

AIMing at the Best of the EGM Market

ADD | Fair Value: €401.1 | Current Price: €190 | Upside: +111%

Initiation of Coverage

€ Million	FY19A	FY20A	FY21A	FY22A
Result from investment operations	0.54	(0.12)	6.50	(2.83)
Operating result	(0.76)	(1.71)	4.48	(4.77)
Net income / Loss	(0.43)	(1.84)	4.19	(4.79)
Total shareholders' equity	22.00	20.17	24.36	19.58
NAV per share (Eur)	443.0	405.9	490.2	393.6
NFP	(6.11)	(1.03)	(0.59)	(2.46)

Source: Company data

Overview. 4AIM SICAF Compartment 1 MTF (“4AIM”, “the Fund”, or “the Company”) is an investment company founded in 2016 that is specialized in the acquisition of equity stakes in small and medium companies listed (or that are in the process to list) on European non-regulated markets, with a strong focus on the Euronext Growth Milan. Leveraging on a management team with 70+ years of aggregated experience in Corporate Finance, the Company also offers financial advisory services in IPO, M&As, and private placements. The Fund operates under the legal form of the SICAF, the first in Italy fully dedicated to investments in non-regulated markets, providing investors with an innovative and diversified financial instrument.

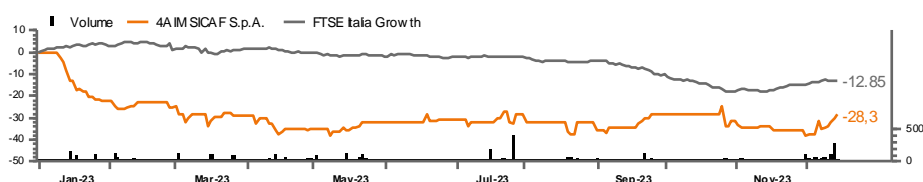
A well-diversified investment portfolio. Thanks to the continuous scouting, selection, and evaluation of new potential targets on the market, 4AIM SICAF MTF Compartment expanded its investment portfolio from only 4 securities in 2016 to ca. 60 holdings in 9M23, with a market value of €14.3mn, ensuring a high level of diversification among its investments. Technological companies represent the largest part of the portfolio, with 21.4% of the total holdings’ value, followed by Financials and Industrials accounting for 17.6% and 17.3%, respectively.

Market overview. The EGM market – the Italian non-regulated market typically aimed at SMEs – at the end of September 2023 accounted 196 active companies, for a total market capitalization of ca. €7.7bn. After a troubled 2022 macroeconomic scenario that led FTSE Italia Growth to decline by 19.5% from 2021, in 9M23 the index is still reporting a negative performance (-10pp in 9M23), marked by the significant €2.1bn assets’ outflow from PIRs’ funds. However, the primary EGM market showed signs of recovery in 9M23 with 26 IPOs (+9 YoY, without considering BCs), for a total capital increase of €134mn (vs €106mn in 9M22, without considering Technoprobe’s €143mn capital increase).

Historical Financials. In 2022 the Fund reported a negative result from investment operations of -€2.8mn (vs €6.5mn in FY21), mainly due to the negative performance that affected the EGM market. The operating result was at -€4.77mn (vs €4.48mn in FY21), impacted by ca. €1.9mn of holding costs (11% on total assets, +2pp YoY). 4AIM ended FY22 with a net loss of €4.8mn (vs €4.2mn of net income in FY21), including €0.3mn of advisory fees coming from Bellini Nautica’s IPO. In FY22, the total shareholders’ equity came at €19.6mn, with a NAV per share of €394 (vs €490 in FY21), while the net cash position improved to €2.5mn (from €0.6mn in FY21). In 9M23, the result from operations amounted to -€3.1mn (vs -€4.4mn in 9M22), reflecting the negative market performance that was penalized from the massive investors’ outflow from PIRs. The 9M23 reported a net loss of €4.3mn (vs €5.8mn in 9M22), impacted by ca. €1.3mn of holding costs and benefitting from €0.3mn of advisory fees. NAV per share was at €307.

Valuation. Our valuation, based on the NAV model, returns a fair value of €401.1ps, or €19.9mn NAV, implying an upside of +111% on the current market price.

Relative Performance Chart - YTD



Via della Posta, 10 – Piazza Affari, 20123 Milan – Italy
 Tel: +39.02.83424007 Fax: +39.02.83424011
 segreteria@ktepartners.com

December 18, 2023 – 7.00 h

Equity Research Team
connect@ktepartners.com

Maria Teresa DI GRADO
mdigrado@ktepartners.com
 +39 331 631 0793

Valentina ZANONI
vzanoni@ktepartners.com
 +39 331 631 6783

Market Data

Main Shareholders	
Fondazione E.N.P.A.I.A.	29.93%
Fondo Pensione Nazionale BCC/CRA	24.93%
Istituto Nazionale Previdenza Giornalisti Italiani	16.08%
Mkt Cap (€ mn)	10.3
EV (€ mn)	7.8
Shares out.	0.05
Free Float	28.9%

Stock Data

52 Wk High (€)	284.00
52 Wk Low (€)	155.00
Avg. Daily Trading 90d	18
Price Change 1w (%)	4.41
Price Change 1m (%)	7.95
Price Change YTD (%)	-28.30

Contents

Investment Case	3
Company Overview	4
4AIM SICAF Compartment 1 MTF	4
Multi-compartment structure	5
A wide-ranging and well-diversified portfolio	6
Ownership and Group Structure	17
Key People	19
Investment Committee	20
Business Model	21
Investment Activities	21
Risk management	22
Advisory activity	23
Remuneration	24
Market Overview	25
The role of SMEs in the Italian economy	25
Focus on the Euronext Growth Milan	26
Competitive Positioning	30
Historical Financials	32
Income Statement	32
Capital Structure Analysis	34
9M Financial Results	35
Valuation	37
Holdings Valuation	37

Investment Case

Experienced Management Team. 4AIM Compartment 1 boasts a highly skilled management team with 70+ years of aggregated experience in financials strategy and investments. The management team members share a deep and extensive background within Capital Markets and Advisory, holding high management position in several Italian-listed companies during their careers. To further support the Management in the evaluation of its investment and disinvestment decisions, 4AIM has established an Investment Committee with advisory functions, composed of 5 professionals who share a well-established track record in the Academy, entrepreneurship, investments, and valuation sectors.

A well-diversified Business and Portfolio. Diversification is a mantra for 4AIM SICAF, which applies this principle in its investment choices and, more broadly, to its business model. Following the risk management policy guidelines outlined in its Company Bylaws, 4AIM's investment portfolio enjoys a high degree of diversification with almost 60 participated companies, enabling a strong mitigation of concentration risk. Furthermore, besides its main investment activity, 4AIM has entered the financial advisory and consultancy business, offering advisory on IPOs, capital raising, and corporate finance, with the goal of gaining different revenue sources. The advisory activity also generates interesting cross-selling opportunities by identifying Companies that can potentially constitute a target for future investments after the IPO.

A Primary Positioning in the EGM market. 4AIM SICAF investment activities enjoy a prime positioning in the Euronext Growth Milan (EGM) market, the segment of the Italian stock exchange market dedicated to SMEs, that nowadays includes more than 195 companies. Indeed, thanks to its diversification policy and its focus on EGM companies, 4AIM SICAF ranks 4th among the top 10 institutional investors in the EGM market in terms of number of securities held, holding stakes of 58 EGM listed companies. Furthermore, the Fund ranks at the 11th place by securities of value held among the top 40 institutional investors that invest in this market, with €13.9mn of listed securities held.¹

Active in the Broad Italian SME Ecosystem with a growing attention to IPOs. 4AIM SICAF Compartment 1 strongly focuses on Italian small and medium companies' arena. The SME ecosystem characterizes the national economy, with the number of companies in this category that, according to Cerved, reached ca. 162k in 2022. This environment offers a huge number of investment opportunities, thanks also to a growing trend to go public for these companies. Indeed, the EGM market registered an increasing number of IPOs over the years, slowing only in the most recent years due to the challenging macroeconomic and geopolitical environment. Nevertheless, IPOs showed first signs of recovery in 9M23, with 26 listings on the EGM market, 9 more than in 9M22 (with 17 deals) and equal to the number of IPOs registered in the whole 2022.

Statement of Risks. 4AIM SICAF MTF Compartment is subject to the risks associated with the financial performance of the stock markets and, consequently, of its holdings. To mitigate these risks, the fund has diversified its portfolio among a plurality of companies, spreading its investments over several sectors. Indeed, in its Corporate Bylaws, the Company has outlined a risk-management policy, establishing boundaries within which the investment decisions have to be made, thus limiting specific risks coming from single companies and risks coming from investment concentration. To hedge against the short-term price volatility of its investments, the Fund is free from the exit pressures typical of the private equity industry, having a medium-to-long-term investment horizon for its holdings – generally from 18 to 36 months – waiting for its investments to appreciate over time. Furthermore, 4AIM shares are aimed only at professional and institutional investors, on the back of a regulatory framework for SICAF funds, which is designed to protect non-qualified investors from taking on certain risks inherent in the company's investment activities.

¹ Note: Data as of September 30th, 2023

Company Overview

In the following paragraphs we will refer to 4AIM only taking into consideration the Compartment 1, called also MTF Compartment ("Comparto MTF"). Thereby, the terms "the Fund" or "the Company" will refer to the MTF Compartment of 4AIM SICAF S.p.A.

4AIM SICAF Compartment 1 MTF

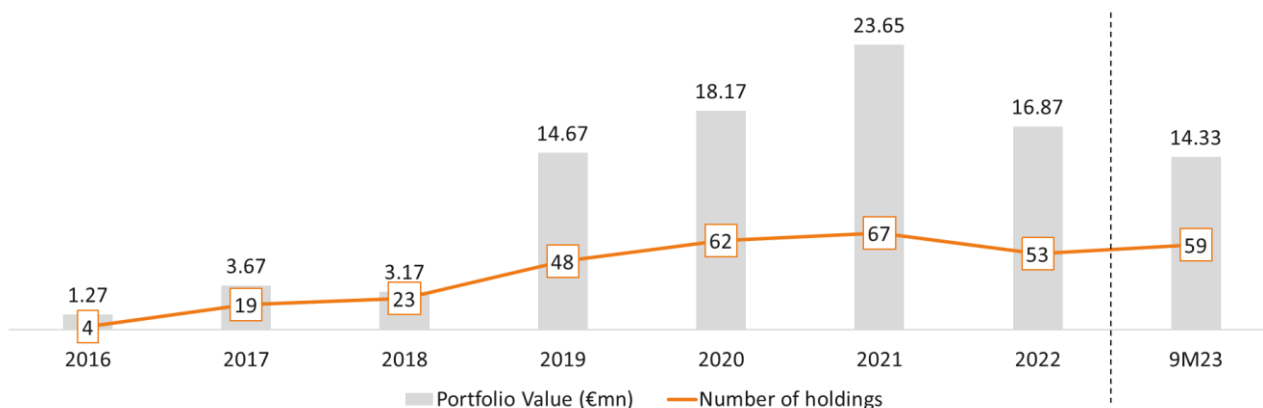
4AIM SICAF is an investment company specialized in the acquisition of equity stakes in small and medium enterprises (SME) already listed (or that are in the process to list) on European non-regulated markets, with a strong focus on the Italian Euronext Growth Milan market. Founded in 2016 on the initiative of the shareholder Ambromobiliare S.p.A., 4AIM acts as a "bridge" between institutional investors looking to invest in companies with high growth potential, and SMEs seeking capital to fund their growth plans. The fund operates under the legal form of a SICAF ("Società di Investimento a Capitale Fisso," or Investment Company with Fixed Capital) – introduced in Italy in 2014 through the implementation of the European AIFMD Directive (Alternative Investment Fund Managers Directive) – figuring as the **first Italian SICAF fully dedicated to investments in non-regulated markets**, providing investors with an innovative and diversified financial instrument in which to invest.

4AIM is also the only company listed on the EGM market whose **shares are exclusively aimed at professional and institutional investors**, on the back of a regulatory framework for SICAF funds that is designed to protect non-qualified investors – who typically do not have an appropriate financial background – from taking on certain risks inherent in the company's investment activities.

Leveraging on the high-standing expertise of a **management team with 70+ years of aggregated experience in Corporate Finance** market – also relying on the expertise of an Investment Committee – the Fund continuously scouts, selects, and evaluates new potential investment targets on the market, aiming at identifying new successful investment cases. Avoiding the typical exit pressures of a private equity company, the Fund has set a non-binding medium-to-long term horizon for its investments, identifying an indicative **holding period of 18-36 months**, considered as a reasonable time to let the target companies grow and achieve their development plans and consequently make a capital gain on the initial investment.

As of September 30, 2023, the Fund had **€14.3mn invested** in a diversified portfolio of **59 companies** active in different industries, with a particular focus on Technology, Financials, and Industrial sectors.

Holdings Portfolio Evolution 2016 – 9M23



Source: Company data

With the aim to diversify its activity and to take advantage of the strong management's track record in capital markets and financial advisory, the Company integrated and completed its offer with the advisory activity, ranging from advisory on IPOs to M&A advisory and private placements. To date, 4AIM already **supported five companies in their IPO process** as financial advisor.

Looking at 4AIM Compartment 1 MTF's last financial results, in 9M23 the Company reported a total shareholders' equity of €15.3mn, or a €307 NAV per share (vs €394ps at the end of FY22), with €14.3mn of total financial assets and a €0.8mn net cash position (vs €2.5mn of net cash at the end of FY22). The company ended 9M23 with a net loss of €4.3mn (improving the 9M22 net loss of €5.8mn), mainly reflecting the negative performance of the EGM market (-10% in the period January – September 2023) that led to a result from investment operations of -€3.1mn (vs -€4.4mn in 9M22). On the other side, advisory activity contributed with ca. €0.3mn of fees (in line with 9M22).

Multi-compartment structure

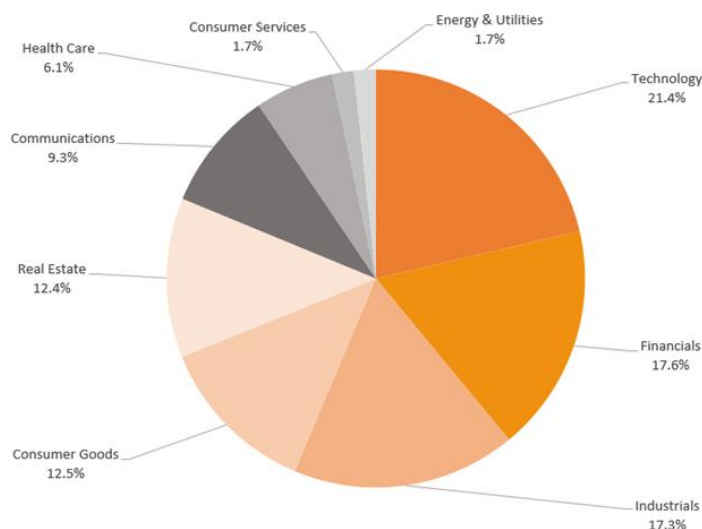
4AIM SICAF is the **first Italian SICAF dedicating a fund for crowdfunding investments**, acting as a pioneer in the Italian investments' arena. Indeed, starting from 2020, the Company adopted a Multicompartment structure after the establishment of a second Sub-Fund (the "Comparto 2 Crowdfunding") aimed at investing in companies that are raising capital through the Crowdfunding method leveraging on dedicated online platforms. The second Sub-Fund – whose shares are separately traded on the EGM market since 2021 – has the purpose to diversify the Company's investment policy by identifying start-ups, early-stage ventures, and small companies with interesting growth perspectives, interested at the same time in raising capital through the innovative Crowdfunding method and helping such targets to finance their growth.

