ANIMA Holding S.p.A.

Consolidated interim financial report at 30 June 2020

This Consolidated Interim Financial Report has been translated into the English language solely for the convenience of international readers.

ANIMA HOLDING S.P.A.
MILAN – CORSO GARIBALDI, 99
TAX ID AND VAT REGISTRATION NO. 05942660969
REA MILAN NO. 1861215
SHARE CAPITAL €7,291,809.72 FULLY PAID UP

CORPORATE OFFICERS

BOARD OF DIRECTORS

CHAIRMAN
Livio Raimondi (independent)

CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER
Alessandro Melzi d'Eril

DIRECTORS
Paolo Braghieri (independent)
Rita Laura D'Ecclesia (independent)
Melany Libraro
Karen Sylvie Nahum (independent)
Filomena Passeggio (independent)
Francesco Valsecchi (independent)
Gianfranco Venuti

FINANCIAL REPORTING OFFICER
Enrico Maria Bosi

BOARD OF AUDITORS

CHAIRMAN
Mariella Tagliabue

STANDING AUDITORS
Gabriele Camillo Erba
Claudia Rossi

AUDIT FIRM
Deloitte & Touche S.p.A.

Consolidated interim report on operations

The consolidated interim financial report at 30 June 2020 (also the "Interim Report") of the Anima Group (the "Group") shows the period ending with a net profit of about €72.6 million.
The Anima Group is active in the formation, development, promotion and management of financial products under the Anima and Gestielle brands, as well as the provision of individual portfolio management services to retail and institutional customers. The Group has also decided to enter the so-called alternative "illiquid" products segment, in particular so-called "private capital" funds, to be offered primarily to institutional customers. This new initiative was implemented with the establishment on 13 February 2020 of Anima Alternative SGR S.p.A. (changed in June from the original Aliseam SGR S.p.A.), which will specialize in management of alternative investment funds ("AIFs").

At 30 June 2020 the Anima Group had more than €183.4 billion in assets under management.

The Group's Parent Company is Anima Holding S.p.A. ("Anima Holding", "Parent Company", "Issuer" or "Company"), which has been assigned the management and strategic coordination role for the Group and is listed on the electronic stock market (*Mercato Telematico Azionario*) organized and operated by Borsa Italiana S.p.A..

The scope of consolidation at 30 June 2020 includes the following fully consolidated companies, in addition to the Parent Company:

- Anima SGR S.p.A. ("Anima SGR") – 100% direct control;
- Anima Alternative SGR S.p.A. ("Anima Alternative") – 100% direct control;
- Anima Asset Management Ltd ("Anima AM") – 100% indirect control.

The Interim Report at 30 June 2020 has been prepared pursuant to Article 154-ter of Legislative Decree 58/1998 (the Consolidated Law on Financial Intermediation or "Consolidated Law"), as amended by Legislative Decree 25 of 15 February 2016.
The Interim Report includes the interim report on operations, the condensed consolidated interim financial statements and the certification provided for in paragraph 5 of Article 154-bis of the Consolidated Law.

The consolidated financial statements have been prepared on the basis of the accounts at 30 June 2020 approved by the management bodies of the companies included in the scope of consolidation, as prepared by the Group's consolidated companies.
The condensed consolidated interim financial statements (interim financial statements) have undergone a limited audit.
The Interim Report has been prepared in accordance with the international accounting standards ("IAS" and "IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union. In particular, it is compliant with the international accounting standard governing interim financial reporting (IAS 34). Under paragraph 10 of IAS 34, the Group has elected to publish the Interim Report in condensed form.
The Interim Report at 30 June 2020 does not provide all of the disclosures required for the preparation of the annual consolidated financial statements. For this reason, it is necessary to read the Interim Report together with the consolidated financial statements at 31 December 2019.
The recognition and measurement policies adopted in preparing the condensed consolidated interim financial statements for the first half of 2020 are the same as those used in preparing the consolidated financial statements for 2019, as well as the accounting standards endorsed by the European Union that have taken effect as from 1 January 2020.

