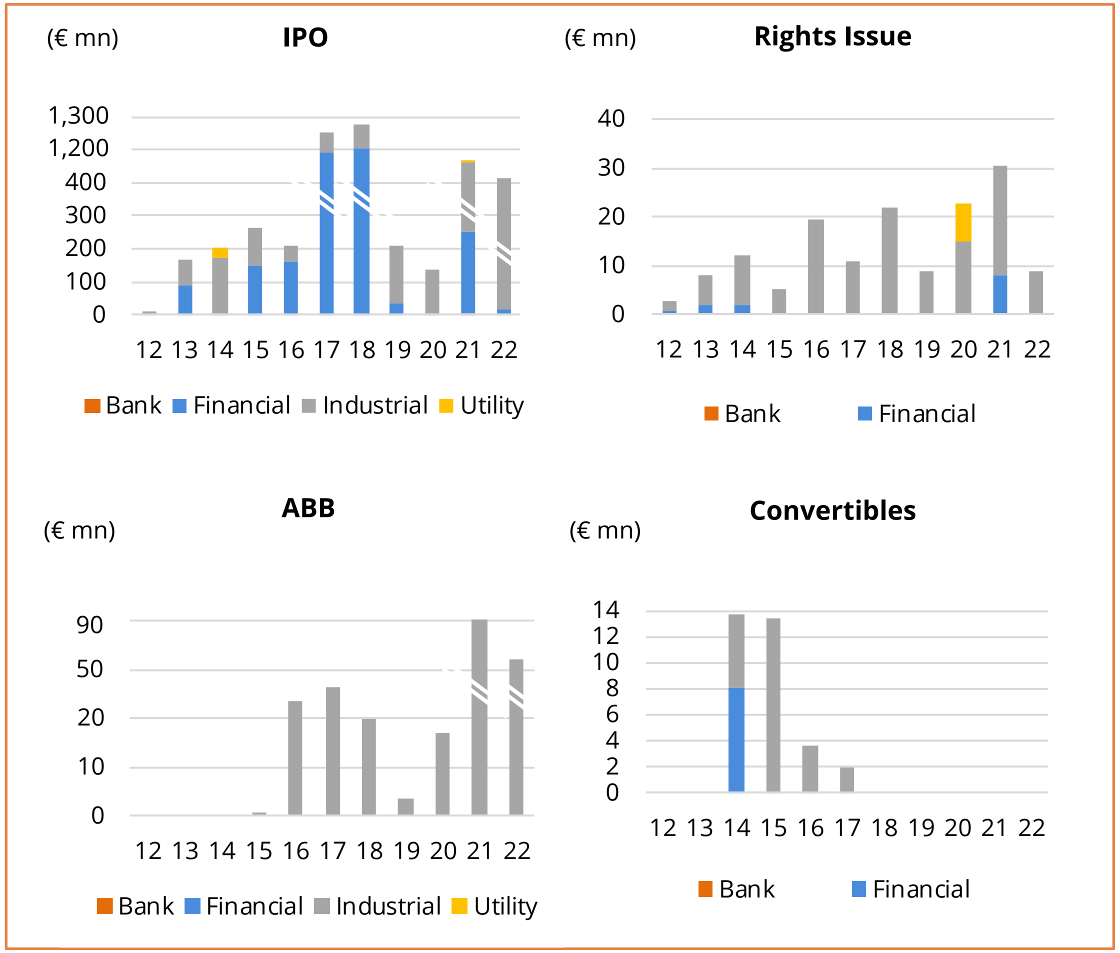


Securities Offerings ▶ **Equity**

Evolution of IPOs, Rights Issue, ABBs and Convertibles by sector on Euronext Growth Milan

Significant decrease in IPOs activity in 2022, compared to 2021 (44 deals) but greater than 2020 (21 deals), with the industrial sector being the one with the highest number of IPOs, followed by the financial segment also in terms of volumes

- **Out of 26, 24 IPOs launched in the industrial sector in 2022**: Looking at industrial IPOs the total volume is equal to €890 mn (vs €400 mn in 2021) and the largest offering was Technoprobe (€712.5 mn) followed by Energy SpA (€30 mn). 2 IPOs took place in the financial sector with a total value of €13.5 mn
- **4 Rights Issues completed in the Industrial sector in 2022**: 4 right issues in 2022 (vs 9 in 2021) for a total value of €8.6 mn (vs €30.6 mn in 2021) all of them in the industrial sector
- **4 industrial ABBs on EGM**: 4 ABBs in 2022 for a total value of €54 mn vs 5 ABBs in 2021 (€91.9 mn)

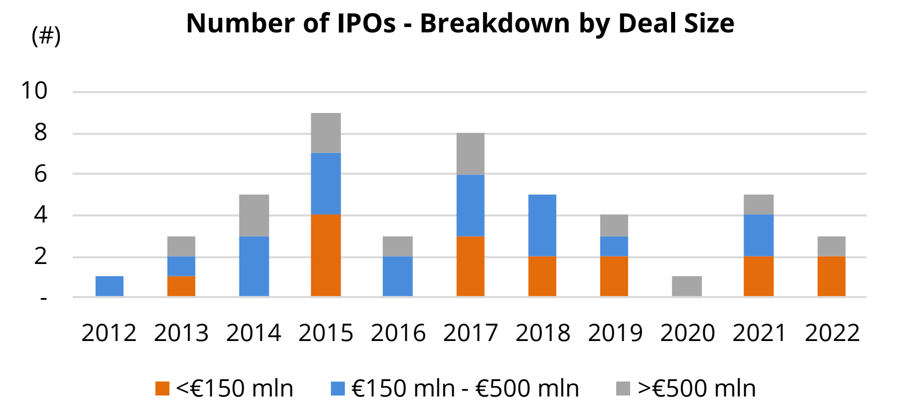


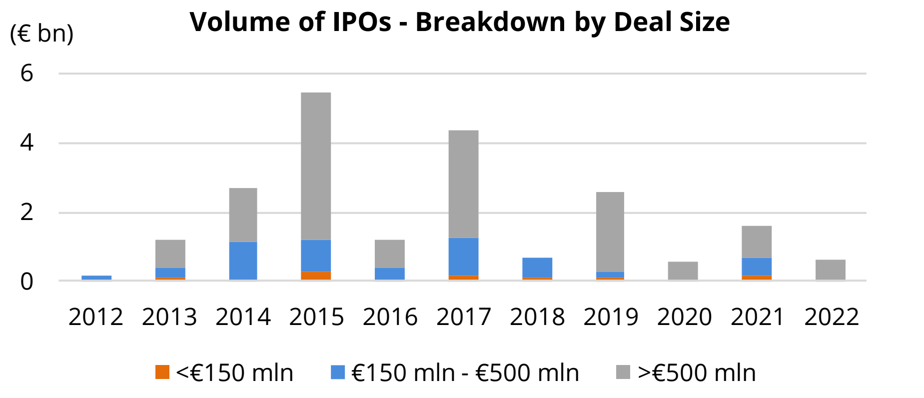
Securities Offerings ▶ **Equity**

Evolution of IPOs by deal size on Euronext Milan

3 IPOs were completed in 2022, with only one above €500 mn

- **3 IPOs in 2022, of which:** 2 < €150 mn (Civitanavi Systems and GeneralFinance) and only 1 IPO > €500 mn (Industrie De Nora, with a size of €544 mn). On the other hand, with a total of €1.6 bn 5 IPOs were priced in 2021, the largest being Ariston Holding, with a size of €915 mn
- In terms of **volumes**, the largest IPO of 2022 accounted for the 88% of the total value (€0.5 bn) while the 2 small-size issues accounted for the 12% (total size €0.1 bn)



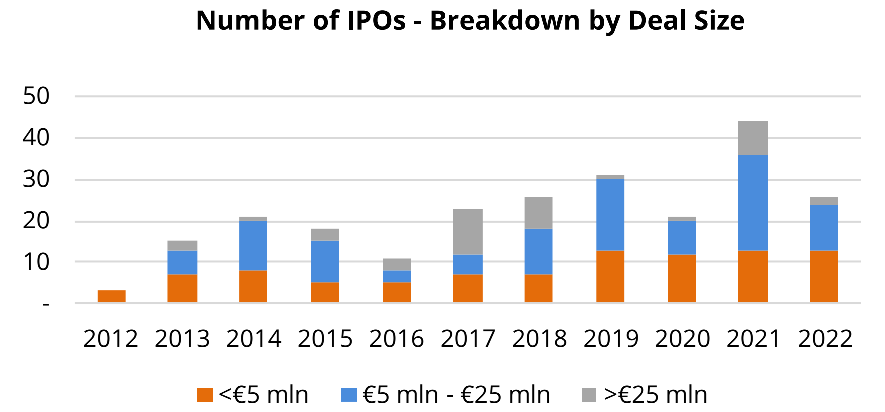


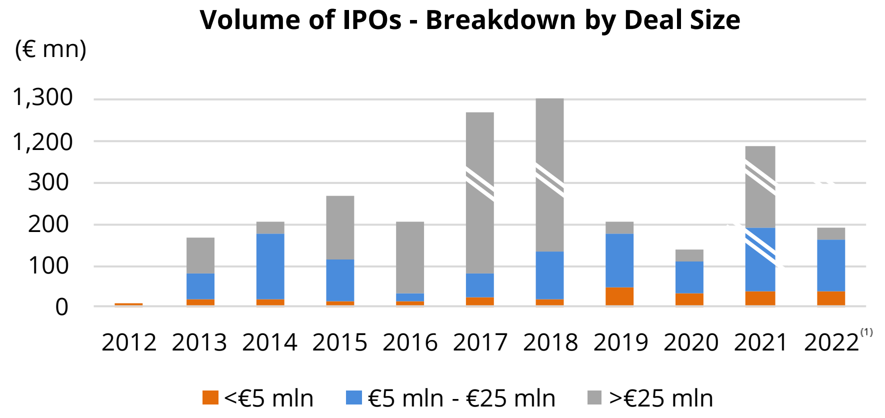
Securities Offerings ▸ **Equity**

Evolution of IPOs by deal size on Euronext Growth Milan

2022 exhibits a downward trend, in terms of IPOs number while the volumes increased vs 2021.

- **Small-size (<€5 mn) IPOs in line with 2021:** 13 out of 26 IPOs fell in the small-size range, showing no change compared to 2021 in terms of number of deals and a -6% decrease in terms of volumes (€37 mn vs €39 mn in 2021)
- **Relevant decrease in mid-size (€5 mn - €25 mn) IPOs, -52%:** 11 out of 26 IPOs fell in the mid-size range (vs 23 out of 44 in 2021), showing a decrease of -52% in terms of number of IPOs and -54% in terms of total volumes (€123 vs €270 mn in 2021)
- **Significant decrease of large-size (>€25 mn) IPOs:** 2 out of 26 IPOs in this category (vs 8 out of 44 in 2021), with a total value of €742 mn (vs €533 mn in 2021).