The Crowdfunding compartment operates alongside the original SICAF's investment activity – gathered under the MTF Compartment – generating interesting cross-selling opportunities for the MTF Compartment itself. Indeed, when the holdings decide to go public, the Compartment 1 could provide fresh capital to the target companies as a trusted partner, ensuring a further diversification of its already wide-ranging portfolio. An example of the profitable synergies between the two sub-funds could be represented by Dotstay S.p.A., one of the companies in which the MTF sub-fund held the largest stake at the end of 3Q23. Dotstay S.p.A. was initially provided with €122k (or €0.84ps) crowdfunding financing through the Crowdfunding Compartment. The company has then undertaken an IPO process successfully ended in December 2022 with its listing on the EGM market PRO, at an IPO price of €3.77ps – ca. 4.5x the valuation attributed at crowdfunding raising time – and an initial investment from MTF Compartment of ca. €250k. Dotstay's success case fully represents 4AIM's strategy that led to i) the appreciation of the initial investment for Crowdfunding Compartment, alongside ii) the identification of a company seeking to raise capital through an IPO process, increasing MTF Compartment's investment opportunities.

A wide-ranging and well-diversified portfolio

As of September 30, 2023, 4AIM SICAF MTF Compartment holds a portfolio of 59 companies, for an overall portfolio value of €14.3mn. In line with the Fund's policy of diversification and risk management, 4AIM's equity portfolio results in a well-diversified company base, with strong diversification across the sectors in which it operates. Technology is the most represented industry, making up 21.4% of the total participations, followed by Financials and Industrials with 17.6% and 17.3%, respectively. The Fund owns significant investments in the Consumer goods, Real Estate, and Communications sectors, as well, which constitute 12.5%, 12.4% and 9.3%, respectively. A residual percentage of the holdings operate in the Healthcare, Consumer services and Energy & Utilities industries.

4AIM MTF Compartment NAV Breakdown by Industry



Source: KT&Partners' Elaborations on Company data, as of September 30, 2023

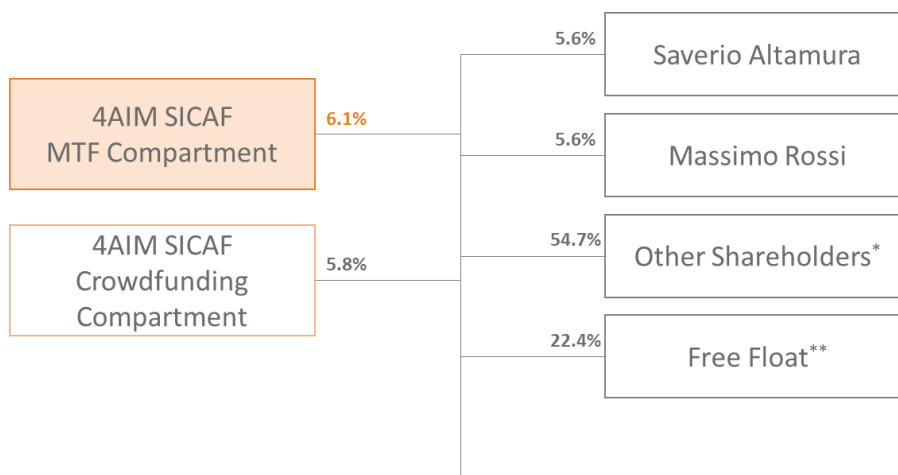
Main Holding Companies

Considering the €14.3mn portfolio value, 8 out of the 59 companies held by 4AIM accounted for a 3% stake or more of the Fund's listed financial assets total value; altogether, these holdings made up about 37.9% of the total portfolio value, despite representing only 13.6% of all the companies included in the Fund's portfolio. In the following paragraphs, we will give a brief introduction and description of these companies, which are: Dotstay (Real Estate), Integrated System Credit Consulting Fintech (Financials), Notorious Pictures (Communication), CUBE Labs (Technology), Bellini Nautica (Consumer Goods), Meglioquesto (Technology), UCapital Global PLC (Financials), and Radici Pietro Industriale (Consumer Goods).



Dotstay S.p.A. (€1.1mn investment, 6.1% stake)

Dotstay is a digital platform company founded in 2013 active in the real estate sector, offering and marketing innovative services for the management of medium-to-long term rental properties in some of Italy's major cities. The platform focuses on helping clients to relocate in another city by providing a local personal assistant - referred to as *Angel* - who is responsible for helping clients to find their perfect accommodation based on their requests and on the local housing opportunities. Dotstay offers services also to the other side of the housing market, acting as a property manager on behalf of homeowners.

Dotstay S.p.A.: Shareholders²

Source: Company data

*Other shareholders category refers to subjects who hold less than 5% of the share capital which are subject to Lock-up Agreement

**Free float shares are not subject to Lock-up Agreement

In FY22, the company recorded €413k in VoP, (+47.9% YoY). EBITDA dropped to -€145k, down from -€16.6k the year prior, due to i) the increase in the number of properties under management, ii) higher human resources costs, and iii) higher marketing costs, which recovered to normal levels after the end of the pandemic period with the consequent restart of ordinary business. The NFP benefited from the IPO capital increase in December 2022, reaching €1.9mn, up from €33k in FY21.

Dotstay S.p.A.: 2020-22 Financials

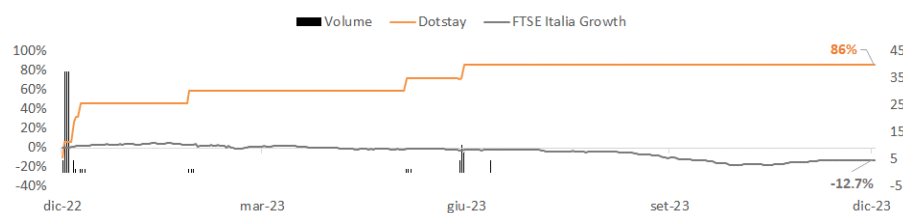
€ thousands	FY20A	FY21A	FY22A
Revenues	214.9	278.9	412.6
EBITDA	(259.4)	(16.6)	(145.4)
NFP /(Cash)	(192.0)	33.0	1,876.0

Source: Company data

4AIM initially invested in the company through its second sub-fund, "Comparto 2 Crowdfunding," taking part in Dotstay's crowdfunding financing round in March 2022, buying the stock at a price of €0.84. The Company proceeded to list on the EGM Professional market at the end of December 2022, with Comparto 1 underwriting the initial capital increase. During the IPO placement, Dotstay raised €2.2mn at an IPO price of €3.77ps. In the following period, the company won the trust of the stock market, with the stock price jumping to €7.00ps.

² The holding percentage is calculated exclusively on the total of ordinary shares; multiple-vote shares, held by Alessandro Adamo, are not considered in our analysis.

Dotstay S.p.A. Stock Performance since IPO



Source: Factset



Integrated System Credit Consulting Fintech S.p.A. (€0.9mn investment, 1.9% stake)

ISCC Fintech S.p.A. was established in 2020 as a company specializing in credit analysis, management, and debt collection. The company activities consist of evaluation and recovery of defaulted loans by both judicial and extrajudicial means for third parties and on its own. The company also carries out credit analysis, purchase of impaired loan portfolios, and credit management services for individuals, companies, and institutions. The business relies on the digital platform ISCC WEB, acquired from the controlling shareholder Conafi S.p.A. and later tailored to the company's activities, allowing it to speed up the evaluation and recovery processes.

The activities of judicial debt recovery and legal advice and assistance are carried out through the entity "LAWYERS – Società tra Avvocati S.r.l.," a lawyers association composed of 200 lawyers specialized in debt recovery, in which the company holds a 33% stake.

In FY22, the company achieved €4.8mn in revenues, a significant improvement from the previous year (€1.5 in FY21, +224% YoY), mainly thanks to the disposal of credit portfolios, which generated €2.9mn in FY22 vs €0.3mn in FY21. FY22 EBITDA came in at €1mn, recording an improvement compared to the year before, when it barely broke even at ca. €1k.

ISCC Fintech S.p.A.: 2020-22 Financials

€ millions	FY20A*	FY21A	FY22A
Revenues	0.3	1.5	4.8
EBITDA	(0.1)	0.0	1.0
EBITDA Margin (%)	n.m.	0.1%	19.7%
NFP / (Cash)	1.2	(12.0)	(4.3)

Source: Company data; *Note: 2020 is the first year of activity for ISCC Fintech

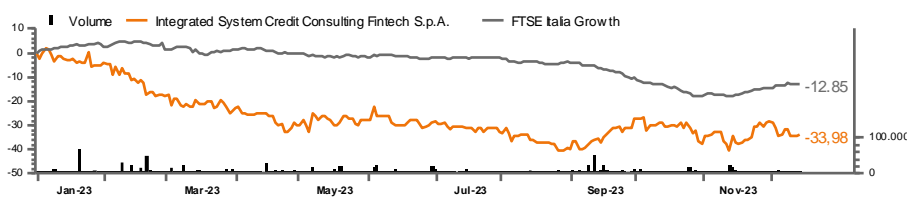
ISCC Fintech is part of Conafi Group, headed by Conafi S.p.A., a financial services company with more than 3 decades of experience in the retail lending sector, which retains 60.8% of the Company's shareholding interest as of 3Q23. ISCC Fintech benefits from the long-standing experience of Conafi, and is also backed by its database, including all the financial and income information of its clients, as well as by the above-mentioned management platform, which has been specifically reengineered with the purpose of managing the entire credit recovery process.

ISCC Fintech S.p.A.: Shareholders



Source: Company data

ISCC Fintech S.p.A. Stock Performance YTD 2023



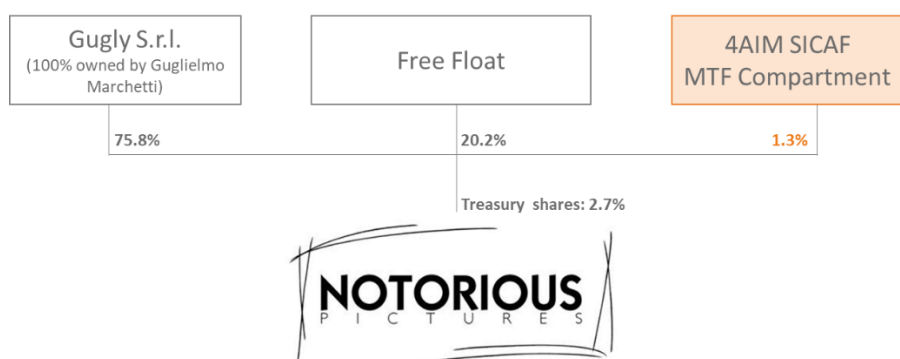
Source: Factset



Notorious Pictures S.p.A. (€0.8mn investment, 1.3% stake)

Notorious Pictures was founded in 2012 and is a leading operator in the entertainment sector engaged in the production and distribution of multimedia content in Italy and abroad through all distribution channels (cinema, home video, TV, new media). Since 2019, the company is also active in the management of movie theaters through its entirely owned subsidiary Notorious Cinemas (established in 2019). Starting from 2021, the Group is also engaged in the distribution business in Spain after the establishment of Notorious Pictures Spain, a 100%-owned subsidiary. The company has been listed on the EGM market since 2014.

Notorious Pictures S.p.A.: Shareholders



Source: Company data

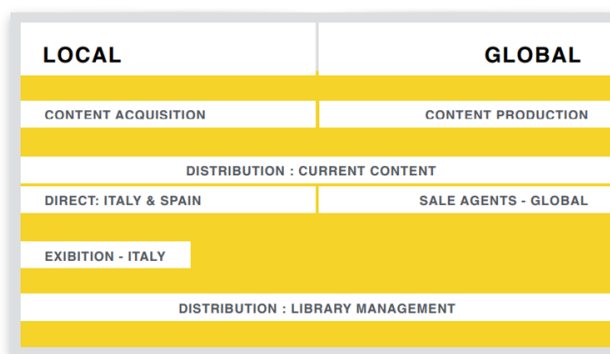
In detail, the Group operates in the following businesses:

- Production and co-production of movie content, a business increasingly relevant to the Group Strategy, also teaming up leading global players for international co-productions and executive productions.
- Movie distribution: the Group acquires and markets movie rights and libraries for both Theatrical exploitation purposes in both Italy and Spain, and for non-Theatrical channels, which includes the so-called Direct-to-Video and Direct-to-Streamer content, primarily intended for Broadcast exploitation. Thanks to the rise in the Company's production

capabilities, the Distribution business is increasingly including movies of its own production.

- Cinema exhibition: the Group is engaged in the management of movie theaters through the subsidiary company Notorious Cinemas, carried out following a quality-and-comfort based model.

Notorious Pictures Company Business Model Overview (October 2023)



Source: Company presentation

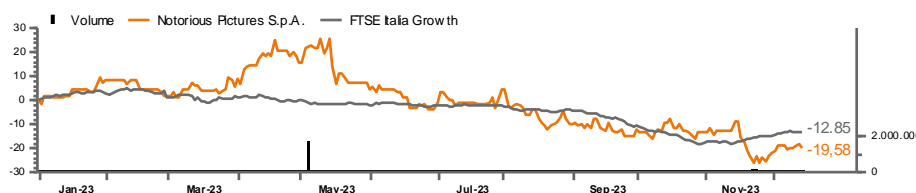
Notorious Pictures FY22 financial results showed €35.6mn of revenues, improving by 36% from FY21, mainly thanks to a boost of the Production division and to the rise of Cinema Exhibition revenues that benefited from the end of the pandemic emergency that occurred the previous years. FY22 EBIT came in at €5.6mn, improving both in absolute terms (+66.1% YoY) and in margins (+3pp YoY).³

Notorious Pictures S.p.A.: 2020-22 Financials

€ millions	FY20A	FY21A	FY22A
Revenues	13.4	26.3	35.6
EBITDA	5.0	10.4	17.6
EBITDA Margin (%)	37%	40%	49%
EBIT	(3.0)	3.4	5.6
EBIT Margin (%)	n.m.	13%	16%
NFP / (Cash)	12.9	16.6	20.9

Source: Company data

Notorious Pictures S.p.A. Stock Performance YTD 2023



Source: Factset

CUBE LABS

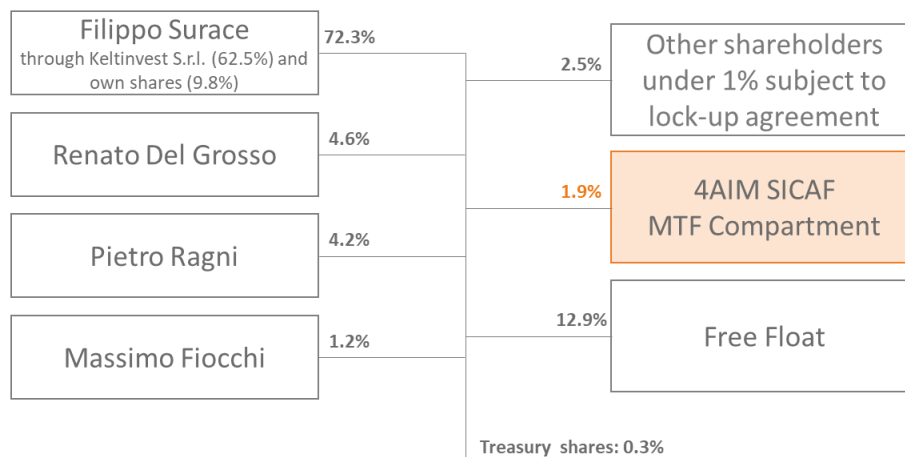
CUBE Labs S.p.A. (€0.7mn investment, 1.9% stake)

Founded in 2012, CUBE Labs is a venture builder specialized in healthcare and life sciences technologies' R&D projects. Thanks to an extensive network of active partnerships with Universities, Companies, Research Centers of excellence, alongside consolidated

³ Note: For companies operating in entertainment segment the most meaningful KPI is EBIT, rather than EBITDA. Notorious has a significant amount of intangible assets for i) distribution and publishing rights for licensed films and ii) development costs for the new productions under release, resulting in a significant part of costs included among D&As.

international relationships with investors in the sector, the Company enhances the issue of intellectual properties through participation agreements and innovation development, also through the establishment of academic and university spin-offs with a high technological and innovative content base.