Shareholders

As at the date of the approval of the condensed consolidated interim financial statements by the Board of Directors, shareholders with significant interests in Anima Holding, as determined on the basis of the notifications made pursuant to Article 120 of Legislative Decree 58/98 and other information available to the Company, are as follows: Banco BPM S.p.A. ("Banco BPM") with 19.385%, Poste

Italiane S.p.A. ("Poste Italiane" or "Poste") with 10.355%, River and Mercantile Asset Management LLP with 5.210%, Wellington Management Group LLP with 5.028% and Norges Bank with 2.967%. The Company also holds treasury shares without voting rights representing 3.024% of share capital.
In addition, pursuant to Consob Resolutions 21326 - 21327 of 9 April 2020 and 21434 of 8 July 2020, on 31 March 2020 the Company was notified that the threshold of 1% of share capital had been exceeded by Caltagirone Gaetano Francesco, acting through Gamma S.r.l. with 1.118% and on 18 May 2020 by DWS Investment Gmbh with 2.771%.

GENERAL OPERATIONAL ENVIRONMENT

Macroeconomic conditions

The year 2020 began with expansionary measures intended to bring about a significant monetary easing, some signs of stabilization of the business cycle and economic recovery and the successful outcome of trade negotiations between the United States and China, which led to the signing of the "Phase 1" agreement.
Beginning in the second half of January, however, the scenario changed radically: the rapid spread of coronavirus infections (COVID-19) and the consequent global health emergency prompted the World Health Organization ("WHO") to designate the outbreak a global pandemic and, in rapid succession, many countries adopted stringent lockdown measures in order to stem the health crisis. This created strong risk aversion among investors. The negative impact on economic growth, uncertain in its duration and strength, will be inevitable and substantial across the world. In the short term, the COVID-19 pandemic has sparked a severe global recession. Among the various consequences have been a collapse in sales, industrial production and business confidence indicators, growing unemployment and a drop in the price of oil.
The US Federal Reserve has recently expressed concern about the timing of the recovery and the possible adverse repercussions of the crisis in the medium-long term: in forecasts for this year, US GDP could plunge by 6.5% and unemployment rise to near 10%. The most recent surveys have recorded a slight recovery in industrial production and a significant jump in retail sales, engendering greater confidence in a rebound of economic activity in the short term. In the euro area, GDP has contracted by more than 3.5%, attributable to a collapse in private consumption, with retail sales plummeting by close to -20% on an annual basis in the spring. At the beginning of July, the European Commission forecast a contraction in euro-area GDP of 8.7% for 2020, with a rebound of 6.1% in 2021.
The growth forecasts for Italy are worse, with output falling by 11.2% in 2020 and expanding by 6.1% in 2021.
Towards the end of the first half of the year, signs of stabilization emerged in the United States and the euro area, connected with the progressive lifting of lockdown measures. In China, data on the real economy began to show signs of improvement, and on the supply side, growth in manufacturing output returned to near pre-COVID levels. On the demand side, governments have been rolling out large-scale packages of fiscal measures since late February and central banks have intervened aggressively by cutting rates, expanding quantitative easing and injecting liquidity into the banking system. In March, the Fed cut rates by 1.5% to a range of 0% - 0.25%, subsequently announcing interventions worth more than $1,200 billion, removing limits on the duration and scale its QE measures, introducing measures to support the credit market and public and private sector lending programs. The US Congress approved support measures, launching a fiscal plan worth over $2 trillion (9.5% of GDP), an intervention of historic proportions. Other central banks also took significant measures: the Bank of England and the Bank of Canada lowered rates (with cuts of -0.65% and -1% respectively), the Bank of Japan injected liquidity into the interbank market, announcing its willingness to double its purchases of ETFs. After leaving rates unchanged, the European Central Bank announced significant new purchases of government securities, the easing of banks' capital requirements and the introduction of the Pandemic Emergency Purchase Program (PEPP). The European Commission suspended the Stability Pact, giving maximum flexibility to governments in their fiscal response. Germany prepared a substantial fiscal stimulus plan.

Until the end of April, however, the euro-area countries could not reach agreement on the creation of a joint debt instrument. The debate over the Recovery Fund led to Germany and France indicating their willingness to launch a €500 billion "recovery plan" to enable the European Union and the countries most affected by COVID-19 to cope with the pandemic-induced crisis. The European Commission would be authorized to finance the Recovery Fund by borrowing money on the markets in the name of the European Union: this new approach would represent a truly "joint" approach, although it did encounter opposition from a number of Member States.
In Asia and Europe, the peak of the pandemic appears to have passed as the first half came to an end, albeit with cases of hotspots connected with returning citizens. However, other regions are still running against the trend, with certain US states and Latin America leading the way.

