HALF-YEAR REPORT AS AT 30 JUNE 2021

First half of 2021

Board of Directors
Milan, 9 September 2021

DeA Capital S.p.A.

Corporate information	DeA Capital S.p.A. is subject to the management and coordination of De Agostini S.p.A. Registered office: Via Brera 21, Milan 20121, Italy Share capital: EUR 266,612,100 (fully paid up), comprising 266,612,100 shares with a nominal value of EUR 1 each (including 5,734,546 treasury shares as at 30 June 2021) Tax Code and Registration in the Milan Companies Register No 07918170015. Member of the "B&D Holding VAT Group", VAT No 02611940038, Milan Economic and Administrative Index No 1833926

Board of Directors (*)

Chair	Lorenzo Pellicioli
Chief Executive Officer	Paolo Ceretti
Directors	Marco Boroli Donatella Busso [2/5] Nicola Drago Carlo Enrico Ferrari Ardicini Dario Frigerio Francesca Golfetto [3/5] Davide Mereghetti [3/5] Daniela Toscani [1/5] Elena Vasco [1/4/5]

Board of Statutory Auditors (*)

Chair	Cesare Andrea Grifoni
Permanent Auditors	Annalisa Raffaella Donesana Fabio Facchini
Deputy Auditors	Andrea Augusto Bonafè Michele Maranò Marco Sguazzini Viscontini
Manager responsible for preparing the Company's accounts and Chief Operating Officer	Manolo Santilli
Independent Auditors	PricewaterhouseCoopers S.p.A.

(*) In office until the approval of the Financial Statements at 31 December 2021
[1] Member of the Control and Risks Committee
[2] Member and Chair of the Control and Risks Committee
[3] Member of the Remuneration and Appointments Committee
[4] Member and Chair of the Remuneration and Appointments Committee
[5] Independent Director

Contents

Interim Management Report

Interim Management Report

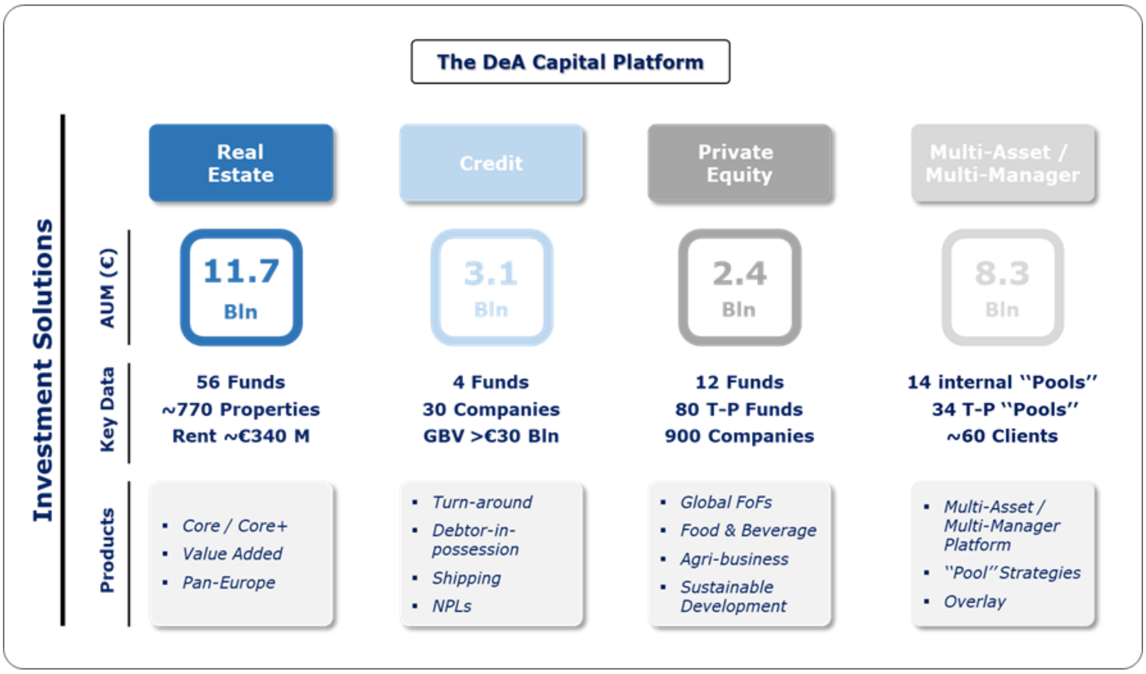
1. Profile of DeA Capital S.p.A.

DeA Capital S.p.A., with the companies make up the Group, is the leading independent platform for Alternative Asset Management in Italy, with combined AUM of more than EUR 25,600 million and a wide range of products and services for institutional investors.

The platform – concentrated on the two subsidiaries, DeA Capital Real Estate SGR and DeA Capital Alternative Funds SGR, as well as on the indirect majority shareholding in Quaestio Capital SGR – is engaged in the promotion, management and development of *real estate*, *credit* and *private equity* investment funds, as well as *multi-asset/multi-manager* investment solutions.

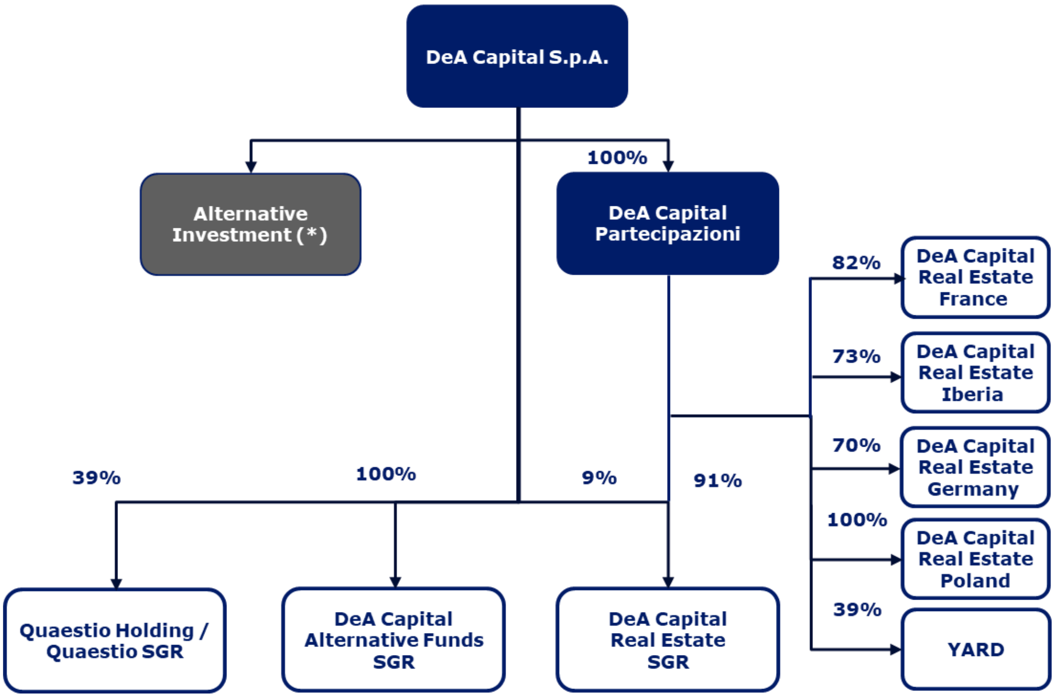
To support the platform's activities, DeA Capital S.p.A. has built up, over time, a portfolio of alternative investments, mainly consisting of funds managed by the platform's asset management companies.

The ability, on the one hand, to execute investment initiatives of high structural complexity and, on the other, to raise funds through asset management companies, demonstrates the validity of a business capable of creating value in a way that is unique in Italy in alternative investments.



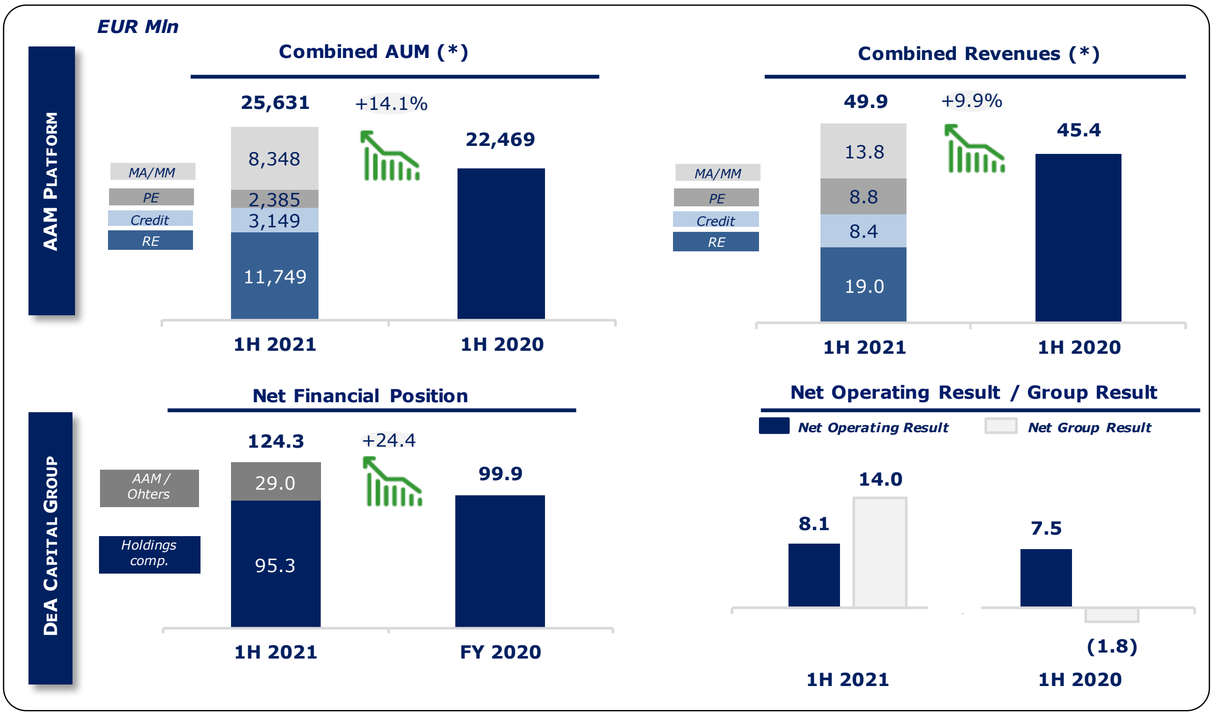
DeA Capital S.p.A. is listed on the Milan Stock Exchange – FTSE Italia STAR segment – and is the lead company of the De Agostini Group in Alternative Asset Management.

As at 30 June 2021, the corporate structure of the Group headed by DeA Capital S.p.A. (the DeA Capital Group or the Group) was summarised below:



(*) Alternative Investment substantially includes the investment portfolio supporting the initiatives of the Alternative Asset Management Platform.

2. Key Financials



(*) Combined AUM (Assets under Management) and Combined Revenues mean, respectively, the assets under management and the revenues of the asset management companies in which the Group holds an absolute/relative majority (non-consolidated) interest, as well as the corresponding amounts reported by foreign subsidiaries. As at 30 June 2021, the amounts relating to non-consolidated companies included in these amounts totalled EUR 8,348 million at the combined AUM level and EUR 13.8 million at the combined revenues level (in fact corresponding to 100% of the Quaestio Capital SGR revenues and AUM).

➢ Managerial Income Statement

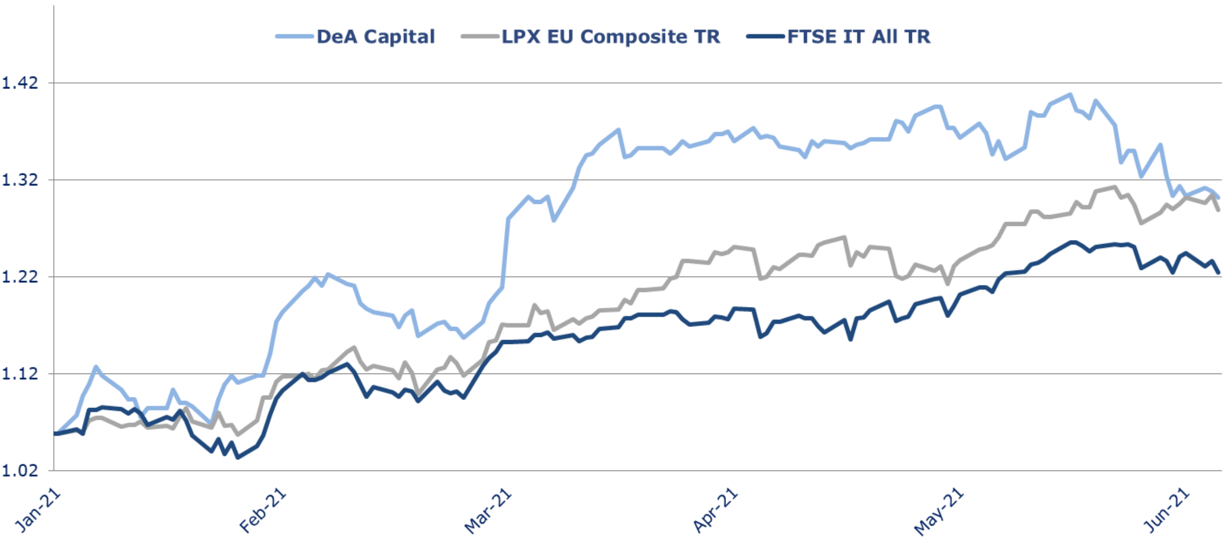
€M	1H 2021	1H 2020
Net Operating Result AAM (*)	**8.1**	**7.5**
AAM Other (Intern. RE Operations, Non Recurr. Items,…)	**(1.8)**	**(0.9)**
Net Result AAM	**6.3**	**6.6**
Alternative Investment	**12.3**	**(4.1)**
- Gross return	*17.8*	*(7.1)*
- Taxes	*(5.5)*	*3.0*
Other operating costs	**(4.6)**	**(4.3)**
Net Group Result	**14.0**	**(1.8)**

(*) Includes the Net Result Before PPA/non-recurring items of the three asset management companies of the platform: DeA Capital RE SGR, DeA Capital AF SGR and Quaestio SGR (@ 38.82%, incl. Quaestio Holding). Further details are provided in the section relating to segment reporting of the Consolidated Explanatory Notes.

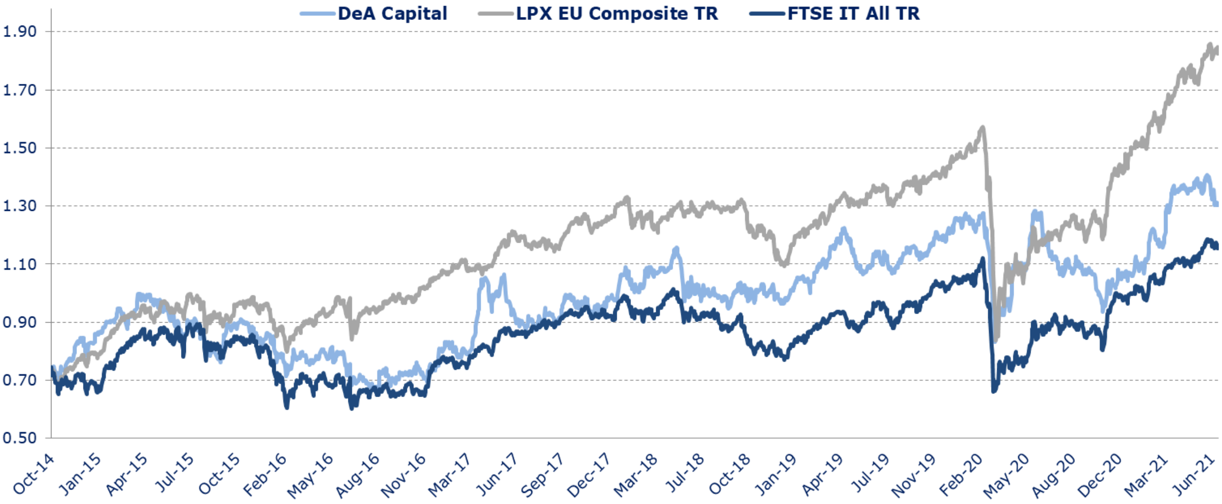
3. Information for shareholders

➢ Share performance (*Source: Bloomberg*)

- **From 1 January 2021 to 30 June 2021**



- **From 1 October 2014(*) to 30 June 2021**



(*) Closing date for the exit from the investment in Générale de Santé

- **From 1 October 2014 (*) to 30 June 2021 – Total Shareholder Return**

(*) Closing date for the exit from the investment in Générale de Santé
(**) IRR basis

Performance of the DeA Capital share

In terms of performance in the 1st half of 2021, the DeA Capital share price changed by +23.0%; over the same period, the FTSE All-Share® TR and LPX Europe® TR recorded performances of +15.7% and +21.8%, respectively.