Cube Labs S.p.A.: Shareholders



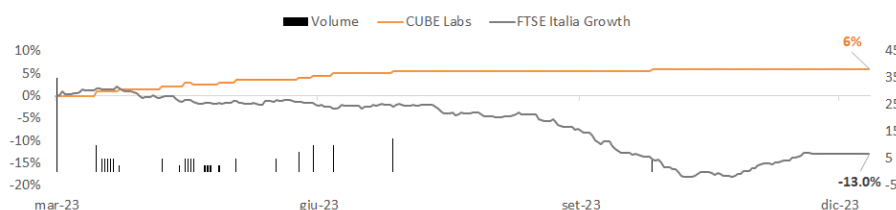
CUBE LABS

Source: Company data

The company's activity consists in the selection of research projects, establishment of innovative companies around these projects, and subsequent development of intellectual properties and new technological solutions. Cube Labs provides qualified services, aimed at the incubation, acceleration, and development of start-ups that – given their start-up phase – remunerate the advice and services received through the awarding of equity stakes. The holding of equity stakes in those companies constitutes a key aspect of the business model: the cycle of selection, creation, and development is stretched over a multi-year time horizon, given the characteristics of the sectors in which the investees operate. As of 1H23, the Company held stakes in 12 companies.

4AIM acted as financial advisor for Cube Labs IPO in March 2023, during which the company listed on the EGM Professional market with an IPO price of €2.00ps, raising €4.1mn in the listing process.

Cube Labs S.p.A. Stock Performance since IPO



Source: Factset

In FY22, Cube Labs generated €1.1mn of total revenues, slightly improving its turnover by 1.4% from FY21, but the EBITDA and its marginality has been affected by higher services and rental costs, dropping to €0.1mn or a 5% EBITDA margin from €0.4mn or a 39% EBITDA margin achieved in the previous year. We underline that Cube Labs' revenues and costs reflect the operations of an early-stage venture builder, where an increase and a diversification in revenues is expected in more advanced R&D phases. Moreover, revenues – related to services billed to portfolio companies – have not been cashed in, as portfolio companies' financial resources are dedicated to R&D activities.

Cube Labs S.p.A.: 2020-22 Financials

€ millions	FY20A	FY21A	FY22A
Value of Production	1.0	1.1	1.1
EBITDA	0.4	0.4	0.1
EBITDA Margin (%)	45%	39%	5%
NFP / (Cash)	1.0	1.8	3.3

Source: Company data

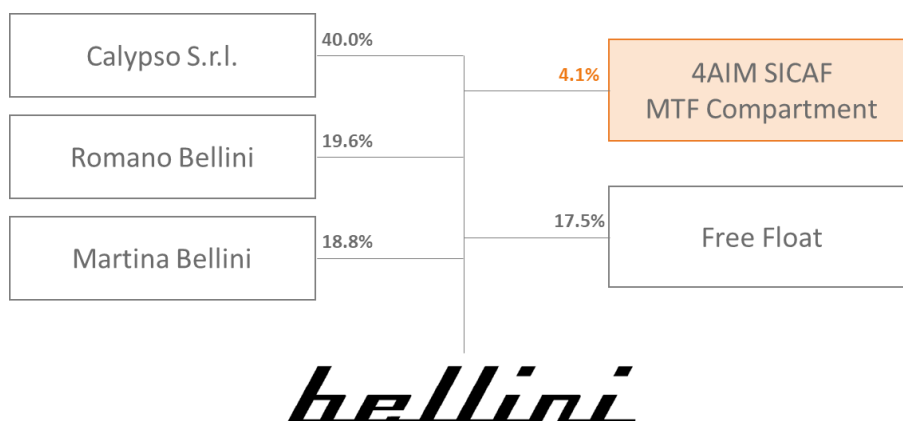
bellini

Bellini Nautica S.p.A. (€0.5mn investment, 4.1% stake)

Bellini Nautica S.p.A. is a leading company specializing in the sale of high-end recreational boats, founded in 1967 on the shores of Lake Iseo. The company also offers a service and maintenance business. The Company activities can be divided in the following categories: i) trade of new and used yachts with a size ranging from 6 to 24 meters, ii) refitting and sale of Vintage Riva boats, and iii) services, mainly consisting of overhaul of electronic and mechanical systems, repair, handling, and other O&M services, as well as replacement of saddlery, assistance, transportation, and winterization services.

In 2021, the Company acquired Lusso Nautica, located on the Tyrrhenian Sea shores, widening its business and reporting a consolidated Proforma group's VoP of €10.5mn in FY21.

Bellini Nautica S.p.A.: Shareholders



Source: Company data

During FY22, Bellini Nautica VoP stood at €14.7mn, increasing by +39.9% YoY thanks to a boost in the boat trading segment revenues (€6.4mn in FY22 vs €4.8mn in FY21). FY22 EBITDA adjusted reached €1.8mn, increasing by 7.9% YoY, but with a slightly lower profitability (12% vs 16% in FY21), mainly due to a higher incidence of raw materials costs.

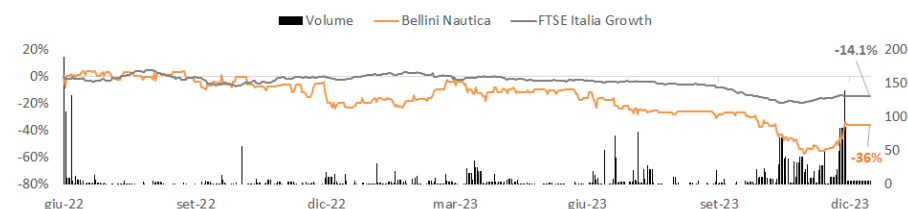
Bellini Nautica S.p.A.: 2020-22 Financials

€ millions	FY20A	FY21A PF	FY22A
Value of Production	4.3	10.5	14.7
Adj. EBITDA	0.0	1.7	1.8
Adj. EBITDA Margin (%)	n.m.	16%	12%
NFP / (Cash)	1.4	2.2	2.0

Source: Company data

Bellini Nautica listed on the EGM market in June 2022; 4AIM SICAF acted as financial advisor during its IPO process, helping the company to raise €3.9mn during the offer, and gaining €240k of fees for its advisory role.

Bellini Nautica S.p.A. Stock Performance since IPO



Source: Factset

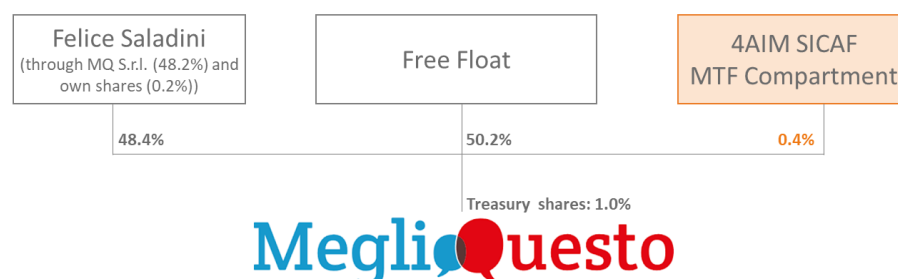
MeglioQuesto

MeglioQuesto S.p.A. (€0.5mn investment, 0.4% stake)

Established in 2011, MeglioQuesto is a company active in the Customer Experience Management market. The Company caters to business clients by offering Customer Acquisition (89.6% of revenues) and Customer Management (10.4%) services, helping its partners to reach their expansion targets in terms of customer base. MeglioQuesto also relates with consumers throughout the entire customer journey to facilitate their purchase experience and provide constant after-sale support, thanks to an increasingly service-driven business model.

The group offers multichannel solutions (voice, digital, and human) aimed at customer acquisition and customer relationship management. The company serves customers operating in several industries, mainly focusing on Telco (37.0% of FY22 revenues), Utilities (33.1%), and Finance (17.8%).

MeglioQuesto S.p.A.: Shareholders



Source: Company data

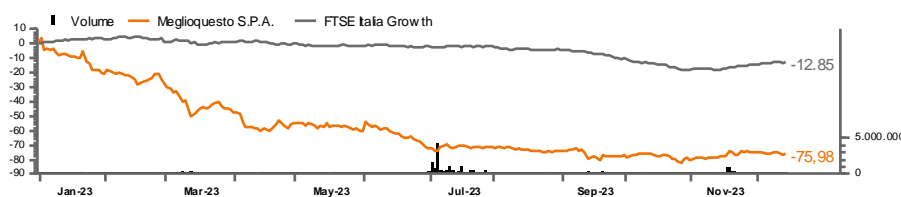
In FY22, MeglioQuesto generated €79.3mn of revenues (+26.7% YoY), with €11.8mn of EBITDA or a 15% EBITDA margin (-2pp YoY). The NFP worsened from €6.1mn to €30.3mn, mainly on the back of the intense M&A activity carried out during 2022 (€22.8mn of M&A investments).

MeglioQuesto S.p.A.: 2020-22 Financials

€ millions	FY20A	FY21A	FY22A
Revenues	49.4	62.5	79.3
EBITDA	6.7	10.6	11.8
EBITDA Margin (%)	14%	17%	15%
NFP / (Cash)	17.4	6.1	30.3

Source: Company data

MeglioQuesto S.p.A. Stock Performance YTD 2023



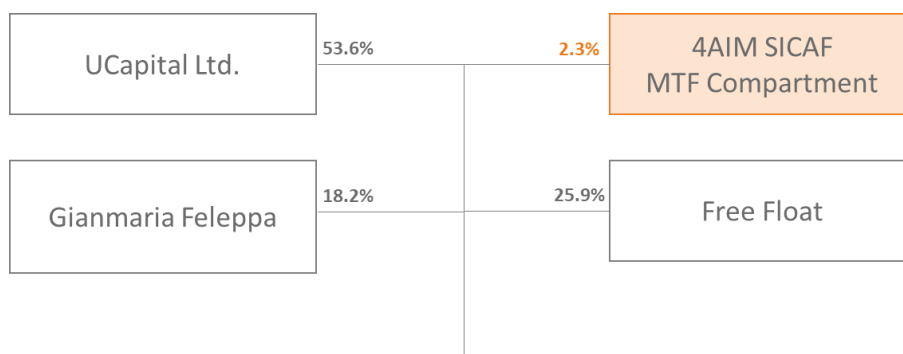
Source: Factset



UCapital Global Plc (€0.5mn investment, 2.3% stake)

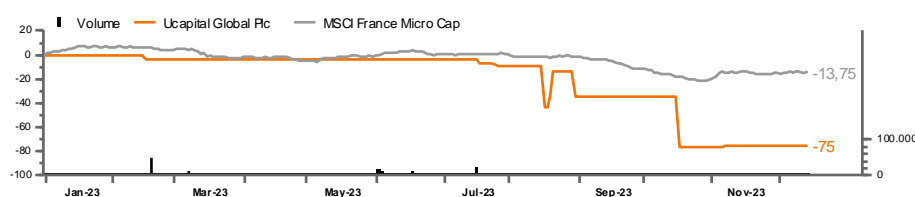
UCapital Global Plc, previously Aleph Finance Group, is a London-based financial holding company that offers investment management and advisory services to high-net-worth individuals, family offices, and corporations across Europe. Aleph was established in 2008 under the legal name of Pairstech Limited and, until 2015, it remained inactive. In April 2018, Pairstech CM Ltd changed its name to Aleph Finance Group, and in the following years it was transformed into a public limited company. In April 2023, the Fintech group UCapital Ltd acquired a majority stake of Aleph Finance Group, after which it changed its name to UCapital Global Plc. As of today, UCapital Global is listed on the Paris Stock Exchange Euronext - Access segment.

UCapital Global Plc: Shareholders



Source: Cofisem

UCapital Global Plc (Aleph Finance Group) Stock Performance YTD 2023



Source: Factset



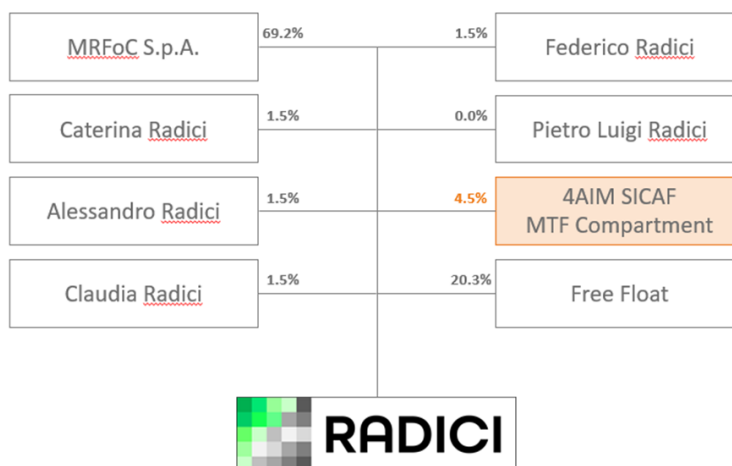
Radici Pietro Industries & Brands S.p.A. (€0.5mn investment, 4.5% stake)

Radici Pietro Industries & Brands S.p.A is a Company active in the high-end and luxury textile flooring sector, specialized in the production and distribution of high-tech textile coverings (carpets, rugs, mats, etc.) with a high degree of customization for the Residential & Contract, Automotive, Sport, and Marine sectors. The company has operated in the textile sector since 1950, with an initial focus on the production of carpets for the mass market, then experiencing a growth process and diversification in the following years.

As of today, Radici Group is a primary international player in the sector, operating through 2 production centers, in Italy and Hungary; 2 commercial branches, in the USA and Poland; and

an Italian company focused on the design, construction, installation, and maintenance of synthetic turf facilities. The Group can boast more than 2,000 customers with a well-established presence in more than 90 countries around the world.

Radici Group: Shareholders



Source: Company data

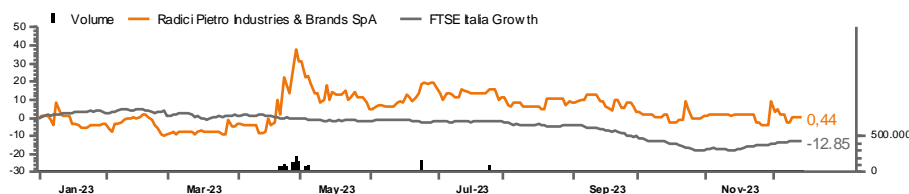
In FY22, the Group achieved €58.0mn of total revenues, experiencing a 27% increase compared to FY21. The textile floor coverings division reached €28.3mn, weighting for 53% on the Group sales revenues; the sports facilities division came at €14.1mn (26% of sales), whereas the Marine and Automotive divisions each generated about €5.6mn in sales revenues, accounting for around 10% of the Group's turnover. The EBITDA came in at €3.7mn (+76% YoY), with a slightly increasing EBITDA margin at 6%. Over the years, the Group improved its net debt position from €20mn in FY20 to €16.5mn in FY22.

Radici Group: 2020-22 Financials

€ millions	FY20A	FY21A	FY22A
Value of Production	43.6	45.7	58.0
EBITDA	0.6	2.1	3.7
EBITDA Margin (%)	1%	5%	6%
NFP / (Cash)	20.0	17.5	16.5

Source: Company data

Radici Group Stock Performance YTD 2023



Source: Factset

Company's History

Company Foundation (2016)

4AIM SICAF S.p.A. was founded on the initiative of Ambromobiliare S.p.A. with the intention to establish an independent operator acting as a “bridge” between Institutional Investors looking to invest in SMEs with high growth potential, and the SMEs themselves (especially Italian SMEs) that look out for capital to finance their growth. The Company received the authorization to operate from Banca d'Italia on February 23, 2016, and has been officially constituted on March 16, 2016.

Listing on AIM Italia segment (2016)

The Fund went public on the AIM Italia market in July 2016, raising €6.0mn by issuing 12,000 ordinary shares at an IPO price of €500 per share. At the same time, 4AIM also issued 12,000 warrants callable in three periods, spanning from 2016 to 2019, to be freely assigned to shareholders with a 1:1 warrant/share ratio.

First investments (2016)

During its first year, the Fund invested in four companies operating in Energy & Utilities and Communications industries, through the subscription of the related capital increase, or the purchase of their shares and warrants on the market: Enertronica, Vetrya, GPI (through the SPAC Capital for Progress 1), and Gala.

During 2017, 4AIM further raised €250k and another €75k in 2018, bringing its share capital to €6.4mn.