From the beginning of this year until the end of June, the global equity index lost ground in local currency terms. Volatility, after reaching very high levels in March, gradually subsided through the end of the first half, although it remains high. The performance of bond indices in local currency terms differed by segment. Global government securities performed especially well, supported within their respective areas by the decline in US and German yields. In the corporate bond segment, the gains posted by the global investment grade sector was offset by losses in the EMU area and by global high yield paper. Emerging economy securities also posted losses. The euro-dollar exchange rate, which is close to the level at the beginning of the year, fluctuated widely over the course of the first half of the year, especially between January and March, settling in June at around 1.12-1.13.
Concerns about the outlook for demand triggered a broad decline in the prices of commodities, especially oil, which at one point turned negative. The lows posted in April were followed by a partial recovery thanks to expectations of market rebalancing and optimism about the economic recovery.

Asset management in Italy

Based on the provisional figures published by Assogestioni, at 30 June 2020 total assets under management amounted to €2,239.2 billion, a decrease of about €66.8 billion compared with the €2,306 billion registered at the end of 2019.
The provisional data for asset management show net funding of around €0.5 billion in the first half of 2020, (compared with net funding of about €49 billion at 30 June 2019). More specifically, collective asset management products posted net funding of about €3.4 billion in the period, while portfolio management products recorded net redemptions of about €2.9 billion.

SIGNIFICANT EVENTS FOR THE ANIMA GROUP IN THE FIRST HALF OF 2020

Coronavirus SARS-CoV-2

On 12 January 2020, the World Health Organization (WHO) confirmed that a coronavirus was the cause of a new infection that had affected inhabitants of the city of Wuhan, in the Chinese province of Hubei, which had been brought to the attention of the WHO on 31 December 2019.

The first two cases of coronavirus SARS-CoV-2 ("COVID-19") infection in Italy were confirmed on 30 January 2020, while the first larger outbreak of infection was subsequently detected on 20 February 2020 in Lombardy, in Codogno, in the province of Lodi.

Once the first domestic hotspot was discovered, one of the first measures adopted by the Italian Government was the quarantine of 11 municipalities in northern Italy (in Lombardy and Veneto). On 23 February the Council of Ministers issued Decree Law 6, which ordered the total quarantine of municipalities with active outbreaks and the suspension of all events, trade fairs and conferences. In the following days Prime Minister Giuseppe Conte issued a series of implementing decrees (DPCM) in which the restrictive measures were made progressively more stringent and extended to the entire country. These included the DPCMs of 25 February, of 1, 4, 8, 11 and 22 March and 1, 10 and 26 April. With the Prime Ministerial Decree of 16 May 2020, Prime Minister Conte announced the beginning of "Phase 2", from 18 May to 14 June 2020. in this phase, many retail businesses resumed operations and some restrictions were lifted, such as those governing social isolation and movement within regions. Travel between regions has been allowed since 3 June 2020 with the further easing of restrictions.

The economic effects of the pandemic are systemic and have adversely impacted almost all economic sectors at the national and international levels. The crisis has also affected the prices of commodities, especially oil.

Impacts on the Group

Following the spread of the COVID-19 emergency, the Group worked to ensure maximum safety for its employees and third-party employees present in the corporate premises of the Group companies, in compliance with the instructions issued by the competent authorities, and to guarantee the operational continuity of processes.

In addition to supplying personal protective equipment (masks), personnel safety was ensured by installing protective screens, disinfectant gel dispensers and thermal scanners and implementing travel restrictions and incentives for flexible working, which were gradually extended to all staff, while also ensuring frequent and specific office sanitization procedures carried out in accordance with the instructions issued by the Ministry of Health.

In order to gradually enable all staff to work flexibly, additional hardware (personal computers, smartphones, data SIMs, etc.) and software were acquired and distributed (company networks were further upgraded to enable simultaneous access by an increasing number of users and cyber-security has been strengthened to prevent fraud). Specific training initiatives have been implemented in the areas of remote communication and remote access.

At the date of approval of this Interim Report, preference is still being given to flexible working methods. Currently, a progressive and gradual return to the office in stages is planned to begin in September, although it remains subject to adjustments dictated by the evolution of the health emergency and the implications of the decisions of the competent authorities.