(1) Excluding Technoprobe IPO (€713 mn of deal value)

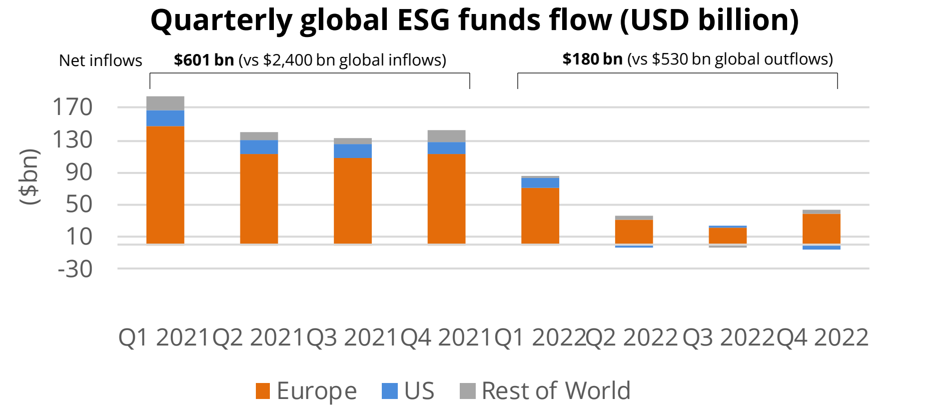
Contents

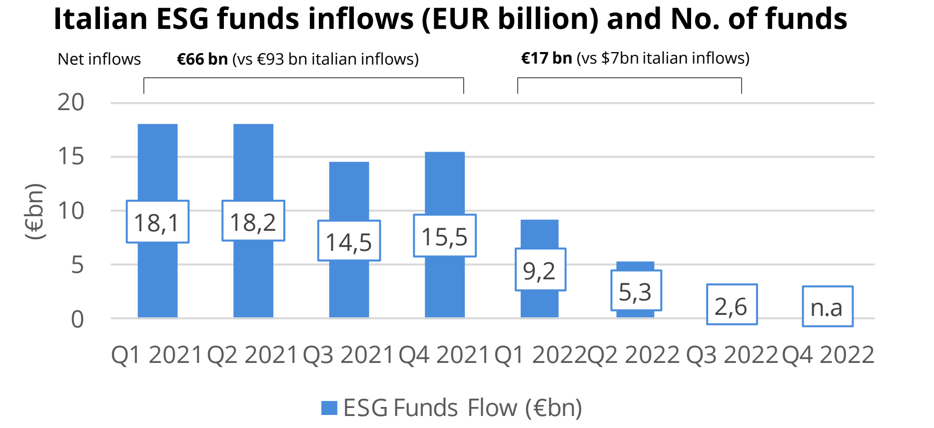
ESG Focus ▶ **Equity**

Global and EU inflows to ESG funds

ESG investing fund flows kept positive throughout 2022, however showing a steady decrease started in Q1 2021 that has been interrupted only in Q4 2022 which witnessed the first rebound in net inflows in almost two years.
Total global outflows were $530 bn in 2022, against $2.4 trillion of inflows in 2021

- **Global Sustainable Asset management** industry figures remain positive throughout 2022, with the only exception of the US which had negative net inflows in Q2 2022(($-1.6 bn) and Q4 2022 ($-6.2 bn). Despite the positive data, total quarterly inflows continued declining from Q2 2021 levels, but **rebounded** in the last quarter of 2022 (+64% QoQ)
- Total ESG inflows decreased in 2022 ($180bn vs $601bn in 2021) yet outperforming global net flows ($530bn outflows)
- **Europe continues to represent the most developed market for ESG investments**, accounting for slightly more than 80% of the total sustainable universe inflows, assets and number of funds
- In line with European trends, the **Italian market** also confirmed the global downward trend seen in other geographies in terms of **total ESG net inflows** which amounted to € 17.2 bn for the **9M22 (€66 bn in 2021)** beating the total Italian inflows in 2022 (€7 bn vs €93 bn in 2021)





Source: Equita SIM Research; Morningstar Direct. Manager Research. Assogestioni
Note: (1) Sustainable Finance Disclosure Regulation

ESG Focus ▶ **Equity**

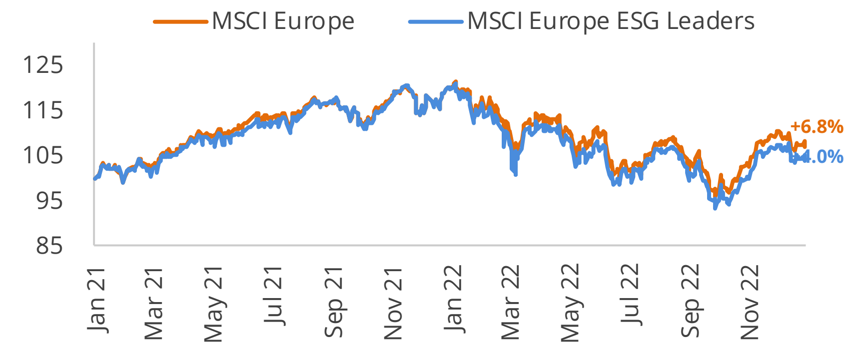
Performance of ESG vs. equivalent traditional equity indices

In 2022, returns from sustainable investing were comparable to those of the traditional indices, having been impacted by 2022 the global turmoil

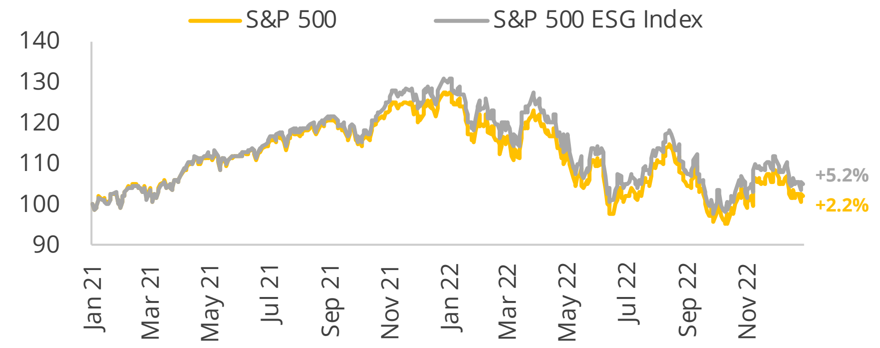
- In the midst of the Ukraine crisis, rising interest rates, lingering concerns about the recession, and inflationary pressures, **ESG indices followed the negative performance of their traditional counterparts.** However, the last 2 years performance is **slightly positive.**
- Looking to ESG indeces in Europe: the **MSCI Europe ESG leaders index** (-13.6%) **has underperformed its conventional equivalent** (-11.4%)
- In the US market, however the **S&P 500 ESG index** (-19.7% in 2022) performed in line with **its conventional equivalent** (-20%)

	FY2021	FY2022
S&P 500 ESG	+29.9%	-19.7%
S&P 500	+26.9%	-20.0%
MSCI Europe	+19.9%	-11.4%
MSCI Europe ESG Leaders	+20.0%	-13.6%

European market (1st January 2021 – 31st December 2022)



US market (1st January 2021– 31st December 2022)



Source: Equita SIM Research. Factset

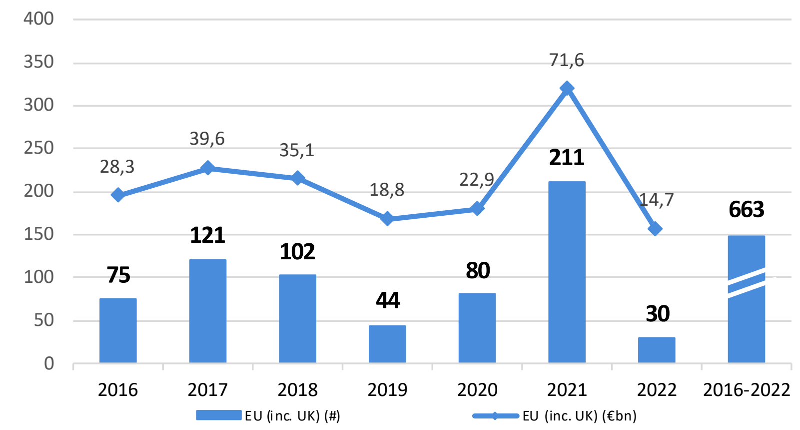
Contents

Intermediaries

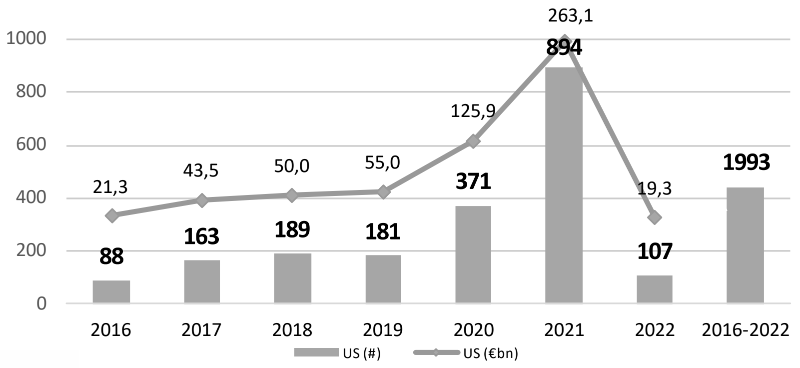
IPOs' Evolution 2016-2022: Europe vs US

IPOs decreased both in Europe and in US in 2022. IPOs are mainly concentrated in the €100m-€250m range both in Europe and US

IPO Number and Volume in Europe (Deal value > €50m)



IPO Number and Volume in US (Deal value > €50m)



Breakdown by size

Deal Size Range	# IPO EU (inc. UK)	# IPO US	Avg. Volume (€m) EU (inc. UK)	Avg. Volume (€m) US
€50m - €100m	196	384	72	78
€100m - €250m	236	946	159	174
€250m - €500m	126	447	358	332
>€500m	105	216	1.277	1.088
Total	**663**	**1.993**	**348**	**290**

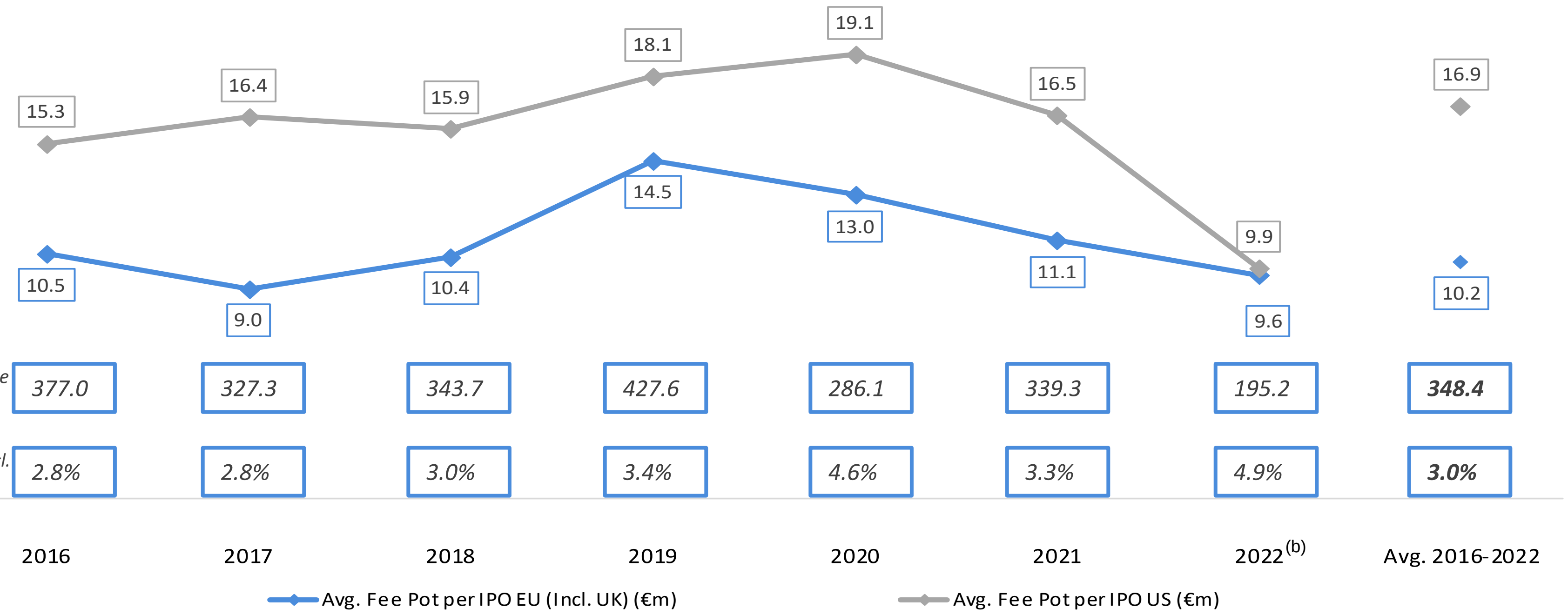
Source: Dealogic

Intermediaries

Fees' Evolution in IPOs 2016-2022: Europe vs US (a)

In 2022 the EU average fee increased to 4.9% (vs 3.3% 2021), while the US average fee remained flat against the previous year (5.5% vs 5.6%). 2022 also witnessed the alignment of the average fee pot per IPO in the two markets (EU €9.6m vs US €9.9m)

	2016	2017	2018	2019	2020	2021	2022 (b)	Avg. 2016-2022
Avg. IPO Volume US (€m)	*241.6*	*266.8*	*264.4*	*303.8*	*339.3*	*294.3*	*180.4*	***290.0***
Avg. fee US (%)	*6.3%*	*6.1%*	*6.0%*	*6.0%*	*5.6%*	*5.6%*	*5.5%*	***5.8%***
Avg. IPO Volume EU (Incl. UK) (€m)	*377.0*	*327.3*	*343.7*	*427.6*	*286.1*	*339.3*	*195.2*	***348.4***
Avg. fee EU (Incl. UK) (%)	*2.8%*	*2.8%*	*3.0%*	*3.4%*	*4.6%*	*3.3%*	*4.9%*	***3.0%***



(a) Only deal value >= €50m are considered (b) excluding Porsche IPO
Source: Dealogic

Intermediaries

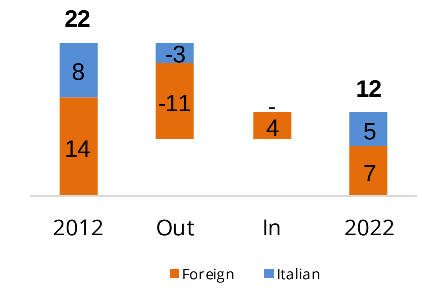
Evolution of players active in Equity Research and Sales & Trading on EM

From 2012 to 2022 11 foreign players have given up Equity Research and 8 foreign brokers have given up their Sales & Trading activity on EM

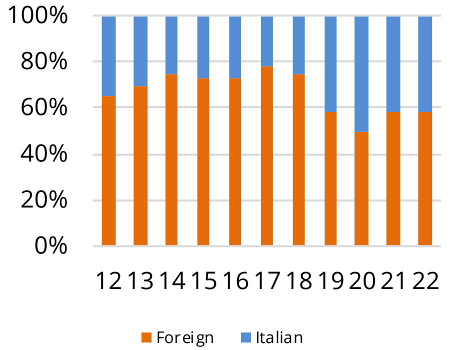
- **Eleven foreign players have given up Equity Research in the given period:** 11 foreign and 3 Italian brokers discontinued their Equity Research activity. Since 2012, the number of brokers moved from 22 to 12 in 2022, -7 net decrease in number of foreign brokers and -3 net decrease of Italian ones
- By number of Equity Research brokers, 2022 sees the same players as 2021, with the split between Italian and foreign players in line with the previous year (Italian brokers 41.7%; foreign brokers 58.3%)
- **Eight foreign players have given up Sales & Trading activities in the given period**: the number of players performing Sales & Trading activities on the Italian stock decreased from 30 in 2012 to 15 in 2022. It suffered a substantial reduction, with a decrease of 8 foreign and 10 Italian players discontinuing their business in the period, only 3 new Italian brokers enter the market. In 2022, only IWBank exited the market.