Business diversification (2017)

In 2017, the Company diversified the scope of its activities introducing financial advisory services to companies, taking advantage of the experience and expertise of its management team members in Financial Advisory, Capital Markets, and IPOs. The team offered advisory services ranging from Equity Capital markets transaction advisory with a focus on small and mid-cap listings on the AIM Italia market (now EGM Market) to M&A advisory, business plan drafting, and other Corporate Finance services. The Fund aimed at obtaining an additional source of revenue, as gains from investment activities – whose time horizon was extended on a medium to long term – do not accrue until the assets are liquidated. Such non-core activities, which enables the promotion and development of the main investment activity, are usually carried out directly by the SICAF on its own or (marginally) in partnership with the founding partner Ambromobiliare S.p.A. or with other of the sector's advisors.

Completing the first Advisory Mandate (2018)

During 2018, the Company successfully advised Grifal S.p.A. on its IPO process, which led to the listing on the AIM Italia market, completing its first advisory mandate, achieving €388k of revenues for the advisory activity.

Second Capital Increase and Investment Committee foundation (2019)

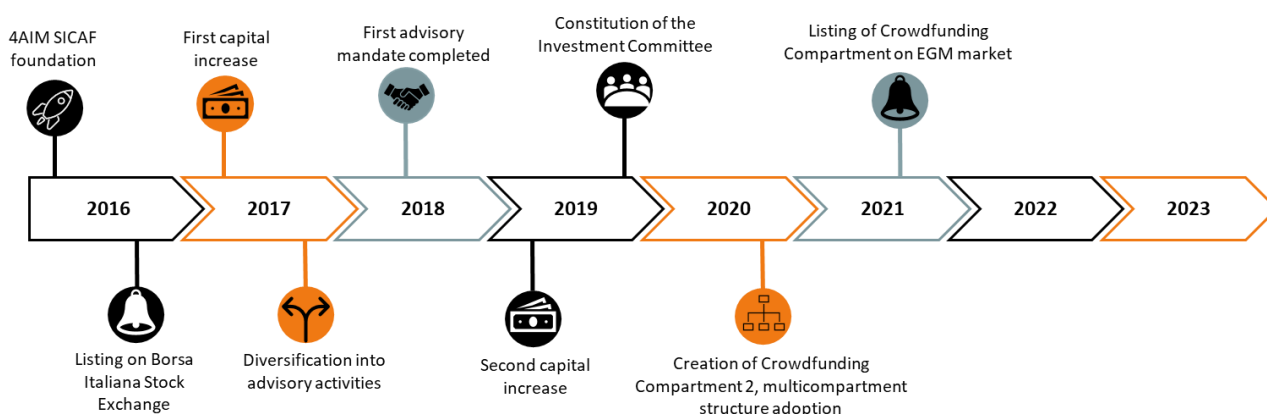
To better catch the opportunities offered by the EGM market, in 2019 the Fund raised €18.5mn of capital.

In December 2019, the Fund set up a Technical Scientific Committee (named afterward “Investment Committee”) made up of 5 members with a proven and distinguished track record and experience in the academic and entrepreneurial world, with the role to advise the Management on investment matters.

Multi-fund structure (2021)

In 2020, with the aim to diversify the Company's investment policy, 4AIM adopted a multi-compartment structure launching a second Compartment (Comparto 2 Crowdfunding). Each SICAF sub-fund is an independent entity with its own assets and its own investment policy, with distinct share categories for each of the sub-funds. The second sub-fund is focused on investing in start-ups and early-stage ventures that aim at raising capital through the crowdfunding method by using dedicated online platforms. With the renewed structure, the traditional investment activities have been gathered under the “Comparto 1 MTF” sub-fund, while the activities of the “Comparto 2 Crowdfunding” have been aggregated in the newly launched second sub-fund. Compartment 2 Crowdfunding stocks have been separately listed on the EGM market starting from June 2021, after having raised €2mn.

Key Milestones



Source: KT&Partners' Elaboration on Company data

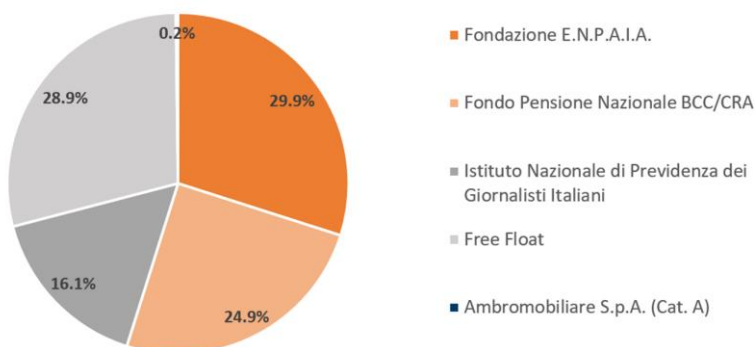
Ownership and Group Structure

Given its operative, liquidity, and transparency characteristics, 4AIM share capital is only open to Professional and Institutional Investors, while retail investors are excluded from the purchase and negotiation of 4AIM share capital. Besides the floating interest that is widespread among several institutional investors, the core of the Fund's shareholding capital is held by three pension funds, involved in managing the contributory pension provision on behalf of employees from the Agricultural, Cooperative Banking, and Journalistic sectors. As of November 15, 2023 (date of the 3Q23 Financial report release), the shareholding interest was composed as follows:

- Fondazione E.N.P.A.I.A. - Ente Nazionale di Previdenza per gli Addetti e gli impiegati in Agricoltura (National Welfare Board for Agricultural Workers and Employees) held the higher stake of 29.9%;
- Fondo Pensione Nazionale BCC/CRA (Cooperative Credit Banks / Rural and Artisan Banks National Pension Fund) held a 24.9% stake;
- Istituto Nazionale di Previdenza dei Giornalisti Italiani (National Pension Institute of Italian Journalists) held the 16.1% of shareholding capital;
- The remaining 28.9% is represented by the free float.

The founding shareholder Ambromobiliare S.p.A. held 100 "Category A" stocks, valued at €500 each at the IPO date, which are not listed on any market and that gives to Ambromobiliare special rights, such as the appointment of the CEO and the voting-list administrative rights that are not incorporated in the ordinary shares.

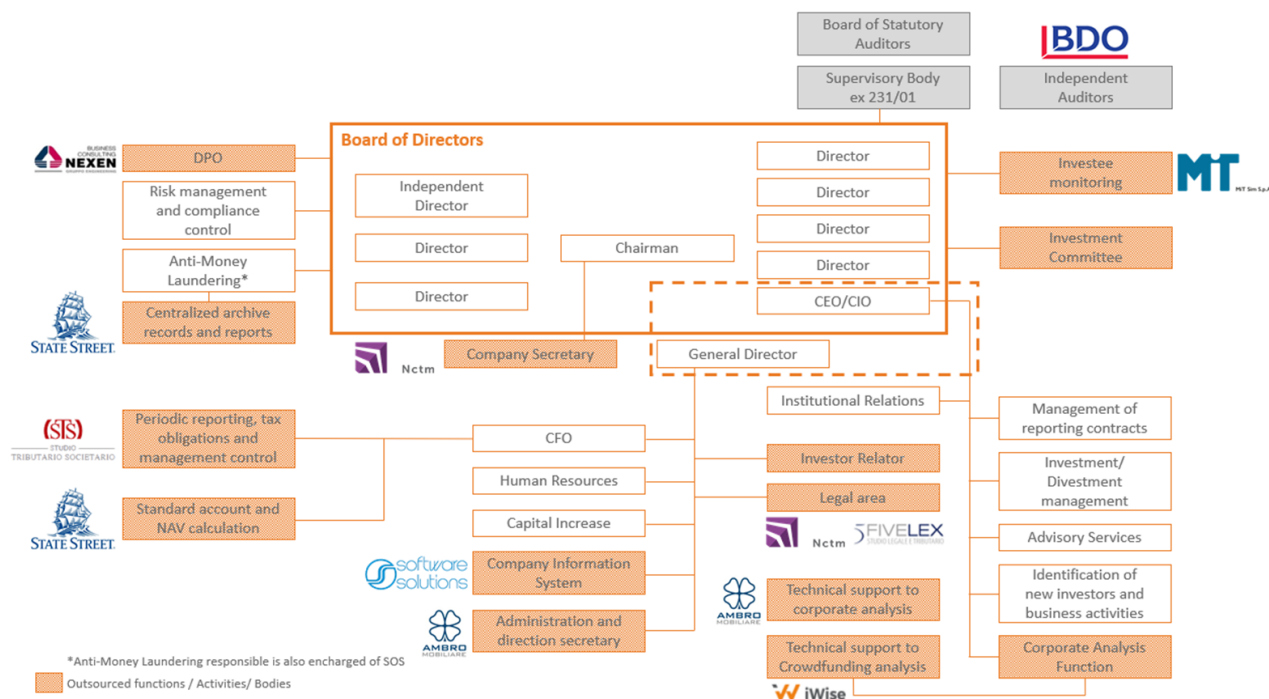
4AIM MTF Compartment Shareholding Structure (November 2023)



Source: Company data

Looking at the Company organizational structure, the Board of Directors is in charge of approving new investments or dismissing already owned assets. Giovanni Natali serves as CEO, CIO, and General Director, and he is responsible for submitting investment proposals to the BoD, after a financial valuation and risk assessment with the support of the Risk management and compliance control function, together with external advisors. If the investment/disinvestment proposals exceed the delegation limits of the Managing Directors or when proposals involve situations of potential conflict of interest, 4AIM is also supported by the Investment Committee's advice. Other functions, such as investor Relations, Legal, Finance (including the reporting, tax, controlling, accounting and NAV calculation functions), are all outsourced to external bodies.

Company Organizational Structure



Source: KT&Partners' Elaboration on Company data

Key People

Alessandro Merenda – Chairman of the Board

Alessandro entered 4AIM BoD in the role of Chairman of the Board in October 2021. Alessandro specializes in Financial Markets Law, Corporate Law, Regulation of Financial Services, and Structured Finance; he provides Advisory services to Banks and other Financial Services Institutions as well as corporations for Capital Markets transactions. He gained an extensive background in IPOs, Capital increases, and extraordinary transactions both on regulated markets and on multilateral trading facilities, as well as on Private Equity and Venture Capital transactions. Alessandro also advises and assists Italian and foreign clients in the structuring and negotiation of reserved Alternative Investment Funds (AIF), and on corporate and regulatory compliance matters, with a focus on corporate governance processes of listed companies and supervised intermediaries. Alessandro is a member of the Scientific Committee of AssoNext (Italian Association of Listed SMEs) and part of its Corporate Governance focus team, which is dedicated to reports on Corporate Governance topics.

Giovanni Natali – CEO, CIO and General Director

Giovanni covered the role of Chairman from 2017 to 2020 in 4AIM SICAF and he is currently the CEO, CIO, and General Director of the Company. Giovanni held different roles in the Controlling, Finance, and Administration field for RADICI Group, where he became a Financial Manager with administrative responsibilities for foreign subsidiaries. He then served as Group CFO of Negri Bossi SpA, leading the Company to the listing on the STAR segment. After leading several companies with the role of CEO, Giovanni founded Ambromobiliare S.p.A., where he served as Chairman of the Board and CEO. During his career, Giovanni advised 50+ IPOs in Italy and abroad. He currently is part of the Milan Stock Exchange Advisory Board for the EGM market and sits on the Board of Radici Pietro S.p.A. and Mitsim S.p.A.

Dante Emanuele Ravagnan – Management's Advisor

Dante Ravagnan has over 20 years of experience in the field of Equity Capital Markets and is Professor of Finance at Università Cattolica del Sacro Cuore. In 4AIM SICAF, he supports the CEO and General Manager about corporate transactions evaluations and in meetings with the Management of the target companies; besides that, he deals with the monitoring of the participations and the analysis of the possible targets for the Crowdfunding Compartment Portfolio. During its career, Dante also collaborated with Interbanca and GE Capital, where he gained a consolidated experience as financial advisor.

Laura Pedrazzini – CFO

Laura has a long and in-depth experience in different fields. She has worked as an auditor of listed financial companies for five years and as an Accounting and Reporting Manager for Banks and Financial intermediaries for more than 15 years.

Investment Committee

In 2019, the Company established an Investment Committee, which has advisory functions and supports the Management on the analysis and evaluation of its investment and disinvestment decisions for both the Compartments. The Committee must express its opinion when investment/disinvestment proposals exceed the delegation limits of the Managing Directors or when such proposals involve situations of potential conflict of interest. The opinions of the Committee are mandatory in such cases but are non-binding for the BoD. The Committee is composed of 5 members, each with a distinguished track record and experience coming from the academic, entrepreneurial, and Private Equity world.

Valter Conca

Valter is an Adjunct Professor at Bocconi University and Associate Professor of Business Economics and Management and Acquisition Management. He covers the role of Director of the Private Equity & LBO Laboratory and is also Senior lecturer at the Administration Control and Corporate and Real Estate Finance Area. His areas of scholarly interest are Business economics and management, Corporate Finance, Strategic analysis and strategic planning processes, Management of change and development processes, Acquisition market analysis, Evaluations of M&A transactions, Private equity, and venture capital.

Lucio Fusaro

Lucio is CEO of Finelga SpA. In 1987, together with other partners, he established GVF SpA, a company operating in the field of hair cosmetics, where he currently holds the position of President of the Board of Directors. Following the expansion of GVF SpA abroad, there was the establishment of Finelga SpA, a holding company that also operates in the financial and real estate investment, pharmaceutical, and communication sectors. During its career, he has held the role of CEO of: CF Immobiliare Srl, Finelga SpA, GVF Gvieffe SpA, Revi Pharma Srl, Revivre Italia SpA, Powervolley Milano 2.0. SSD srl and has been Member of the Board of Directors of Ambromobiliare SpA, Ambrogest SpA, and GDP Srl.

Marco Lacchini

Marco is a Full professor of Business Administration at University of Cassino, Pro-Rector Delegate at the University of Cassino since 2001. He currently holds the chair of Corporate Crisis and Recovery and Corporate Governance. He is a Chartered Accountant Auditor. He specializes in extraordinary finance transactions and related business valuation, with a focus on intangible assets valuation. He has experience in both formal and informal arbitrations as a consultant to the Arbitration Panel and to Arbitrators throughout Italy. Marco works as a technical consultant (ex-officio or party-appointed) in several Courts and Italian Public Prosecutor's Offices on matters of business valuation, estimates in the context of bankruptcy proceedings, and economic issues with criminal relevance.

Edoardo Narduzzi

Edoardo is involved in the creation of innovative companies specializing in Information Technology and services sectors. He is founder and Chairman of SelfieWealth Ltd Group, (Digital RoboAdvisor), founder and Chairman of Mashfrog, and previously Chairman and Co-Founder of Techdge Spa. He served as a Board member of Telesia SpA, MamaDigital Srl, Pracedo Ltd, and Ucapital24 SpA. Edoardo has a rich academic background: he earned a MSc in Applied Environmental Economics at Imperial College, an MBA at Warwick Business School, a MSc in Finance at London Business School, and a MPP (master of Public Policy) at Harvard's J.F. Kennedy School of Government (Fulbright Fellow).

Enrico Palandri

Enrico is Managing Director at Seconfind Sim. He is a Member of the Board of Directors of Fondazione Ambrosiana per la Cultura e l'Educazione Cattolica, Medioconciierge Srl. Enrico served as Vice President and General Manager of IGI SGR Spa and as a Board member in multiple companies in different sectors. Enrico also covered the role of Investment Manager and CEO for Arca Impresa Gestioni Sgr SpA.

Business Model

4AIM SICAF – *Comparto 1 MTF* is an independent Investment Fund with the purpose of investing in SMEs that are listed (or on their way to listing) in nonregulated markets in Italy or other European Union countries. The business model is based on the acquisition of stakes in the target companies and the subsequent generation of a capital gain by selling them after a determined holding period. For this purpose, the Fund has set a medium-to-long term horizon for its investments, with an indicative (but non-binding, since there are no way-out requirements)⁴ holding period of 18-36 months for each of its investments, in order to let the target companies grow and achieve their development plans and to give the market the time necessary to recognize the value of their investments.

The activities carried out by the Company are divided into main and supporting activities: the main activities include all the investment/divestment activities of the Compartiment 1 MTF, while supporting activities embrace advisory services and signaling services. Despite 4AIM activity being focused on investments - its core business - advisory activities enabled the Fund to diversify its revenue streams while representing a strategical cross-selling opportunity, with companies supported in IPO processes often becoming part of 4AIM investment portfolio.