The commercial strategy adopted by the Group, centered on providing constant support to customers and placement agents, has been strongly reinforced with the massive use of webinars and communication platforms, which have contributed to reassuring and strengthening relations with customers and our distribution partners. The decline in the value of assets under management was mitigated by the prudent asset mix and limited in time thanks to the prompt intervention by national governments and the central banks to support the economy, which enabled a partial recovery in financial market performance.

The COVID-19 pandemic and the consequent impact on the performance of the financial markets caused a contraction in the Group's assets under management ("AUM"), which totaled €183.4 billion at 30 June 2020, down €2.4 billion compared with 31 December 2019, with the decrease marginally offset by net funding of €0.1 billion for the period.

The Group's figures for performance, financial position and net funding in the first half of 2020 demonstrated the considerable resilience of the business, with the achievement of positive and growing net profit compared with 30 June 2019, confirming the Group's stability even in an environment affected by significant macroeconomic uncertainty and financial market volatility.
Note also that the Group has donated around €200,000 to support entities engaged in countering the COVID-19 emergency.

As regards collection/payment operations, there were no significant impacts directly or indirectly attributable to the COVID-19 emergency during the period. Please see the net financial position of the Group at 30 June 2020 in the section "Group operations and results for the first half of 2020" of this consolidated report on operations.
The Parent Company has not changed the dividend distribution policy based on the consolidated results achieved in 2019 following an analysis, conducted in March 2020, of the Group's ability to meet its medium/long-term financial commitments. The dividend, amounting to about €73 million, was paid on 20 May 2020.

This Interim Report has been prepared on a going-concern basis, considered appropriate in the light of performance and the outlook for the Company in accordance with the principle of accrual accounting, complying with the principle of the materiality and significance of information and the prevalence of substance over form. There were no significant events or circumstances that might raise doubts about the ability of the company to operate as a going concern.

For its intensity and unpredictability, the COVID 19 pandemic represents an external indicator of potential impairment for all companies and therefore requires an assessment of the impact of the crisis on the value of assets, as underscored in the recommendations of the European Securities and Markets Authority (ESMA) contained in the public statement "Implications of the COVID-19 outbreak on the half-yearly financial reports" of 20 May 2020, as also indicated on multiple occasions by Consob (most recently Consob warning notice no. 8/20 of 16 July 2020) and as emphasized by the International Organization of Securities Commissions (IOSCO) in its "Statement on Importance of Disclosure about COVID-19" of 29 May 2020.
The COVID-19 pandemic was already considered by Company management in the consolidated interim report on operations at March 31, 2020 as a potential indicator of impairment (a trigger event pursuant to IAS 36) with regard to the intangible assets recognized in the Group consolidated financial statements, which could have suffered an impairment loss. Consequently, the recoverable value of these assets was estimated (performing impairment testing). The results of the impairment test performed for the Anima SGR Cash Generating Unit ("CGU") at 31 March 2020 did not reveal any impairment of goodwill or intangible assets with a finite useful life.
In consideration of the recommendations of the various authorities mentioned above and in the light of the ongoing uncertainty characterizing macroeconomic conditions, the Company also tested the CGU for impairment at 30 June 2020.
In accordance with IAS 36, the projections of the cash flows used to determine the recoverable value of intangible assets with an indefinite useful life, and goodwill in particular, have been reviewed by Company management based on the forecasts indicated in the Group 2020-2024 Business Plan approved in December 2019 and on reasonable and supportable assumptions that, while duly considering the uncertainty generated by the health emergency, are capable of representing today the best estimate of the economic conditions expected over the useful life of the assets. Sensitivity analyzes were also conducted of the potential impact of the epidemiological emergency on the assumptions underlying the estimates performed.
After the analyzes conducted in March 2020 and in the light of the continuous evolution and the possible effects of the COVID-19 pandemic, the Company has revised certain annual forecasts, which were evaluated by the Board of Directors of the Company in May 2020 and most recently updated on 30 July 2020.
The results of the impairment test of the Anima SGR CGU did not reveal any impairment of goodwill or intangible assets with a finite useful life.