Equity Research[(a)] on EM

Evolution of Number of Italian and Foreign Equity Research Brokers

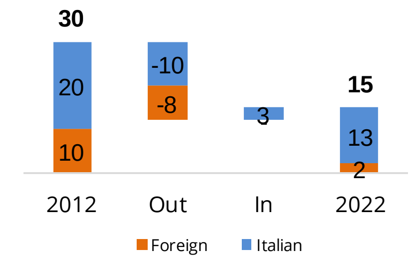


Brokers' Breakdown by Nationality – Based on Brokers' Number

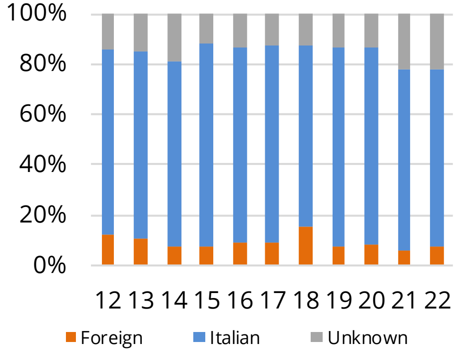


Sales & Trading[(b)] on EM

Evolution of Number of Italian and Foreign Sales & Trading Brokers



Brokers' Breakdown by Nationality – Based on Traded Volumes



(a) Included in the analysis brokers with significant Equity Research activity (coverage of 15 or more companies)

(b) Included in the analysis brokers monitored by Assosim and their relative volumes traded in favour of third parties, updated at last available data (1H 2022)

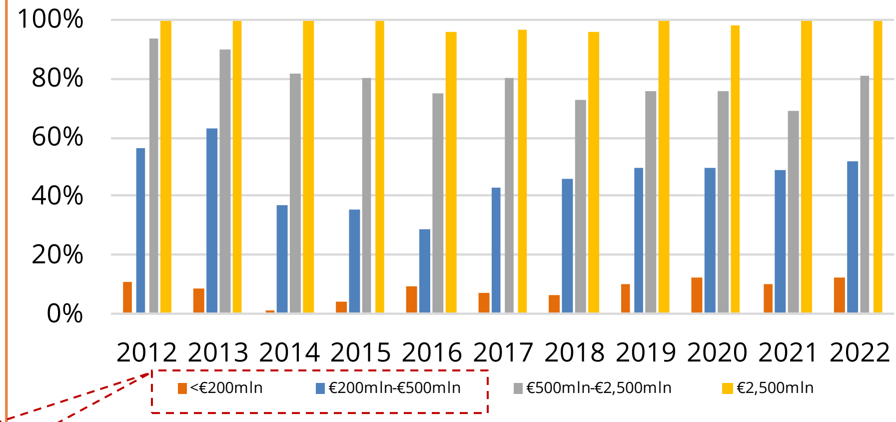
Intermediaries

Evolution of coverage of companies listed on EM

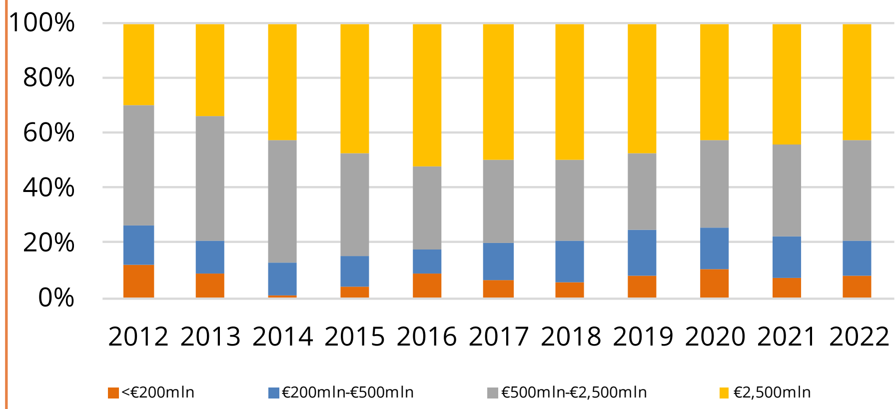
The coverage of smaller companies (market capitalization <€200 mn) in 2022 is in line with 2021, maintaining the levels since 2019

- **The coverage of smaller companies (market capitalization <€200 mn) is in line with 2021 at 7%**
- The breakdown of covered companies by market capitalization in 2022 shows that the coverage activity was focused mostly on the >€2.5 bn category and on the €500 mn – €2.5 bn one, representing 42% and 36% respectively of total covered companies. The level of coverage on firms with market capitalization <€500 mn increased as in 2022 the number of listed companies decreased to 104 (vs 115 in 2021) due to the exit of 13 stocks from the FTSE all-Share (8 of which through delisting)

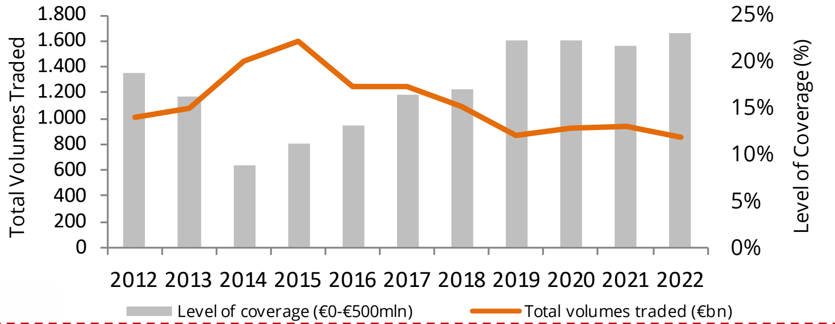
Evolution of the Level of Coverage[a]



Breakdown by Number of Covered Companies[b]



Focus on small-mid caps



(a) Coverage level = Number of covered companies (followed by at least 3 brokers) in a given category divided by the number of companies belonging to the same category

(b) Companies followed by at least 3 brokers

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EQUITA

Intermediaries

Rankings in Equity Research and Sales & Trading

Strong positioning of independent players according to Italian and international investors

- Each year Thomson Extel[a] ranks the best teams for Equity research and Sales & Trading based on votes by Italian and international institutional investors. Since 2020, Extel has been combined with the Institutional Investor [b] Survey in a unified survey
- Extel and Institutional Investors' rankings show that independent players achieved strong positioning in terms of Equity Research coverage and Sales & Trading activities according to Italian and international investors
- In addition, the rankings over the period 2016-2022 show that the closeness of independent brokers to investors does not match the involvement of these brokers in coordinating underwriting syndicates

EXTEL

Country Research

#	2015	2016	2017	2018	2019
1	Lending Bank	Lending Bank	Lending Bank	Lending Bank	Indep. Broker
2	Indep. Broker	Indep. Broker	Indep. Broker	Indep. Broker	Indep. Broker
3	Indep. Broker	Indep. Broker	Indep. Broker	Indep. Broker	Lending Bank

Best Broker in Italy: Trading Execution

#	2015	2016	2017	2018	2019
1	Indep. Broker	Indep. Broker	Indep. Broker	Indep. Broker	Indep. Broker
2	Indep. Broker	Indep. Broker	Indep. Broker	Indep. Broker	Indep. Broker
3	Lending Bank	Lending Bank	Lending Bank	Lending Bank	Lending Bank

Best Broker in Italy: Equity Sales

#	2015	2016	2017	2018	2019
1	Lending Bank	Lending Bank	Lending Bank	Lending Bank	Lending Bank
2	Indep. Broker	Indep. Broker	Indep. Broker	Indep. Broker	Indep. Broker
3	Indep. Broker	Indep. Broker	Indep. Broker	Indep. Broker	Indep. Broker

ISTITUTIONAL INVESTORS

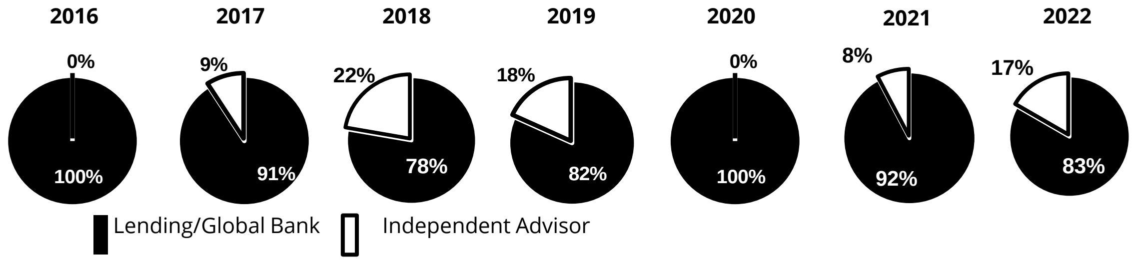
Country Research

#	2021	2022
1	Lending Bank	Lending Bank
2	Indep. Broker	Indep. Broker
3	Indep. Broker	Indep. Broker

Sales & Trading

#	2021	2022
1	Lending Bank	Lending Bank
2	Indep. Broker	Indep. Broker
3	Indep. Broker	Indep. Broker

Nature of Global Coordinators in IPOs on EM[c]



(a) Extel: Thomson Reuters' branch specializing in surveys that measure excellence and performance in the equities investment industry across Europe

(b) Istitutional Investor: produces proprietary research and rankings on buy-side and sell-side research, hedge funds, corporates, fixed income and asset management. Istitutional Investor and Extel Ranking have been combined in 2020

(c) Percentages are based on the number of IPOs run by lending Banks or Independent Advisors (acting as Global Coordinators)

Contents

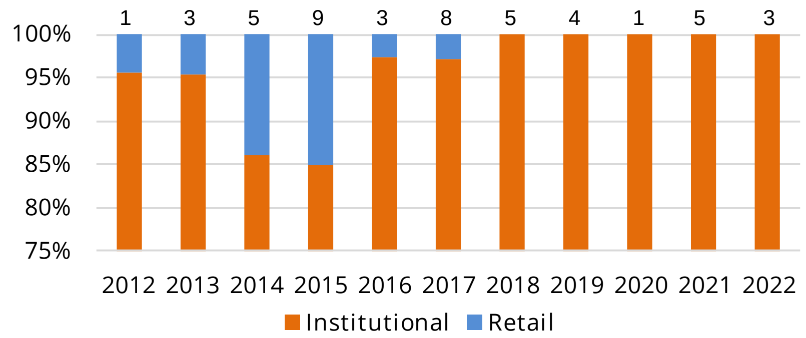
Investors ▶ **Equity**

Evolution of investors' nature: retail vs institutional

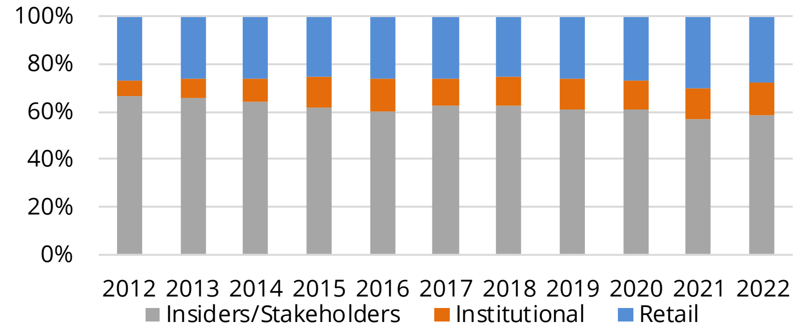
None of the IPOs on EM since 2018 has been open to retail investors. Looking at the secondary market, monitored[(a)] institutional investors' weight in the share capital of companies included in FTSE All-Share remains flat compared to 2021