Investment Activities

4AIM investment activities include the purchasing and sale of equity and debt instruments of companies listed in the non-regulated markets, with a specific focus on mid and small companies listed on the Euronext Growth Milan market (formerly AIM Italia). The Fund outlined a specific investment policy for the MTF Sub-fund, imposing for itself limits and guidelines in the selection of the instruments to include within its portfolio.

Target selection

In selecting the targets, 4AIM does not set any specific sector or dimension requirements for target candidates; however, the Fund investment policy forbids investments in targets that are: i) investment companies, ii) asset management companies, iii) alternative investment funds or other investment vehicles, or iv) companies that are facing a restructuring or turnaround process. Despite not having specific benchmarks, 4AIM focuses on companies with a highly skilled management and a strong financial track record, with interesting growth perspectives and development opportunities. The Fund also includes a qualitative assessment of the Targets' ESG factors in its selection and valuation process.

Investment Process

The company has outlined the following process for its investment activity, dividing it in 6 distinct steps:

STEP 1: Definition of the Investment Strategy

The Board of Directors defines the investment strategy pursuing a medium-to-long term growth approach for the Fund assets rather than a short-term speculative approach, always staying within the bounds of the Company's Articles of Association.

STEP 2: Identification of the investment opportunities

The fund screens for opportunities among Companies that are listed in EU nonregulated markets - focusing on the EGM market companies - or among companies that have applied for the admission to list in these markets. The Fund gets tips and recommendations on investment opportunities from a broad set of institutions, advisors, investment banks, and financial intermediaries, without keeping privileged relationships with any of such institutions.

STEP 3: Target valuation and investment decision

After collecting a first set of information, the CIO assesses the compliance of the investment proposals with the support of the internal Risk management function (department).

⁴ Additionally, it is worth clarifying that no disinvestment obligations arise from the listing on a regulated market or the exclusion from the nonregulated market of the participated company and their financial instruments.

Whenever the investment proposal needs approval from the Board of Directors, the CIO produces a document with a summary of the target characteristics, its financials history, and its risk-return profile, attaching a financial valuation produced by an external and independent advisor. The investment proposal is then submitted to the Board of Directors for approval with a simple majority vote. The Investment Committee is also called to express a non-binding opinion whenever the investment proposal exceeds the delegation limits given to the Management, or whenever the proposal brings a potential conflict of interest. After debate, the Board can decide whether to approve the investment proposal, reject it, or ask for further evaluation also relying on external advisors.

STEP 4: Investment execution

The investment execution is made after receiving approval from the Board of Directors or from the Company's CEO within its delegations' limit.

STEP 5: Investment monitoring and reporting

The fund has set up a company function dedicated to continually monitoring and periodically reviewing the Fund's assets and their performance. The company has delegated this function to a Member of the Board, who is involved in monitoring the investments trend on a periodical and continuous basis.

STEP 6: Investment liquidation

Investments are liquidated after the approval of the Board of Directors or the CEO within its delegations' limit. Divestments are usually made over a medium-to-long-term horizon (18-36 months), which is a reasonably suitable timeframe for realizing an investment value appreciation. Nevertheless, the Fund does not have any obligation to exit from an investment and it is free from the regulatory divestment pressures that characterize the private equity industry. It is also worth stating that the Fund does not have any obligation to sell any equity stakes if the company in which it invests translists from the unregulated market to a regulated market.

Steps of 4AIM's MTF Compartment Investment Process



Source: KT&Partners' Elaboration on Company data

Risk management

The Fund has set up a structured process to evaluate opportunities and make investment decisions with the aim of selecting the best opportunities and limiting the downside risks. Given the contingent nature of its business, a structured investment process may not be enough to protect investors from the downside risk that are typical of holding stocks and other financial instruments. The Company has outlined a risk management policy in order to establish some boundaries within which the investment decisions have to be made, and to mitigate risks arising from its investment activities. At this purpose:

- the Fund determined a purchase limit of 4.99% of the shares or equity instruments of its target companies issued during their IPO process. For companies that are already listed, the limit is fixed at 10%.
- the Fund can purchase a maximum of 10% of the target's outstanding bonds.
- the Fund cannot invest more than 10% of its assets in listed financial instruments issued by a single target company. This rule is meant to avoid concentrating the Fund's assets in financial instruments issued by a narrow group of target companies, preventing the Company from tying its performance to few issuers, mitigating the specific risk that may arise from a small set of financial instruments. However, it is not considered a violation of the above-mentioned rules if the value of the investment on a single company's shares reaches more than 10% of the Fund assets after a stock price's appreciation.
- the Company can discretionally decide to participate in the target companies' Management and Supervisory bodies and to partake in their Corporate Governance processes, having a special consideration for companies in which it has a stake higher

than 5%, in order to closely monitor and influence the actions and daily business of their more meaningful targets.

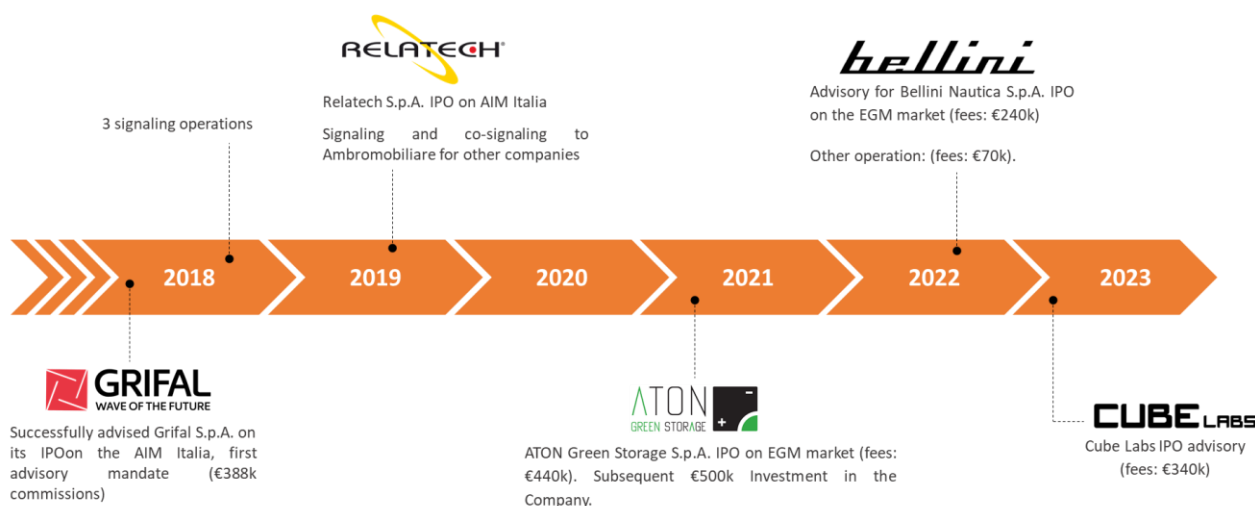
- it is forbidden for the Fund to make use of financial leverage, in order to not assume any credit risk⁵.

Compliance review is both a periodic obligation and a continuous process, since i) the review is performed every time an investment proposal is made, and ii) the Risk management and compliance department continuously monitors current investments, ensuring their compliance with statutory rules.

Advisory activity

Almost immediately after its foundation, the Company decided to diversify its activity by entering the consultancy and financial advisory business, seeking to take full advantage of its management team expertise on Capital Market and Corporate Finance, also proven by their consolidated track record. The services offered range from advisory on IPOs and capital increases for SMEs to M&A advisory, private placements, drafting of Business Plans and drafting of Fairness Opinions. These correlated activities are usually carried out by the SICAF itself, and sometimes with the support of third-party institutions. 4AIM has already built a solid track record on IPO advisory services, supporting on average one company per year in its listing process since 2017, when the Fund started to offer these services. The Company can also provide signaling services to third parties by offering information about Companies that seek to go public. On this purpose, the Fund has entered into an agreement with the founding shareholder, Ambromobiliare S.p.A., for the provision of signaling services in its favor⁶. Through this revenue's stream, the Fund aims to produce a more immediate source of revenues, while helping Companies that can potentially constitute a target for future Compartment MTF's investments to list on a public stock market, enriching 4AIM's potential investments' base. For instance, for its first successful IPO advisory mandate for Grifal S.p.A. in 2018, the Company achieved €0.4mn of advisory fees but also a €0.6mn capital gain from the sale of a part of Grifal's stocks and warrants (on an initial investment made by the Fund of €252k).

4AIM Main Advisory Operations' Timeline



Source: KT&Partners' Elaboration on Company data

⁵ Such limits do not apply when investments are made in Investment Grade rated financial instruments with a rating assigned from at least one credit rating agency registered under EU Regulation n.1060/2009 or with a rating endorsed by rating agencies registered under the aforementioned regulation or for liquidity deployment purposes and in any case for purposes outside of the outlined Company Investment Policy.

⁶ With regard to the signalling service offered to third parties, and in particular to the shareholder Ambromobiliare S.p.A., the Company monitors any possible Conflicts of Interests that may arise. The company is also compensated for its service with fees that are transparent and in line with market rates and standards. Moreover, the remuneration for the signalling services provided to Ambromobiliare does not include any success fees or other incentives in case of successful IPO transactions.

Remuneration

Investor Returns and Compensation

Being 4AIM is a Fund listed on a public market, the main remuneration source for its shareholders derives from the stock value appreciation over time. Indeed, the Fund has never distributed dividends since its establishment. The value of the stock will, of course, depend on the overall performance of its investment activities, which in turn is subject to several factors, such as the fundamentals of the participated companies, the macroeconomic environment, and the market liquidity.

Management Compensation

The Fund's Management and the Board of Directors members, as well as the Investment Committee members, are remunerated with both a fixed and variable compensation for their work, according to their position. In particular, a variable compensation pool is determined on the basis of:

- 1% of the NAV of the company's Compartment MTF portfolio invested in shares decreased by €15 million, as recorded by the custodian bank at the end of the current fiscal year, from a minimum of €0 to a maximum of €200,000 (to be distributed among the Directors). It is specified that if the appointment ends in a period prior to the NAV calculation, the last recorded NAV will be used for this purpose. Moreover, in the event of termination and non-renewal of the position covered, a total compensation of €150,000 will still be recognized, to be divided among the non-renewed directors receiving the variable compensation;
- 7.5% of the increase in the NAV of the MTF Compartment, as recorded by the custodian bank at the end of the current fiscal year, net of any capital increases and payments of dividend, subject to the high-water mark mechanism;
- 5% of the net capital gains resulting from the latest approved financial statements.

Such a variable compensation pool is then determined to be divided among the CEO, who is awarded with 60% of the variable compensation pool, the CFO who receives 30%, and an external advisor, who takes the remaining 10% for supporting the CEO in the investments' activities, particularly in evaluating the corporate transactions and meetings with the management of target companies.

Market Overview

4AIM SICAF Compartment 1 investment activity is focused on listed companies in EU non-regulated stock markets, the segment typically aimed at SMEs. To date, 4AIM Compartment 1's portfolio shows a strong presence of companies listed in the Euronext Growth Milan (EGM, previously AIM), the Italian non-regulated market.

The role of SMEs in the Italian economy

The Italian economic environment is characterized by a significant number of small and medium enterprises, i.e. companies with fewer than 250 employees and less than €50mn of sales revenues (or total assets not above €43mn). According to the last available data released by Cerved⁷, after a 2020 impacted by the negative macroeconomic scenario caused by COVID-19 pandemic and a recovering 2021, the number of SMEs in 2022 declined again, amounting to ca. 162k⁸ (-1% YoY). Despite that, the number of SMEs is still higher than pre-pandemic level when Italy totaled about 160k of SMEs.

After the COVID-19 pandemic, which resulted in a reduction of all main 2020 financial KPIs for a large segment of the sample analyzed, in 2021 Italian SMEs proved their resilience, registering a strong rebound both at sales (+14.4% YoY) and EBITDA (+23.7% YoY) level⁹.

Clustering companies by their growth registered, Cerved pointed out that the post-COVID reaction of Italian SMEs mostly depended on the impact suffered by the companies in 2020: Indeed, in 2021:

- Companies most impacted – whose 2020 revenues declined by more than 20% YoY – were still 22% below 2019 sales and 50% below 2019 EBITDA;
- Companies impacted by the pandemic – whose revenues decreased in a range of 10-20% YoY – recovered to 2019 revenue levels and enjoyed +4pp in terms of profitability;
- Companies with a “low impact” from COVID-19 – which in 2020 decreased their revenues in a range of 0-10% YoY – are definitely above 2019 levels both in terms of revenues and profitability;
- “Steady or growth” companies – whose sales remained stable during the pandemic or increased YoY continued improving their revenues and even more their profitability, which increased by almost 50% if compared to 2019 levels.

The recovery perspectives of 2021 coupled with the potential boost to the national economy expected from the PNRR funds, were undermined by the outbreak of the Ukraine – Russia conflict in February 2022 and the escalation in energy prices, which led to a more contained growth both at Sales and EBITDA level. Indeed, in 2022 the SMEs registered a +6.1% growth of Sales (driven by small companies) and a +3.6% YoY increase on EBITDA.¹⁰

In 2023, the macroeconomic scenario was further exacerbated by the pervasive inflation that led the ECB to continue in the implementation of a tightening monetary policy, coupled with a persisting difficult geopolitical situation, as proven by the latest developments in the Middle East countries. These events caused a prompt decline in the already fragile economic conditions of many Italian SMEs in 2023, with no positive signals of recovery even for 2024-2025.

⁷ Source: Rapporto Cerved PMI, 2023

⁸ Note: excluding the microenterprises category, with employees fewer than 10 and sales below €2mn

⁹ Source: Rapporto Cerved PMI, 2022

¹⁰ Source: Rapporto Cerved PMI, 2023

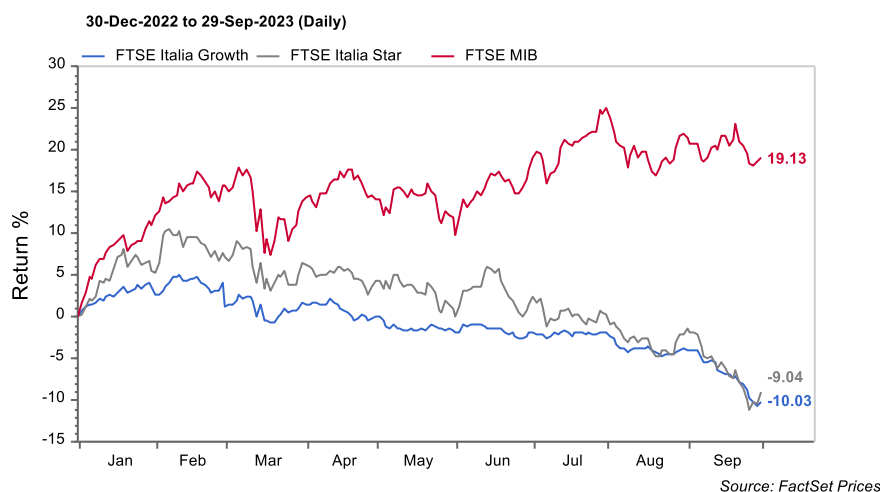
Focus on the Euronext Growth Milan

The Euronext Growth Milan (EGM), previously called Alternative Investment Market Italia (AIM), is the segment of the Italian stock exchange market born in 2011 and dedicated to SMEs, which nowadays includes more than 195 listed companies.¹¹

FTSE Italia Growth and others Italian main stock indices performance

After a troubled 2022 market scenario, undermined by a lot of adverse macroeconomic events – COVID-19 new variants' outbreak, the Russia–Ukraine war, rising inflation, and growing fears about a possible recession – that led to a decline in all the main Italian indices, 9M23 market performance did not follow the same trend for all the main Italian indices. While the FTSE MIB index posted a +19.13% growth YTD, the FTSE Italia STAR (that historically included the most liquid and virtuous Italian companies) and FTSE Italia Growth (EGM's reference index) declined by ca. 9% and 10%, respectively, underperforming the FTSE MIB by ca. 30pp.