For more details on the impairment test carried out, please see the notes to the consolidated financial statements - Part B Information on the Consolidated Balance Sheet - Section 9 Intangible assets - Item 90" of the interim financial statements at 30 June 2020.

The financial items recognized by the Group in its interim financial statements are represented by (i) units of collective investment undertakings (funds managed by Group companies) classified under "assets mandatorily measured at fair value" and (ii) hedging derivatives, measured at fair value using Level 1 and 2 inputs (for hedging derivatives only). Current market volatility affected the fair value measurement of these items as at 30 June 2020. In particular, with regard to units of collective investment undertakings, this volatility resulted in the recognition of a negative fair value adjustment of about €1.5 million.

Finally, the credit rating agency Fitch Ratings ("Fitch"), in consideration of the concerns about the effects of the COVID19 epidemic on the economy and on the state of the Italian public finances, downgraded the sovereign debt of Italy to BBB- (from BBB). Following this action, on 5 May 2020, Fitch published the review of the credit rating assigned to Anima Holding and its bond issue which, in analogy with the sovereign rating, was downgraded to BBB- (from BBB). At the same time, Fitch removed the Company from its "Rating Watch Negative", indicating that the outlook is "Stable".

Please see the section "Main risks and uncertainties - Risks related to COVID-19 that may have an impact on the Group" of this consolidated report on operations at 30 June 2020 for further details.

Interest rate swaps to hedge risk of changes in Euribor on the bank loan

On 17 January 2020 the Company, as required by the loan agreement signed on 10 October 2019 (the "Bank Loan"), entered into Interest Rate Swap ("IRS") derivative contracts to hedge the risk of changes in the Euribor rate, the reference parameter of the Bank Loan, with Banca Monte dei Paschi di Siena SpA, Banco BPM and Mediobanca - Banca di Credito Finanziario SpA. The IRSs are effective from 21 January 2020 and expire on 10 October 2024 (the expiry date of the Bank Loan) and have a notional value of €148.5 million.

Establishment of Anima Alternative

On 13 February 2020, Anima Holding established Anima Alternative to manage alternative investment funds ("AIFs"). The establishment of Anima Alternative is part of a strategic initiative for the Anima Group to enter the so-called alternative "illiquid" products segment, in particular "private capital" funds.
On 23 June 2020, the change in the company name of the newly-created company was registered in the Company Register, after initially being registered under the name of Aliseam SGR S.p.A ..
Finally, on 28 July 2020, Anima Alternative was registered under no. 187 in the Register of Asset Management Companies - AIF Managers Section maintained by the Bank of Italy pursuant to Article 35 of the Consolidated Law following the receipt of authorization to operate on the same date.

Treasury shares

On 21 December 2018, the Shareholder's Meeting of the Company approved a program to purchase treasury shares pursuant to Articles 2357 and 2357-*ter* of the Italian Civil Code and of Article 132 of the Consolidated Law in order to: (i) make use of treasury shares to support existing and future incentive plans for corporate officers, employees, or other Group associates that involve the use or grant of shares or financial instruments that are convertible into shares; and (ii) establish a securities portfolio to be used, in line with the strategic guidelines of the Company, to support any extraordinary transactions.
The resolution authorized the purchase, in one or more transactions in a freely determinable amount, with a resolution of the Board of Directors, a maximum number of the Company's ordinary shares with no par value equal to no more than 10% of the share capital, taking account of any treasury shares that may already be held by the Company or held by subsidiaries.

The share buy-back program was initiated by the Company in two phases:

- the first (see the press release of 8 January 2019) in the period between 9 January 2019 and 23 April 2019 resulted in the purchase on the Mercato Telematico Azionario ("MTA") of 11,401,107 treasury shares, equal to 3% of share capital, for €41,192,258 (excluding costs and/or income associated with the transaction) at an average price of €3.613;
- the second (see the press release of 15 November 2019) in the period between 18 November 2019 and 28 February 2020 resulted in the purchase on the MTA of 11,148,095 treasury shares, equal to 2.93% of share capital, for €49,999,992 (excluding costs and/or income associated with the transaction) at an average price of €4.4851.

The Company published information about the share buy-back program on a weekly basis, providing the number, average price and value of treasury shares purchased on the MTA during the specified period.

At 31 March 2020, the Company held a total of 22,549,202 treasury shares, with no par value, equal to approximately 5.93% of share capital, with a value of €91,516,260 (inclusive of transaction costs/income), corresponding to an average price of €4.0585 per share.