- **In 2022 institutional investors represented 100% of the total demand in the IPOs on EM (primary market)[(b)]**: the level of institutional investors in IPOs demand remains historically high: none of the IPOs on EM since 2018 has been open to retail investors
- **Looking at the secondary market, monitored[(a)] institutional investors' weight in the share capital of companies included in FTSE All-Share remains flat compared to 2021 (13% in 2022 vs 12% in 2021)[(c)]**: the nature of investors in companies of FTSE All-Share kept generally stable in the period concerned

Investors' Breakdown by Nature –
Based on the Number of Shares Demanded in the Context of IPOs on EM



Investors' Breakdown by Nature –
Based on the Weight in the Share Capital of Companies Listed on FTSE All-Share[(c)]



(a) Monitored institutional investors correspond to the totality of institutional investors tracked by Factset; implied retail is the complement to 100%
(b) Percentages are based on the number of shares requested
(c) Percentages are based on the value of positions held as of 31 December of each year

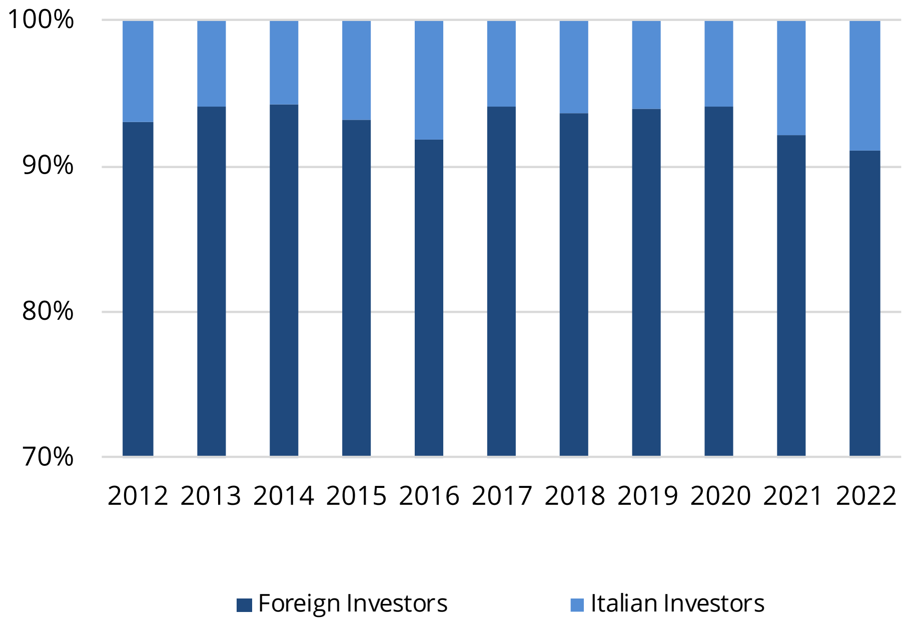
Investors ▶ **Equity**

Evolution of institutional investors' nationality

In 2022 (as for 2021), there is not enough data available in order to analyze the split of institutional demand in the IPOs on EM. The institutional investors' breakdown by nationality, based on the weight in the share capital of companies listed on FTSE All-Share, shows that foreign institutional investors represent 91% of total institutional investors

- **Foreign institutional investors represented 91% of total institutional investors in listed companies included in FTSE All-Share, vs 92% in 2021[(b)]**: if we consider the weight of each country in 2022, Italian institutional investors slightly increased from 7.8% in 2021 to 9.0% in 2022

Institutional Investors' Breakdown –
Based on the Weight in the Share Capital of Companies Listed on FTSE All-Share



(a) Percentages are based on the number of shares requested
(b) Percentages are based on the value of holdings held as of 31 December of each year

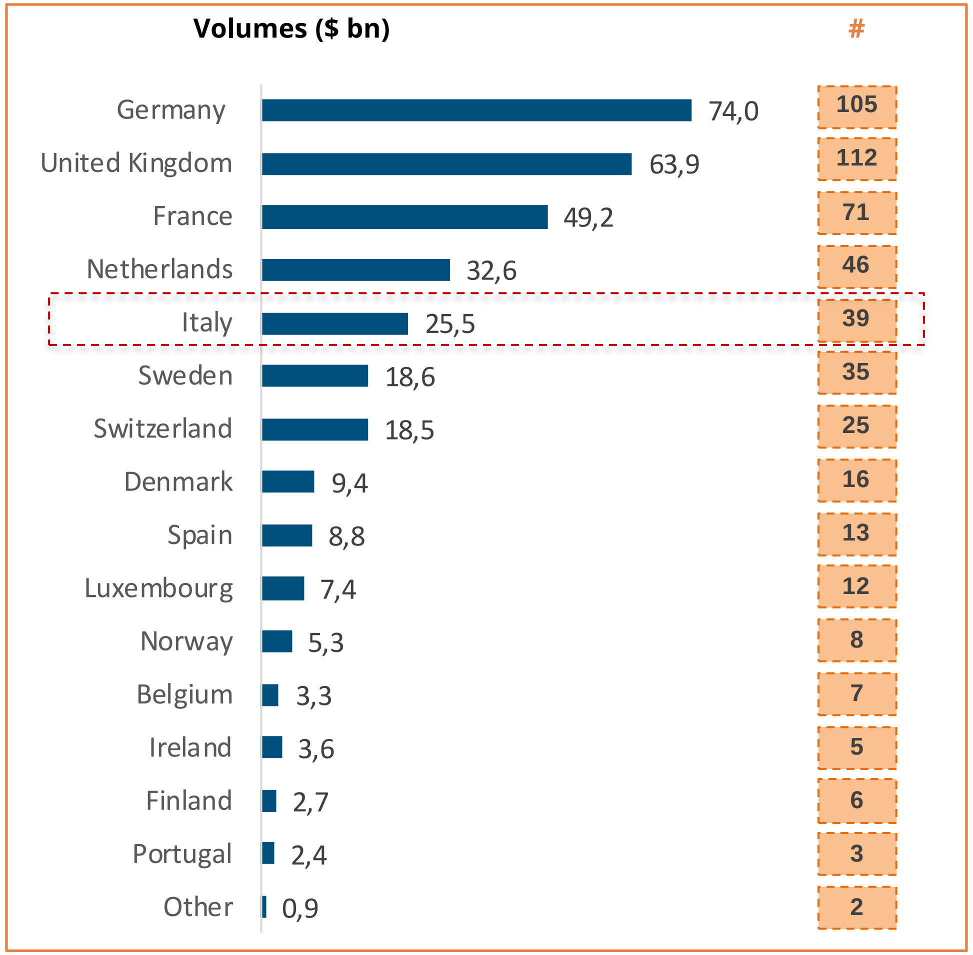
Contents

Securities Offerings ▶ **Debt**

Evolution of European Corporate debt issues by country in 2022

Germany was the main country in terms of volumes of corporate debt issues, followed by United Kingdom and France. In terms of number of issues, the United Kingdom led the market. Italy ranked fifth in both league tables

- In 2022, Germany was the main country in terms of volumes of corporate debt issues ($74.0 bn), followed by United Kingdom ($63.9 bn) and France ($49.2 bn)
- Italy ranked fifth in both league tables with 39 corporate issues for a total amount raised of $25.5 bn
- On the low-end side Ireland, Finland and Portugal raised the smallest amount in terms of volumes (respectively $3.6 bn, $2.7 bn and $2.4 bn)



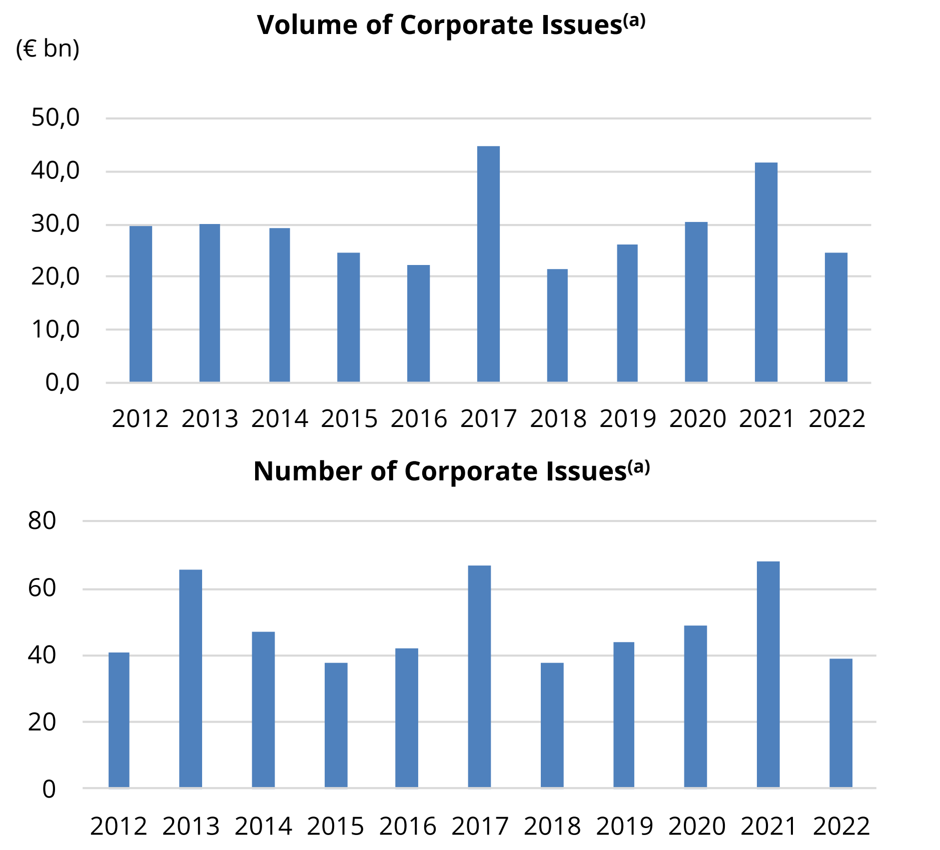
Source: Bond Radar

Securities Offerings ▶ **Debt**

Evolution of Italian Corporate debt issues

Volume of Corporate debt issues decreased by 42%; number of issues decreased by 43%

- **Volume of issues decreased by 42%:** the total amount of issues registered by Italian companies was €24.4 bn (€17.4 bn lower compared to the previous year). The Italian corporate fixed income market showed high resiliency during the pandemic, but in 2022 the macroeconomic context characterized by rising interest rates and high volatility affected the whole fixed income market resulting in decreased bond issuances
- **Number of issues decreased by 43%**: the number of new issues reported a decrease of -43%. There were 39 issues in 2022, compared to 68 in 2021



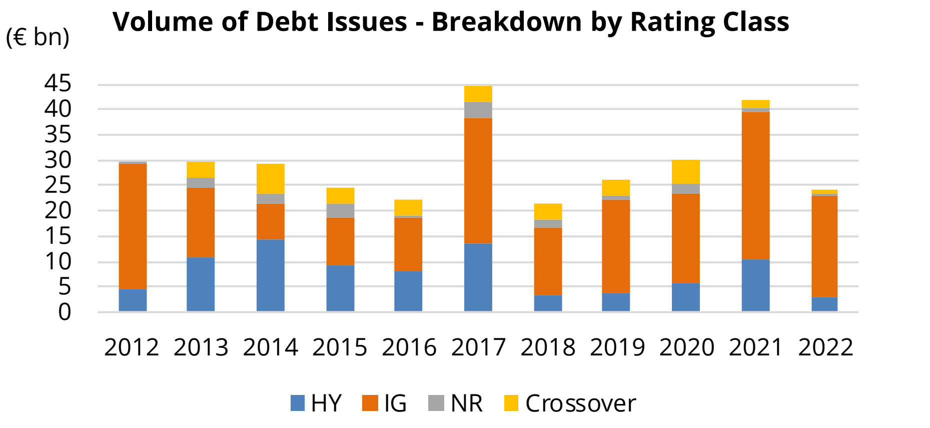
(a) The panel includes all the deals promoted by Italian corporate issuers placed on the institutional market