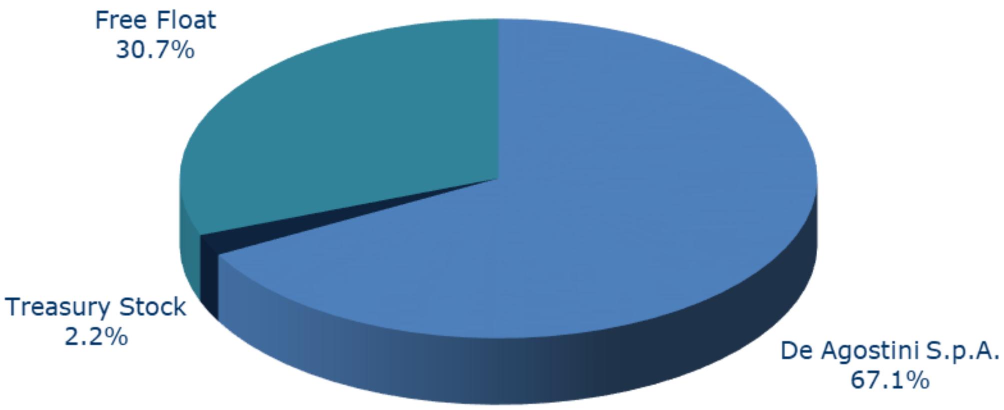
From 1 October 2014, (the closing date for the sale of the investment in GDS) to 30 June 2021, the overall performance (including extraordinary dividends) of DeA Capital shares was up +74.9%, while the Italian FTSE All-Share® TR index +55.2% and the LPX Europe® TR index +145.1% (*source Bloomberg*).

Share liquidity during the 1st half 2021 stood at average daily trading volumes of approximately 340,000 shares, a significant increase compared to the average daily trading volume in 2020.

DeA Capital's share prices recorded in the 1st half of 2021 are listed below:

in EUR	**1 January/30 June 2021**
Maximum price	1.37
Minimum price	1.06
Average price	1.18
Price as at 30 June 2021 (EUR per share)	1.30
Market capitalisation as at 30 June 2021 (EUR million)	**340**

➢ Shareholder structure of DeA Capital S.p.A. (#)



(#) Figures as at 30 June 2021, unchanged at the date of this document

Investor Relations

DeA Capital S.p.A. maintains stable and structured relationships with investors. During the 1st half of 2021, despite the difficult context due to the COVID-19 virus, the company maintained constant and prompt **communication activities**, partly through its participation in the Virtual STAR Conference 2021, held in March. On this occasion, the company met with numerous institutional investors (both domestic and international). Overall, telephone videoconferences were held during the year with institutional investors, portfolio managers and financial analysts, both from Italy and abroad.

The stock is currently hedged with **research** by one of the leading intermediaries on the Italian market, **Intermonte SIM**, which is also a DeA Capital specialist. In addition, **Kepler Cheuvreux**, a leading international platform in Europe in the coverage of SMEs, with in-depth knowledge of the Alternative Asset Management sector, and **Banca Akros**, a leading Italian broker house with a focus on diversified financials and the Italian asset management market, published the research to launch coverage of the stock at the beginning of 2021. The research carried out by these intermediaries, according to the respective policies, is available in the Investor Relations/Analyst Coverage section of the website www.deacapital.com.

In December 2008, the DeA Capital share joined the LPX® **indices**, specifically the LPX Composite® and LPX Europe®. The LPX® indices measure the performance of the main listed companies operating in private equity (Listed Private Equity, or LPE) and, thanks to the significant diversification by region and type of investment, have become one of the most popular benchmarks for the LPE asset class. The methods used to construct the indices are published in the *Guide to the LPX Equity Indices*. For further information, please visit the website: www.lpx.ch. In addition, DeA Capital is included in the FTSE Italia Small Cap Index, the index of the Italian stock exchange encompassing around 130 listed companies with a total capitalisation of around 4% of the market value https://www.borsaitaliana.it/borsa/azioni/small-cap/lista.html.

The DeA Capital S.p.A. **website** can be accessed at www.deacapital.com and is available in Italian and English. The site is packed with information, financial data, instruments, documents and news about the DeA Capital Group. It is also possible to access the social networks used by DeA Capital S.p.A. directly from the homepage, as well as to share articles, press releases or sections on social networks. DeA Capital S.p.A. has consolidated its presence on LinkedIn (with the latest institutional documents, such as reports, presentations and press releases).

Furthermore, DeA Capital S.p.A. has published an **interactive report** containing the annual financial results. These are available from the "Annual and quarterly reports" section of the website.

The website is the main point of contact for investors, who can subscribe to various mailing lists and instantly receive all news on the DeA Capital Group, as well as send questions or requests for information and documents to the company's Investor Relations area, which is committed to answering queries promptly, as stated in the Investor Relations Policy published on the site.

DeA Capital S.p.A. is thus continuing to strengthen its online presence and make its information available.

4. Significant events during the first half of 2021

ALTERNATIVE ASSET MANAGEMENT

During the first half of 2021, the Group continued its platform development activities in all business segments.

In particular, in the Real Estate segment, new initiatives for Assets Under Management have been finalised totalling approximately EUR 1,300 million (of which approximately EUR 1,100 million related to the acquisition of a management mandate for a closed-end real estate fund with a focus on logistics).

In terms of **Credit**, approximately EUR 25 million of new assets have been transferred to the CCR II fund, bringing its total size up to over EUR 680 million.

In the context of Private Equity:

- an **investment advisory** mandate was obtained for selecting closed-end funds in the **Infrastructure** sector, on a pool of funds totalling EUR 108 million as at 30 June 2021;
- new closings of the **IDeA Agro** and **Sviluppo Sostenibile II** funds were finalised, for EUR 28 million (and therefore up to a total of EUR 110 million) and EUR 21 million (and therefore up to a total of EUR 91 million), respectively;
- the volumes of a Private Debt fund (under delegation of management) and of the Endowment Fund were increased for a total of EUR 22 million.

➢ Dividends from Alternative Asset Management

In April 2021, the Asset Management Companies controlled by the Group distributed dividends totalling EUR 23.0 million to the holding companies (EUR 19.1 million in 2020), of which EUR 15.0 million to DeA Capital Real Estate SGR and EUR 8.0 million to DeA Capital Alternative Funds SGR.

OTHER MAJOR EVENTS

➢ Disposal of the remaining stake in Kenan Investments/Migros

Between late January and early February 2021, the investee Kenan Investments (17.1% of the capital) finalised the sale, through accelerated bookbuilding, of the remaining stake held in Migros (approximately 12% of the capital of the latter). In the context of this transaction, DeA Capital S.p.A. received overall distributions for EUR 19.5 million (substantially in line with the carrying value), which brought the total proceeds received from Kenan Investments to approximately EUR 249 million, against the investment made in 2008 for EUR 175 million (thus with a cumulative capital gain of approximately EUR 74 million and an overall return on investment for a cash-on-cash multiple of 1.42x).

➢ Establishment of an Advisory Board

In February 2021, DeA Capital S.p.A. finalised the establishment of the Advisory Board for the purpose of providing strategic advice for the Alternative Asset Management platform on various issues, with particular reference to business development and go-to-market strategies. The Advisory Board is currently made up of Flavio Valeri (Chair), Dario Frigerio (former member of the Board of Directors of DeA Capital S.p.A.) and Gianluca Muzzi.

➢ Share buy-back plan

On 20 April 2021, the Shareholders’ Meeting of DeA Capital S.p.A. authorised the Board of Directors to buy and sell, in one or more tranches and on a revolving basis, a maximum number of shares in the company up to a stake of no more than 20% of the share capital (or approximately 53.3 million shares).

The new Plan, which replaces the plan authorised by the Shareholders’ Meeting of 20 April 2020 (which was due to expire upon the approval of the 2020 Financial Statements), includes the following objectives: *(i)* the acquisition of treasury shares to be used for extraordinary transactions and/or the share incentive plans; *(ii)* the offer to shareholders of an additional instrument for the monetisation of their investment; *(iii)* support of the liquidity of the financial instruments issued; *(iv)* usage of excess liquidity. The treasury shares can also be disposed through trading.

The Shareholders’ Meeting authorisation specifies that purchases may be made until the date of the Shareholders’ Meeting called to approve the Financial Statements as at 31 December 2021 (and, in any event, not beyond the maximum period of 18 months allowed by law), while the authorisation to dispose of the treasury shares was granted without time limits. The unit price for the purchase of the shares will be set on a case-by-case basis by the Board of Directors, but must not be more than 20% above or below the share’s reference price on the trading day prior to each purchase.

The authorisation to sell treasury shares already held in the company’s portfolio and any shares bought in the future was granted for an unlimited period; sales may be carried out using the methods deemed most appropriate and at a price to be determined on a case-by-case basis by the Board of Directors, which cannot, however, be more than 20% below the share’s reference price on the trading day prior to each disposal (apart from certain exceptions specified in the Plan), although this limit may not apply in certain cases.

The Shareholders' Meeting determined a minimum consideration, conferring on the Board of Directors the power to determine, on a case-by-case basis, any further conditions, procedures and terms of the act of disposal. This minimum price may not be 20% lower than the reference price recorded by the share during the stock exchange session preceding each individual disposal, except in specific cases identified by the Shareholders' Meeting.

➢ Long-term incentive schemes

In April 2021, 1,304,132 treasury shares (representing approximately 0.5% of the share capital) were allocated under the 2017-2019 and 2018-2020 Performance Share Plans.

On 20 April 2021, the DeA Capital S.p.A. Shareholders’ Meeting approved the "DeA Capital Performance Share Plan 2021-2023" Incentive Plan, under which a maximum of 1,750,000 units may be granted. On 11 May 2021, in implementation of the shareholders’ resolution, the Board of Directors of DeA Capital S.p.A. voted: *(i)* to launch the Performance Share Plan 2021-2023 approved by the Shareholders’ Meeting, vesting the Chair of the Board of Directors and the Chief Executive Officer with all the necessary powers, to be exercised severally and with full power of delegation; and *(ii)* to grant 1,385,000 units (representing the right to receive ordinary shares in the company free of charge, under the terms and conditions of the plan).

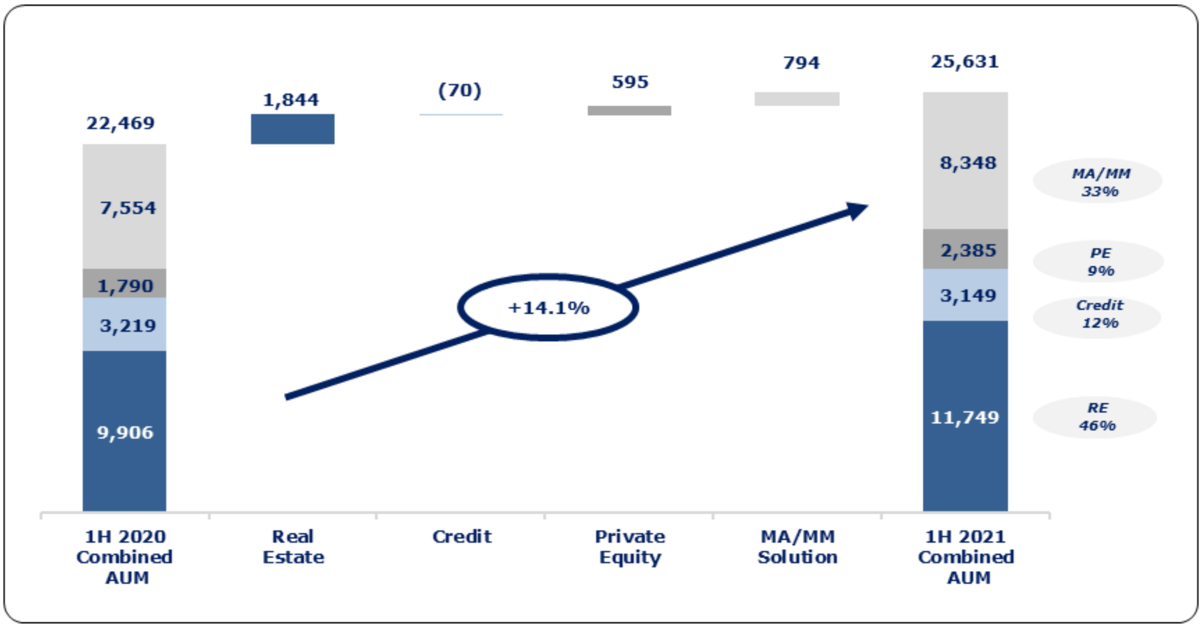
Shares allocated due to the vesting of units will be drawn from the company's treasury shares.

➢ Partial extraordinary distribution of the Share Premium Reserve

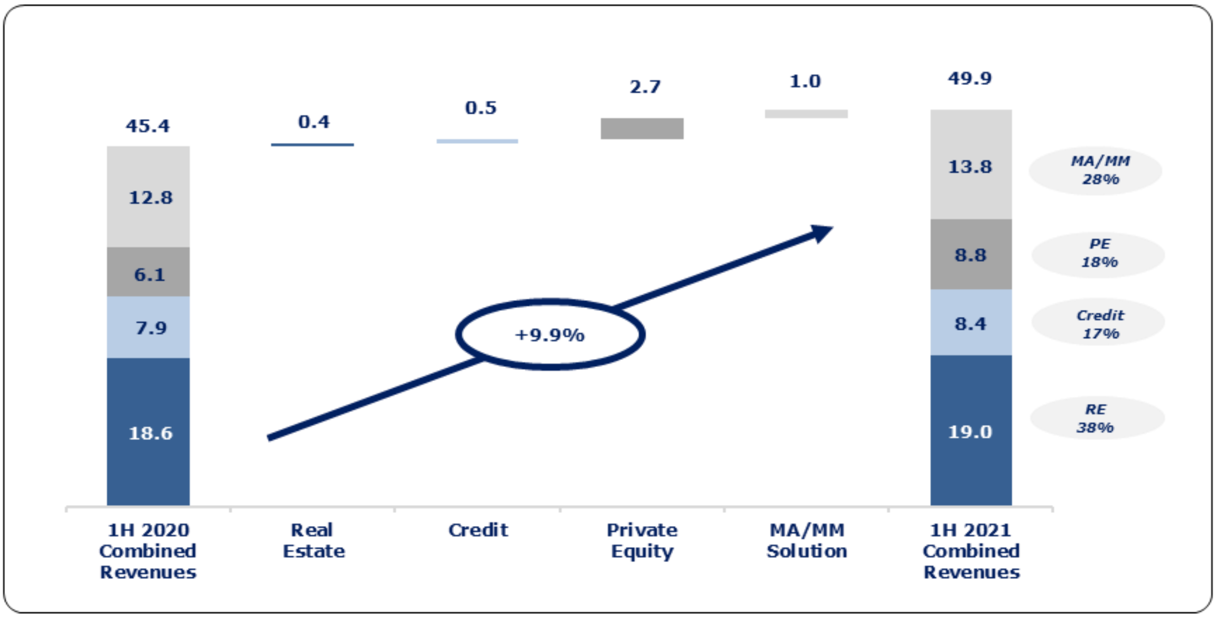
On 26 May 2021, in accordance with the vote of the Shareholders' Meeting on 20 April 2021, DeA Capital S.p.A. made a partial distribution of the Share Premium Reserve at EUR 0.10 per share, i.e. for an overall amount of around EUR 26.1 million based on the total number of entitled shares.