January – September 2023 main Italian stock market segments performance



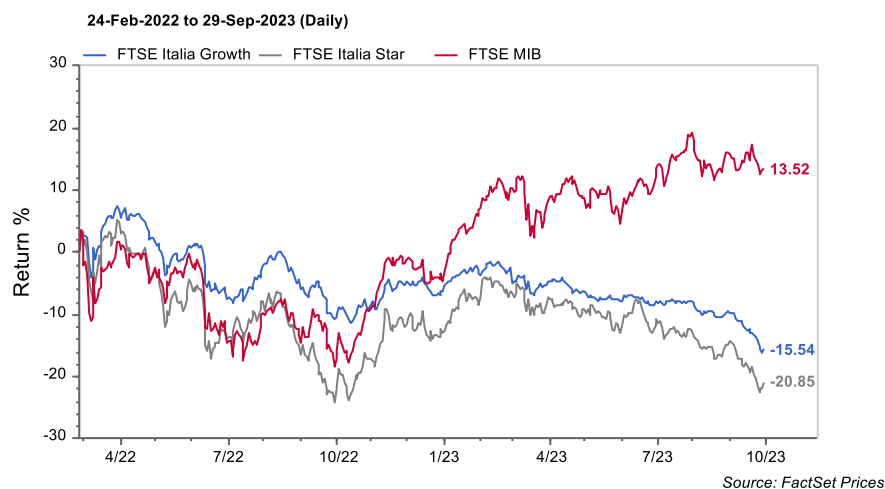
On one hand, the overperformance of the FTSE MIB could be explained by the different index composition – mainly including Banks, Energy, and Utilities companies – and is benefitting from the positive performance of the Banks. On the other hand, a significant part of the negative returns of the FTSE Italia STAR and the FTSE Italia Growth could be attributable to the assets' outflow from PIR funds. Indeed, in 2023 PIRs subscribed 5 years ago accrued the capital gain's tax benefit and therefore many investors are dismissing their stakes in favor of alternative investments and toward other markets. According to the latest available data from Assogestioni,¹² in the first nine months of the year, PIR funds totaled a €2.1bn outflow, of which -€0.8 outflow in 1Q23, -€0.6bn outflow in 2Q23, and -€0.7mn outflow in 3Q23, respectively.

Even considering the performance of the main indices since the Ukraine – Russia war outbreak to the end of September 2023, we note that the FTSE MIB was the only exchange that fully recovered to pre-war levels (+13.5%), while FTSE Italia Growth and FTSE Italia STAR were still reporting a 15.5% and 20.9% loss, respectively.

¹¹ Note: without considering companies whose shares were suspended from tradings. Data as of September 30, 2023

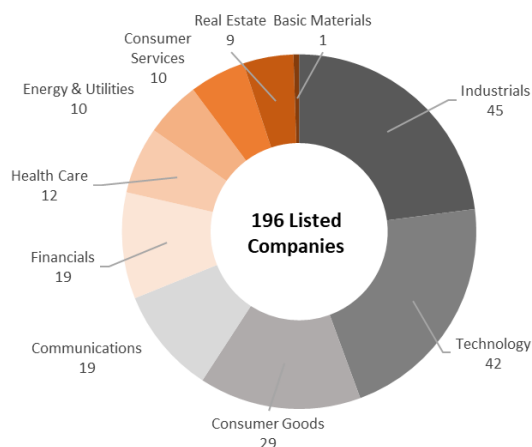
¹² Source: Assogestioni, "Mappa trimestrale del risparmio gestito", November 2023

Main Italian stock market segments performance after the outbreak of the Russia–Ukraine conflict

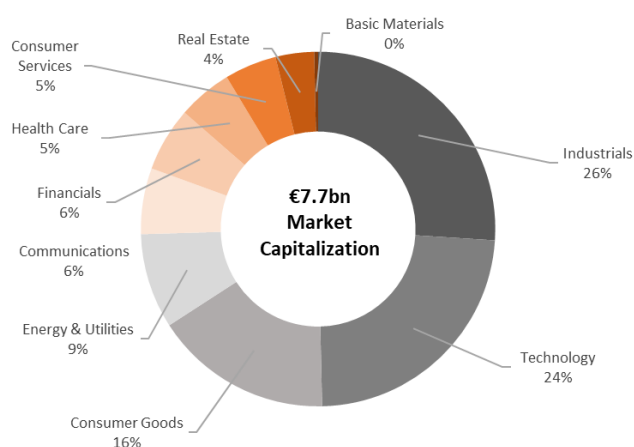


As of September 30, 2023, the 196 active companies in the EGM market reported a €7.7bn market capitalization, down with respect to the €10.6bn market cap at the end of 2022. In addition to the negative stock exchange market performance – with 62% of EGM companies that registered a negative performance in 9M23 – the reduction in market capitalization was mainly the result of an increasing number of big companies that shifted to the main segment (i.e., Technoprobe, Comer Industries, Digital Value, CY4Gate, and Unidata), that accounted on their own for ca. €2.7bn (or 25%) of FY22 market capitalization, compared to a ca. €1bn contribution given by the new listed companies on the EGM market as of September 30, 2023. In terms of sectors, Industrials and Technology companies contributed for half of total market capitalization at the end of September, 2023, representing also the segments with the highest number of listed companies.

Active companies on the EGM by sector



EGM sectors by market capitalization



Source: FactSet data as of September 30th, 2023, and KT&Partners' elaborations.

Note: The listed companies do not include companies whose stocks were suspended from negotiations.

The Primary Market: IPOs on the Euronext Growth Milan

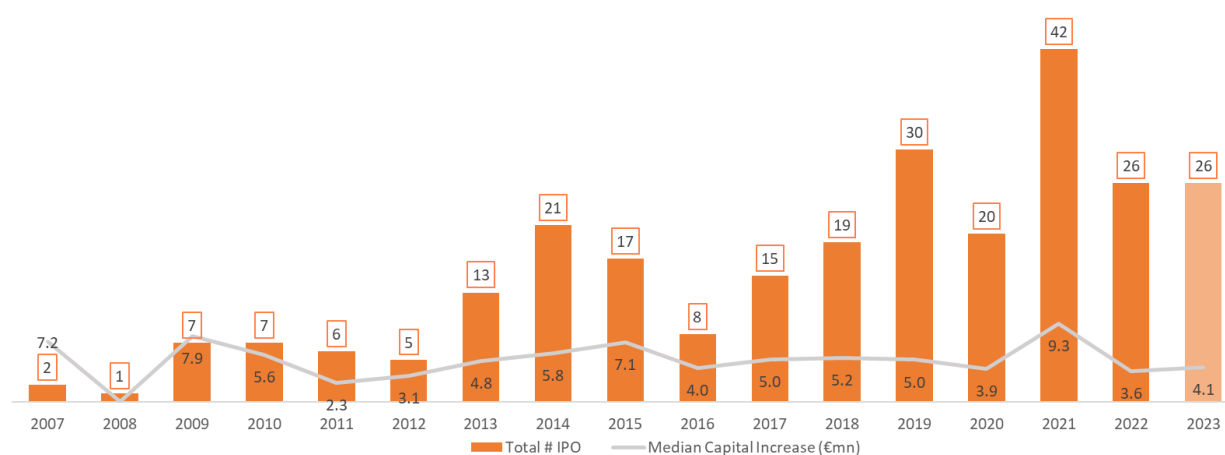
After an extraordinary 2021, that represented a record year for EGM primary market, with 42 listings¹³ – also on the back of the shift of many IPO process caused by the 2020 pandemic – 2022 reported 26 IPOs, far below 2021 and being under pre-COVID levels (30 IPOs registered in 2019). The 2022 was penalized by the uncertain macroeconomic scenario that slowed IPOs activity in the first months of the year, with a final rush at the end of the year that was not

¹³ Note: IPOs do not consider SPACs, Business Combinations, Pre-booking, and SICAFs

able to fill the gap with 2021. The capital increase in 2022 was at €283mn, down by ca. 40% with respect to 2021 when the primary market raised €466mn. We note that €142.5mn of capital increase in 2022 were attributable to Technoprobe's listing; without considering the above-mentioned deal, the total capital increase would have stopped at €141mn. In terms of median values, the median capital increase of 2022 came at €3.6mn, vs. €9.3mn registered in 2021 and below pre-pandemic levels.

Looking at the January – September 2023 period instead, the IPOs showed first signs of recovery, reaching 26 listings (vs 17 deals in 9M22) the same value of IPOs registered in the entire 2022 (26 deals, without considering Sicily by Car business combination). If we consider the total capital increase, in 9M23 it amounted to €134mn (vs €249mn in 9M22, or €106mn without considering Technoprobe capital increase), with a median deal value at €4.1mn (vs €4.4mn in 9M22 but above 2022 levels at €3.6mn).

EGM IPOs (Excluding SPACs, Business Combinations, Pre-booking and SICAFs)



Source: Borsa Italiana and KT&Partners' elaboration

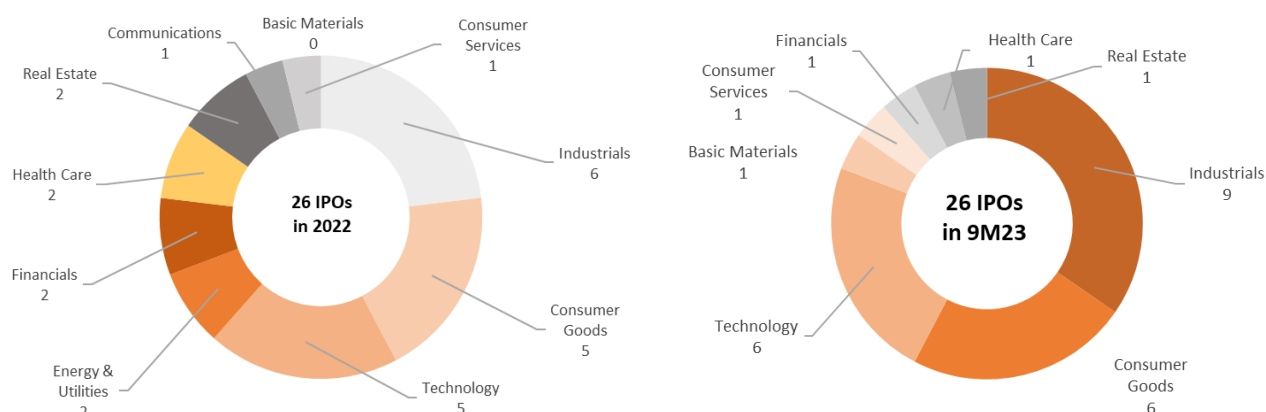
Note (1): Data also includes companies that listed on MAC and then shifted to the AIM Italia segment after the merger of two markets occurred in 2011.

Note (2): For the calculation of the median capital increase, we considered only companies with available data on capital increase.

Note (3): Current year data as of September 30th, 2023.

The most active industry in 2022 was Industrials with 6 new listings, followed by Consumer Goods and Technology that reached 5 listings each. In 9M23 the top-three industries in terms of IPOs kept unchanged, with Industrials reaching 9 listings, whereas Consumer Goods and contributed with 6 IPOs each.

EGM IPOs by Industry (Excluding SPACs, Business Combinations, Pre-booking and SICAFs) – 2022 and 9M23



Source: Borsa Italiana and KT&Partners' elaboration

Looking at the performance of all companies listed in 9M23, the average return on IPO price was +13.9%, driven up by the top-three performers among the newly listed companies that posted an outstanding +136.1%, +79.6%, and +75.6% on IPO price, respectively. Indeed, half of companies listed in nine-months 2023 reported a negative performance, reflected by a median return of +2.3% on IPO price (11.6pp below average value).

Performance of EGM companies listed in 9M23 (excluding SPACs, Business Combinations, Pre-booking, and SICAFs)

Company Name	IPO Date	Market/Segment	IPO Price (€)	IPO market cap (€mn)	IPO AUCAP (€mn)	Pre-money valuation (€mn)	Return on IPO price as of 30/09/2023
Valica Spa	29-Sep-23	EGM	5.5	12.8	1.8	11.0	27.3%
Emma Villas S.P.A.	29-Sep-23	EGM	3.3	23.0	3.2	19.8	-4.5%
Elsa Solutions S.P.A.	28-Sep-23	EGM	2.5	9.2	4.2	5.0	75.6%
Edil San Felice S.P.A.	27-Sep-23	EGM	2.5	48.7	10.8	37.9	-1.2%
La Sia S.P.A.	09-Aug-23	EGM	3.6	20.4	6.0	14.4	136.1%
E-Globe S.P.A.	09-Aug-23	EGM	1.7	30.0	5.2	24.8	-11.5%
Porto Aviation Group S.P.A.	04-Aug-23	EGM	4.3	10.1	1.6	8.6	17.6%
Execus S.P.A.	04-Aug-23	EGM	1.7	8.4	0.9	7.5	79.6%
Arras Group S.P.A.	04-Aug-23	EGM PRO	1.0	6.9	1.9	4.9	-1.0%
Ivision Tech S.P.A.	03-Aug-23	EGM	1.2	8.0	2.0	6.0	33.5%
VNE S.p.A.	02-Aug-23	EGM	4.1	15.1	3.1	12.0	6.4%
Riba Mundo Tecnologia S.A.	28-Jul-23	EGM	19.7	40.0	0.0	40.0	16.8%
Green Oleo S.P.A.	11-Jul-23	EGM	1.2	37.2	5.0	32.2	-7.0%
I.M.D. International Medical Devices S.P.A.	07-Jul-23	EGM	2.1	36.2	5.4	30.7	-6.8%
Aatech S.P.A. Societa' Benefit	03-Jul-23	EGM	1.0	6.1	1.6	4.5	33.5%
Redfish Longterm Capital S.P.A.	30-Jun-23	EGM	1.5	28.7	4.0	24.7	-4.0%
Pasquarelli Auto SpA	26-May-23	EGM	1.4	34.8	5.6	29.2	-21.8%
Recupero Etico Sostenibile S.p.A	04-May-23	EGM	4.0	50.8	10.8	40.0	10.0%
Ecomembrane S.P.A.	28-Apr-23	EGM	8.5	36.5	11.0	25.5	-9.6%
Cube Labs S.P.A.	21-Mar-23	EGM PRO	2.0	34.1	4.1	30.0	5.5%
Reway Group SpA	08-Mar-23	EGM	3.1	117.4	18.0	99.4	26.8%
Creactives Group S.p.A.	07-Mar-23	EGM PRO	1.8	21.5	1.0	20.5	42.9%
Valtecne S.p.A.	01-Mar-23	EGM	5.0	30.5	5.5	25.0	-6.0%
Gentili Mosconi-s.P.A.	07-Feb-23	EGM	3.8	71.3	15.0	56.3	-9.6%
Tmp Group S.P.A.	02-Feb-23	EGM	10.0	14.7	4.1	10.6	-50.1%
Deodato.Gallery S.P.A.	25-Jan-23	EGM	0.5	15.6	2.1	13.5	-17.0%
Average Values			3.7	29.5	5.2	24.4	13.9%
Median Values			2.5	25.8	4.1	22.6	2.3%
Total				767.9	134.0	633.9	

Source: FactSet data as of September 30, 2023, and KT&Partners' elaborations.

Note: To better reflect companies' real equity value, the IPO market cap is calculated also considering PAS or other categories of shares, even if not admitted to negotiations.

Competitive Positioning

4AIM SICAF operates in a competitive arena populated by other investment companies, such as Asset Management companies, SICAFs, and Financial Holdings.

In this fragmented scenario, also leveraging on a high-skilled management team with an aggregated historical background in financials strategy and investments of 70+ years, 4AIM SICAF boasts a €13.9mn of value of securities held, ranking at 11th place among the top 40 institutional investors on the EGM market.¹⁴ The value of securities held by the Fund represented the 2.3% of the total securities held by the top 40 investors' base.