On 31 March 2020 the Shareholders' Meeting of the Company, meeting in extraordinary session, approved the proposal of the Board of Directors to cancel 11,401,107 treasury shares in the Company's portfolio, equal to 3% of the share capital on the date of the resolution. Please note that, pursuant to Article 5 of the Company's Articles of Association, share capital is represented by ordinary shares with no par value. Accordingly, the cancellation of treasury shares only reduces the number of existing shares without any reduction in share capital.

On 27 April 2020 the shareholders' resolution to cancel treasury shares was entered in the Company Register. As a result, the fully subscribed and paid-up share capital of Anima Holding is equal to €7,291,809.72 represented by 368,635,785 shares with no par value.

Termination of the employment relationship with the General Manager of Anima SGR

On 27 March 2020 (see the press release of 27 March 2020) the Company reached an agreement concerning the termination of the employment relationship of Marco Carreri with the subsidiary Anima SGR S.p.A. ("Anima SGR"), also in consideration of the previously announced decision of Mr. Carreri not to seek a new term on the occasion of the forthcoming appointment of a new Board of Anima Holding.

The Board of Directors of Anima Holding, after conducting the relevant evaluations and after having received a positive opinion from the Appointments and Remuneration Committee, the Related Parties Committee (as the aforementioned agreement is a related party transaction of lesser importance, pursuant to the Procedure for Related Party Transactions of Anima Holding) and the Board of Auditors, voted to reach a comprehensive agreement with Mr. Carreri.

The agreement provides for the payment, following the termination of employment as General Manager of Anima SGR with effect as of 31 March 2020, in concomitance with the end of his term as CEO of Anima Holding (effective with the appointment of the new Board of Directors by the Shareholders' Meeting referred to above) and of Anima SGR, of a gross sum equal to €1,295,000, in addition to accrued compensation at the termination date, severance pay and the indemnity in lieu of notice calculated in accordance with the provisions of applicable law and the national collective bargaining agreement.

Finally, the Company entered into a non-compete agreement and employee non-solicitation agreement with Mr. Carreri with a duration of 12 months, for a gross sum of €400,000.

The aforementioned amounts were paid on the basis of the agreement signed by the parties, in accordance with the applicable remuneration policies of Anima Holding and Anima SGR in particular, including "malus" and "claw-back" clauses.

As part of the agreement, Marco Carreri also elected to waive €50,000, not included in the above amounts, which the Anima Group shall donate to public or private entities involved in the prevention and treatment of the consequences of the COVID-19 virus outbreak, selected with the approval of Mr. Carreri.

As a "good leaver", Mr. Carreri will retain the rights assigned to him within "LTIP 2018-2020" incentive plan, in accordance with the terms and conditions governed in the associated rules illustrated in the Information Document available to the public at www.animaholding.it. Please see "Section 4 – Other information - LTIP" of the notes to the consolidated financial statements at 30 June 2020 for information on changes in the value of the incentive plan deriving from the lapse of the Units associated with the departure of Mr. Carreri ("departing Beneficiary") from the Group.
The Board thanks Mr. Carreri for his work in the Group over the years and for the extraordinary contribution of professionalism and humanity he brought to that work, which enabled the Anima Group to emerge as a leader in the asset management sector in Italy.

Resolutions of Shareholders' Meeting, changes in membership of corporate boards of Anima Holding and appointment of the Joint General Manager

On March 31, 2020, the Ordinary Shareholders' Meeting of the Parent Company approved:

- the Company's financial statements at 31 December 2019 and the distribution of a dividend of €0.205 per share (excluding treasury shares held by the Company) gross of withholding taxes, with an ex coupon date for coupon no. 7 of 18 May 2020 and a record date of 19 May 2020;
- the first section of the Report on Remuneration Policy and Remuneration Paid pursuant to Article 123-ter of Legislative Decree no. 58/1998 (the Consolidated Law) and expressed a favorable opinion on the second section;
- the proposal of the Board of Directors regarding the renewal of the purchase and disposal of treasury shares pursuant to Articles 2357 and 2357-ter of the Civil Code and Article 132 of the Consolidated Law, authorizing the Board, subject to revocation of the unexecuted portion of the previous authorization, to purchase and dispose of treasury shares up to a maximum of 10% of share capital and for a maximum period of eighteen months.