5. Results of the DeA Capital Group

➢ **Alternative Asset Management platform - AUM (€M)**

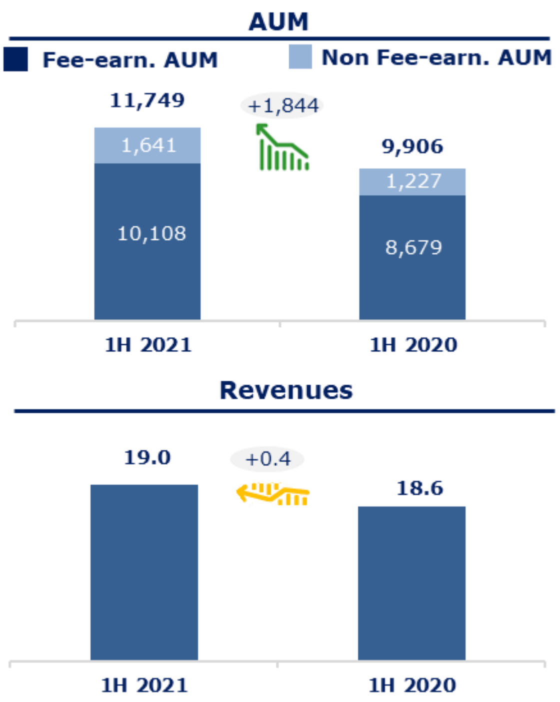


➢ **Alternative Asset Management platform - Revenues (€M)**

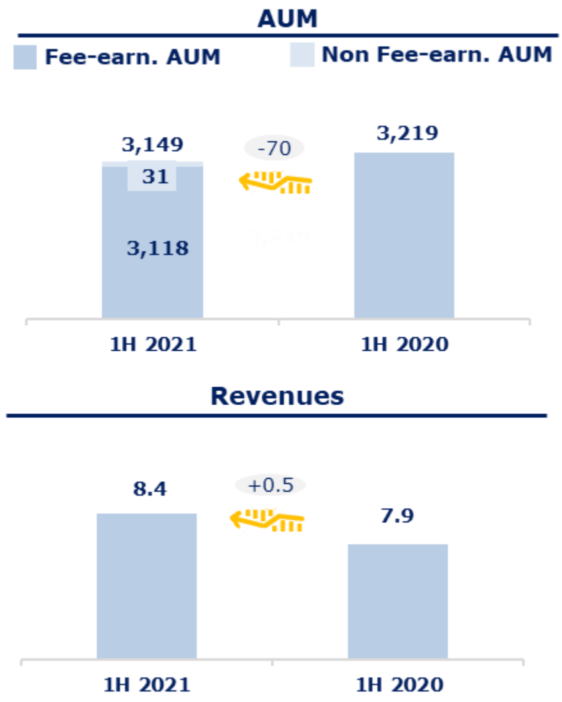


➢ Details for investment strategy (€M)

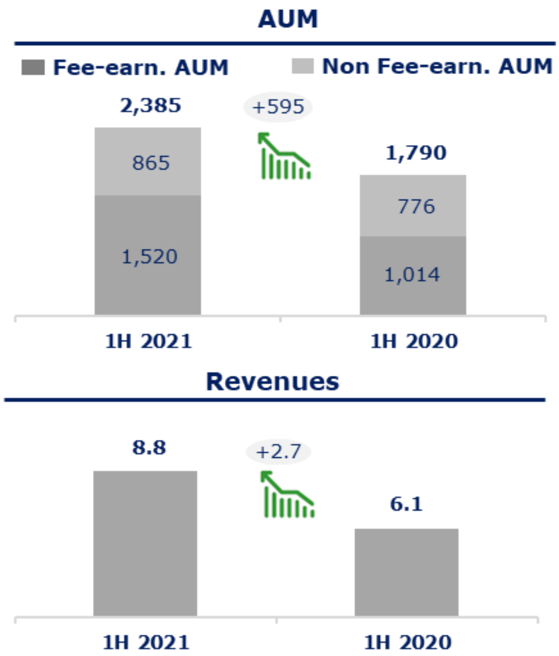
Real Estate



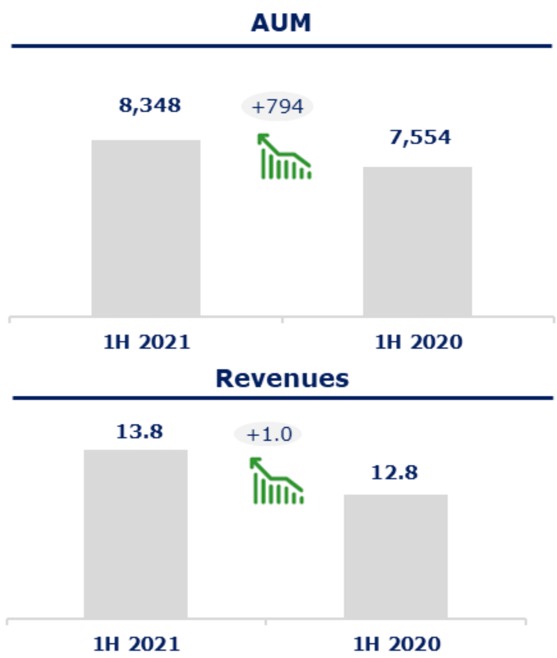
Credit



Private Equity



Multi-Asset / Multi-Manager



➢ Consolidated Results - Income Statement

The Group's Net Income recorded during the first six months of 2021 was positive and amounted to EUR 14.0 million, compared with EUR -1.8 million in the corresponding period of 2020.

Revenues and other income as at 30 June 2021 break down as follows:

- Fees of EUR 36.0 million for the Alternative Asset Management business (EUR 32.5 million in the same period of 2020);
- Income from investments valued at equity of EUR +0.5 million (EUR -0.7 million for the corresponding period in 2020);
- Other investment income and expenses totalled EUR +18.4 million (EUR -8.9 million in the corresponding period of 2020), mainly due to the revaluation of the fair value of funds of funds (EUR +13.0 million) and the Taste of Italy I fund (EUR +5.3 million, essentially attributable to the impact of the sale of the investment held in *Casa Vinicola Botter*).

Operating costs amounted to a total of EUR 34.2 million, compared to EUR 30.7 million in the corresponding period of 2020.

The total tax impact in 2021 of EUR -7.3 million (EUR +3.0 million in the corresponding period of 2020) includes the tax effect of the above-mentioned revaluation of funds in the portfolio.

Summary Consolidated Income Statement

(EUR thousand)	First Half 2021	First Half 2020
Alternative Asset Management fees	36,044	32,528
Income (loss) from investments valued at equity	523	(706)
Other investment income/expense	18,423	(8,903)
Other revenues and incomes (*)	389	419
Other expenses and charges (**)	(34,213)	(30,699)
Financial income and expenses	40	(2,283)
PROFIT/(LOSS) BEFORE TAXES	***21,206***	***(9,644)***
Income tax	(7,286)	2,981
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	***13,920***	***(6,663)***
Profit (Loss) from discontinued operations/held-for-sale assets	0	0
PROFIT/(LOSS) FOR THE PERIOD	***13,920***	***(6,663)***
- Group share	13,978	(1,783)
- Non controlling interests	(58)	(4,880)

(*) Includes the items "revenues from service activities" and "other revenues and incomes"

(**) Includes 'personnel expenses', 'expenses for services', 'depreciations and amortisations' and 'other expenses'

➢ Consolidated Results - Statement of Financial Position

(EUR thousand)	30.6.2021	31.12.2020
ASSETS		
Non-current assets		
Intangible and tangible assets		
Goodwill	99,935	99,935
Intangible assets	25,247	25,986
Property, plant and equipment	10,896	11,830
- Building in Leasing	*9,608*	*10,793*
- Other leased assets	*704*	*453*
- Other property, plant and equipment	*584*	*584*
Total intangible and tangible assets	136,078	137,751
Investments		
Investments at equity	27,449	27,291
Investments held by Funds at Fair Value through P&L	15,878	14,888
Other Investments at Fair Value through P&L	9,882	29,992
Funds at Fair Value through P&L	132,128	123,000
Other financial assets at Fair Value through P&L	0	36
Total financial Investments	185,337	195,207
Other non-current assets		
Deferred tax assets	21,779	22,289
Loans and receivables	8,057	7,425
Financial receivables for leasing - non current position	785	1,066
Other non-current assets	3,259	3,097
Total other non-current assets	33,880	33,877
Total non-current assets	**355,295**	**366,835**
Current assets		
Trade receivables	10,683	8,088
Financial assets at Fair Value	14,270	14,297
Financial receivables for leasing - current position	213	251
Tax receivables from parent companies	4,072	4,025
Other tax receivables	86,809	8,515
Other receivables	12,058	15,336
Cash and cash equivalents	121,115	123,566
Total current assets	249,220	174,078
Total current assets	**249,220**	**174,078**
TOTAL ASSETS	**604,515**	**540,913**
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
Net equity Group	**435,111**	**446,351**
Minority interests	**17,176**	**16,711**
Shareholders' equity	**452,287**	**463,062**
LIABILITIES		
Non-current liabilities		
Trade payables	700	800
Deferred tax liabilities	5,963	5,963
End-of-service payment fund	6,791	6,541
Payables to staff and social security organisations	1,817	1,423
Financial liabilities	10,634	11,945
- Financial liabilites for leasing	*8,453*	*9,763*
- Other financial liabilities	*2,181*	*2,182*
Total non-current liabilities	**26,226**	**26,672**
Current liabilities		
Trade payables	4,619	6,004
End-of-service payment fund	48	37
Payables to staff and social security organisations	10,001	12,707
Current tax	13,241	8,138
Other tax payables	3,450	2,889
Other payables	91,071	17,725
Short term financial payables	3,572	3,679
- Short term financial payables for leasing	*3,572*	*3,672*
- Other Short term financial payables	*0*	*7*
Total current liabilities	**126,002**	**51,179**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**604,515**	**540,913**

➢ Consolidated Results - Net Financial Position

As at 30 June 2021, the consolidated Net Financial Position was positive for EUR 124.3 million, as shown in the table below (which incorporates the ESMA Guidelines published on 4 March 2021):

Net financial position *(EUR million)*	**30.6.2021**	**31.12.2020** (§)	***Change***
Cash and cash equivalents	121.1	97.5	*23.6*
Financial assets at Fair Value through OCI	14.3	14.3	*0.0*
Financial receivables / financial contractual rights	0.2	0.3	*(0.1)*
Totale Liquidity	**135.6**	**112.1**	**23.5**
Non-current Financial receivables	**2.9**	**3.5**	***(0.6)***
Total liquidity and non-curr. financial receivables A)	**138.5**	**115.6**	**22.9**
Non-current financial liabilities	(10.6)	(12.0)	*1.4*
Current financial liabilities	(3.6)	(3.7)	*0.1*
Total financial liabilities B)	**(14.2)**	**(15.7)**	***1.5***
Net Financial Position (A+B)	**124.3**	**99.9**	***24.4***

(§) Data at 31.12.2020 restated for dividends distributed in may 2021 (26.1 € million)

The positive change in the consolidated Net Financial Position recorded in the 1st half of 2021, compared with the figure as at 31 December 2020, reflects the positive effect of the disposal of the investment in Kenan Investments/Migros (EUR +19.5 million).

The company believes that the cash and cash equivalents and other financial resources available are sufficient to meet the requirement relating to payment commitments already subscribed to in funds, also taking into account the amounts expected to be called up/distributed by these funds. As regards these residual commitments, the company believes that the resources currently available, as well as those that will be generated by its operating activities, will enable the Group to meet the financing required for its investment activity and to manage working capital.

6. Other information

- **COVID-19**

Against a backdrop of the continuing emergence of COVID-19, DeA Capital confirmed the resilience of its performance both at the Alternative Asset Management platform level and at the Group level as a whole.

The operational and health and safety practices established during 2020 have allowed the company to operate, even in the 1st half of 2021, substantially following a business-as-usual approach, all without high costs/investments in terms of general and administrative expenses/capex.

- **Related-party transactions**

As regards related-party transactions, these are reported in the section "Other Information" of the Notes to the Summary Consolidated Half-Year Financial Statements as at 30 June 2021.

- **Main risks and uncertainties to which the Parent Company and consolidated Group companies are exposed**

The assessment of risk factors for the DeA Capital Group should be viewed primarily in relation to their impact *(i)* on the economic results of the **Alternative Asset Management** platform (real estate, credit, private equity and multi-asset/multi-manager solutions) and of the investment activities carried out to support the platform's operations (i.e. ***platform investments***, consisting of investments in minority stakes in part of the funds managed by the platform and co-investments alongside these funds, or lead investment partners in the real estate initiatives promoted by the Group's foreign ventures) and *(ii)* the Group's ability to ensure balanced and holistic development of all these activities.

With reference to **Alternative Asset Management** activities, these are particularly sensitive to all the risk variables that may impact the "organic" performance of Assets Under Management (which essentially represent the basis for calculating management fees) which, for closed-end funds (real estate, credit, private equity), will depend substantially on: *(i)* the ability to launch new funds and *(ii)* the value of the assets in which these are invested plus, in the case of open-ended funds accessed by the multi-asset/multi-management investment solutions offered to investors, the *(iii)* redemptions by the investors served.

The development of the three main variables affecting the performance of Assets Under Management depends on:

- exogenous contextual factors (general economic conditions, socio-political events, regulatory developments, trends in financial markets and interest rates, and the impact these have on the availability and direction of investment flows);
- endogenous factors (which can be summarised as the asset manager's credibility in terms of its ability to generate satisfactory performance for investors, the effectiveness of the operational processes structured to regulate the launch and management of investment products/solutions, constant attention in terms of compliance with the industry's stringent regulations and the Group's willingness to share the investment risk with investors).

The variety of business streams in which the platform operates is a mitigating factor for all contextual risks that impact the ability to launch new funds/investment solutions. However, the recent start of international development for the Real Estate sector, if on the one hand it has a favourable impact on the reduction of the same risks due to the diversification that it entails, on the other hand it increases this riskiness (because there is exposure to the same "country-specific" contextual factors relating to the new markets) while acting on the endogenous risk factors by increasing the operational complexity of the Group.

With regard to the performance of the ***platform investments*** portfolio, this will depend on both the aforementioned exogenous contextual factors, as well as endogenous factors (in particular, capacity and timing of selection, management and divestment of investments). The mitigation of the impact of exogenous and endogenous risks to which the Group's activities are subjected is mainly achieved through:

- the systematic monitoring of reference markets, the competitive framework and the main trends in the industry;
- the gradual diversification of business streams (both *product-related*, for example by extending the portfolio of products offered to the NPL management, managed accounts and international real estate club deal segments, or by entering the segment of investment solutions for institutional investors; and *geographical*, with the launch of real estate ventures in partnership with local key managers, first in France and Iberia and then in Poland and Germany);
- the maintenance of effective investment governance (though not control) levers and risk diversification mechanisms (such as asset concentration constraints in funds under management) across all asset classes;
- the continuous monitoring of the trend in key performance indicators of Alternative Asset Management and platform investments;
- maintaining an industrial and never purely financial approach to investment activities and strict ethical standards throughout the structure;
- the growing focus on sustainable investment issues with reference to environmental, social and governance aspects, through the definition of policies, adherence to international certification standards and the cross-sector involvement of the various corporate functions, initially defined at the level of subsidiary asset management companies and currently being extended to the Group as a whole;
- the strengthening of the operational structure (in particular with the integration of a Chief Operating Officer into the company's organisation chart) and strategic orientation (with the recent establishment of the Advisory Board to support business development and go-to-market activities for the Alternative Asset Management platform);
- the periodic assessment and monitoring of the risk framework in which the Group operates through a structured risk assessment process, and the related updating of operating procedures and governance mechanisms (e.g. the establishment of the Security Operating Centre (SOC) to better monitor cybersecurity issues).

The spread of COVID-19 has led to a generalised amplification of the complex of risk factors highlighted above, while at the same time imposing the rapid adoption of measures to ensure the continuing operations of the Group companies.

Operational integrity was guaranteed, without interruption, firstly through the prompt and general adoption of a smart-working policy (implemented, inter alia, by substantially equipping all staff with the appropriate technical means), and subsequently, once the regulatory constraints on the mobility of persons had been relaxed, through the implementation of a regulatory protocol for combating and containing the spread of the virus in the workplace (supported by the adoption of all the technical and organisational devices necessary to ensure that all professionals in the workforce could return to their operational headquarters on a rotating basis). In this way, the Group has been able to oversee the governance of its activities in a period of extraordinary uncertainty with substantially unchanged response capabilities compared to a business-as-usual scenario, all without significant costs/investments in terms of general and administrative expenses/capex.

At an operational level, asset management has seen the integration of the aspect resulting from sensitivity to the "COVID-19 effect" in the monitoring of portfolios, both with an aggregate cut (typically by reference industry), and an individual cut, depending on the specificities of individual assets (liquidity, sustainability of the financial structure, sensitivity to operating leverage etc.). In particular, at the level of funds under management, actions were promptly taken primarily to: *i)* understand the opportunities and constraints defined by the Acts issued by the Government to cope with the COVID-19 epidemiological emergency; *ii)* analyse and estimate the financial needs to mitigate the risk of cash flow tension, especially in the short term; and *iii)* define the actions to prepare for the "post-crisis" recovery phase.