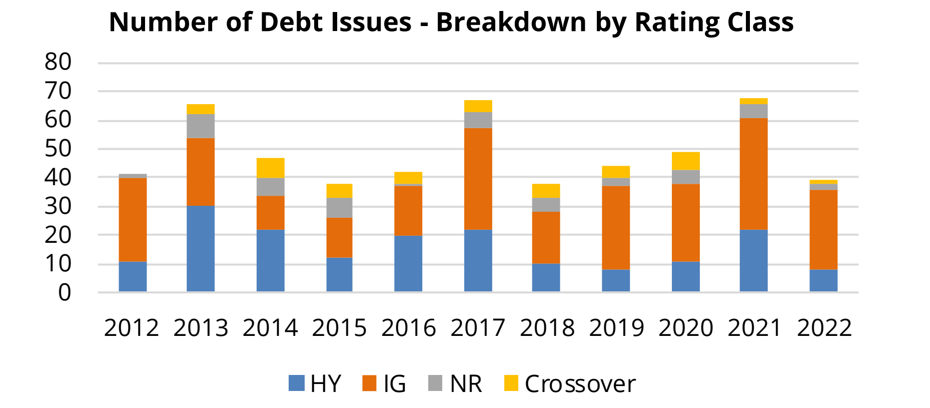
Securities Offerings ▶ **Debt**

Evolution of Italian Corporate debt issues by type of rating

Investment Grade issues amounted to €19.9 bn, representing 81% of total issues on the Italian market, a -32% decrease compared to 2021; however, High Yield issues registered the worst year-on-year decrease (-71%)

- **Investment Grade issues of €19.9 bn, representing 81% of total issues on the Italian market, showed a -32% decrease compared to 2021.** However, the worst decrease was registered by High Yield issues, which totaled €3.0 bn (12% of total issues) a -71% vs 2021; Not Rated issues totaled €0.5 bn (2% of total issues, -39% vs 2021); Crossover issues totaled €1.0 bn (4% of total issues, -23% vs 2021)
- By number of issues, 72% of total debt offerings were Investment Grade issues (28 vs 39 in 2021); the second largest category was High Yield (8 vs 22 in 2021), while Not Rated (2 vs 5 in 2021) and Crossover issues (1 vs 2 in 2021) were the smallest ones





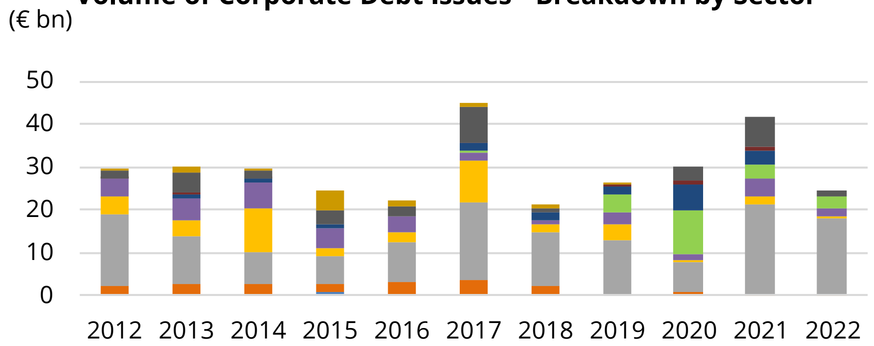
Securities Offerings ▶ **Debt**

Evolution of Italian Corporate debt issues by sector

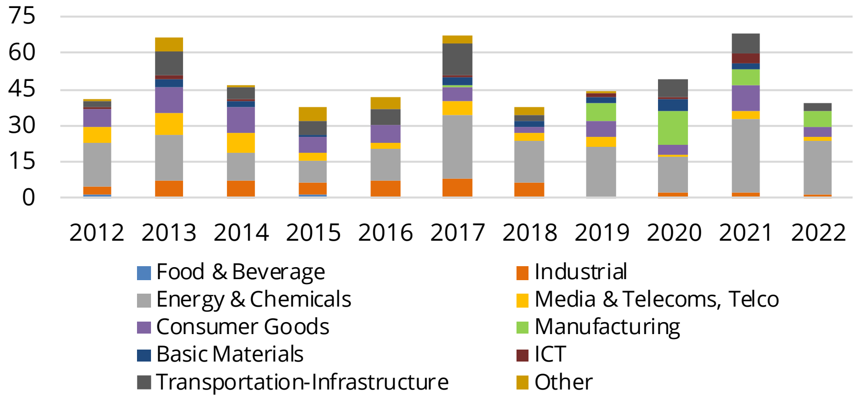
The Energy & Chemicals sector represented about 72% of total volume in 2022, followed by the Manufacturing sector accounting for 11%

- **The Energy & Chemicals sector represented about 72% of the total volume in 2022**: Italian corporate DCM showed a strong prevalence of issues in Energy & Chemicals industry (72%), followed by Manufacturing sector (11%)
- The first five frequent issuers were: ENEL (€12.0 bn, Energy & Chemicals sector); Snam (€1.8 bn, Energy & Chemicals sector); A2A (€1.8 bn, Energy & Chemicals sector); Terna (€1.0 bn, Energy & Chemicals sector); and Autostrade (€1.0 bn, Transportation – Infrastructure sector)

Volume of Corporate Debt Issues - Breakdown by Sector



Number of Corporate Debt Issues - Breakdown by Sector

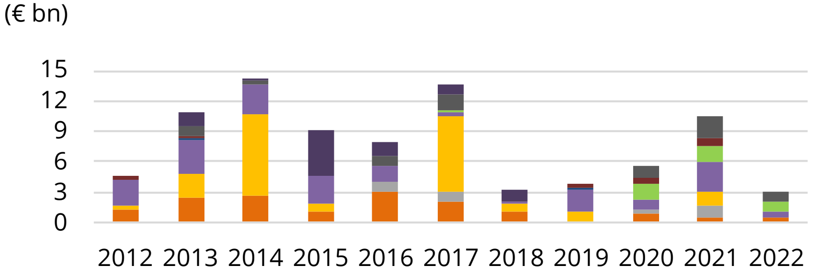


Securities Offerings ▶ **Debt**

Evolution of Italian Corporate issues by type of rating and sector

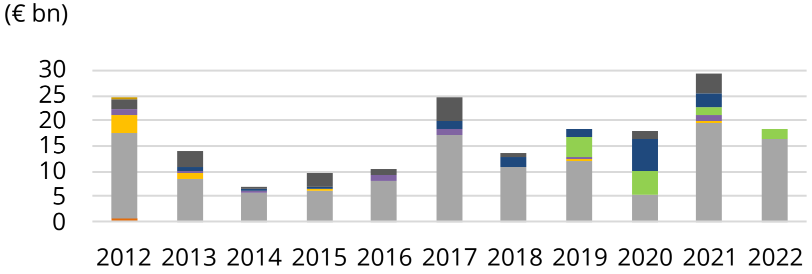
The industry composition changes significantly across different rating classes

Volume of High Yield - Breakdown by Sector



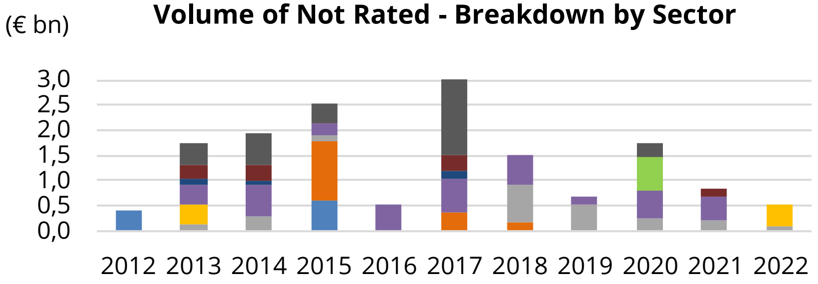
- The leading issuers in the Italian High Yield market in 2022 were Transportation & Infrastructure (€1.0 bn)

Volume of Investment Grade - Breakdown by Sector



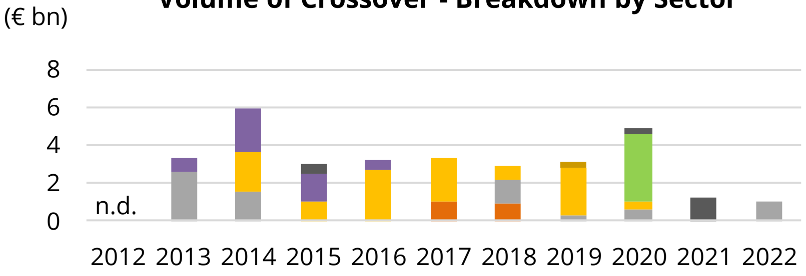
- The Investment Grade market was driven by the Energy & Chemicals issuers (€16.6 bn in 2022) and Manufacturing issuers (€1.7 bn in 2022)

Volume of Not Rated - Breakdown by Sector



- Not Rated issuers are concentrated in the Media & Telecoms, Telco (€0.4 bn), Energy & Chemicals (€0.1 bn)

Volume of Crossover - Breakdown by Sector



- The main issuers in 2022 originated from the Energy & Chemicals sector (€1.0 bn)

Food & Beverage, Industrial, Energy & Chemicals, Media & Telecoms, Telco, Consumer Goods, Manufacturing, Basic Materials, ICT, Transportation-Infrastructure, Other

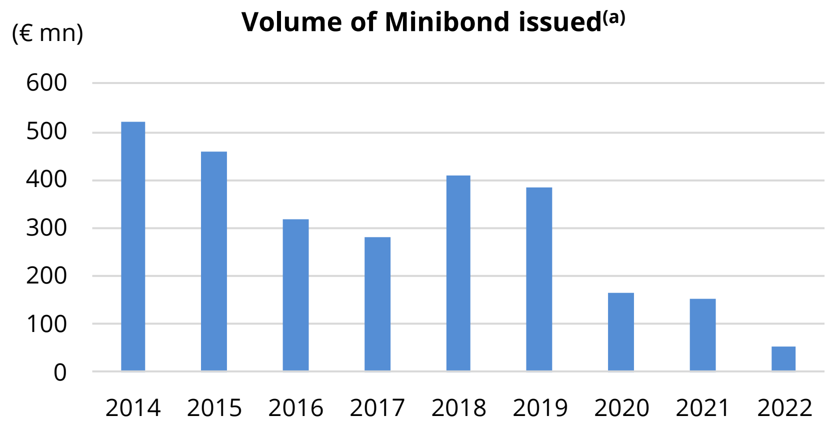
Contents

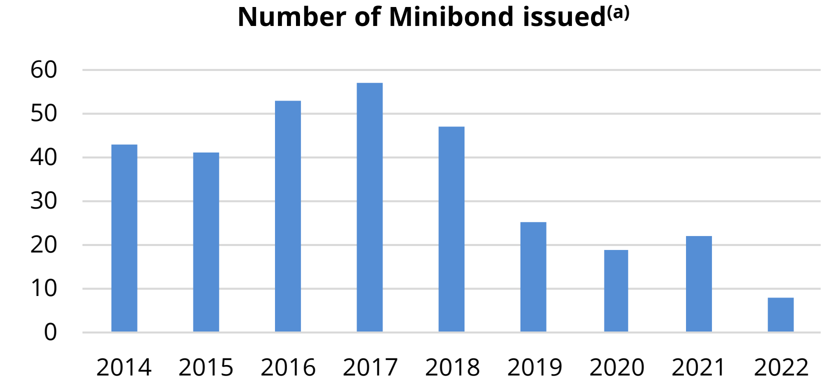
Securities Offerings ▶ **Minibond**

Evolution of Italian Minibond issues

Volume of Minibond reached ca. € 52 M, showing a significant reduction compared to 2021 (-66%); number of Minibond decreased to 8 (-64%)

- **Volume of Minibond decreased by 66%:** The Minibond market did not have such a positive momentum among SMEs compared to 2018-2020 due to the Covid-19 effect which has caused the postponement of capital markets transactions for Italian small corporates. Over the last year, new issues on the Minibond's market totaled ca. €52 mn vs € 151 mn in 2021. This significant decrease compared to last year figures, highlighted the ongoing downward trend since 2014 (-90%)
- **Number of Minibonds issued decreased to 8** (vs 22 in 2021)





(a) The panel excludes issues promoted by the national branch of global players, all the issues above € 100 mn and all issues promoted by financial institutions, SPV and similar

Securities Offerings ▶ **Minibond**

Success of Basket Bond Programs

The reduction in volumes and number of Minibond is explained by the success of Basket Bond Programs, able to mobilize resources for over €1,5 billion since the first launch in 2014

- **Basket Bond transactions** are structured as issue programs addressed to specific geographic areas, industries or related to a defined institutional program (e.g. ELITE)