Top 40 institutional investors in EGM market by value of securities held

	Name	Securities Held (#)	Value of Securities Held (€)	6M Value Change (€)	Portfolio in Equities (%)	Equity Assets (€mn)	Report Date
1	Mediolanum Gestione Fondi SGRpA	51	106,700,000	n.a.	n.a.	n.a.	06/10/2022
2	Algebris (UK) Ltd.	64	83,275,846	n.a.	n.a.	n.a.	05/09/2023
3	First Capital S.p.A.	23	62,900,000	n.a.	n.a.	n.a.	03/31/2023
4	AcomeA SGR SpA	62	45,000,000	n.a.	n.a.	n.a.	05/08/2023
5	Arca Fondi SGR SpA	43	41,794,492	1,740,157	0.6	7,229	09/29/2023
6	Azimut Capital Management SGR SpA	57	31,825,421	- 1,462,649	0.4	8,698	10/31/2023
7	Norges Bank Investment Management	14	25,404,667	-	0.0	868,519	12/31/2022
8	Fideuram Investimenti SGR SpA	16	19,702,267	n.a.	n.a.	n.a.	04/21/2023
9	Kairos Partners SGR SpA	29	16,481,156	1,604,336	2.5	665	07/31/2023
10	Banor SIM SpA	34	14,670,000	n.a.	n.a.	n.a.	05/08/2023
11	4AIM Sicaf	58	13,857,000	n.a.	n.a.	n.a.	09/30/2023
12	Pharus Management SA	33	13,113,785	-	2.3	571	09/29/2023
13	Smart Capital S.p.A.	15	12,900,000	n.a.	n.a.	n.a.	04/05/2023
14	Raymond James Asset Management International SA	7	11,866,105	-	4.4	271	12/31/2022
15	Lemanik Asset Management SA	20	8,633,609	-	1.7	508	09/30/2023
16	MC Square SA	20	8,266,430	2,609,735	43.5	19	06/30/2023
17	Banca Finnat Euramerica SpA (Investment Management)	149	7,993,340	n.a.	n.a.	n.a.	03/31/2023
18	Lupus alpha Asset Management AG	7	6,554,144	- 1,005,588	0.3	1,977	09/29/2023
19	Chelverton Asset Management Ltd.	3	6,268,704	-	0.5	1,295	07/31/2023
20	Stanwahr SARL	7	6,247,793	4,927,624	2.1	304	06/30/2023
21	Canaccord Genuity Wealth Ltd.	3	5,361,022	- 2,106	0.2	3,506	08/31/2023
22	Praude Asset Management Ltd.	3	4,992,472	-	1.2	406	02/28/2023
23	Otus Capital Management Ltd.	1	4,843,346	-	2.6	188	10/18/2023
24	Allianz Global Investors GmbH	2	4,258,103	- 654,374	0.0	69,428	06/30/2023
25	Herald Investment Management Ltd.	2	4,185,060	-	0.3	1,248	06/30/2023
26	GVC Gaesco Gestion SGIIC SA	13	4,292,076	191,193	0.7	617	09/30/2023
27	FIL Investments International (Italy)	3	4,270,918	- 775,536	0.4	999	09/30/2023
28	AXA Investment Managers (Paris) SA	5	3,704,649	-	0.0	18,289	06/30/2023
29	Didner & Gerge Fonder AB	2	3,518,512	-	0.1	4,502	12/31/2022
30	HSBC Global Asset Management (France) SA	7	3,270,082	1,170,347	0.0	13,198	09/30/2023
31	Compagnie de Gestion Privée Monegasque SAM	19	2,971,819	594,251	8.5	35	06/30/2023
32	ZENIT SGR SpA	15	2,583,793	24,717	6.2	42	06/30/2023
33	Aguja Capital GmbH	1	2,638,467	-	1.3	198	12/31/2022
34	Sella SGR SpA	33	2,599,773	1,411,068	0.5	502	10/31/2023
35	Magallanes Value Investors SA SGIIC	1	2,508,833	- 18	0.2	1,290	06/30/2023
36	Yacktman Asset Management LP	1	2,374,961	43,829	0.0	13,091	09/30/2023
37	Lazard Freres Gestion SAS	1	2,369,490	-	0.0	7,899	09/30/2023
38	Lemanik SA	27	2,226,187	- 135,840	1.1	208	08/31/2023
39	Allianz Global Investors GmbH (France)	1	2,169,086	-	0.1	3,401	07/31/2023
40	Eurizon Capital SGR SpA	52	n.a.	n.a.	n.a.	n.a.	01/10/2023
Total		904	608,593,408.62				

Source: KT&Partners' Elaboration on FactSet data and company data (for Mediolanum Gestione Fondi SGR, Algebris Ltd, First Capital, AcomeA SGR, Fideuram Investimenti SGR, Banor SIM, Smart Capital, 4AIM SICAF, Banca Finnat Euramerica, and Eurizon Capital SGR).

We note that we have no disclosure about the market value of securities held by Eurizon Capital SGR.

¹⁴ Note: data refers to the most recent available data, as shown in the column "Report Date." We considered 4AIM Compartment 1 MTF investments made on the EGM market, i.e., 58 securities out of 59 held as of September 30, 2023

Ranking companies by the number of securities held, thanks to its strongly diversified portfolio focused on EGM companies, 4AIM SICAF positioned at 4th place among the top 10 institutional investors in the EGM market with 58 securities, behind Banca Finnat, Algebris and AcomeA, which held 149, 64 and 62 positions, respectively.

Top 10 institutional investors in EGM market by number of securities held

	Name	Securities Held (#)	Value of Securities Held (€)	6M Value Change (€)	Portfolio in Equities (%)	Equity Assets (€mn)	Report Date
1	Banca Finnat Euramerica SpA (Investment Management)	149	7,993,340	n.a.	n.a.	n.a.	03/31/2023
2	Algebris (UK) Ltd.	64	83,275,846	n.a.	n.a.	n.a.	05/09/2023
3	AcomeA SGR SpA	62	45,000,000	n.a.	n.a.	n.a.	05/08/2023
4	4AIM Sicaf	58	13,857,000	n.a.	n.a.	n.a.	09/30/2023
5	Azimut Capital Management SGR SpA	57	31,825,421	-1,462,649	0.4	8,698	10/31/2023
6	Eurizon Capital SGR SpA	52	n.a.	n.a.	n.a.	n.a.	01/10/2023
7	Mediolanum Gestione Fondi SGRpA	51	106,700,000	n.a.	n.a.	n.a.	06/10/2022
8	Arca Fondi SGR SpA	43	41,794,492	1,740,157	0.6	7,229	09/29/2023
9	Banor SIM SpA	34	14,670,000	n.a.	n.a.	n.a.	05/08/2023
10	Pharus Management SA	33	13,113,785	0	2.3	571	09/29/2023
	Total	603	358,229,884				

Source: KT&Partners' Elaboration on FactSet data and company data (for Banca Finnat Euramerica, Algebris Ltd, AcomeA SGR, 4AIM SICAF, Eurizon Capital SGR, Mediolanum Gestione Fondi SGR, and Banor SIM).

Note: We note that we have no disclosure about the market value of securities held by Eurizon Capital SGR.

Historical Financials

4AIM Compartment 1 main financial KPIs for FY22 are:

- A result from investment operations of -€2.83mn (vs €6.50mn in FY21)
- Operating result at -€4.77mn (vs €4.48mn in FY21)
- Net loss of €4.79mn (vs €4.19mn of net income in FY21)
- Net cash position at €2.5mn (vs €0.6mn of net cash in FY21)
- NAV per share at €394, down from €490 at the end of FY21¹⁵

Income Statement

In FY22, result from investment operations came at -€2.83mn, despite i) the €1.1mn capital gain from the sale of Finlogic's shares subject to the takeover bid promoted by Credem and NB Aurora, and ii) ca. €150k of dividends distributed by companies in which 4AIM held stakes. This was mainly the result of the negative impact coming from listed financial assets¹⁶, with the EGM market – where Compartment MTF investments are concentrated – decreasing by ca. 19.5% YoY due to of the uncertain macroeconomic scenario that characterized the whole 2022.

The decline of FY22 came after the bright FY21 results from investment operations at €6.5mn, when the company benefitted from a booming EGM market performance after the end of pandemic restrictions (which penalized instead FY20 result at -€0.12mn).

Holding costs amounted to €1.9mn in FY22 – weighting for ca. 11% of Company's total financial assets – and included:

- consultancy and advertising costs for €0.7mn, mainly attributable to Ambromobiliare advisory activity, promotional expenses, EGA and Specialist fees, and other consultancy services;
- personnel expenses for €0.3mn, also including the compensation for the Investment Committee;
- €0.3mn of management and statutory auditors' compensation. The management reward included both variable and fixed payment according to the management's remuneration plan;
- €0.54mn of other operating expenses.

Therefore, the Operating result registered in FY22 was -€4.77mn, vs €4.48mn in FY21. We note that in the period 2019-21 the incidence of holding costs on total assets was almost stable at 9%.

Operating profit before taxes amounted to -€4.77mn, after €260k of D&As (related to the Capex for the establishment, listing and authorisations required by the SICAF, alongside the expenses for the capital increase of 2019)¹⁷ and benefitting from the contribution of advisory fees.

Indeed, the advisory activity – supporting 4AIM's core business and included in "Other incomes" item – partially offset the negative trend of Fund's core business, reporting €0.3mn of fees in FY22. In 2022, 4AIM successfully advised Bellini Nautica during its IPO process – ended in June 2022 with the listing on the EGM market – totalling an advisory fee of €240k. Moreover, in the 2019-21 period, 4AIM earned i) €440k in 2021 acting as financial advisor in

¹⁵ Note: the reported NAV is calculated also considering the 100 Category A's not listed shares

¹⁶ Note: the result coming from listed financial assets does not always refer to realised losses (or gains), but rather estimated capital losses (or gains) resulting from the valuation of the shares on the last trading day of the period considered.

¹⁷ Note: The Company did not allocate D&As in the FY20 financial statements, taking advantage of the exemption provided for in Article 60, of Law Decree 104/2020. As a consequence, the company modified the amortization rates starting from 2021 to respect the amortization plan initially defined.

ATON Green Storage IPO process, and ii) 710k of advisory fees in 2019 within Relatech IPO process.

4AIM ended FY22 with a Net loss of €4.79mn (vs a Net income of €4.19mn in FY21)

Income Statement				
€ Millions	FY19A	FY20A	FY21A	FY22A
Unlisted financial assets	-	-	-	(0.00)
Listed financial assets	0.54	(0.12)	6.50	(2.83)
Derivative financial assets	-	-	-	-
Result from investment operations	0.54	(0.12)	6.50	(2.83)
Interest from bank deposits	-	0.00	-	-
Other proceeds	-	-	-	-
Investment operating result	0.54	(0.12)	6.50	(2.83)
Changes operation results	-	-	0.00	(0.00)
Gross income from core operations	0.54	(0.12)	6.50	(2.83)
Financial expenses	(0.05)	(0.01)	(0.02)	(0.01)
Net income from core operations	0.49	(0.13)	6.48	(2.84)
Depository fees	(0.04)	(0.04)	(0.03)	(0.03)
Consultary and advertising	(0.59)	(0.59)	(0.58)	(0.73)
Personnel expenses	(0.01)	(0.14)	(0.32)	(0.32)
Management and auditors compensation	(0.31)	(0.48)	(0.57)	(0.31)
Other operating expenses	(0.30)	(0.34)	(0.50)	(0.54)
Operating results	(0.76)	(1.71)	4.48	(4.77)
D&As	(0.42)	-	(0.51)	(0.26)
Financial income and expenses	-	-	-	0.00
Other incomes	0.80	0.09	0.53	0.36
Other costs	(0.05)	(0.23)	(0.04)	(0.13)
Operating Income before taxes	(0.43)	(1.84)	4.47	(4.80)
Taxes	-	-	(0.28)	0.01
Net income / Loss	(0.43)	(1.84)	4.19	(4.79)

Source: Company data

Capital Structure Analysis

As for the balance sheet, total financial assets amounted to €16.9mn in FY22, down from €23.7mn in FY21 reflecting the negative performance of the EGM market registered during the year. We note that the €1mn recognized under unlisted assets represented the stake held in listed companies that, according to SICAF rules, did not meet the minimum turnover and trading volumes requirements to be ranked among listed assets.

At the end of FY22 the company reported €0.25mn of intangible assets related to IPO expenses, the capitalized costs for SICAF establishment, and the expenses for the capital increase of 2019. The other assets – including ca. €0.2mn of tax receivables and €50k of trade receivables – decreased from €0.4mn in FY21 to €0.3mn in FY22.

The other liabilities came at €0.3mn, reducing from €0.8mn in FY21, mainly following lower tax liabilities, invoice to be received and debts toward employees.

4AIM Compartment 1 MTF total shareholders' equity amounted to €19.6mn, that equals to a NAV per share of €394 (vs €490 the previous year)¹⁸.

Finally, the company ended FY22 with a net cash position of €2.5mn, improving from €0.6mn of net cash in FY21.

Balance Sheet

€ Millions	FY19A	FY20A	FY21A	FY22A
Unlisted financial assets	-	0.00	-	0.98
Listed financial assets	14.67	18.17	23.65	15.89
Derivative instruments	-	-	-	-
Total Financial Assets	14.67	18.17	23.65	16.87
Tangible	-	-	0.06	0.04
Intangible	0.95	0.99	0.50	0.25
Other assets	0.49	0.27	0.42	0.30
Fixed Assets	16.11	19.42	24.62	17.47
Other liabilities	(0.22)	(0.27)	(0.83)	(0.31)
Provision for employees	(0.00)	(0.00)	(0.02)	(0.03)
Net Capital Employed	15.89	19.14	23.77	17.12
Total shareholders' equity	22.00	20.17	24.36	19.58
Net Financial Position	(6.11)	(1.03)	(0.59)	(2.46)
Invested capital	15.89	19.14	23.77	17.12

Source: Company data

¹⁸ Note: the reported NAV is calculated also considering the 100 Category A's not listed shares

9M Financial Results

In 9M23, results from investment operations came at -€3.1mn, negatively impacted from the listed financial assets performance. Indeed, in the same period the EGM market – after a steady beginning of the year – dropped by ca. 10pp, mainly due to the outflow of many investors from PIR funds, which in 2023 accrued the related capital gain's tax benefit.

However, 4AIM limited its negative result with respect to 9M22, when the company reported a -€4.4mn result from investment operations.

The Fund's operating result came at -€4.5mn (vs -€5.8mn in 9M22), impacted by €1.3mn of holding costs that included €0.6mn of consultancy and advertising costs, €0.4mn among personnel expenses and compensation for management and statutory auditors, and ca. €0.3mn of other operating expenses. In absolute terms, holding costs slightly decreased compared to 9M22, when the company recorded €1.4mn of expenses, thanks to a reduction in other operating expenses.

Operating profit before taxes amounted to -€4.3mn, after €0.2mn of D&As and benefitting from €0.4mn of other incomes. Indeed, in 9M23 the advisory activity – included in "Other incomes" item – contributed €0.3mn of fees, with 4AIM successfully advising Cube Labs during its IPO process, which ended in March 2023 with its listing on the EGM market.

In 9M23 4AIM registered a Net loss of €4.3mn (vs a net loss of €5.8mn in 9M22).

Finally, total shareholders' equity amounted to €15.3mn, down compared to €17.4mn at the end of FY22 (with a NAV per share decreased from €394ps to €307ps)¹⁹ and Net cash position worsened from €2.5mn in FY22 to €0.8mn at the end of September 2023.