In addition, the Shareholders' Meeting appointed the Board of Directors, setting the term of the Board at three years (2020-2022, in office until the date of approval of the financial statements at 31 December 2022) and increasing the number of directors from nine to ten. The Shareholders Meeting reappointed Livio Raimondi as Chairman and appointed as directors Alessandro Melzi d'Eril (former General Manager of the Company and subsequently, on 3 April 2020, also appointed Chief Executive Officer of the Company), Paolo Braghieri (independent), Rita Laura D'Ecclesia (independent), Maria Patrizia Grieco (independent - reappointed), Melany Libraro (employee of the Poste Group), Karen Sylvie Nahum (independent - reappointed), Filomena Passeggio (independent), Francesco Valsecchi (independent - reappointed) and Gianfranco Venuti (employee of the Banco BPM Group - reappointed). The Shareholders' Meeting also appointed the Board of Auditors for the 2020-2022 term (in office until the date of approval of the financial statements at 31 December 2022), reappointing Chairman Mariella Tagliabue and appointing the standing auditors Gabriele Camillo Erba and Claudia Rossi and the alternate auditors Tiziana Di Vincenzo and Maurizio Tani.
On 8 June 2020, Maria Patrizia Grieco resigned from her position as director of the Company, in consideration of her appointment as Chairman of Banca Monte dei Paschi di Siena S.p.A. and the applicable rules banning interlocking positions. We express our heartfelt thanks to Ms. Grieco for the fruitful work she has performed for the Group over the years.
Finally, on 7 May 2020, the Company's Board of Directors appointed Pierluigi Giverso (formerly Deputy General Manager of Anima SGR)
as Joint General Manager of the Company.

Partnership with the Poste Group

On 31 March 2020, the Company and Anima SGR, together with Poste Italiane S.p.A. ("Post Office"), BancoPosta Fondi SGR S.p.A. ("BPF") and Poste Vita S.p.A. ("Poste Vita"), confirming their mutual interest in continuing their collaboration in the asset management sector and in implementation of the commitments made in the operating agreement entered into on 6 March 2018 ("Operating

Agreement"), entered into an agreement ("Poste Modification Agreement") by which the parties have agreed to amend certain provisions of the Operating Agreement and part of the annexes and, as a result, to replace the attachment of the demerger and purchase agreement entered into on 6 March 2018 and effective as of 1 November 2018 ("Demerger and Purchase Agreement") relating to the earn-out mechanisms.

The Poste Modification Agreement qualified as a transaction with a related party, as on the date the agreement was signed Poste held an overall interest of 10.04% of the Company's share capital, which enables it to exercise a significant influence over the Company.

With the Poste Modification Agreement, the parties have amended some of the conditions contained in the Operating Agreement with reference both to the delegation of management of BPF mutual funds and the delegation for the management of Poste Vita insurance assets in order to preserve the industrial and financial substance of the partnership.

Please see the Information Document, published on the Company's website on 7 April 2020, concerning transactions of greater importance with related parties prepared by the Company and accompanied by the opinion issued by the Related Parties Committee and the opinion of the independent expert KPMG Advisory S.p.A., for a complete examination of the agreements signed.

Partnership with the Banco BPM Group

On 8 April 2020, the Company and Anima SGR signed a second amending agreement (subsequent to that signed on 12 February 2020) proposed by Banco BPM and Banca Aletti & C. S.p.A. concerning the extension of the time limit for notifying the price adjustment mechanism described in the Information Document relating to transactions of greater importance with related parties of 14 February 2018.

On 14 May 2020, in order to strengthen the strategic partnership between the Anima Group and the Banco BPM Group, new agreements were signed ("Banco BPM Modification Agreement") between the parties with the intention of revising certain provisions of the agreement ("Private Agreement") entered into on 9 November 2017 and the framework insurance agreement ("Framework Insurance Agreement") entered into on 7 February 2018. More specifically:

- as regards the Private Agreement, a review was conducted of the net funding targets and the related penalties payable to the Company/Anima SGR in the event of failure to achieve the targets;
- as regards the Framework Insurance Agreement, the mechanism for the second adjustment of the provisional price paid by Anima SGR for the purchase of management contracts was replaced and based on the verification of the overall value of the insurance assets under management at the evaluation date of 31 December 2019. In accordance with the changes referred to in the previous point, this adjustment mechanism is based on verification of net insurance funding under those contracts at two future dates.

