

## EQUITA LAUNCHES “EQUITA SMART CAPITAL – ELTIF”, THE PRIVATE EQUITY AND ALTERNATIVE PIR FUND THAT INVESTS IN ITALIAN SMALL AND MEDIUM ENTERPRISES

### CORDUSIO SIM, PART OF THE UNICREDIT GROUP, CO-DEVELOPER AND FIRST DISTRIBUTOR OF THE FUND

Milan, 15 June 2021

Equita Capital SGR – the alternative asset management company of Equita Group – and Cordusio SIM – the wealth management boutique of the UniCredit Group – today announced the launch of “Equita Smart Capital – ELTIF”, the private equity and “alternative” PIR fund which will invest in Italian small and medium enterprises (SMEs).

The strong expertise of Equita as asset manager and the ability of Cordusio SIM – who has supported Equita Capital SGR during the structuring phase of the product and who will act as first distributor of the Fund – to offer to its clients innovative solutions beneficial for the Italian economy will both play a central role for the success of the initiative. Moreover, as an “alternative” PIR fund, “Equita Smart Capital – ELTIF” will offer tax-exemptions to its investors. These include exemptions from capital gains and financial incomes taxes (such as no taxes on dividends and interests), no inheritance taxes and a tax-credit of up to 20% of the amount invested in 2021 to cover for any capital losses.

Matteo Ghilotti, Chief Executive Officer at Equita Capital SGR, commented: “The goal of Equita Smart Capital – ELTIF is to meet investors’ demands for extra-returns whilst providing SMEs with professional knowledge and access to financial resources to support their growth strategies”. “The initiative is fully aligned with Equita’s mission to offer investment solutions to institutional investors and partners’ retail clients”. Ghilotti further said: “We are very pleased that an international group like UniCredit and a prestigious institution like Cordusio SIM have supported this project since the beginning”.

Manuela D’Onofrio, Head of Group Investment Strategy at UniCredit and Head of Investments & Solutions at Cordusio SIM, commented: “With this type of investment we want to offer our customers access to the growth that Italian SMEs are expected to achieve over the next few years. For this purpose, we have selected a partner that we consider the most capable and reliable in searching value in the Italian entrepreneurial universe. This investment solution is fully in line with our portfolio and corporate strategy. We are strongly committed to the real economy and to supporting the Italian companies”.

Equita Smart Capital – ELTIF is an Italian closed-end alternative investment fund (AIF) and focuses on a long term and flexible investment strategy with the aim of improving investors’ returns. The fund meets the requirements of “alternative” PIR products as it mainly invests in Italian private SMEs, as well as in listing and listed companies with a market capitalisation below Euro 500 million. Between 60% to 70% of the fund’s assets will be invested in small and medium private companies (private equity), 20% to 35% in listed companies (public equity) and the remaining 5-10% in listed bonds (public debt). Such mix will allow the fund managers to seize the best opportunities of both private and public markets.

With specific reference to private equity, the fund will mainly invest in qualified minority shareholdings and, selectively, in majority shareholdings, primarily through capital increase transactions alongside the target’s management team and entrepreneurs. The fund will also consider potential co-investments alongside primary financial institutions to invest in larger deals.



The fund is targeting to raise **Euro 140 million** and will have a **term of 8 years** starting from the date of First Closing and an investment period of 4 years. **The targeted gross return in terms of internal rate of return (IRR) is set between 12% and 14% per year**, calculated over the entire life of the fund and representing a multiple on invested capital (MOIC) of about 1.8x.

The fund will benefit from Equita Capital SGR's **deep understanding of Italian small and mid caps**, a **proprietary network of business connections**, and from an **independent management team** with long-standing expertise in private capital investments. The fund will also benefit from synergies with the wider Equita Group's business model: the latter will ensure Equita Smart Capital – ELTIF access to a wide and constant deal flow of investment opportunities – a critical success factor for investment funds that focus on illiquid strategies - and significant benefits during the execution of exit strategies from investments thanks to the standing role of Equita as leading independent investment bank in Italy that everyday supports entrepreneurs in the execution of extraordinary financial transactions, including access to capital markets.