Program	Type	Amount collected (€M)	Target size (€M)	Launch (year)	Involved Institutions	Issuing companies	Companies
Viveracqua Hydrobond [(a)]	Industry/Institutional	624	n.d.	2014	cdp, Viveracqua, Banca Finint	12	Acque Veronesi, ETRA, LTA, Veritas, Viacqua, Piave Servizi, GSP per l'Ambiente
Elite Basket Bond	Industry/Institutional	122	122	2017	cdp, Banca Finint, Elite, European Investment Bank	10	RDS, Irritec, Peuterey, Tecnocap, Objectway, Damiano, MEP, Cornaglia
Export Basket Bond	Industry/Institutional	62	500	2019	cdp, sace, Mediocredito Centrale, Elite, Banca Finint	11	Polli, ICA Group, SVAS Biosana, Plastica Alfa, OCTO, Badinotti, Magis
Basket Bond Lombardia	Regional	37	100	2019	cdp, Finlombarda, Banca Finint, Elite	4	BV Tech, Montefarmaco, Bomi, Retex
Intesa Sanpaolo Basket Bond	Industry/Institutional	n.d.	1000	2019	Elite, Intesa Sanpaolo	18	Greenthesis, Vitillo, Lavoropiù, Illiria, Valtellina, Edilizia Acrobatica
Basket Bond Campania	Regional	144	148	2020	cdp, Mediocredito Centrale, Banca Finint, Elite	65	Coelmo, Citelgroup, Protom, Italia Power, Pinto, Souker Frames, Spinosa
Basket Bond Puglia	Regional	111	160	2020	cdp, Mediocredito Centrale, UniCredit	63	Cedat 85, Officine e Fonderie De Riccardis, Gelesis, Fite, Rosso Gargano, Alpha Pharma, Werent
Basket Bond di filiera strategica	Industry/Institutional	67	200	2021	cdp, UniCredit	12	Feudi di San Gregorio, Masi Agricola, Pasqua, Ricasoli, Cantine Ermes, Cantine Paololeo, Piccini
Basket Bond Sella	Industry/Institutional	50	100	2021	cdp, Mediocredito Centrale, Sella	5	GA.MA, Lars, FAB group, Star7, Clemme
Basket Bond Euronext Growth	Industry/Institutional	33	50	2021	cdp, Mediocredito Centrale, Banca Finnat	7	Comal, Matica Fintec, Vantea Smart, Ofle, Fenix, Innovatec, Kolinpharma
Basket Bond Energia Sostenibile	Industry/Institutional, Sustainable Programme	17	n.d.	2022	eni, illimity, Elite	2	EGEA, Comal
Basket Bond BPER	Industry/Institutional	112	250	2022	cdp, BPER: Banca	15	ICM, Zanutta, Cogefa, Weightpack, WIIT, Cipriani
Basket Bond Italia	Industry/Institutional	97	150	2022	cdp, Mediocredito Centrale, Banca Finint, Elite	22	Novation Tech, Futurbox, Industrial Cars, Netcom Engineering, Innovaway, PM Gruppo
Basket Bond ESG	Industry/Institutional, Sustainable Programme	48	100	2022	cdp, UniCredit	8	Comat, Fitt, Lariotex, Ferretto Group, AG Logistics, Remail, SPI
Bond Venetocentro	Regional	26	100	2022	Assindustria Venetocentro, Elite, Banca Finint	3	Novation Tech, Telebit

Regional   Industry/Institutional   Sustainable Programme

(a) Viveracqua Hydrobond consists of four different tranches issued in the period 2014-2022 (€150 M, 2014; €77 M, 2016; €248 M, 2020; €149 M, 2022)

Contents

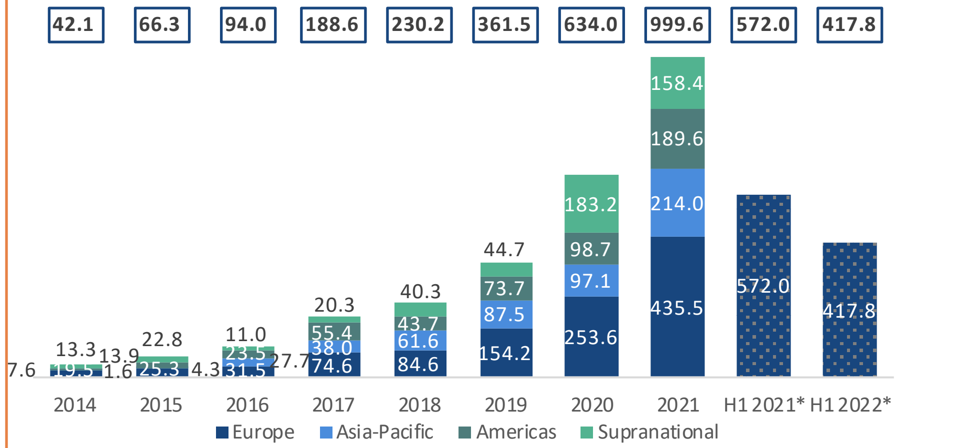
ESG Focus ▶ **Debt**

Evolution of global ESG debt issuances

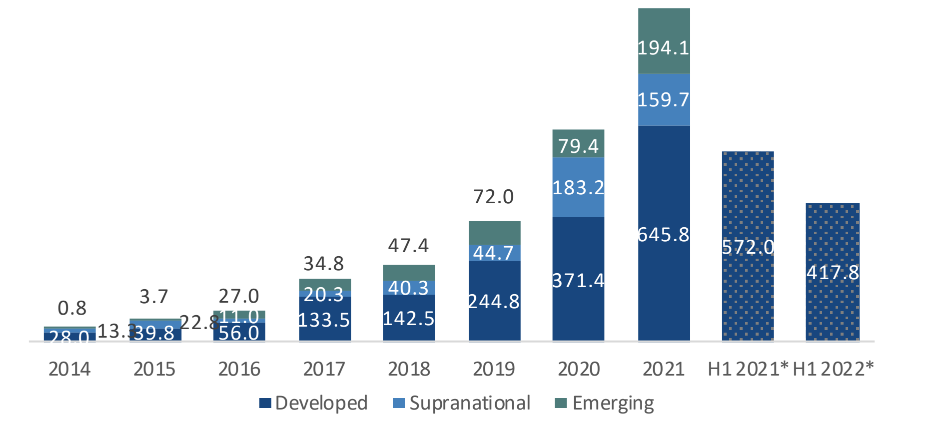
During the first half of 2022 issues amounted $418 bn, far from the unprecedent peak registered in 2021

- **During the first half of 2022 ESG debt issuances reached $418 bn:** total volumes for the labelled sustainable debt market – including labelled Green, Social and Sustainabile (GSS) bonds, Sustainability-linked bonds (SLB) and Transition bonds – reached $418 bn, not able to confirm the unprecedent record ($1 tn) registered in 2021. This amount represented 27% year-on-year drop from the equivalent period in 2021 ($496 bn). The outbreak of the Russia-Ukraine War in February and the subsequent European energy crisis sharpened post COVID-19 inflation with a relevant impact on bond market dynamics. This extraordinary events brought to rising interest rates and high volatility and, as a consequence, to decreased bond issuances, including ESG volumes

Global ESG Issuances evolution by region (USD – BN)



Global ESG Issuances evolution by market (USD – BN)



Source: Climate Bonds Initiative
Based on available data
* Breakdown not available

ESG Focus ▶ Debt

Sustainable debt: global state of the market as of H1 2022

ESG labelled issuances were not able to replicate the peak reached in 2021. Total volumes reached nearly $418 BN in the first half of 2022, a 27% YoY drop from the equivalent period in 2021.

Instrument	Green Issuances	Sustainability Issuances	Social Issuances	SLB* Issuances
Amount issued in H1-2022	$ 218 BN 52%	$ 87 BN 21%	$ 64 BN 15%	$ 47 BN 11%
Key Findings	• Green debt instruments issuances amounted $218 BN, a 21% drop compared to the record volumes of $278 BN registered in the first half of 2021 • Green bonds issuances in Q1 registered the lowest volumes since Q4 2020 and picked up in Q2 with $121 BN issued, +25% on the first quarter	• Sustainability bond issuances recorded a drop of -13% in year-on-year growth • Supranational, USA and South Korea are among the top three issuers, with a share of volumes of 55% in the fist half of 2022 • Saudi Arabia figured as a newcomer in the market with $750 M issue from the Saudi National Bank	• Bonds issued under the Social label experienced the sharpest decrease, as volumes more than halved in the first half of 2022 with $64 BN raised (-57% year-on-year) • Europe continued to be at the forefront for social issuances, generating almost two-thirds of the volumes in the first half of 2022 ($41 BN)	• The SLB market continued its growth in the first half of 2022 with issuers (in particular corporates) using the format to define and signal to investors their commitment towards sustainable transition • The first half of 2022 saw the SLB market segment as the unique ESG segment to grow: SLB issuance in H1 2022 amounted to $47 BN (+5.2% year-on-year)

Source: Climate Bonds Initiative
Based on available data
*Sustainability-Linked Bond

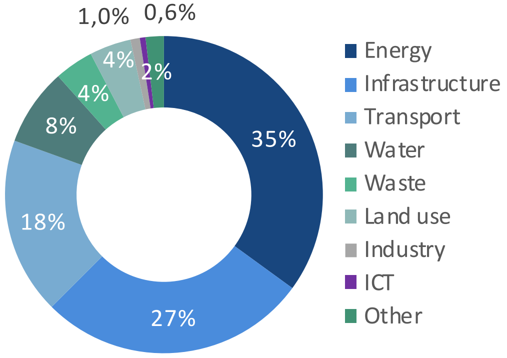
ESG Focus ▶ **Debt**

Evolution of global ESG debt issuances (cont'd)

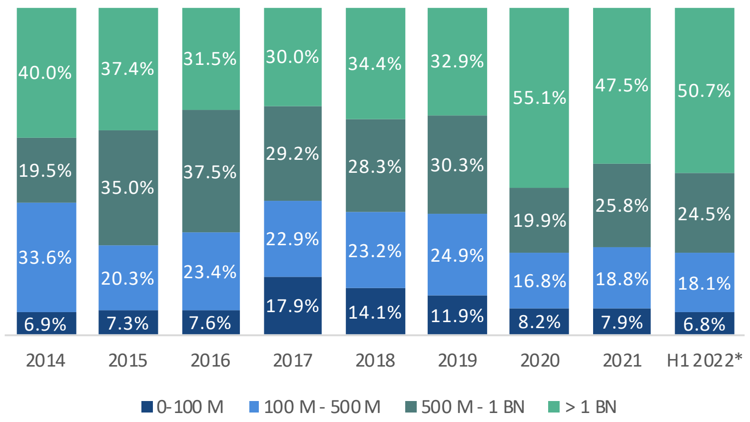
Proportion of benchmark deals kept climbing in 2022

- **Cumulated use of proceeds from ESG issuances are mainly related to Energy and Infrastructure projects (35% and 27% respectively)**
- **Proportion of benchmark deals keeps climbing:** The trend in deal size profile is a continuation of experienced in the last few years: a gradual increase in the share of larger, benchmark-sized deals (>USD 500 M) especially due to public sector issuance. In fact, from 2019 larger deals moved from 63% in 2019 to 75% in H1 2022.

Cumulated global ESG Issuances' use of proceeds* (%)



Global ESG Issuances evolution by deal size (USD – BN)



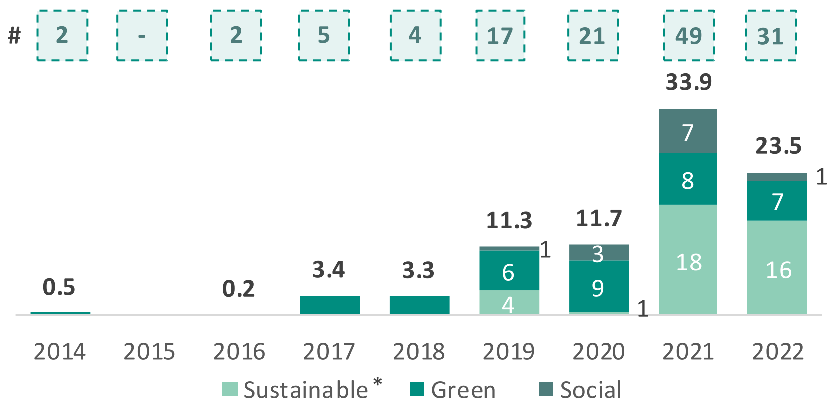
Source: Climate Bonds Initiative
Based on available data
* Data refer to Green issuance only

ESG Focus ▶ Debt

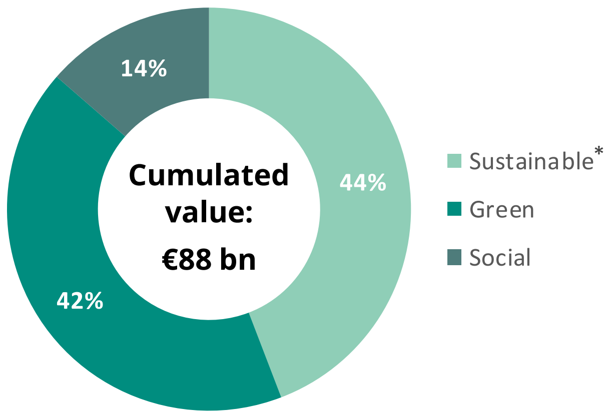
Evolution of Italian ESG debt issuances (Corporate & FIG)