➢ ESG framework

Starting in 2019, the DeA Capital Group began to define a framework related to ESG issues. Its aim is to create a uniform and governable framework for streamlining and integrating the initiatives and criteria for the management of the various sectors of the Alternative Asset Management business in which it operates. The path undertaken by the DeA Capital Group has achieved important objectives in terms of ESG and, specifically:

- DeA Capital Alternative Funds SGR has obtained an “A” rating from the PRI and has drawn up the first annual ESG report for 2020. It also launched new ESG investment funds, such as Taste of Italy 2 and Sviluppo Sostenibile II;

- After joining the PRI, the recognition of the GRESB certification for some funds under management, adjusting procedures and the organisation through the activation of a team, and developing a screening and reporting tool, DeA Capital Real Estate SGR launched a process to achieve a PRI rating;

- After launching a process for defining its ESG framework at the end of 2020, the Parent Company DeA Capital S.p.A. achieved its first annual ESG rating in July 2021 by Sustainalytics (primary ESG rating company, belonging to the Morningstar group), with “Low Risk” rating, which places it in the 5th percentile in the sub-industry “*Asset management and custody services*” level and in the top quartile on a global level considering all sectors. The company has also joined the United Nations Global Compact, an initiative that encourages companies from all over the world to adopt sustainable policies in compliance with corporate social responsibility and to publish the results of the actions taken.

➢ Other information

As at 30 June 2021, the Group had 241 employees (227 at the end of 2020), of which 217 were in Alternative Asset Management and 24 in Alternative Investment/Holding Companies.

With regard to the regulatory requirements set out in Article 36 of the Markets Regulation on conditions for the listing of parent companies, companies formed or regulated by laws of non-EU countries and those of major importance in the consolidated financial statements, it is hereby noted that no Group company falls within the scope of the above-mentioned provision.

Furthermore, conditions prohibiting listing pursuant to Article 37 of the Markets Regulation, relating to companies subject to the management and coordination of other parties, do not apply.

Summary Consolidated Half-Year Report for the period 1 January to 30 June 2021

- **Consolidated Statement of Financial Position**

(EUR thousand)	Note	30.6.2021	31.12.2020
ASSETS			
Non-current assets			
Intangible and tangible assets			
Goodwill	1a	99,935	99,935
Intangible assets	1b	25,247	25,986
Property, plant and equipment	1c	10,896	11,830
- Building in Leasing		*9,608*	*10,793*
- Other leased assets		*704*	*453*
- Other property, plant and equipment		*584*	*584*
Total intangible and tangible assets		136,078	137,751
Investments			
Investments at equity	2a	27,449	27,291
Investments held by Funds at Fair Value through P&L	2b	15,878	14,888
Other Investments at Fair Value through P&L	2c	9,882	29,992
Funds at Fair Value through P&L	2d	132,128	123,000
Other financial assets at Fair Value through P&L		0	36
Total financial Investments		185,337	195,207
Other non-current assets			
Deferred tax assets	3a	21,779	22,289
Loans and receivables	3b	8,057	7,425
Financial receivables for leasing - non current position	3c	785	1,066
Other non-current assets	3d	3,259	3,097
Total other non-current assets		33,880	33,877
Total non-current assets		**355,295**	**366,835**
Current assets			
Trade receivables	4a	10,683	8,088
Financial assets at Fair Value	4b	14,270	14,297
Financial receivables for leasing - current position	4c	213	251
Tax receivables from parent companies	4d	4,072	4,025
Other tax receivables	4e	86,809	8,515
Other receivables	4f	12,058	15,336
Cash and cash equivalents	4g	121,115	123,566
Total current assets		249,220	174,078
Total current assets		**249,220**	**174,078**
TOTAL ASSETS		**604,515**	**540,913**
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital		266,612	266,612
Share premium reserve		129,454	155,542
Legal reserve		61,322	61,322
Own share reserve		(8,941)	(10,712)
Fair value reserve		475	482
Other reserves		(17,812)	(17,967)
Retained earnings (losses)		(9,976)	(29,338)
Profit (loss) for the year		13,978	20,410
Net equity Group		**435,111**	**446,351**
Minority interests		**17,176**	**16,711**
Shareholders' equity	5	**452,287**	**463,062**
LIABILITIES			
Non-current liabilities			
Trade payables	6a	700	800
Deferred tax liabilities	3a/6b	5,963	5,963
End-of-service payment fund	6c	6,791	6,541
Payables to staff and social security organisations	6d	1,817	1,423
Financial liabilities	6e	10,634	11,945
- Financial liabilites for leasing		*8,453*	*9,763*
- Other financial liabilities		*2,181*	*2,182*
Total non-current liabilities		**26,226**	**26,672**
Current liabilities			
Trade payables	7a	4,619	6,004
End-of-service payment fund		48	37
Payables to staff and social security organisations	7b	10,001	12,707
Current tax	7c	13,241	8,138
Other tax payables	7d	3,450	2,889
Other payables	7e	91,071	17,725
Short term financial payables	7f	3,572	3,679
- Short term financial payables for leasing		*3,572*	*3,672*
- Other Short term financial payables		*0*	*7*
Total current liabilities		**126,002**	**51,179**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**604,515**	**540,913**

Pursuant to Consob Resolution 15519 of 27 July 2006, the impact of dealings with related parties on the Statement of Financial Position, Income Statement and Cash Flow Statement is explained in the Notes to the Financial Statements.

- **Consolidated Income Statement**

(EUR thousand)	Note	First Half 2021	First Half 2020
Alternative Asset management fees	8	36,044	32,528
Income from equity investments	9	523	(706)
Other investment income/expense	10	18,423	(8,903)
Income from services		43	46
Other income		346	373
Personnel costs	11a	(23,201)	(19,134)
Service costs	11b	(6,924)	(7,323)
Depreciation, amortization and impairment	11c	(2,566)	(2,584)
Other expenses	11d	(1,522)	(1,658)
Financial income	12a	217	266
Financial expenses	12b	(177)	(2,549)
PROFIT/(LOSS) BEFORE TAX		**21,206**	**(9,644)**
Income tax	13	(7,286)	2,981
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		**13,920**	**(6,663)**
Profit (Loss) from discontinued operations/held-for-sale assets		0	0
PROFIT/(LOSS) FOR THE PERIOD		**13,920**	**(6,663)**
- Group share		13,978	(1,783)
- Non controlling interests		(58)	(4,880)
Earnings per share, basic (€)	14	0.054	(0.007)
Earnings per share, diluted (€)	14	0.054	(0.007)

Pursuant to Consob Resolution 15519 of 27 July 2006, the impact of dealings with related parties on the Statement of Financial Position, Income Statement and Cash Flow Statement is explained in the Notes to the Financial Statements.

- **Consolidated Statement of Comprehensive Income (Statement of Performance - IAS 1)**

(Euro thousands)	**First Half 2021**	**First Half 2020**
Profit/(loss) for the period (A)	***13,920***	***(6,663)***
Comprehensive income/expense which might be subsequently reclassified within the profit (loss) for the period	6	(117)
Incomes (Losses) on financial assets at fair value	*(7)*	*(117)*
Other changes in valuation reservers of associated companies	*13*	*0*
Comprehensive income/expense which will not be subsequently reclassified to the profit (loss) for the period	41	(278)
Gains/(losses) on remeasurement of defined benefit plans	*41*	*(278)*
Other comprehensive income, net of tax (B)	***47***	***(395)***
Total comprehensive income for the period (A)+(B)	***13,967***	***(7,058)***
Total comprehensive income attributable to:		
- Group Share	14,025	(2,178)
- Non Controlling Interests	*(58)*	*(4,880)*

- **Consolidated Cash Flow Statement – Direct Method**

(EUR thousand)	**First Half 2021**	**First Half 2020**
CASH FLOW from operating activities		
Investments in funds and shareholdings	(3,167)	(3,208)
Capital reimbursements from funds	31,826	15,010
Sale of investments	0	19,362
Interest received	58	1,648
Interest paid	(2)	0
Realized gains (losses) on exchange rate and derivatives	0	(1)
Taxes paid / reimbursed	(2,541)	(4,083)
Dividends received	0	0
Management and performance fees received	31,954	30,237
Revenues for services	95	351
Operating expenses	(32,258)	(32,276)
Net cash flow from operating activities	**25,965**	**27,040**
CASH FLOW from investing activities		
Acquisition of property, plant and equipment	(35)	(90)
Sale of intangible assets	0	(16,885)
Purchase of licenses and intangible assets	(604)	22,318
Net cash flow from investing activities	**(639)**	**5,343**
CASH FLOW from financing activities		
Acquisition of financial assets	(2)	(10)
Sale of financial assets	0	0
Cash flow from leasing contract	(1,196)	(1,554)
Share capital issued	0	0
Own shares acquired	(133)	0
Increase in share capital of foreign subsidiaries	0	0
Share capital issued for Stock Option Plan	0	0
Dividends paid	(26,086)	(31,337)
Loans and bank loans	(532)	(1,963)
Net cash flow from financing activities	**(27,949)**	**(34,864)**
CHANGE IN CASH AND CASH EQUIVALENTS	**(2,623)**	**(2,481)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**123,566**	**99,511**
Effect of change in basis of consolidation: cash and cash equivalents	172	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**121,115**	**97,030**

Pursuant to Consob Resolution 15519 of 27 July 2006, the impact of dealings with related parties on the Statement of Financial Position, Income Statement and Cash Flow Statement is explained in the Notes to the Financial Statements.

- ## Consolidated Statement of Changes in Shareholders' Equity

(EUR thousand)	**Share capital**	**Share premium reserve**	**Legal reserve**	**Reserve of own shares**	**Fair value reserve**	**Other reserves**	**Retained earnings and losses**	**Group Profit & Loss**	**Group total**	**Non-controlling interests**	**Consolidated shareholders' equity**
Total at 31 December 2019	**266,612**	**186,882**	**61,322**	**(10,415)**	**402**	**(17,930)**	**(41,665)**	**12,256**	**457,464**	**23,634**	**481,098**
Allocation of 2019 net profit	0	0	0	0	0	0	12,256	(12,256)	**0**	**0**	**0**
Treasury shares given for incentive plans	0	0	0	1,355	0	(1,138)	(217)	0	**0**	**0**	**0**
Performance shares / stock options	0	0	0	0	0	874	0	0	**874**	**0**	**874**
Dividend distribution	0	(31,340)	0	0	0	0	0	0	**(31,340)**	**0**	**(31,340)**
Other changes	0	0	0	0	0	993	(449)	0	**544**	**449**	**993**
Total comprehensive income (loss)	0	0	0	0	(117)	(278)	0	(1,783)	**(2,178)**	**(4,880)**	**(7,058)**
Total at 30 June 2020	**266,612**	**155,542**	**61,322**	**(9,060)**	**285**	**(17,479)**	**(30,075)**	**(1,783)**	**425,364**	**19,203**	**444,567**

(EUR thousand)	**Share capital**	**Share premium reserve**	**Legal reserve**	**Reserve of own shares**	**Fair value reserve**	**Other reserves**	**Retained earnings and losses**	**Group Profit & Loss**	**Group total**	**Non-controlling interests**	**Consolidated shareholders' equity**
Total at 31 December 2020	**266,612**	**155,542**	**61,322**	**(10,712)**	**482**	**(17,967)**	**(29,338)**	**20,410**	**446,351**	**16,711**	**463,062**
Allocation of 2020 net profit	0	0	0	0	0	0	20,410	(20,410)	**0**	**0**	**0**
Treasury shares given for incentive plans	0	0	0	1,904	0	(1,425)	(479)	0	**0**	**0**	**0**
Performance share	0	0	0	0	0	1,525	0	0	**1,525**	**0**	**1,525**
Purchase of own shares	0	0	0	(133)	0	0	0	0	**(133)**	**0**	**(133)**
Dividend distribution	0	(26,088)	0	0	0	0	0	0	**(26,088)**	**0**	**(26,088)**
Translation reserve	0	0	0	0	0	1	0	0	**1**	**0**	**1**
Other changes	0	0	0	0	0	0	(569)	0	**(569)**	**523**	**(46)**
Total comprehensive income (loss)	0	0	0	0	(7)	54	0	13,978	**14,025**	**(58)**	**13,967**
Total at 30 June 2021	**266,612**	**129,454**	**61,322**	**(8,941)**	**475**	**(17,812)**	**(9,976)**	**13,978**	**435,111**	**17,176**	**452,287**

Pursuant to Consob Resolution 15519 of 27 July 2006, the impact of dealings with related parties on the Statement of Financial Position, Income Statement and Cash Flow Statement is explained in the Notes to the Financial Statements.

Notes to the Financial Statements

Structure and content of the Summary Consolidated Half-Year Financial Statements as at 30 June 2021

The Summary Consolidated Half-Year Financial Statements as at 30 June 2021 comprise the Consolidated Statement of Financial Position, Consolidated Income Statement, Consolidated Statement of Comprehensive Income (Statement of Performance), Consolidated Cash Flow Statement, Consolidated Statement of Changes in Shareholders' Equity and these Notes to the Financial Statements. They are also accompanied by the Interim Management Report and the Statement of Responsibilities for the Summary Consolidated Half-Year Financial Statements pursuant to Article 154-bis of
Legislative Decree No 58/98.

The income and Statement of Cash Flow information are provided for H1 2021 and H1 2020; the equity information is provided for 30 June 2021 and 31 December 2020.

The Consolidated Statement of Financial Position provides a breakdown of current and non-current assets and liabilities, with separate reporting for those resulting from discontinued or held-for-sale operations. The Consolidated Income Statement provides a breakdown whereby costs and revenues are classified according to type. The Consolidated Cash Flow Statement is prepared using the "direct method".

Unless otherwise indicated, all tables and figures included in these Notes to the Financial Statements are reported in EUR thousand.

Statement of compliance with accounting standards

The Summary Consolidated Half-Year Financial Statements as at 30 June 2021 were prepared in accordance with the going-concern principle and with the International Accounting Standards adopted by the European Union, approved by the date that this document was prepared (hereinafter the International Accounting Standards, or individually, IAS/IFRS, or collectively IFRS – International Financial Reporting Standards), and in accordance with Article 154-*ter* of Legislative Decree No 58/98 that transposes the "Transparency Directive". When preparing the Summary Consolidated Half-Year Financial Statements, where applicable, all interpretations of the International Financial Reporting Interpretations Committee (IFRIC) were applied, including those previously issued by the Standing Interpretations Committee (SIC), approved by the European Union.

The Summary Consolidated Half-Year Financial Statements as at 30 June 2021 were prepared pursuant to IAS 34 (Interim financial reporting) as well as in Summary form; thus they do not include all the information required for the year-end Consolidated Financial Statements. They must therefore be read in conjunction with the Consolidated Financial Statements prepared as at 31 December 2020.

In accordance with the provisions of IAS/IFRS and current laws, the company authorised the publication of the Half-Year Report as at 30 June 2021 by the legal deadline.

The valuation criteria adopted on the basis of the International Accounting Standards are consistent with the going-concern principle, and except as indicated below, do not vary from those used to prepare the Consolidated Financial Statements as at 31 December 2020, to which reference should be made for additional details.

Accounting standards, amendments and interpretations applied since 1 January 2021

For International Accounting Standards, interpretations and amendments to existing accounting standards and interpretations endorsed by the IASB and already endorsed for adoption in the European Union, and applied for the first time as of 1 January 2021, only the following should be noted:

- ***Interest Rate Benchmark Reform – Phase 2***

On 28 August 2020, in the light of the interbank interest rate reform (IBOR), the IASB published the Interest Rate Benchmark Reform – Phase 2, which contains amendments to the following standards:

- IFRS 9 *Financial Instruments*;
- IAS 39 *Financial Instruments: Recognition and Measurement;*
- IFRS 7 *Financial Instruments: Disclosures;*
- IFRS 4 *Insurance Contracts;*
- IFRS 16 *Leases.*

With reference to this document, the adoption did not have any material impact on the valuation of the Group's assets, liabilities, costs and revenues.