**Cordusio SIM** is a **strategic partner for its customers** to whom it is able to **offer diversified solutions capable of satisfying the most complex and sophisticated needs**. A goal that Cordusio SIM pursues in the awareness of the responsibility that owning and managing a large asset entails, also in relation to the positive impacts that strategic management is able to generate on the economy of our country. This is why Cordusio SIM provides highly specialized advisory and manages tailor-made investment solutions, capable of seizing the opportunities arising from the market, while, at the same time, affecting it.

**Stefano Lustig, Co-Head of Alternative Asset Management, and Rossano Rufini, Head of Private Equity – co-sponsors of the project – commented:** *“The Fund has its focus on the many small and medium-sized Italian “pocket multinationals”, which are the engine of our Country’s exporting power. Equita Smart Capital – ELTIF will help channelling capital into the real economy and power the post-pandemic recovery, supporting companies’ growth and competitiveness whilst creating value for all stakeholders”.*

The fund is available for subscriptions to both **professional investors** and **individual investors with an adequate financial profile**, with **minimum investment set to Euro 10,000**. Investors can subscribe the fund also through the distribution platform *Allfunds Bank*. Equita Capital SGR and its management team will invest along-side investors to guarantee **full alignment of interests**.

The ELTIF structure will guarantee to investors high standards in terms of protection, portfolio composition and diversification of asset allocation, in addition to a favourable tax regime (subject to specific requirements and conditions provided for by “alternative” PIR regulation, including specific holding period requirements).



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*Equita, the leading Italian independent investment bank, has been offering its expertise and insight on financial markets to professional investors, corporates and institutions for more than 45 years. The holding Equita Group, listed on the “STAR” segment of the Italian Stock Exchange, counts its managers and professionals among shareholders (with approximately 54% of the share capital) and this ensures a strong alignment of interests with investors. With its global markets activities, today Equita is the leading independent broker in Italy that offers to its institutional clients brokerage services on equities, fixed income, derivatives and ETFs. Moreover, thanks to the continuous engagement of the award winning research team – acknowledged for its top quality research – the trading floor supports investors’ decisions with valuable analyses and investment ideas on Italian and European financial markets. Equita also leverages on a unique investment banking platform that combines independent strategic advice with unparalleled access to capital markets. The wide offering proposed includes advisory services in M&A, other extraordinary financial transactions, along with equity and fixed income capital raising solutions. Our aim is to best serve all clients, from large industrial groups to small and medium enterprises, from financial institutions to the public sector. Lastly, Equita Capital SGR offers to institutional investors and banking groups its asset management competences and its deep understanding of financial markets, especially in mid and small caps. The strong focus on alternative assets like private debt and the asset management strategies based on distinctive areas of expertise of the Group make Equita Capital SGR the best partner for both investors looking for interesting returns and banking groups that would like to co-develop new products for their retail networks.*

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*Cordusio SIM S.p.A. is the UniCredit Group company dedicated to Wealth Management in Italy, founded in November 2016. Cordusio manages the assets of 3,900 super affluent Italian families - with at least 5 million euros of assets - with one of the highest market share specialized banks. Today it is a strategic partner for Italian entrepreneurial families, Cordusio has an autonomous and independent Investment Department, 3 Regions - 21 offices in Italy and a network of more than 100 Bankers alongside a team of Portfolio Managers and financial professionals. Cordusio builds ad hoc solutions for each client: from portfolio management managed in-house, to bancassurance solutions, up to the fee-only advisory service based on the skills of the Investment Department and a dedicated Desk Advice. Cordusio collaborates with about 30 Asset Management that offer traditional products and alternative strategies, provides an exclusive and dedicated advisory service also in the SRI / ESG framework and also offers access to Private Markets by selecting Private Debt, Private Equity, ELTIF and Spac solutions. Finally, thanks to the synergies with the UniCredit Group, Cordusio offers its customers privileged access to the Corporate, Corporate & Investment Banking opportunities and also makes available to them specialists in Art Advisory, Real Estate Advisory and Wealth planning with a view to protecting the wealth, philanthropy and generational handover.*