Italian ESG labelled bond cumulated market value (2014-2022) reached €88bn

Italian ESG bond market: historical evolution (€ bn)



Italian ESG bond market: split by label



- **Italian ESG bond cumulated market between 2014-2022 reached €88bn**
- It is noteworthy to highlight that most of the issuances (92% of total value) occurred between 2019-2022, showing an increasing interest in green instruments in Italy over recent years
- Although the Italian ESG fixed income market also struggled over 2022, the increasing volumes over last years confirmed the untapped potential of this market to be fully deployed in the coming years also leveraging on the Italian Resiliency Plan stimulus

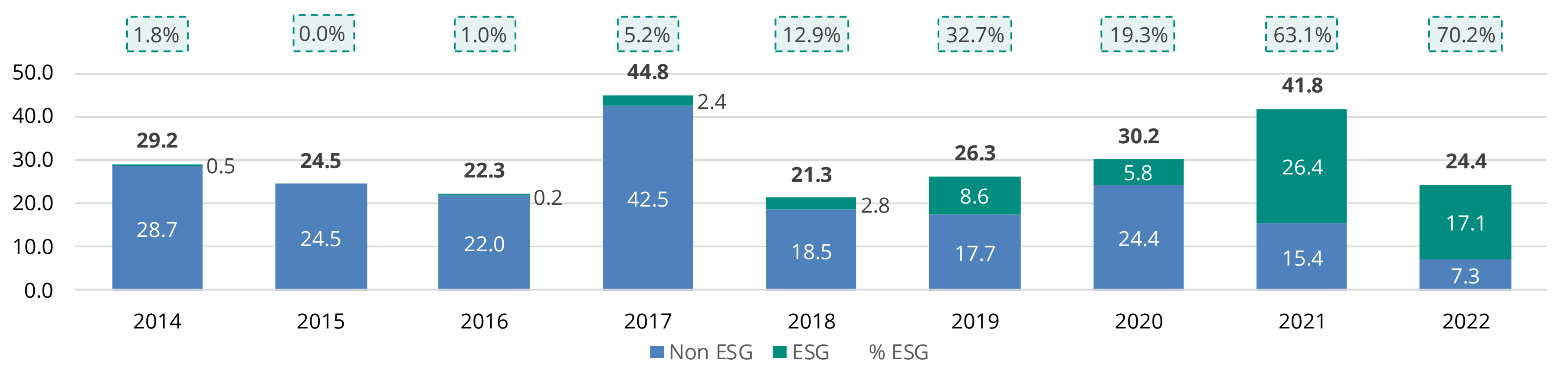
- The majority of the Italian ESG labelled issues is represented by sustainable (44% of total value) and green bonds (42% of total value), while social bonds registered the lower volumes issued (14% of total value)

Source: Bloomberg and Bond Radar
(*) Sustainable includes Sustainability-Linked issues

ESG Focus ▶ Debt

Evolution of Italian ESG corporate debt issuances

Italian ESG labelled corporate bond registered a lower decrease compared to traditional bonds in 2022 and confirmed the increasing weight in the Italian corporate fixed income market



- **Italian ESG labelled corporate bonds registered a lower decrease compared to traditional issues in 2022 (-35% vs -53% respectively) demonstrating their higher resiliency and the strong interest towards these instruments from both investors and issuers**
- In 2022, the total amount of ESG labelled corporate issues registered by Italian companies was €17.1 bn (€9.3 bn lower compared to the previous year), representing most of the debt issuances on the market as in 2021
- It is noteworthy to highlight that the ongoing upward trend in the weight of ESG issues weight was confirmed in 2022, with ESG debt instruments accounting over 70% of the whole corporate debt issuances, increased from 2021 figures (63%), underlining the growing interest of companies towards these debt instruments, rising from less than 2% registered in 2014

Source: Bloomberg and Bond Radar

Contents

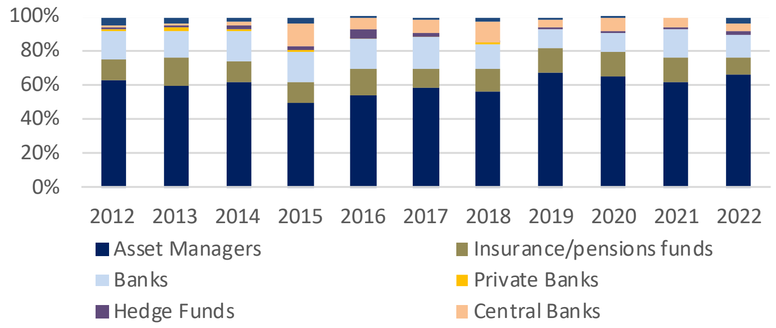
Investors ▶ **Debt**

Evolution of investors' nature and nationality as weight on orders book in Italian issues(a)

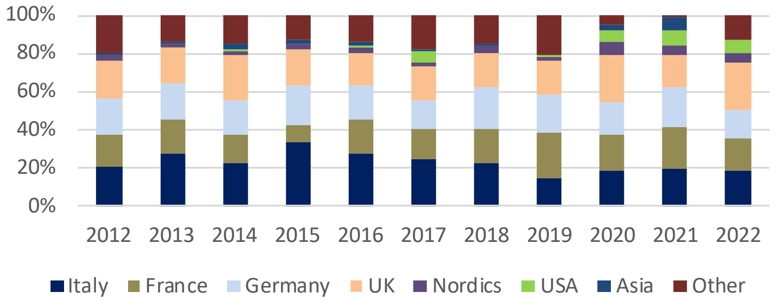
In 2022 Asset managers were the largest investors category with a 66% weight (vs 62% in 2021); domestic investors represented 18% of orders book (vs 19% in 2021)

- **In 2022 Asset managers were the largest investors category with a 66% weight (vs 62% in 2021)**: the second largest category were Banks which accounted for 14% of orders book, lower than 2021 (17%). Insurance & Pension funds continued to play a significant role in the deals promoted by Italian issuers (9%)
- **Domestic investors represented 18% of orders book (vs 19% in 2021)**: in 2022 Italian debt issues were mostly underwritten by English investors (25% vs 16% in 2021), Italian investors (18% vs 19% in 2021), French investors (17% vs 22% in 2021) and German investors (15% vs 21% in 2021). Overall, the Italian debt market remains strongly reliant on European investors, with a limited but increasing weight of US ones (8% in 2022)

Institutional Investors' Breakdown by Nature – Based on the Contribution to the "Book" in the Context of Corporate Debt Issues



Institutional Investors Breakdown by Nationality – Based on the Contribution to the "Book" in the Context of Corporate Debt Issues



(a) The panel is composed by all deals promoted by Italian issuer (Corporate and Financial Institutions); data are public only for few issues

Contents

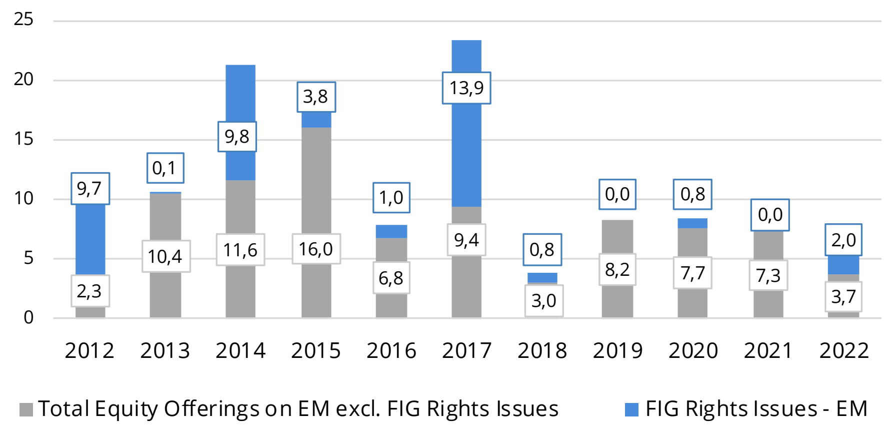
Appendix

Overview of Equity Offerings since 2012

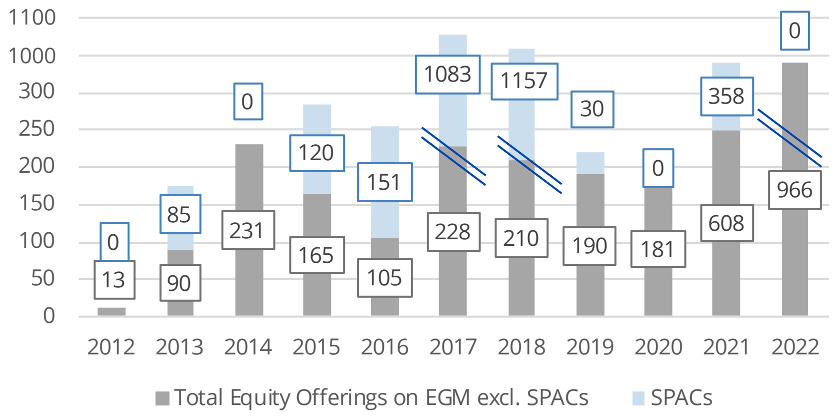
Equity Capital Markets

	(Size in € mln)	2012		2013		2014		2015		2016		2017		2018		2019		2020		2021		2022	
		# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size
EM	IPOs / Fully Marketed	1	174	3	1.183	7	4.149	9	5.470	3	1.235	8	4.359	5	705	4	2.607	1	571	6	1.823	3	618
EM	Rights Issues	15	9.963	14	941	19	11.054	11	4.075	6	4.620	7	14.063	14	2.251	7	1.739	6	975	7	1.293	4	3.612
EM	*o/w FIG* (a)	*5*	*9.698*	*1*	*100*	*8*	*9.789*	*2*	*3.843*	*1*	*996*	*3*	*13.898*	*2*	*791*	-	-	*2*	*839*	*1*	*20*	*1*	*1.959*
EM	ABBs	5	1.678	20	4.145	12	1.918	23	5.968	9	1.575	24	2.525	8	872	14	3.887	14	4.073	13	1.937	6	1.462
EM	Convertibiles	1	150	11	4.281	9	4.248	5	4.350	2	403	5	2.395	-	-	-	-	6	2.877	3	2.269	-	-
EM	**Total Equity Offerings on EM (A)**	**22**	**11.965**	**48**	**10.549**	**47**	**21.370**	**48**	**19.863**	**20**	**7.833**	**44**	**23.341**	**27**	**3.827**	**25**	**8.233**	**27**	**8.495**	**29**	**7.323**	**13**	**5.692**
EM	**Total Equity Offerings on EM excl. FIG Rights Issues (A1)**	**17**	**2.267**	**47**	**10.449**	**39**	**11.580**	**46**	**16.020**	**19**	**6.837**	**41**	**9.444**	**25**	**3.036**	**25**	**8.233**	**25**	**7.656**	**28**	**7.302**	**12**	**3.732**
EGM	IPOs / Fully Marketed	3	10	15	167	21	205	18	266	11	208	23	1.272	26	1.326	31	207	21	138	44	844	26	904
EGM	Rights Issues	3	3	3	8	6	12	2	5	7	19	4	11	8	22	4	9	7	23	9	31	4	9
EGM	ABBs	-	-	-	-	-	-	1	0,4	1	23,7	6	26,4	1	20,0	2	3,5	1	17,1	5	91,9	4	54,0
EGM	Convertibiles	-	-	-	-	4	14	3	13	2	4	1	2	-	-	-	-	-	-	-	-	-	-
EGM	Other																	1	3	-	-	-	-
EGM	**Total Equity Offerings on EGM (B)**	**6**	**13**	**18**	**175**	**31**	**231**	**24**	**285**	**21**	**255**	**34**	**1.311**	**35**	**1.367**	**37**	**220**	**30**	**181**	**58**	**966**	**34**	**967**
	Total Equity Offerings (A+B)	**28**	**11.977**	**66**	**10.724**	**78**	**21.601**	**72**	**20.148**	**41**	**8.088**	**78**	**24.653**	**62**	**5.194**	**62**	**8.453**	**57**	**8.676**	**87**	**8.289**	**47**	**6.658**

Euronext Milan Issues (€bn)



Euronext Growth Milan Issues (€mn)



(a) Financial Institutions Group (FIG) includes only Banks and Insurance Companies