Future accounting standards, amendments and interpretations

Standards	**Expected effectiveness**
Amendments IFRS 3, IAS 16, IAS 37, Annual Improvement Cycle 2018-2020	Financial years that start on or after 1.1.2022
Amendments IAS 1: Classification of Liabilities as Current or Non-current e Deferral of Effective Date; Disclosure of accounting policies	Financial years that start on or after 1.1.2023
Amendments IAS 8, IFRS Practice Statement 2: Disclosure of accounting policies	Financial years that start on or after 1.1.2023
Amendments IAS 12: Income Taxes	Financial years that start on or after 1.1.2023
Amendments IFRS 16 - Related Rent Concessions	Standard applicable from 1.4.2021 but not yet approved for adoption in the European Union
IFRS 14: Regulatory Deferral Accounts	The European Commission does not intend to initiate the approval process of IFRS 14 (interim standard) pending the publication of the final accounting standard

With reference to the standards, interpretations and amendments to the existing accounting standards detailed above, the adoption is not expected to have any material impact on the valuation of the Group's assets, liabilities, costs and revenues.

Use of estimates and assumptions in the preparation of the Summary Consolidated Half-Year Financial Statements as at 30 June 2021

The company must make assessments, estimates and assumptions that affect the application of accounting standards and the amounts of assets, liabilities, costs and revenues recorded in the financial statements. Estimates and related assumptions are based on past experience and other factors deemed reasonable in the case concerned; these are used to estimate the book value of assets and liabilities that cannot be obtained easily from other sources. Since these are estimates, the results obtained should not necessarily be considered definitive.

These estimates and assumptions are reviewed regularly. Any changes resulting from revisions of accounting estimates are reported in the period in which the revision takes place if they involve that period only; if the revision involves current and future periods, the change is reported in the period in which the revision takes place and in future periods.

With the understanding that the use of reasonable estimates is an essential part of preparing the Summary Consolidated Half-Year Financial Statements as at 30 June 2021, note that the use of estimates is particularly significant with regard to valuations of assets and shareholdings that make up the investment portfolio.

An estimate may be adjusted as a result of changes in the circumstances on which it was based, or as a result of new information. Any change in the estimate is applied prospectively and has an impact on the results for the period in which the change occurred, and potentially on those in future periods.

As permitted by IAS/IFRS, the preparation of the Summary Consolidated Half-Year Financial Statements as at 30 June 2021 required the use of significant estimates by the company’s management, especially with regard to fair value measurements of the investment portfolio (shareholdings and funds).

These fair value measurements were determined by the Directors based on their best estimates and judgement, using their knowledge and the evidence available at the time that the Summary Consolidated Half-Year Financial Statements as at 30 June 2021 were prepared. However, due to objective difficulties in making assessments and the absence of a liquid market, the values assigned to such assets could differ, in some cases significantly, from those that could actually be obtained when the assets are sold.

In addition, the current situation of instability and uncertainty in the macroeconomic framework following the COVID-19 epidemic, which primarily may affect the future enhancement capacity of the assets in the portfolio, consequently renders these estimates and valuations even more difficult, inevitably incorporating elements of uncertainty.

For a more detailed description of the most important valuation processes for the Group, please refer to the Consolidated Financial Statements as at 31 December 2020.

Scope of consolidation

On 13 May 2021, the acquisition of the remaining 50% stake in DeA Capital Real Estate Poland was completed. The Polish company was previously 50% owned by the DeA Capital Group and 50% by Ksiazek Holding. Following this acquisition, the DeA Capital Group controls 100% of the company's share capital.

In addition, on 19 May 2021, the acquisition of a further 12% stake in DeA Capital Real Estate France was finalised. The French company was previously 70% owned by the DeA Capital Group and the remaining stake by local key managers. Following this acquisition, the DeA Capital Group's stake in the company rose to 82%.

As at 30 June 2021, the following companies formed part of the DeA Capital Group's scope of consolidation:

Company	Registered office	Currency	Share capital	% holding	Consolidation method
DeA Capital S.p.A.	**Milan, Italy**	**Eur**	**266,612,100**	**Holding**	
DeA Capital Alternative Funds SGR S.p.A.	Milan, Italy	Eur	1,300,000	100.00%	Full consolidation
IDeA OF I	Milan, Italy	Eur	-	46.99%	Full consolidation
DeA Capital Partecipazioni S.p.A.	Milan, Italy	Eur	600,000	100.00%	Full consolidation
DeA Capital Real Estate SGR S.p.A.	Rome, Italy	Eur	16,757,557	100.00%	Full consolidation
DeA Capital Real Estate France S.A.S.	Paris, France	Eur	100,000	82.00%	Full consolidation
DeACapital Real Estate Iberia S.L.	Madrid, Spain	Eur	100,000	73.00%	Full consolidation
DeACapital Real Estate Germany GmbH	Munich, Germany	Eur	25,000	70.00%	Full consolidation
DeA Capital Bobigny SASU	Paris, France	Eur	41,000	100.00%	Full consolidation
DeA Capital Noisy SAS	Paris, France	Eur	41,000	100.00%	Full consolidation
DeA Capital Real Estate Poland Sp. z o.o.	Warsaw, Poland	PLN	2,000,000	100.00%	Full consolidation
Quaestio Holding S.A.	Luxembourg	Eur	4,839,630	38.82%	Equity accounted (Associate)
YARD Group	Milan, Italy	Eur	690,100	38.98%	Equity accounted (Associate)
IDeA Efficienza Energetica e Sviluppo Sostenibile	Milan, Italy	Eur	-	30.40%	Equity accounted (Associate)
Venere	Rome, Italy	Eur	-	27.27%	Equity accounted (Associate)

Information on the fair value hierarchy

IFRS 13 stipulates that financial instruments reported at fair value should be classified based on a hierarchy that reflects the importance and quality of the inputs used to calculate the fair value. Three levels have been determined:

- **level 1**: where the fair value of the financial instrument is calculated based on the quoted prices recorded on an active market for assets or liabilities identical to those being valued

- **level 2**: where the fair value of the financial instrument is calculated using observable inputs other than those included in level 1, such as:

    - prices quoted on active markets for similar assets and liabilities
    - prices quoted on inactive markets for identical assets and liabilities
    - interest rate curves, implied volatility, credit spreads

- **level 3**: where the fair value of the financial instrument is measured on the basis of non-observable data. These input data may be used if no observable input data are available. IFRS 13 specifies that unobservable input data used to measure fair value must reflect the assumptions used by market participants when fixing the price for the assets or liabilities being valued.

The table below shows assets measured at fair value by hierarchical level as at 30 June 2021:

(EUR million)	Note	Level 1	Level 2	Level 3	Total
Investments held by Funds at Fair Value through P&L	2b	0.0	15.9	0.0	15.9
Other Investments at Fair Value through P&L	2c	4.2	0.0	5.7	9.9
Funds at Fair Value through P&L	2d	2.6	129.5	0.0	132.1
Financial assets at fair value through OCI	4b	14.3	0.0	0.0	14.3
Total assets		**21.1**	**145.4**	**5.7**	**172.2**

Valuation techniques and main input data

Investments held by Funds – measured at fair value through P&L

As at 30 June 2021, the DeA Capital Group holds, through the IDeA OF I fund, minority interests in Iacobucci HF Electronics and Pegaso Transportation Investments (Talgo).

Investments held by Funds – measured at fair value through P&L are measured as indicated in the fund's half-year management report as at 30 June 2021. The valuation of the assets of IDeA OF I, as reflected in the Net Asset Value of the fund and reported in the aforementioned half-year management report, expressed according to the criteria defined by the Bank of Italy, takes into account, for all securities not listed on a regulated market, the lower value between the investment (the "cost") and the fair value, and for listed securities and/or with listed underlying, the last available price at the reporting date. This approach, although potentially conservative if assets are valued individually, confers a correct representation of the fair value from the point of view of the holder of the fund units. Any trading of said units is, in practice, mainly based on the NAV of the fund to which they relate, adjusted if necessary by a "discount" (to a much lesser degree by a "premium"). This is the main reason it is considered appropriate, from the perspective of DeA Capital S.p.A. (which holds an interest in the assets in the portfolio of IDeA OF I via the units it holds in the fund) to show the values of said individual assets held by IDeA OF I as reported in the relevant half-year management report.

Investments in other companies – measured at fair value through P&L

This item comprises:

- the stake in Cellularline, which was recorded in the Consolidated Financial Statements as at 30 June 2021 at EUR 4.2 million (EUR 4.7 million as at 31 December 2020), based on the market price as at 30 June 2021 (as the company's shares started trading on the Italian stock exchange on 15 March 2017);
- the investment in ToI Due, in turn owner of a majority stake (70%) of the Alice Pizza group, which is recorded in the Consolidated Financial Statements as at 30 June 2020 for EUR 5.0 million (unchanged compared with 31 December 2020), equal to the purchase cost and representative of the fair value as at 30 June 2021.

Funds measured at fair value through P&L (funds of funds and private equity thematic funds, venture capital funds and real estate funds)

Valuations of shareholdings and funds in the portfolio reflect estimates made using the information available on the date that this document was prepared.

As at 30 June 2021, the DeA Capital Group held units in the following funds:

- IDeA I FoF (valued at EUR 14.5 million as at 30 June 2021, compared with EUR 15.2 million as at 31 December 2020);

- ICF II (valued at EUR 31.8 million as at 30 June 2021, compared with EUR 23.7 million as at 31 December 2020);
- ICF III (valued at EUR 14.6 million as at 30 June 2021, compared with EUR 11.9 million as at 31 December 2020);
- IDeA I ToI (valued at EUR 13.8 million as at 30 June 2021, compared with EUR 16.3 million as at 31 December 2020);
- IDeA Agro (valued at EUR 2.4 million as at 30 June 2021, compared with EUR 1.7 million as at 31 December 2020);
- ToI 2 (valued at EUR 3.2 million as at 30 June 2021, compared with EUR 2.4 million as at 31 December 2020);
- SS II (valued at EUR 1.1 million as at 30 June 2021);
- IDeA CCR I (valued at EUR 0.6 million as at 30 June 2021, compared with EUR 1.0 million as at 31 December 2020);
- IDeA CCR II (valued at EUR 6.3 million as at 30 June 2021, substantially unchanged compared with 31 December 2020);
- Santa Palomba (valued at EUR 0.7 million at 30 June 2021, unchanged on the figure at 31 December 2020);
- 4 venture capital funds (EUR 0.5 million at 30 June 2021, compared with EUR 0.4 million as at 31 December 2020);
- 10 real estate funds held through DeA Capital Real Estate SGR (valued at EUR 42.5 million as at 30 June 2021, compared with EUR 43.2 million as at 31 December 2020);
- Funds held through DeA Capital alternative Funds SGR (of limited value as at 30 June 2021, unchanged from 31 December 2020).

For venture capital funds, the fair value of each fund is based on the fund’s stated NAV, calculated according to international valuation standards and adjusted if necessary to reflect capital reimbursements/calls that occurred between the reference date for the last available NAV and the balance sheet date.

For other funds, the fair value of each fund is represented by the NAV advised by the management company in the fund's half-year management report as at 30 June 2021, drafted in accordance with the Bank of Italy’s regulation of 19 January 2015, as amended, on collective asset management.

Notes on the Consolidated Statement of Financial Position

NON-CURRENT ASSETS

Non-current assets stood at EUR 355.3 million as at 30 June 2021 (compared with EUR 366.8 million as at 31 December 2020).

1a – Goodwill

This item, amounting to EUR 99.9 million as at 30 June 2021 (unchanged compared with 31 December 2020), refers to the goodwill recorded in relation to the acquisition of IFIM/FIMIT SGR (now DeA Capital Real Estate SGR) for EUR 62.4 million and the investment in DeA Capital Alternative Funds SGR of EUR 37.5 million. This latter amount relates to the acquisition (for EUR 6.2 million) of the "NPL Management Business Unit" of Quaestio SGR (essentially consisting of the management mandates of the "Atlante" and "Italian Recovery Fund" funds, as well as the team and the contracts related to the aforementioned management mandates).

IAS 36 requires that goodwill, and hence the cash-generating unit (CGU), or groups of CGUs to which it has been allocated, is subject to impairment tests at least annually and that certain qualitative and quantitative indicators of impairment are monitored continuously to check for the existence of conditions that would require impairment testing to be carried out more frequently.

With reference to the requirement of the reference Accounting Standards and the recommendations of national and international Supervisory Authorities, in particular those contained:

- in the ESMA Public Statement "Implications of the COVID-19 outbreak on the half-yearly financial reports" issued on 20 May 2020;
- in the Consob warning notice No 8/20 "COVID-19 – Drawing attention to financial reporting" issued on 16 July 2020;
- in the Statement of IOSCO (International Organisation of Securities Commissions) of 29 May 2020;

the qualitative and quantitative analysis conducted did not reveal any issues that would require impairment tests to be instigated.

Having regard also to the resilience of the results at the level of the Alternative Asset Management platform outlined and the confirmation, in a context of macroeconomic turbulence, of the solidity of the development activities, the verifications carried out in relation to the value of intangible assets as at 30 June 2021 – goodwill and intangible assets recorded in the Group's financial statements that are essentially tied to the Alternative Asset Management platform and to the prospects of fees flowing from funds under management – suggest that at this point there is no evidence of any permanent loss in relation to them.

1b – Intangible assets

Intangible assets, and changes in their balances, are indicated in the table below:

(EUR thousand)	Historical cost at 31.12.2020	Cum. amort. & write-downs at 31.12.2020	Net carrying value at 31.12.2020	Historical cost at 30.6.2021	Cum. amort. & write-downs at 30.6.2021	Net carrying value at 30.6.2021
Concessions, licences and trademarks	5,369	(3,854)	**1,515**	5,605	(4,163)	**1,442**
Software expenses	38	(19)	**19**	44	(22)	**22**
Development expenses	114	(114)	**0**	114	(114)	**0**
Other intangible assets	75,378	(50,926)	**24,452**	75,378	(51,595)	**23,783**
Total	**80,899**	**(54,913)**	**25,986**	**81,141**	**(55,894)**	**25,247**

(EUR thousand)	Balance at 31.12.2020	Acquisitions	Amort.	Write-downs	Decreases	Changes in consolidation area	Balance at 30.6.2021
Concessions, licences and trademarks	1,515	236	(309)	0	0	0	1,442
Software expenses	19	23	(4)	0	(16)	0	22
Development expenses	0	0	0	0	0	0	0
Other intangible assets	24,452	0	(669)	0	0	0	23,783
Total	**25,986**	**259**	**(982)**	**0**	**(16)**	**0**	**25,247**

Other intangible assets relate to:

- intangible assets associated with variable fees that come from the allocation of the residual value of FIMIT SGR at the (reverse) merger date into FARE SGR (now DeA Capital Real Estate SGR). These are valued at EUR 19.1 million as at 30 June 2021 (unchanged compared with 31 December 2020). The assessment completed by DeA Capital Real Estate SGR on these intangible assets has not led to write-downs;
- customer relationship, equal to EUR 4.7 million (recognised at EUR 6.7 million and amortised, on a five-year linear basis, by EUR 2.0 million), related to the initial accounting of the fees arising from the management mandates of the NPL business unit acquired by DeA Capital Alternative Funds SGR on 5 November 2019.

1c – Tangible assets

Property, plant and equipment, and changes in their balances, are indicated in the table below:

(EUR thousand)	Historical cost at 31.12.2020	Cum. amort. & write-downs at 31.12.2020	Net carrying value at 31.12.2020	Historical cost at 30.6.2021	Cum. amort. & write-downs at 30.6.2021	Net carrying value at 30.6.2021
Building in Leasing	16,207	(5,415)	**10,792**	16,378	(6,770)	**9,608**
Other leased assets	799	(346)	**453**	1,145	(441)	**704**
Leasehold improvements	3,688	(3,568)	**120**	3,697	(3,580)	**117**
Furniture and fixtures	1,801	(1,660)	**141**	1,809	(1,671)	**138**
Computer and office equipment	1,439	(1,169)	**270**	1,462	(1,216)	**246**
Plant	17	(10)	**7**	17	(11)	**6**
Other assets	352	(305)	**47**	389	(312)	**77**
Total	**24,303**	**(12,473)**	**11,830**	**24,897**	**(14,001)**	**10,896**

(EUR thousand)	Balance at 31.12.2020	Acquisitions	Depr.	Reclassif.	Decreases	Change in consolidation area	Balance at 30.6.2021
Building in Leasing	10,792	450	(1,389)	0	(245)	0	9,608
Other leased assets	453	365	(112)	0	(2)	0	704
Leasehold improvements	120	9	(12)	0	0	0	117
Furniture and fixtures	141	8	(11)	0	0	0	138
Computer and office equipment	270	28	(51)	0	(1)	0	246
Plant	7	0	(1)	0	0	0	6
Other assets	47	37	(7)	0	0	0	77
Total	**11,830**	**897**	**(1,583)**	**0**	**(248)**	**0**	**10,896**

Tangible assets stand at EUR 10.9 million as at 30 June 2021 (EUR 11.8 million as at 31 December 2020), after having deducted amortisation and depreciation for the period of EUR -1.6 million.