¹⁹ Note: the reported NAV is calculated also considering the 100 Category A's not listed shares

9M20 – 9M23 Income Statement

€ Millions	9M20A	9M21A	9M22A	9M23A
Unlisted financial assets	-	-	(0.00)	0.21
Listed financial assets	(1.52)	7.12	(4.39)	(3.34)
Derivative financial assets	-	-	-	-
Result from investment operations	(1.52)	7.12	(4.39)	(3.13)
Interest from bank deposits	0.00	-	-	-
Other proceeds	-	-	-	-
Investment operating result	(1.52)	7.12	(4.39)	(3.13)
Changes operation results	-	0.00	(0.00)	0.00
Gross income from core operations	(1.52)	7.12	(4.39)	(3.13)
Financial expenses	(0.01)	(0.02)	(0.01)	0.00
Net income from core operations	(1.53)	7.11	(4.40)	(3.13)
Depository fees	(0.03)	(0.02)	(0.02)	(0.02)
Consultancy and advertising	(0.46)	(0.45)	(0.57)	(0.59)
Personnel expenses	(0.10)	(0.22)	(0.22)	(0.22)
Management and auditors compensation	(0.29)	(0.37)	(0.24)	(0.22)
Service and processing data costs	-	-	-	-
Other operating expenses	(0.23)	(0.38)	(0.39)	(0.26)
Operating results	(2.63)	5.66	(5.84)	(4.45)
D&As	(0.32)	(0.38)	(0.19)	(0.19)
Financial income and expenses	-	-	-	0.00
Other incomes	0.09	0.51	0.32	0.38
Other costs	(0.03)	(0.23)	(0.05)	(0.08)
Operating Income before taxes	(2.90)	5.55	(5.76)	(4.34)
Taxes	-	(0.33)	-	0.01
Net income / Loss	(2.90)	5.22	(5.76)	(4.33)

Source: Company data

FY22 – 1H23 – 9M23 Balance Sheet ²⁰

€ Millions	FY22A	1H23A	9M23A
Unlisted financial assets	0.98	1.66	2.29
Listed financial assets	15.89	14.58	12.05
Derivative instruments	-	-	-
Total Financial Assets	16.87	16.24	14.33
Tangible	0.04	0.04	0.03
Intangible	0.25	0.13	0.07
Other assets	0.30	0.45	0.34
Fixed Assets	17.47	16.86	14.78
Other liabilities	(0.31)	(0.34)	(0.27)
Provision for employees	(0.03)	(0.04)	(0.04)
Net Capital Employed	17.12	16.48	14.47
Total shareholders' equity	19.58	17.37	15.25
Net Financial Position	(2.46)	(0.89)	(0.79)
Invested capital	17.12	16.48	14.47

Source: Company data

²⁰ We note that the unlisted assets item included the stake held in listed companies that, according to SICAF rules, did not meet the minimum turnover and trading volumes requirements to be ranked among listed assets.

Valuation

The valuation of 4AIM Compartment 1 MTF was obtained by using the Net Asset Value (NAV) model. The value of the stakes held in the subsidiaries was calculated on the basis of their fair value.

Considering 4AIM Compartment 1 MTF's most recent net cash position (as of September 30, 2023), equal to €0.8mn, and ca. €2.0mn of holding costs (in line with their average historical incidence on total assets), we derive a Net Asset Value at €19.9mn, or a €401.1 NAV per share.

Valuation Recap

NAV Valuation (€mn)

NAV on Target price (% owned)	21.10
Enterprise Value	21.10
4AIM 9M23 Net Debt/(Cash)	(0.8)
Holding Costs	(2.0)
Net Asset Value	19.91
<i>Number of shares</i>	<i>0.050</i>
NAV per share (€)	401.1

Source: FactSet, KT&Partners' Elaboration

Holdings Valuation

Net Asset Value on Subsidiaries' Target Price calculation

In valuing 4AIM Compartment 1 according to the NAV method, we considered the last available fair value for each company in which the Fund held a stake.²¹ We note that all the 59 companies in the Fund's portfolio as of September 30, 2023, were listed companies, although 5 companies were not covered by any equity research on the market. For these companies, we considered the current market value rather than their fair value. We then calculated the 4AIM "pro- quota" value for each subsidiary, i.e., the fair value of the stake held by 4AIM.²²

Adding up the pro-quota values, we estimated the enterprise value of 4AIM Compartment 1 MTF to be €21.1mn.

²¹ Considering 4AIM Compartment 1 MTF's portfolio as of September 30, 2023

²² For each company in 4AIM's portfolio, pro-quota value has been calculated considering listed shares

Total NAV on subsidiaries' Fair value

Ticker	Company Name	Fair Value 100%	% owned	4 AIM pro-quota
ABP-IT	A.B.P. Nocivelli S.p.A.	174	0.0%	0.0
AAT-IT	AA Tech S.p.A.	14.2	1.7%	0.2
ABC-IT	ABC Company S.p.A.	21.4	0.0%	0.0
MLALE-FR	Aleph Finance Group PLC	7.9	2.3%	0.2
ATON-IT	Aton Green Storage S.p.A.	57.8	0.6%	0.3
BELL-IT	Bellini Nautica S.p.A.	19.8	4.1%	0.8
CLABO-IT	Clabo S.p.A.	43.1	1.2%	0.5
CBB-IT	Cleanbnb S.p.A.	25.4	3.7%	0.9
TIME-IT	Compagnia dei Caraibi S.p.A.	57.3	0.3%	0.2
CVG-IT	Convergenze S.p.A.	26.8	0.1%	0.0
CREG-IT	Creactives Group S.p.A.	33.2	0.5%	0.2
CUBE-IT	CUBE Labs S.p.A.	35.2	1.9%	0.7
CYB-IT	Cyberoo S.p.A.	155.3	0.0%	0.0
DM-IT	Digital Magics SpA	46.2	1.2%	0.5
DGT-IT	Digitouch S.p.A.	54.1	1.0%	0.5
DOT-IT	Dotstay S.p.A.	14.8	6.1%	0.9
EGB-IT	E-Globe S.p.A.	46.1	0.4%	0.2
ECK-IT	Ecosuntek S.p.A.	78.0	0.6%	0.5
ELSA-IT	Elsa Solutions S.p.A.	12.5	2.6%	0.3
EPRB-IT	EPR Comunicazione S.p.A.	11.0	5.2%	0.6
BIRO-IT	Estrima S.p.A.	8.1	2.9%	0.2
EVISO-IT	Eviso S.p.A.	107.3	0.7%	0.8
EXEC-IT	Execus S.p.A.	15.2	2.2%	0.3
COSMO-IT	Farmacosmo S.p.A.	61.5	0.4%	0.2
FVI-IT	Fervi S.p.A.	62.2	0.5%	0.3
GSR-IT	G Rent S.p.A.	5.4	1.3%	0.1
GRAL-IT	Grifal S.p.A.	52.5	0.7%	0.4
FARM-IT	H-FARM S.p.A.	26.1	0.3%	0.1
HQF-IT	High Quality Food S.p.A.	12.6	4.8%	0.6
ILP-IT	Ilpra Industria Lavoro S.p.A.	105.9	0.2%	0.2
MPT-IT	Impianti S.p.A.	13.0	3.7%	0.5
IMP-IT	Imprendiroma S.p.A.	66.1	0.8%	0.5
ISC-IT	Integrated System Credit Consulting Fintech S.p.A.	129.0	1.9%	2.4
LASIA-IT	LA SIA S.p.A.	31.7	0.2%	0.1
ERFO-IT	Laboratorio Farmaceutico Erfo S.p.A.	18.0	3.3%	0.6
MQSPA-IT	Meglioquesto S.p.A.	68.3	0.4%	0.3
NPI-IT	Notorious Pictures S.p.A.	45.0	1.3%	0.6
OS-IT	Officina Stellare S.p.A.	50.8	0.3%	0.1
PAG-IT	Porto Aviation Group S.p.A.	14.9	1.2%	0.2
POR-IT	Portobello S.p.A.	94.1	0.7%	0.6
PWS-IT	Powersoft S.p.A.	142.1	0.0%	0.0
PFI-IT	Premia Finance S.p.A.	7.7	2.2%	0.2
RAD-IT	Radici Pietro Industriale S.p.A.	15.5	4.4%	0.7
RES-IT	Recupero Etico Sostenibile S.p.A.	59.9	0.5%	0.3
RFLT-IT	Redfish LongTerm Capital S.p.A.	43.1	1.0%	0.4
RLT-IT	Relatech S.p.A.	179.9	0.0%	0.0
SGC-IT	SG Company S.p.A.	16.7	0.1%	0.0
SHE-IT	Shedir Pharma Group S.p.A.	92.4	0.7%	0.7
SOS-IT	Sostravel.com S.p.A.	19.6	0.0%	0.0
TKF-IT	Take Off S.p.A.	50.3	1.0%	0.5
TALEA-IT	Talea Group S.p.A.	103.7	0.1%	0.1
TLS-IT	Telesia S.p.A.	6.2	1.5%	0.1
TNX-IT	Tenax International S.p.A.	18.1	0.3%	0.1
TMP-IT	TMP Group S.p.A.	16.6	0.6%	0.1
TD-IT	Trendevice S.p.A.	7.7	3.2%	0.2
VLC-IT	Valica S.p.A.	17.1	2.3%	0.4
VLT-IT	Valtecne S.p.A.	42.8	0.5%	0.2
VNE-IT	VNE S.p.A.	16.4	0.9%	0.1
YOLO-IT	Yolo Group S.p.A.	44.6	0.8%	0.3
Total				21.1

Source: FactSet, KT&Partners' Elaboration

DISCLAIMER

THIS DOCUMENT WAS PREPARED BY MARIA TERESA DI GRADO – ASSOCIATE – AND VALENTINA ZANONI – SENIOR ANALYST – ON BEHALF OF KT&PARTNERS S.R.L., WITH REGISTERED OFFICE AT VIA DELLA POSTA 10, MILAN, ITALY, MILAN COMPANY REGISTER NO. 1926922, SPECIALIZING IN FINANCIAL RESEARCH AND ANALYSIS (HEREINAFTER, “KT&PARTNERS”).

NO OTHER PEOPLE OR COMPANY CONTRIBUTED TO THE RESEARCH. NEITHER THE MEMBERS OF THE RESEARCH TEAM, NOR ANY PERSON CLOSELY ASSOCIATED WITH THEM HAVE ANY RELATIONSHIPS OR ARE INVOLVED IN CIRCUMSTANCES THAT MAY REASONABLY BE EXPECTED TO IMPAIR THE OBJECTIVITY OF THE RESEARCH, INCLUDING INTERESTS OR CONFLICTS OF INTEREST, ON THEIR PART OR ON THE PART OF ANY NATURAL OR LEGAL PERSON WORKING FOR THEM, WHO WAS INVOLVED IN PRODUCING THE RESEARCH.

FOR THIS PURPOSE, THE MEMBERS OF THE RESEARCH TEAM CERTIFY THAT: (I) THEY HAVE NOT RECEIVED AND WILL NOT RECEIVE ANY DIRECT OR INDIRECT COMPENSATION IN EXCHANGE FOR ANY VIEWS EXPRESSED IN THE RESEARCH; (II) THEY DO NOT OWN ANY SECURITIES AND/OR ANY OTHER FINANCIAL INSTRUMENTS ISSUED BY THE COMPANY OR ANY FINANCIAL INSTRUMENT WHICH THE PRICE DEPENDS ON, OR IS LINKED TO ANY SECURITIES AND/OR ANY FINANCIAL INSTRUMENTS ISSUED BY THE COMPANY; (III) NEITHER THE ANALYSTS NOR ANY MEMBER OF THE ANALYST’S HOUSEHOLD SERVE AS AN OFFICER, DIRECTOR OR ADVISORY BOARD MEMBER OF THE COMPANY.

KT&PARTNERS HAS IN PLACE AN EQUITY RESEARCH POLICY, IN ORDER TO RULE RESEARCH SERVICES IN COMPLIANCE WITH PARLIAMENT REGULATION (EU) NO.596/2014 AND COMMISSION DELEGATED REGULATION (EU) NO. 958/2016 ON MARKET ABUSE. IN THIS POLICY, THERE ARE ALSO DESCRIBED THE ORGANIZATIONAL MECHANISMS ADOPTED BY KT&PARTNERS TO PREVENT AND PROFESSIONALLY MANAGE CONFLICTS OF INTEREST THAT MAY ARISE DURING THE PERFORMANCE OF THE RESEARCH. IN ANY CASE, CHINESE WALLS AND OTHER INFORMATION BARRIERS ARE IN PLACE TO AVOID THE EXCHANGE OF CONFIDENTIAL INFORMATION BETWEEN THE EQUITY RESEARCH DEPARTMENT AND OTHER SERVICES AREAS.

KT&PARTNERS PREPARED THIS DOCUMENT ON BEHALF OF 4AIM SICAF S.P.A. ACCORDING TO AN AGREEMENT ENTERED WITH THE SAME AND ON THE BASIS OF THE DATA AND PUBLIC INFORMATION PROVIDED BY THE SAME OR DERIVED FROM SOURCES DEEMED SERIOUS AND RELIABLE ON THE FINANCIAL MARKET BUT WHOSE ABSOLUTE TRUSTWORTHINESS, COMPLETENESS, AND ACCURACY CANNOT BE GUARANTEED. THE FEES AGREED FOR THIS RESEARCH DO NOT DEPEND ON THE RESULTS OF THE RESEARCH.

KT&PARTNERS PUBLISHED THIS DOCUMENT AS INITIATION OF COVERAGE ON 4AIM SICAF COMPARTMENT 1 MTF. NO OTHER DOCUMENTS WERE ISSUED BEFORE.

THIS DOCUMENT IS A SOURCE OF INFORMATION ONLY, AND IS NOT PART OF, AND IN NO WAY MUST BE CONSIDERED AN OFFER TO SELL, SUBSCRIBE OR TRADE, OR A SOLICITATION TO PURCHASE, SUBSCRIBE OR TRADE, FINANCIAL INSTRUMENTS/PRODUCTS, OR IN GENERAL TO INVEST, NOR MUST IT BE CONSIDERED ANY FORM OF CONSULTING FOR AN INVESTMENT IN FINANCIAL INSTRUMENTS.

THE INFORMATION PROVIDED IN THIS DOCUMENT MUST NOT BE UNDERSTOOD AS A REQUEST OR SUGGESTION TO CONDUCT OR CARRY OUT A SPECIFIC TRANSACTION.

EACH INVESTOR MUST FORM HIS/HER OWN OPINION BASED EXCLUSIVELY ON HIS/HER ASSESSMENT OF THE ADVISABILITY OF INVESTING. ANY INVESTMENT DECISION MADE ON THE BASIS OF THE INFORMATION AND ANALYSES IN THIS DOCUMENT IS THE EXCLUSIVE RESPONSIBILITY OF THE RECIPIENTS OF THIS DOCUMENT, WHO MUST CONSIDER THIS

DOCUMENT MERELY AS A SOURCE OF INFORMATION AND ANALYSIS TO SUPPORT SUCH DECISION.

ANY OPINIONS, FORECAST OR ESTIMATES CONTAINED HEREIN CONSTITUTE A JUDGEMENT AS AT THE DATE OF THIS DOCUMENT, AND THERE CAN BE NO ASSURANCE THAT THE FUTURE RESULTS OF THE COMPANY AND/OR ANY FUTURE EVENTS WILL BE CONSISTENT WITH ANY OF SUCH OPINIONS, FORECAST OR ESTIMATES.

KT&PARTNERS MAKES NO EXPLICIT OR IMPLICIT GUARANTEE WITH RESPECT TO PERFORMANCE OR THE OUTCOME OF ANY INVESTMENT OR PROJECTIONS MADE.

THEREFORE, KT&PARTNERS, ITS REPRESENTATIVES AND/OR EMPLOYEES WILL NOT BE LIABLE FOR ANY EFFECT DERIVING FROM THE USE OF THIS DOCUMENT, AND HEREBY DECLINE ALL LIABILITY FOR ANY DIRECT OR INDIRECT DAMAGES, FINANCIAL OR OTHERWISE, DERIVING FROM ANY USE OF THE INFORMATION IT CONTAINS.

KT&PARTNERS AIMS TO PROVIDE CONTINUOUS COVERAGE OF THE COMPANY IN CONJUNCTION WITH ANY EXCEPTIONAL EVENT THAT OCCURS AFFECTING THE ISSUER'S SPHERE OF OPERATIONS AND IN ANY CASE AT LEAST TWICE PER YEAR.

IN THIS STUDY, DCF AND MULTIPLE VALUATION MODELS HAVE BEEN USED. RECOMMENDATIONS FOLLOW THE FOLLOWING RULES:

- ADD – FOR A FAIR VALUE > 15% ON CURRENT PRICE
- HOLD – FOR A FAIR VALUE < 15% AND > – 15% ON CURRENT PRICE
- REDUCE – FOR A FAIR VALUE < – 15% ON CURRENT PRICE



Via della Posta, 10 – Piazza Affari, 20123 Milano – Italy
Tel: +39.02.83424007 Fax: +39.02.83424011
segreteria@ktepartners.com