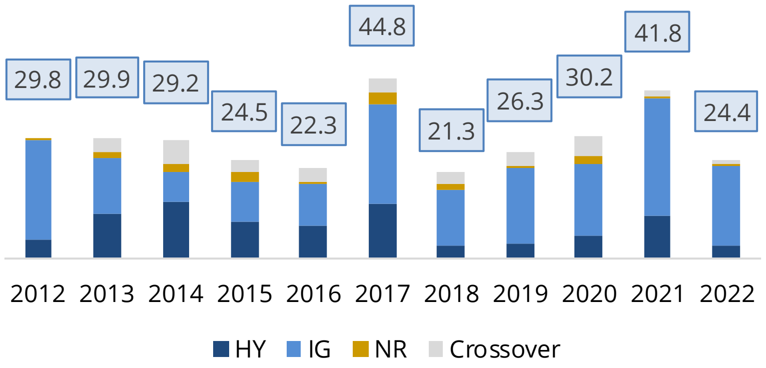
Appendix

Overview of Debt Offerings since 2012

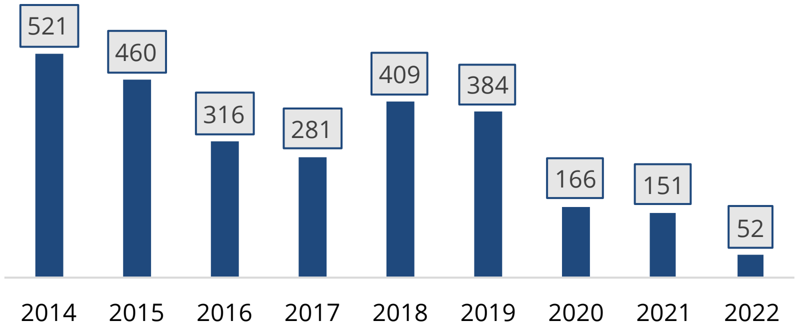
Debt Capital Markets

(Size in € mln)	2012		2013		2014		2015		2016		2017		2018		2019		2020		2021		2022	
	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size	# trans.	Size
Investment Grade	29	24,746	24	13,830	12	7,090	14	9,713	17	10,519	35	24,812	18	13,650	29	18,550	27	17,910	39	29,290	28	19,850
Unrated	1	400	8	1,750	6	1,950	7	2,515	1	500	6	3,095	5	1,505	3	675	5	1,750	5	840	2	515
High Yield	11	4,639	30	10,925	22	14,207	12	9,152	20	7,988	22	13,594	10	3,205	8	3,830	11	5,650	22	10,400	8	3,029
Crossover	-	-	4	3,409	7	5,954	5	3,100	4	3,250	4	3,330	5	2,932	4	3,200	6	4,900	2	1,300	1	1,000
Total Corporate Bond Offerings reserved to Institutional Inv. (C)	**41**	**29,786**	**66**	**29,913**	**47**	**29,201**	**38**	**24,479**	**42**	**22,258**	**67**	**44,831**	**38**	**21,292**	**44**	**26,255**	**49**	**30,210**	**68**	**41,830**	**39**	**24,394**
Minibonds (D)	-	-	14	77	43	521	41	460	53	316	57	281	47	409	25	384	19	166	22	151	8	52
Total Corporate Bond Offerings (C+D)	**41**	**29,786**	**80**	**29,990**	**90**	**29,722**	**79**	**24,939**	**95**	**22,574**	**124**	**45,113**	**85**	**21,701**	**69**	**26,639**	**68**	**30,376**	**90**	**41,981**	**47**	**24,446**

Corporate Bond Issues (€bn)



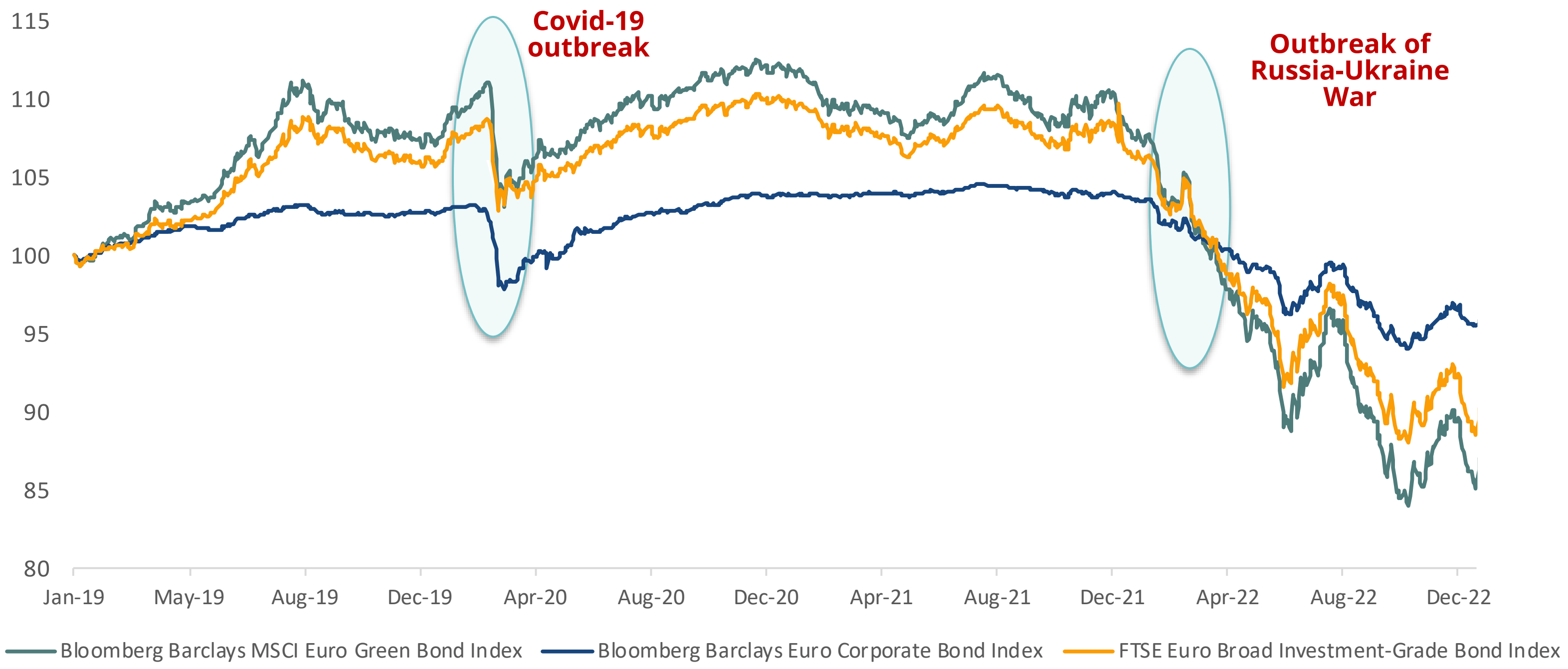
Minibond Issues (€mn)



Appendix

Sustainability debt issuances vs traditional ones

Sustainability indexes underperformed traditional ones in 2022



	L12M	L24M	L36M	L48M
Bloomberg Barclays MSCI Euro Green Bond Index	-21.42%	-24.06%	-20.40%	-14.86%
FTSE Euro Broad Investment-Grade Bond Index	-17.17%	-19.53%	-16.24%	-11.48%
Bloomberg Barclays Euro Corporate Bond Index	-8.00%	-8.07%	-7.05%	-4.53%

- **Sustainability indexes underperformed traditional ones** in 2022, offsetting the overperformance gained over previous years over which they were able to outperform on an annual basis

Source: Bloomberg

Appendix

Methodology

Securities Offerings

- **Period of analysis:** from 2012 to 2022
- **Issue types:**
  - **Equity Issues:** IPOs, Rights Issues, ABBs, Convertibles and Fully Marketed
  - **Debt Issues:** High Yield, Investment Grade, Unrated, Crossover, Minibond
- **Sectors:**
  - **Equity Issues:** Bank, Financial(a), Industrial, Utility (accordingly to Dealogic categories)
  - **Debt Issues:** Industrial Manufacturing & Similar, Food & Beverage, ICT, Energy & Chemicals, Consumer Goods, Biotechnology, Financial(a), Pharma-Health Care, Transportation-Infrastructure, Other (accordingly to AIFI categories).
    Bank and Government Bonds are not included in the analysis; only corporate bonds included in the analysis
- **Exchange:**
  - **Equity Issues:** Euronext Milan(b) and Euronext Growth Milan
  - **Debt Issues:** various Exchanges in which Corporate Bonds issue by Italian companies are listed
- **Deal value (Equity):**
  - **IPOs:** deal value includes overallotment
  - **Rights Issues**: deal value includes underwriting
- **Deal size (Equity):**
  - **Euronext Milan:** small (<€150 mn), medium (€150 - €500 mn), large (>€500 mn)
  - **Euronext Growth Milan:** small (<€5 mn), medium (€5 - €25 mn), large (>€25 mn)
- **Sources:** Bloomberg, Bond Radar, Borsa Italiana and Dealogic

Intermediaries

- **Period of analysis:** from 2009 to 2022. Data on equity research brokers only available since 2009
- **Equity Research / Coverage analysis:**
  - **Brokers included in the analysis:** only brokers with significant coverage (coverage of 15 or more companies) were considered
  - **Companies included in the analysis:** all companies of FTSE All-Share since 2009, followed by at least 3 brokers
- **Sales & Trading analysis:** included brokers monitored by Assosim
- **Company size:** based on company's market capitalization. Small (<€200 mn), lower medium (€200-500 mn), upper medium (€500-2,500 mn), large (>€2,500 mn)
- **Deal size:** small (<€50 mn), lower medium (€50-200 mn), upper medium (€200-700 mn), large (>€700 mn)
- **Sources:** Assosim, Borsa Italiana, Dealogic and Factset

Investors

- **Period of analysis:** from 2009 to 2022. Data on investors in debt instruments only available since 2009
- **Investors' nature and nationality on primary market:** based on the number of shares requested during the book-building phase
- **Investors' nature and nationality on secondary market**: based on the institutional investors' holdings (as of 31 December) in companies of FTSE All-Share listed in the 2009 – 2022 period
- **Sources**: Bond Radar, Borsa Italiana and FactSet

(a) Includes REITs, Investment Management companies, Brokerage firms and Insurance Companies

(b) In the context of our analysis EM also includes MIV, MTF (replaced with MIV in 2009) and EXPANDI (merged with EM (ex MTA) in 2009)

Appendix

Glossary

- **ABB:** Accelerated Book Building. It represents a shares offering in a short time period, with little to no marketing to a limited number of investors
- **AIFI:** Associazione Italiana del Private Equity, Venture Capital e Private Debt. It is the Italian Association of Private Equity, Venture Capital and Private Debt
- **Convertible:** Convertible Bond. It is a type of debt security that can be converted into a predetermined amount of the underlying company's equity at certain times and price during the bond's life
- **Crossover:** Crossover Bond. It is a category of bonds including issuers with more than one rating, of which at least one investment grade and one sub investment grade
- **ECB:** European Central Bank
- **EGM (ex AIM):** Euronext Growth Milan. Euronext's international market for Italian smaller, growing companies
- **EM (ex MTA):** Euronext Milan. It is the Euronext's electronic stock market for the trading of Italian shares, convertible bonds and warrants
- **Equity Research:** professional term to define the work performed by equity analysts publishing reports on listed stocks
- **Euronext MIV Milan:** Mercato degli Investment Vehicles. Italian regulated market reserved to Investment Vehicles. It replaced MTF in 2009
- **Expandi:** it was the market of Borsa Italiana reserved to small-size companies. It was merged with EM (ex MTA) in 2009
- **FIG:** Financial Institutions Group. It includes Banks and Insurance Companies
- **FTSE All-Share:** EM index including the majority of Italian listed shares
- **Fully Marketed:** offering with similarities to an IPO process but involving an already public company
- **High Yield:** High Yield Bond. It is a high paying bond with a lower credit rating than investment-grade corporate bonds, Treasury bonds and municipal bonds. Issuers of high-yield bonds tend to be startup companies or capital-intensive firms with high debt ratios
- **Investment Grade:** Investment Grade Bond. It is a bond with a relatively low risk of default (ratings from AAA to BBB). Issuers of investment grade bonds tend to be municipalities or corporates with high credit status
- **IPO:** Initial Public Offer
- **MAC:** Mercato Alternativo dei Capitali. It was a stock multilateral trading facility of Borsa Italiana based on simplified access requirements and reserved to institutional investors. It was merged with EGM (ex AIM) in 2012
- **Minibond:** Borsa Italiana selected debt instruments issued by SMEs
- **MTF:** Mercato Telematico dei Fondi**.** Segment of EM formerly reserved to Investment Vehicles. Replaced with MIV in 2009
- **Not Rated:** Not Rated Bond. It is a bond with no rating from rating agencies
- **Rights Issue:** new share issue offered to existing shareholders in proportion to their current shareholding, for a specified period and at a specified (usually discounted) price
- **SME:** Small Medium Enterprise