The rights of use of the property at Via Brera 21 in Milan for the portion pertaining to the Group companies are recorded under the item "Tangible assets", while the rights for the portion pertaining to De Agostini Group companies are recorded under the items "Financial receivables for non-current leases" and "Financial receivables for current leases".

The item "Other leased fixed assets" refers to lease agreements for cars in use. The depreciation rates are usually 25%.

Depreciation of property, plant and equipment is calculated on a straight-line basis, according to the estimated useful life of the asset. The depreciation rates used in the first half of 2021 (expressed on an annual basis) were 20% for specific plant assets, 12% for furniture and furnishings, 20% for electronic office equipment, 20% for company vehicles and 15% for leasehold improvements.

2 – Financial investments and other non-current assets

2a – Investments in associates

This item, which totalled EUR 27.4 million as at 30 June 2021 (EUR 27.3 million as at 31 December 2020), relates to the following assets:

- the investment in Quaestio Holding/Quaestio SGR valued at EUR 15.1 million (compared with EUR 14.9 million as at 31 December 2020). The change for the period is attributable to the profit for the period;
- units held in the IDeA EESS fund valued at approximately EUR 3.5 million (unchanged compared with 31 December 2020);
- units held in the Venere fund valued at approximately EUR 1.5 million (compared with EUR 1.8 million as at 31 December 2020). The change for the period is attributable to the distribution of capital for EUR -0.2 million and the loss for the period of EUR -0.1 million;
- the investment in YARD valued at EUR 7.3 million (compared with EUR 7.0 million as at 31 December 2020). The change for the period is attributable to the profit for the period.

The table below provides details of the investments held in associates as at 30 June 2021 by business sector:

(EUR million)	**Alternative Asset Management**	**Platform Investments**	**Total**
Quaestio Holding S.A.	15.1	0.0	15.1
YARD group	7.3	0.0	7.3
Venere fund	0.5	1.0	1.5
IDeA EESS fund	0.0	3.5	3.5
Total	**22.9**	**4.5**	**27.4**

The table below summarises details of financial information for Quaestio Holding, YARD, and the IDeA EESS and Venere funds based on the last reporting package available, prepared in accordance with the accounting standards used by the DeA Capital Group:

(EUR thousand)	Quaestio Holding S.A. First Half 2021	YARD Group First Quarter 2021	IDeA EESS First Half 2021	Venere First Half 2021
Revenues	13,832	20,643	0	66
Net profit/(loss) for the period	751	884	(35)	(374)
Other profit/(loss), net of tax effect	(27)	(5)	0	0
Total comprehensive profit/(loss) for the period	724	879	(35)	(374)
Total comprehensive profit/(loss) for the period attributable to minorities	*443*	*536*	*(24)*	*(272)*
Total comprehensive profit/(loss) for the period attributable to Group	*281*	*343*	*(11)*	*(102)*

(EUR thousand)	30.6.2021	31.3.2021	30.6.2021	30.6.2021
Current assets	29,320	35,021	2,552	2,002
Non-current assets	1,137	23,891	9,086	3,702
Current liabilities	(10,250)	(28,364)	(24)	(358)
Non-current liabilities	(234)	(15,104)	0	0
Net assets	**19,973**	**15,444**	**11,614**	**5,346**
Net assets attributable to minorities	*12,219*	*9,424*	*8,083*	*3,888*
Net assets attributable to the Group	*7,754*	*6,020*	*3,531*	*1,458*

(EUR thousand)	30.6.2021	31.3.2021	30.6.2021	30.6.2021
Net initial assets attributable to the Group	7,472	5,677	3,541	1,812
Total comprehensive profit/(loss) for the period attributable to the Group	281	343	(11)	(102)
Capital calls / (Distributions)	0	0	0	(252)
Net final assets attributable to minorities	*7,753*	*6,020*	*3,530*	*1,458*
Goodwill	7,404	1,384	0	0
Diluition effects on reversal of gain relating to sale of SPC	0	(100)	0	0
Book value of associate company / joint Ventures	***15,157***	***7,304***	***3,530***	***1,458***

Dividends paid to minorities during the period	***0***	***0***	***0***	***672***

2b – Investments held by funds measured at fair value through P&L

As at 30 June 2021, the DeA Capital Group holds, through the IDeA OF I fund, minority interests in Iacobucci HF Electronics and Pegaso Transportation Investments (Talgo). This item, totalling EUR 15.9 million as at 30 June 2021 (compared with EUR 14.9 million as at 31 December 2020) breaks down as follows:

(EUR million)	30.6.2021	31.12.2020
Participations in Portfolio		
Iacobucci HF Electronics	0	1.0
Pegaso Transportation Investments (Talgo)	15.9	13.9
Investments at Fair Value through P&L	**15.9**	**14.9**
Total Participations in Portfolio	**15.9**	**14.9**

2c – Investments held in other companies measured at fair value through P&L

As at 30 June 2021, the DeA Capital Group was a minority shareholder of Cellularline, ToI Due (which holds an investment in Alice Pizza) and other minor equity investments. As at 30 June 2021, this item was EUR 9.9 million, compared with EUR 30.0 million as at 31 December 2020.

The change in the period is due to the effects of the improvement by Kenan Investments (17.1% of the capital) of the sale of the residual stake held in Migros (approximately 12% of the latter's capital). In the context of this transaction, DeA Capital S.p.A. received overall distributions for EUR 19.5 million, which brought the total proceeds received from Kenan Investments to approximately EUR 249 million, against the investment made in 2008 for EUR 175 million (thus with a cumulative capital gain of approximately EUR 74 million and an overall return on investment for a cash-on-cash multiple of 1.42x).

The table below provides a breakdown of shareholdings in other companies at 30 June 2021 by business sector:

(EUR million)	Platform Investments	Other investments	Total
Cellularline	0.0	4.2	4.2
ToI Due	5.0	0.0	5.0
Minority interests	0.0	0.7	0.7
Total	**5.0**	**4.9**	**9.9**

2d – Funds measured at fair value through P&L
The item Funds measured at fair value through P&L relates to investments in units of three funds of funds (IDeA I FoF, ICF II and ICF III), four thematic funds (IDeA ToI, Tol 2, SS II and IDeA Agro) two NPE funds (IDeA CCR I and IDeA CCR II), five venture capital funds and ten real estate funds, totalling EUR 132.1 million in the Consolidated Half-Year Financial Statements as at 30 June 2021 (compared with EUR 123.0 million as at 31 December 2020). The following table indicates changes in funds measured at fair value through P&L in the first half of 2021:

(EUR thousand)	Balance at 31.12.2020	Decreases (Capital distribution/Disposals)	Increases (Capital call/Purchase)	Fair value adjustment	Translation effect	Balance at 30.6.2021
IDeA I FoF	15,185	76	(2,849)	2,079	0	14,491
ICF II	23,723	0	0	8,087	0	31,810
ICF III	11,926	18	(150)	2,823	0	14,617
IDeA ToI	16,327	0	(7,802)	5,311	0	13,836
IDeA Agro	1,729	750	0	(32)	0	2,447
ToI 2	2,354	939	0	(136)	0	3,157
SS II	44	1,183	(2)	(89)	0	1,136
IDeA CCR I	1,007	19	(458)	(12)	0	556
IDeA CCR II	6,284	0	0	23	0	6,307
Santa Palomba	703	0	0	10	0	713
DeA Capital Real Estate SGR funds	43,249	0	(771)	59	0	42,537
DeA Capital Alternative Funds SGR funds	42	2	(2)	0	0	42
Venture capital funds	427	0	0	32	20	479
Total funds	**123,000**	**2,987**	**(12,034)**	**18,155**	**20**	**132,128**

The table below provides a breakdown of the funds in the portfolio as at 30 June 2021, by business sector:

(EUR million)	Alternative Asset Management	Platform Investments	Other Investments	Total
IDeA I FoF	0.0	14.5	0.0	14.5
ICF II	0.0	31.8	0.0	31.8
ICF III	0.0	14.6	0.0	14.6
IDeA ToI	0.0	13.8	0.0	13.8
IDeA Agro	0.0	2.4	0.0	2.4
ToI 2	0.0	3.2	0.0	3.2
SS II	0.0	1.1	0.0	1.1
IDeA CCR I	0.0	0.6	0.0	0.6
IDeA CCR II	0.0	6.3	0.0	6.3
Santa Palomba	0.0	0.7	0.0	0.7
DeA Capital Real Estate SGR funds	42.6	0.0	0.0	42.6
DeA Capital Alternative Funds SGR funds	0.0	0.0	0.0	0.0
Venture capital funds	0.0	0.0	0.5	0.5
Total funds	**42.6**	**89.0**	**0.5**	**132.1**

3a – Deferred tax assets
The balance of the item "Deferred tax assets" comprises the value of deferred tax assets minus deferred tax liabilities, where they may be offset. As at 30 June 2021, deferred tax assets totalled EUR 21.8 million, compared with EUR 22.3 million as at 31 December 2020.

3b – Loans and receivables

This item, amounting to EUR 8.1 million as at 30 June 2021 (compared with EUR 7.4 million as at 31 December 2020) refers to the receivable for EUR 0.4 million from the associated company YARD, emerging as a result of the sale to the same of a stake equal to 100% of SPC by DeA Capital Partecipazioni, for EUR 6.6 million for the receivables of DeA Capital Partecipazioni from YARD and from the real estate initiatives promoted by DeA Capital Real Estate France, and for EUR 0.7 million for loans to employees.

3c – Financial receivables for non-current leases

This item, which as at 30 June 2021 amounted to EUR 0.8 million (compared with EUR 1.1 million as at 31 December 2020), refers to the receivable claimed by DeA Capital S.p.A. in respect of the De Agostini Group companies for the use of spaces in the building at Via Brera 21, Milan.

3d – Other non-current assets

This item, amounting to EUR 3.3 million as at 30 June 2021 (EUR 3.1 million as at 31 December 2020) relates, for EUR 1.0 million, to prepaid expenses for the reporting of DeA Capital Alternative Funds SGR and for EUR 2.3 million to receivables for the deferral of placement charges of DeA Capital Alternative Funds SGR.

CURRENT ASSETS

As at 30 June 2021, "Current assets" overall came to EUR 249.2 million, compared with EUR 174.1 million as at 31 December 2020. This item mainly consists of:

4a – Trade receivables

Trade receivables amounted to EUR 10.7 million as at 30 June 2021, compared with EUR 8.1 million as at 31 December 2020. The balance refers mainly to the receivables of DeA Capital Real Estate SGR and DeA Capital Alternative Funds SGR from the managed funds for fees accrued, but not yet collected.

For details of related-party transactions, see the appropriate section of the report (Transactions with parent companies, subsidiaries and related parties).

4b – Financial assets measured at fair value

As at 30 June 2021, the item Financial assets measured at fair value amounted to EUR 14.3 million, and mainly refers to:

- the portfolio of Government Bonds and Corporate Bonds held by DeA Capital Alternative Funds SGR for EUR 6.1 million;
- the portfolio of CCT held by DeA Capital Real Estate SGR, as an investment on behalf of the Regulatory Capital, for EUR 8.1 million.

4c – Financial receivables for current leases

This item, which amounted to EUR 0.2 million as at 30 June 2021, refers to the receivable claimed by DeA Capital S.p.A. in respect of the De Agostini Group companies for the use of spaces in the building at Via Brera 21, Milan.

4d – Tax receivables relating to the tax consolidation scheme due from Parent Companies

This item, totalling EUR 4.1 million as at 30 June 2021 (EUR 4.0 million as at 31 December 2020), relates to the receivables of the Group from the Parent Company De Agostini S.p.A. for joining the tax consolidation scheme.

4e – Other tax receivables

These receivables stood at EUR 86.8 million as at 30 June 2021, compared with EUR 8.5 million as at 31 December 2020. This item mainly includes the VAT credits of DeA Capital Real Estate SGR, resulting from the sale of monthly VAT payables and credits by the managed funds, amounting to EUR 79.2 million, and the tax withholding on the Parent Company's account, amounting to EUR 5.8 million.

Specifically, the Logita Fund, managed by DeA Capital Real Estate SGR as of 1 March 2021, shows a VAT credit as at 30 June 2021 of EUR 71.5 million. This involved part of the credit from 2020, which, at the time of the management transfer, was equal to EUR 17.8 million, and part from the receivable from the VAT settlement in June 2021 equal to EUR 57.3 million.

4f – Other receivables

This item, amounting to EUR 12.1 million as at 30 June 2021 compared with EUR 15.3 million as at 31 December 2020, mainly includes receivables relating to the management of VAT positions with regard to the funds managed by DeA Capital Real Estate SGR, as well as credits for guarantee deposits, advances to suppliers, accrued income and other receivables.

4g – Cash and cash equivalents (bank deposits and cash)

This item comprises cash and bank deposits, including interest accrued as at 30 June 2021. It totalled EUR 121.1 million as at 30 June 2021, compared with EUR 123.6 million as at 31 December 2020. Please see the Consolidated Cash Flow Statement for further information on changes to this item.

SHAREHOLDERS' EQUITY

5 – Shareholders' equity

Group shareholders' equity

As at 30 June 2021, Group shareholders' equity was EUR 435.1 million, compared with EUR 446.4 million as at 31 December 2020. The negative change in Group shareholders' equity in the 1st half of 2021, equal to EUR -11.3 million, is mainly attributable to the extraordinary dividend paid by DeA Capital S.p.A. (EUR -26.1 million), partially offset by the positive result shown in the *Statement of Performance – IAS 1* (EUR +14.0 million).

Minority interest shareholders' equity

As at 30 June 2021, Minority interest shareholders' equity was EUR 17.2 million, compared with EUR 16.7 million as at 31 December 2020. As at 30 June 2021, this item mainly refers to the shareholders' equity pertaining to minority interests resulting from the consolidation (using the line-by-line method) of the IDeA OF I fund. The positive change compared with the balance as at 31 December 2020 amounted to a total of EUR +0.5 million.

The table below provides details of the financial information of IDeA OF I, before elimination of the intercompany relationships with the Group's other companies, as at 30 June 2021:

	IDeA OF I
(EUR thousand)	**First Half 2021**
Management fees form Alternative Asset Managements	990
Net profit/(loss) for the period	877
of which attributable to minorities	**465**
Other profit/(loss), net of tax effect	0
Total comprehensive profit/(loss) for the period	**877**
Total comprehensive profit/(loss) for the period attributable to minorities	**465**

(EUR thousand)	**30.6.2021**
Current assets	3,575
Non-current assets	15,878
Current liabilities	(23)
Non-current liabilities	(2,182)
Net assets	**17,248**
Net assets attributable to minorities	**9,143**

(EUR thousand)	**30.6.2021**
Cash flow from operation actitivies	(122)
Cash flow from investment activities	0
Cash flow from financial activities	0
NET INCREASES IN CASH AND CASH EQUIVALENTS	**(122)**

Dividends paid to minorities during the period	**0**

NON-CURRENT LIABILITIES

As at 30 June 2021, Non-current liabilities totalled EUR 26.2 million, compared with EUR 26.7 million as at 31 December 2020.

6a – Payables to suppliers
As at 30 June 2021, this item totalled EUR 0.7 million, compared with EUR 0.8 million as at 31 December 2020.

6b – Deferred tax liabilities
As at 30 June 2021, this item totalled EUR 6.0 million and includes, specifically, the liabilities for deferred taxes for DeA Capital Real Estate SGR, in full consisting of the offsetting item relating to the deferred tax of intangible assets from variable fees recorded in the asset.

6c – End-of-service payment fund
As at 30 June 2021, this item totalled EUR 6.8 million (compared with EUR 6.5 million as at 31 December 2020); the end-of-service payment comes under defined-benefit plans and was therefore valued by applying the actuarial methodology.

6d – Financial liabilities
As at 30 June 2021, this item result totalled EUR 10.6 million (EUR 11.9 million as at 31 December 2020). This item mainly refers (for EUR 8.5 million) to the financial payable related to lease agreements for vehicles in use, as well as the leasing of the Group company office properties, specifically the property at Via Brera 21 in Milan and the Rome office of DeA Capital Real Estate SGR.

CURRENT LIABILITIES

As at 30 June 2021, current liabilities totalled EUR 126.0 million (EUR 51.2 million as at 31 December 2020).

7a – Payables to suppliers
Payables to suppliers stood at EUR 4.6 million as at 30 June 2021 (compared with EUR 6.0 million as at 31 December 2020). Trade payables do not accrue interest and are on average settled within 30 to 60 days. For details of related-party transactions, see the appropriate section of the report (Transactions with parent companies, subsidiaries and related parties).

7b – Payables to staff and social security organisations
As at 30 June 2021, this item was EUR 10.0 million, compared with EUR 12.7 million as at 31 December 2020, and primarily comprised the payable to staff for unused leave, bonuses, and payables to social security organisations.

7c – Current tax payables
This item totalled EUR 13.2 million as at 30 June 2021 (compared with EUR 8.1 million as at 31 December 2020) and mainly relates to the payable to the parent company De Agostini S.p.A. for the participation of DeA Capital S.p.A., DeA Capital Alternative Funds SGR and DeA Capital Real Estate SGR in the tax consolidation scheme.

7d – Other tax payables
Other tax payables stood at EUR 3.5 million as at 30 June 2021 (compared with EUR 2.9 million as at 31 December 2020) and relate mainly to payables to tax authorities for withholdings on income from employees and self-employed workers paid on time after the end of the half-year.

7e – Other payables

Other payables stood at EUR 91.1 million as at 30 June 2021, compared with EUR 17.7 million as at 31 December 2020, of which EUR 90.7 million (EUR 17.2 million as at 31 December 2020) relates to DeA Capital Real Estate SGR, specifically the payables relating to the handling of VAT positions with regard to the funds managed by said asset management company.

Specifically, the Logita Fund, managed by DeA Capital Real Estate SGR as of 1 March 2021, shows a VAT credit as at 30 June 2021 of EUR 71.5 million. This involved part of the credit from 2020, which, at the time of the management transfer, was equal to EUR 17.8 million, and part from the receivable from the VAT settlement in June 2021 equal to EUR 57.3 million.

7f – Short-term financial payables

This item totalled EUR 3.6 million as at 30 June 2021, compared with EUR 3.7 million as at 31 December 2020. As at 30 June 2021 this item mainly refers to the financial payable related to lease agreements for vehicles in use, as well as the leasing of the Group company office properties, specifically the property at Via Brera 21 in Milan and the Rome office of DeA Capital Real Estate SGR.

Notes on the Consolidated Income Statement

8 – Alternative Asset Management fees

In the first half of 2021, Alternative Asset Management fees totalled EUR 36.0 million, compared with EUR 32.5 million in the same period in 2020. These fees mainly relate to management fees paid to DeA Capital Real Estate SGR and DeA Capital Alternative Funds SGR for the funds that they manage.

9 – Income from investments valued at equity

This item includes income from the associates valued at equity for the period. Amounting to EUR 0.5 million in the first half of 2021, compared with EUR -0.7 million in the first half of 2020, this item is attributable to the pro-rata portion of the profits/losses relating to shareholdings in:

- IDeA EESS (non-significant in the first half of 2021, compared with EUR -0.1 million in the first half of 2020);
- YARD Group (EUR +0.3 million in the first half of 2021, compared with EUR +0.2 million in the first half of 2020);
- Venere (EUR -0.1 million in the first half of 2021, compared with EUR -0.1 million in the first half of 2020);
- Quaestio Holding (EUR +0.3 million in the first half of 2021, compared with EUR -0.6 million in the first half of 2020).

10 – Other investment income/expenses

Other net income from investments in shareholdings and funds totalled EUR 18.4 million in the first half of 2021, compared with EUR -8.9 million in the first half of 2020. In the first half of 2021, this item mainly refers, for EUR 18.3 million, to the fair value adjustment of the private equity funds in the portfolio managed by DeA Capital Alternative Funds SGR (NAV value as at 30 June 2021).

11a – Personnel costs

In the 1st half of 2021, personnel costs totalled EUR 23.2 million, compared with EUR 19.1 million in the same period of 2020, with a difference mainly attributable to: *(i)* the strengthening of the platform structure (in particular to support the development of the AUM), *(ii)* the favorable effect on the 2020 one-off items, *(iii)* the adjustment of the value of the long-term incentive share plans on the basis of the performance recorded.

Details of personnel costs and the comparison with the corresponding period of 2021 are given below:

(EUR thousand)	**First Half 2021**	**First Half 2020**
Salaries and wages	13,783	10,837
Social security charges	3,726	3,254
Board of directors' fees	2,573	2,812
Long term incentive plans cost	1,525	874
End-of-service payment fund	861	682
Other personnel costs	733	675
Total	**23,201**	**19,134**

As at 30 June 2021, the number of employees was 241. The table below shows changes in the average number of Group employees in the first half of 2021:

Position	1.1.2021	Recruits	Departures	Other changes	30.6.2021	Average
Senior Managers	47	3	(5)	0	45	45
Junior Managers	73	10	(3)	0	80	78
Staff	107	16	(7)	0	116	112
Total	**227**	**29**	**(15)**	**0**	**241**	**235**

11b – Service costs

In the first half of 2021, service costs totalled EUR 6.9 million, compared with EUR 7.3 million in the same period of 2020. Details of service costs in the 1st half of 2021, compared with the 1st half of 2020, are reported below:

(EUR thousand)	**First Half 2021**	**First Half 2020**
Administrative, Tax Legal consultancy and other costs	3,238	3,425
Fees to corportae bodies	467	273
Ordinary maintenance	153	115
Travel expenses	150	186
Utilities and general expenses	568	509
Third-party rental, royalties and leasing	560	423
Bank charges	34	27
Books, stationery and conferences	155	104
Commission expenses	318	380
Other expenses	1,281	1,881
Total	**6,924**	**7,323**

11c – Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses amounted to EUR 2.6 million in the 1st half of 2021 (in line with the corresponding period of 2020).

11d – Other costs

Other costs totalled EUR 1.5 million in the first half of 2021, compared with EUR 1.7 million in the same period of 2020. This item mainly consists of:

- non-deductible, pro-rata VAT on intercompany costs in the first half of 2021 concerning DeA Capital Real Estate SGR and DeA Capital Alternative Funds SGR, totalling EUR 0.7 million;
- the write-down of receivables for management fees of DeA Capital Real Estate SGR for EUR 0.4 million.

12 – Financial income (expenses)

Financial income totalled EUR +0.2 million in the first half of 2021 (EUR +0.3 million in the same period of 2020), and financial expenses were EUR -0.2 million (EUR -2.5 million in the corresponding period of 2020).

12a – Financial income

Details of the financial income relating to the first half of 2021, and a comparison with the first half of 2020, are shown below:

(EUR thousand)	First Half 2021	First Half 2020
Interest incomes	168	231
Exchange gains	26	35
Other income	23	0
Total	**217**	**266**

12b – Financial expenses
Details of financial expenses relating to the first half of 2021, and a comparison with the first half of 2020, are shown below:

(EUR thousand)	First Half 2021	First Half 2020
Interest expenses	135	170
Exchange losses	19	172
Losses from financial instruments valued at fair value through profit and loss	0	2,182
Financial charges IAS 19	23	25
Total	**177**	**2,549**

Financial expenses include interest expense on leases totalling EUR 0.1 million, relating to the financial debt recognised as a liability in application of IFRS 16.

13 – Income tax
Income tax came to EUR -7.3 million in the first half of 2021, compared with EUR +3.0 million in the first half of 2020. It is recalled that, in the first half of 2020, the Group had benefited (at the level of DeA Capital Alternative Funds SGR):

- from the positive net effect (EUR +1.2 million) due to the release of the payable for deferred taxes recorded upon the completion of the PPA process related to the acquisition of the NPL Management business unit, as a result of the tax redemption transaction of the customer relationship intangible assets (equal to EUR 0.8 million);
- from the positive net effect (EUR +0.8 million) due to the recognition of deferred tax assets (EUR 1.8 million), against a tax benefit linked to the future deductibility of goodwill, also subject to tax redemption, net of the recognition of the cost of the substitute tax (EUR 1.0 million).

(EUR thousand)	First Half 2021	First Half 2020
Current taxes:		
- Income from tax consolidation scheme	286	1,845
- IRES	(4,726)	(1,127)
- IRAP	(2,264)	(1,180)
- Other tax	0	0
Total current taxes	**(6,704)**	**(462)**
Deferred taxes for the period:		
- Charges for deferred/prepaid taxes	(480)	(478)
- Income from deferred/prepaid taxes	81	3,822
- Use of deferred tax liabilities	0	99
- Use of deferred tax assets	(183)	0
Total deferred taxes	**(582)**	**3,443**
Total income tax	**(7,286)**	**2,981**

14 – Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to the Group's shareholders by the weighted average number of shares outstanding during the period.

Diluted earnings per share are calculated by dividing net profit attributable to the Group's shareholders by the weighted average number of shares outstanding in the period, including any diluting effects of existing stock option plans, in the event that the allocated options are "in the money".

(EUR thousand)	First Half 2021	First Half 2020
Consolidated net profit/(loss) - Group share (A)	**13,978**	**(1,783)**
Weighted average number of ordinary shares outstanding (B)	260,122,011	260,471,262
Basic earnings/(loss) per share (€ per share) (C=A/B)	0.054	(0.007)
Restatement for dilutive effect	0	
Consolidated net profit/(loss) restated for dilutive effect (D)	**13,978**	**(1,783)**
Weighted average number of shares to be issued for the exercise of stock options (E)	0	0
Total number of outstanding shares and to be issued (F)	260,122,011	260,471,262
Diluted earnings/(loss) per share (€ per share) (G=D/F)	0.054	(0.007)

- **Performance by business sector in the first half of 2021**

(EUR thousand)	*Alternative Asset Management*	*Alternative Investment / Holdings*	*Consolidated*
Alternative Asset Management fees	36,118	(74)	36,044
Income (loss) from investments valued at equity	568	(45)	523
Other investment income/expense	57	18,366	18,423
Other revenues and income	25	364	389
Other expenses and charges	(27,933)	(6,280)	(34,213)
Financial income and expenses	(137)	177	40
PROFIT/(LOSS) BEFORE TAXES	***8,698***	***12,508***	***21,206***
Income tax	(2,890)	(4,396)	(7,286)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	***5,808***	***8,112***	***13,920***
Profit (Loss) from discontinued operations/held-for-sale assets	0	0	0
PROFIT/(LOSS) FOR THE PERIOD	***5,808***	***8,112***	***13,920***
- Group share	6,331	7,647	13,978
- Non controlling interests	(523)	465	(58)

Table linking the Statutory Income Statement and the Managerial Income Statement for Alternative Asset Management in the first half of 2021

For the *Alternative Asset Management* sector, the reconciliation between the Summary Statutory Income Statement and the Managerial Income Statement presented in the Management Report is provided below.

(EUR million)	**AAM Net Operating Result (A)**	**AAM Other (B)**	**AAM Net Result (A+B)**
Alternative Asset Management fees	35.7	0.5	36.1
Income (loss) from investments valued at equity	0.2	0.4	0.6
Other investment income/expense	(0.0)	0.1	0.1
Other revenues and income	0.0	0.0	0.0
Other expenses and charges	(24.5)	(3.5)	(27.9)
Financial income and expenses	(0.0)	(0.1)	(0.1)
PROFIT/(LOSS) BEFORE TAXES	***11.4***	***(2.7)***	***8.7***
Income tax	(3.3)	0.4	(2.9)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	***8.1***	***(2.3)***	***5.8***
Profit (Loss) from discontinued operations/held-for-sale assets	0.0	0.0	0.0
PROFIT/(LOSS) FOR THE PERIOD	***8.1***	***(2.3)***	***5.8***
- Group share	8.1	(1.8)	6.3
- Non controlling interests	0.0	(0.5)	(0.5)

The item “other AAM” in the table above mainly includes the contribution of the real estate foreign platform and the non-recurring items of the three Group AMC.

- **Performance by business sector in the 1st half of 2020**

(EUR thousand)	*Alternative Asset Management*	*Alternative Investment / Holdings*	*Consolidated*
Alternative Asset Management fees	32,603	(75)	32,528
Income (loss) from investments valued at equity	(569)	(137)	(706)
Other investment income/expense	(448)	(8,455)	(8,903)
Other revenues and income	178	241	419
Other expenses and charges	(25,177)	(5,522)	(30,699)
Financial income and expenses	(142)	(2,141)	(2,283)
PROFIT/(LOSS) BEFORE TAXES	***6,445***	***(16,089)***	***(9,644)***
Income tax	(307)	3,288	2,981
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	***6,138***	***(12,801)***	***(6,663)***
Profit (Loss) from discontinued operations/held-for-sale assets	0	0	0
PROFIT/(LOSS) FOR THE PERIOD	***6,138***	***(12,801)***	***(6,663)***
- Group share	6,587	(8,370)	(1,783)
- Non controlling interests	(449)	(4,431)	(4,880)

Table linking the Statutory Income Statement and the Managerial Income Statement for Alternative Asset Management in the first half of 2020

For the Alternative Asset Management sector, the reconciliation between the Summary Statutory Income Statement and the Managerial Income Statement presented in the Management Report is provided below.

(EUR million)	**AAM Net Operating Result (A)**	**AAM Other (B)**	**AAM Net Result (A+B)**
Alternative Asset Management fees	32.2	0.4	32.6
Income (loss) from investments valued at equity	(0.2)	(0.4)	(0.6)
Other investment income/expense	(0.0)	(0.4)	(0.4)
Other revenues and income	0.2	0.0	0.2
Other expenses and charges	(21.7)	(3.5)	(25.2)
Financial income and expenses	(0.1)	(0.0)	(0.1)
PROFIT/(LOSS) BEFORE TAXES	***10.3***	***(3.8)***	***6.4***
Income tax	(2.8)	2.5	(0.3)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	***7.5***	***(1.3)***	***6.1***
Profit (Loss) from discontinued operations/held-for-sale assets	0.0	0.0	0.0
PROFIT/(LOSS) FOR THE PERIOD	***7.5***	***(1.3)***	***6.1***
- Group share	7.5	(0.9)	6.6
- Non controlling interests	0.0	(0.4)	(0.4)

The item “other AAM” in the table above mainly includes the contribution of the real estate foreign platform and the non-recurring items of the three Group AMC.

Other information

➢ **Transactions with parent companies, subsidiaries and related parties**

Related-party transactions, including those with other Group companies, were carried out in accordance with the Procedure for Related-Party Transactions adopted by the company with effect from 1 January 2011, in accordance with the provisions of the Regulation implemented pursuant to Article 2391-*bis* of the Italian Civil Code by means of Consob Resolution 17221 of 12 March 2010, as amended.

In 2021, the company did not carry out any atypical or unusual related-party transactions, nor did it carry out any "significant transactions" as defined in the above-mentioned procedure.

Related-party transactions during the first six months of 2021 were concluded under standard market conditions, taking into account the nature of the goods and/or services offered.

With regard to transactions with parent companies, note the following:

1) DeA Capital S.p.A. has a Service Agreement with the controlling shareholder, De Agostini S.p.A., for the provision of operational services in the tax area, at market conditions.

   At the same time, on 1 January 2013, DeA Capital S.p.A. signed an "Agreement to sub-let property intended for use other than residential" again with De Agostini S.p.A. The agreement relates to parts of a building located at Via Brera 21, Milan, comprising spaces for office use, warehousing and car parking. This agreement, which is renewable every six years after an initial term of seven years, is priced at market rates.

2) DeA Capital S.p.A., DeA Capital Partecipazioni, DeA Capital Alternative Funds SGR and DeA Capital Real Estate SGR have joined the national tax consolidation scheme of the De Agostini Group (the Group headed by De Agostini S.p.A.). This option was exercised jointly by each company and De Agostini S.p.A., through the signing of the "Regulation for participation in the national tax consolidation scheme for companies in the De Agostini Group" and by notifying the tax authorities of this option pursuant to the terms and conditions laid down by law. The option is irrevocable unless the requirements for applying the scheme are not met.

   The option is irrevocable for DeA Capital S.p.A. for the three-year period 2020–2022; for DeA Capital Partecipazioni for the three-year period 2019–2021; for DeA Capital Alternative Funds SGR for the three-year period 2021–2023; and for DeA Capital Real Estate SGR for the three-year period 2019–2021.

3) In order to allow more efficient use of liquidity and the activation of credit lines with potentially better terms and conditions than those that may be obtained from banks, DeA Capital S.p.A. has signed a framework agreement (the "Framework Agreement") with the Parent Company De Agostini S.p.A. for the provision of short-term intercompany deposits/financing. Deposit/financing operations in this Framework Agreement can only be carried out subject to verification that the terms and conditions, as determined from time to time, are advantageous. They shall be provided on a revolving basis, and with maturities of not more than three months. The Framework Agreement has a duration of one year and is tacitly renewed each year.

   The amounts involved in deposit/financing operations will, however, always be below the thresholds defined for "transactions of lesser importance" pursuant to Consob Regulation 17221/2010 (Related-Party Transactions) and the internal Procedure for Related-Party Transactions adopted by DeA Capital S.p.A.

Note that there were no deposit/financing operations between DeA Capital S.p.A. and De Agostini S.p.A. arising from the above-mentioned Framework Agreement.

It is finally noted that from 1 January 2020, DeA Capital S.p.A. opted to participate in the "B&D Holding VAT Group" (led by the indirect parent company of DeA Capital S.p.A.), which allows companies belonging to the same Group to share a single VAT number and operate uniformly for VAT purposes only. Membership is binding for the three-year period from 2020 to 2022.

The table below summarises the amounts of trade-related transactions with related parties.

	30.6.2021					First Half 2021			
(EUR thousand)	*Trade receivables*	*Leasing Credits*	*Tax receivables*	*Tax payables*	*Trade payables*	*Income from services*	*Personnel costs*	*Service costs*	*Interest on leasing*
De Agostini S.p.A.	28	891	4,301	8,900	15	29	(2)	(29)	11
B&D Holding S.p.A.	0	0	0	0	0	0	0	0	0
Gruppo De Agostini Editore	0	0	0	0	76	1	(104)	(34)	0
Gruppo IGT	7	107	0	0	0	0	0	0	1
Gruppo YARD	0	0	0	0	0	0	0	(57)	0
Total related parties	**35**	**998**	**4,301**	**8,900**	**91**	**30**	**(106)**	**(120)**	**12**
Total financial statement line item	**10,683**	**998**	**4,301**	**13,241**	**4,619**	**43**	**(23,201)**	**(6,924)**	**217**
As % of financial statement line item	**0.3%**	**100.0%**	**100.0%**	**67.2%**	**2.0%**	**69.8%**	**0.5%**	**1.7%**	**5.5%**

➢ Directors' and auditors' remuneration

In the 1st half of 2021, remuneration payable to the Parent Company's Directors and Statutory Auditors for the performance of their duties totalled, respectively, EUR 941 thousand (of which EUR 525 thousand for the fixed component and EUR 416 for the variable component) and EUR 52.5 thousand.

Long-term share incentive schemes
To date, the company has in place the following long-term incentive share plans for the Boards of Directors and Executives with strategic responsibilities.

- *Performance shares*

Performance shares		**Units outstanding at 1 January 2021**			**Units granted during 2021**			**Units delivered during 2021**	**Units lapsed/ cancelled during 2021**	**Units outstanding at 30 Jun 2021**		
Beneficiary	**Position**	**Number of Units**	**Units Price (€)**	**Average expiry date**	**Number of Units**	**Units Price (€)**	**Average expiry date**	**Number of Units**	**Number of Units**	**Number of Units**	**Units Price (€)**	**Average expiry date**
Paolo Ceretti	CEO	175,000	1.36	4	76,015	1.36	4	251,015	0	0	0	0
Paolo Ceretti	CEO	500,000	1.56	4	54,291	1.56	4	220,941	0	333,350	1.56	4
Chief Operating Officer/Senior managers with strategic responsibilities		100,000	1.36	4	43,437	1.36	4	143,437	0	0	0	0
Chief Operating Officer/Senior managers with strategic responsibilities		200,000	1.56	4	21,716	1.56	4	88,376	0	133,340	1.56	4
Chief Operating Officer/Senior managers with strategic responsibilities		225,000	1.51	4	0	0	0	0	0	225,000	1.51	4
Chief Operating Officer/Senior managers with strategic responsibilities		500,000	1.29	4	0	0	0	0	0	500,000	1.29	4
Chief Operating Officer/Senior managers with strategic responsibilities		0	0	0	500,000	1.48	4	0	0	500,000	1.48	4

- *Share plan*

On 18 April 2019, the DeA Capital S.p.A. Shareholders' Meeting approved the 2019–2021 Share Plan for the CEO of the company, under which a maximum of 1,750,000 shares may be granted for free in the event of the achievement of certain performance parameters.

➢ Atypical or unusual transactions

In the first half of 2021, there were no atypical or unusual transactions as defined by Consob Communication 6064293 of 28 July 2006.

➢ Significant non-recurring events and transactions

In the first half of 2021, the DeA Capital Group did not undertake any significant non-recurring transactions as defined by the above-mentioned Consob Communication.

➢ Net financial position

Please see the Interim Management Report, as mentioned above, regarding the net financial position of the DeA Capital Group.

➢ Coronavirus information

For information related to Coronavirus, please refer to the Interim Management Report, specifically the section "COVID-19" included under "Other information" in the Interim Management Report.

Significant events after the end of the period and outlook

❖ SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

➢ Strategic real estate agreement between the DeA Capital Group and CPI property Group

On 5 August 2021, a strategic agreement was signed between DeA Capital S.p.A. ("DeA Capital"), De Agostini S.p.A. (DeA), DeA Capital Real Estate SGR ("DeA Capital RE" or "SGR"), CPI Property Group S.A. ("CPIPG") and the subsidiary of the latter, Nova Re SIIQ ("Nova RE"), aimed at defining a potential real estate partnership ("Framework Agreement").

CPIPG is a leading European property company, listed on the Frankfurt Stock Exchange, with a property portfolio valued at over EUR 10 billion. Nova RE is a real estate operator listed on the *Mercato Telematico Azionario* (Telematic Stock Exchange) on the Italian Stock Exchange, with a portfolio of properties valued at approximately EUR 120 million as at 31 December 2020. In particular, the Framework Agreement provides that the parties to the agreement undertake to cooperate in the performance of a joint project aimed at creating a partnership in the Italian real estate market (the "Joint Project"), also involving the assignment by Nova RE to DeA Capital RE of the role of advisor for the performance of some asset advisory services for Nova RE.

With the Framework Agreement, the parties are mainly aiming to regulate the terms, conditions and methods of implementation of the Joint Project based on the following milestones:

i) Asset Advisory Agreement: the central element of the Joint Project is represented by the appointment of DeA Capital RE as advisor to Nova RE for the provision of certain services for the development of the latter's business;
ii) Acquisition of a minority shareholding in Nova RE: subject to the execution of the Asset Advisory Agreement between DeA Capital RE and Nova RE, DeA Capital, through one of its affiliates, will acquire a minority shareholding in Nova RE ("Nova RE Shareholding");
iii) Definition of the New Strategic Plan: the Joint Project will be based on a strategic plan ("New Strategic Plan") which will be developed by Nova RE based on the strategic guidelines shared with the SGR ("Strategic Guidelines");
iv) Additional investment: for the purposes of carrying out the Joint Project and subject to the occurrence of certain conditions, CPIPG and one or more companies of the DeA Group will subscribe and pay a portion of the share capital increase approved by the Nova RE administrative body based on the capacity granted, pursuant to art. 2443 of the Italian Civil Code, to the administrative body on 26 April 2021 by the Extraordinary Shareholders' Meeting of Nova RE, to increase the share capital of the Company for a maximum amount of EUR 2 billion, including any surcharges, to be paid also in divisible form, in one or more instalments, by the approval date of the Shareholders' Meeting of the financial statements as at 31 December 2023, also with the exclusion of option rights pursuant to art. 2441, paragraphs 4 and 5 of the Italian Civil Code ("Delegated Capital Increase"). In particular, the Framework Agreement provides that Nova RE undertakes to execute, as part of the Delegated Capital Increase, a divisible capital increase for an initial amount of up to EUR 1 billion, including nominal value and any surcharges, in accordance with the terms and conditions that will be set out in the New Strategic Plan ("Capital Increase").

Part of the Capital Increase will be subscribed by DeA and DeA Capital (or by one of their affiliates), on the one hand, and by CPIPG, on the other, in order to acquire properties on the market in line with the New Strategic Plan, as follows:

(i) DeA and DeA Capital (or one of their affiliates) will subscribe and contribute in cash up to an amount ("DeA Subscription Amount") equal to the lower of *(a)* 5% of the Capital Increase and *(b)* the amount equal to the difference between EUR 50 million and the price paid for the purchase of the Nova RE Shareholding (for a total investment in Nova RE of up to EUR 25 million each);

(ii) CPIPG will subscribe and contribute, in cash and/or in kind, an amount of the Capital Increase to such an extent that, as a result of the Capital Increase, its shareholding is between 50% and 60% of Nova RE.

As agreed between the parties, from the date of completion of the sale and purchase of the Nova RE Shareholding, DeA and DeA Capital will have the right to jointly appoint a member of the administrative body of Nova RE.

The obligations of the parties to the Framework Agreement to subscribe and pay part of the Capital Increase are subject to the fulfilment of the following conditions precedent:

(i) by 30 June 2022:

a) the approval of the New Strategic Plan by Nova RE in accordance with the Strategic Guidelines, with the form, content and level of detail satisfactory to DeA Capital RE as asset advisor;
b) the appointment of a person designated jointly by DeA and DeA Capital as a member of the board of directors of Nova RE;
c) the approval by Consob and Borsa Italiana S.p.A. of an offering and listing prospectus in accordance with Regulation (EU) 2017/1129, relating to the Capital Increase and its publication in accordance with applicable laws;
d) the occurrence of all of the following circumstances in relation to Nova RE in the context of the Capital Increase (prior to, or concurrently with, the subscription of said Capital Increase by DeA and DeA Capital): (x) the resolution by Nova RE of an increase of the share capital of Nova RE, in a divisible manner, in the context of the Delegated Capital Increase for an amount up to EUR 1.0 billion (including any amount subscribed to and paid up by DeA, DeA Capital and CPIPG pursuant to the Framework Agreement); (y) the subscription and cash payment of the Capital Increase by third-party investors (for clarity, other than DeA, DeA Capital and CPIPG) for an overall amount of at least EUR 300 million; and (z) Nova RE's compliance with the corporate and shareholding requirements under article 20 of Decree-Law no. 133/2014 in order to apply and adhere to the special tax regime it provides for "SIIQ" companies (it being understood that the requirements under this point (z) may also be achieved as a result of any transfer of Nova RE shares from CPIPG to third-party investors prior to the subscription of the Capital Increase);

(ii) (x) the continuing effectiveness and non-termination, for any reason whatsoever, of the Asset Advisory Agreement and (y) the maintenance of the terms of the New Strategic Plan approved, as of the date of subscription of the Capital Increase.

The Framework Agreement shall cease to have effect in the event of termination of the Asset Advisory Agreement pursuant to the relevant provisions.

Furthermore, when executing the Framework Agreement, the following were also signed on the same date:

- between CPIPG, as seller, and DeA Capital Partecipazioni S.p.A. (a subsidiary of DeA Capital), as purchaser, an agreement to purchase and sell the Nova RE shareholding, equal to 1,101,255 ordinary shares representing approximately 5% of the share capital of Nova RE to be executed by 30 September 2021, at a price of EUR 3.169 per share, for a total consideration of EUR 3,489,877.10; the execution of this agreement is conditional on the Asset Advisory Agreement remaining effective and not being terminated for any reason at the date of purchase of the aforementioned shareholding; this agreement provides, among other things, for the obligation on the part of CPIPG to ensure that a member of the Nova RE board of directors resigns from his or her position and that the Nova RE board of directors appoints, through co-option, the person who will be indicated by DeA Capital Partecipazioni S.p.A, provided that such candidate complies with the legal requirements on eligibility and any KYC procedures of Nova RE;

- between DeA Capital RE and Nova RE, the Asset Advisory Agreement, concerning the assignment to DeA Capital RE of the exclusive provision to Nova RE of asset advisory services—which must be carried out in accordance with specified service levels, as well as in compliance with all specific instructions and guidelines issued by Nova RE—including: (i) strategic assistance in the context of the capital increase operations arising from the Framework Agreement; (ii) strategic assistance relating to the approval of Nova RE's business plan and related budgets; (iii) reporting; (iv) strategic assistance in the context of Nova RE's real estate operations (i.e. real estate asset management, acquisition and disposal operations etc.). The Asset Advisory Agreement has a term of six years, automatically renewable for a further six years, commencing on 1 September 2021 and expiring on 31 August 2027, subject to termination in the cases referred to therein.

➢ Distribution of the dividend by Quaestio Holding

On 10 August 2021, Quaestio Holding (parent company of Quaestio Capital SGR) distributed dividends for EUR 5.0 million, of which EUR 1.9 million to DeA Capital S.p.A. By means of this distribution, the overall dividends distributed by Alternative Asset Management totalled to EUR 24.9 million in 2021.

❖ OUTLOOK

In a context still characterized by COVID-19, the DeA Capital Group will continue to focus on the development of the alternative Asset Management platform, through the launch of new products, the further growth of activities at international level and coordination, in particular in the go-to-market strategy, with Quaestio Capital SGR.
Moreover, the Group – which has already shown extraordinary resilience, both in operational terms and in terms of economic and financial results in the most acute stages of the pandemic – will continue in the activities of valorisation of the assets in portfolio.

Statement of responsibilities for the Summary Consolidated Half-Year Report to 30 June 2021

Statement of Responsibilities for the Summary Consolidated Half-Year Report as at 30 June 2021 (pursuant to Article 154-bis of Legislative Decree No 58/98)

The undersigned, Paolo Ceretti, as Chief Executive Officer, and Manolo Santilli, as the manager responsible for preparing the accounting statements of DeA Capital S.p.A., hereby certify, pursuant to Article 154-*bis*, paragraphs 3 and 4 of Legislative Decree No 58 of 24 February 1998, that based on the company's characteristics, the administrative and accounting procedures for preparing the Summary Consolidated Half-Year Financial Statements as at 30 June 2021 were suitable and were applied effectively.

The assessment as to the suitability of the administrative and accounting procedures for preparing the Summary Consolidated Half-Year Financial Statements at 30 June 2021 was based on a process established by DeA Capital S.p.A. in keeping with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which is the generally accepted reference framework at international level.

It should be noted in this regard that, as described in the Notes to the Summary Consolidated Half-Year Financial Statements as at 30 June 2021, a significant portion of the assets are investments stated at fair value. Such fair value was determined by the Directors based on their best judgement and estimation, using the knowledge and evidence available at the time that the Summary Consolidated Half-Year Financial Statements were prepared. However, due to objective difficulties in making assessments and the absence of a liquid market, the values assigned to such assets could differ, in some cases significantly, from those that could be obtained when the assets are sold.

The undersigned further certify that the Summary Consolidated Half-Year Financial Statements as at 30 June 2021:

- correspond to the Companies' accounting records;
- have been prepared in compliance with the International Financial Reporting Standards adopted by the European Union, and especially IAS 34 (Interim Financial Reporting), and the measures issued to implement Article 9 of Legislative Decree No 38/2005;
- to the best of their knowledge, provide a true and fair view of the operating performance and financial position of the issuer and the group of companies included in the scope of consolidation.

The Interim Management Report contains a reliable analysis of operating performance and results and of the situation of the issuer and all companies included in the scope of consolidation, together with a description of the main risks and uncertainties to which they are exposed.

9 September 2021

Paolo Ceretti
CEO

Manolo Santilli
Manager responsible for preparing the Company's accounts

Review report on summary consolidated half-year report

To the shareholders of
DeA Capital SpA

Foreword

We have reviewed the accompanying summary consolidated half-year report of DeA Capital SpA and its subsidiaries (DeA Capital Group) as of 30 June 2021, comprising the statement of financial position, the income statement, the statement of comprehensive income, the cashflow statement, the statement of changes in shareholders' equity and the related notes. The directors of DeA Capital SpA are responsible for the preparation of the summary consolidated half-year report in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on this summary consolidated half-year report based on our review.

Scope of review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution No. 10867 of 31 July 1997. A review of summary consolidated half-year report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the summary consolidated half-year report.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying summary consolidated half-year report of DeA Capital Group as of 30 June 2021 is not prepared, in all material respects, in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, 10 September 2021

PricewaterhouseCoopers SpA

Signed by

Giovanni Ferraioli
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers

PricewaterhouseCoopers SpA

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