The Banco BPM Amending Agreement qualified as a transaction with a related party, as on the date the agreement was signed Banco BPM held an overall interest of 15.443% of the Company's share capital, which enables it to exercise a significant influence over the Company.

Please see the Information Document, published on the Company's website on 21 May 2020, concerning transactions of greater importance with related parties prepared by the Company and accompanied by the opinion issued by the Related Parties Committee, for a complete examination of the agreements signed.

Partial repurchase of the Bond and partial repayment of the Bank Loan

In June, the Company carried out the following transactions in order to proactively manage the profile of its existing financial debt:

- on 10 June 2020, it settled the partial repurchase offer (for a maximum nominal amount of €30 million) for bonds issued by the Company on 23 October 2019 in the total nominal amount of €300 million, with an annual coupon of 1.750% and maturing in October 2026 ("Bond"). The offer, which began on 22 May (see the press release of 22 May 2020), ended on 5 June 2020 (see the press release of 8 June 2020) with the repurchase of a total nominal amount of €16,022,000 at a price equal to 90.00% of the nominal value of the bonds. At 30 June 2020, following the cancellation of the repurchased bonds, the nominal value of the Bond is equal to €283,978,000;

- on 30 June 2020, the Company, pursuant to and for the purposes of the Bank Loan agreement, optionally repaid part of the principal in advance, in the amount of €35 million. The Bank Loan was obtained in the original amount of €297 million falling due in October 2024, and at 30 June 2020 remained outstanding in the amount of €262 million.

TRANSACTIONS WITH RELATED PARTIES

Procedure for Related-Party Transactions

The Company, in compliance with applicable regulations, has adopted a Procedure for Related-Party Transactions (the "Procedure").

The Procedure, in implementation of the Consob regulation on related parties (Resolution no. 17221 of 12 March 2010 as amended), ensures the transparency and the substantive and procedural fairness of transactions with related parties carried out directly or through subsidiaries. More specifically, it governs the following aspects:

- the role and duties of the Related Parties Committee;
- the identification of related parties;
- the identification of related-party transactions;
- the process of assessing, approving and reporting to corporate bodies of transactions with related parties;
- market disclosure of transactions with related parties.

The Procedure is available on the website of Anima Holding at www.animaholding.it, Investor Relations – Corporate Governance section.

Transactions of greater importance

- On 31 March 2020, the Poste Modification Agreement was signed by Poste, BPF and Poste Vita on the one hand and the Company and Anima SGR on the other agreed to amend certain provisions of the Operating Agreement and part of the annexes and, as a result, replace the attachment to the Demerger and Purchase Agreement relating to the earn-out mechanisms.
  The Poste Modification Agreement qualifies as a related party transaction of greater importance, since, at the signing date, Poste held 10.04% of the Company's share capital and consequently, in accordance with applicable law and regulations, the transaction was approved by the Company's Board of Directors, subject to obtaining a favorable opinion from the Related Parties Committee.
  Pursuant to Article 5 and in accordance with the schedule set out in Annex 4 of the Regulation adopted by Consob with Resolution no. 17221 of 12 March 2010, as amended, as well as Article 13 of the Procedure for Related Party Transactions approved on 13 March 2014 (as amended on 8 March 2017) by the Board of Directors of Anima Holding, the Parent Company has prepared the Information Document which was published on 7 April 2020 on the Anima Holding website at www.animaholding.it.
- On 14 May 2020 the Banco BPM Modification Agreement was signed, under which Banco BPM and Banca Aletti on the one hand and the Company and Anima SGR on the other agreed to modify certain provisions contained in the Private Agreement and the Framework Insurance Agreement.
  The Banco BPM Amending Agreement qualifies as a transaction between related parties of greater importance, since, at the signing date, Banco BPM held 15.443% of the Company's share capital and is also one of the main distributors of savings products managed by Anima SGR. Note that the Company director Venuti is Head of Private Customer Coordination at Banco BPM (previously, he was Head of Investments and Wealth Management at Banca Aletti - Banco BPM Group) and a director of Bipiemme Vita S.p.A ..

Consequently, in accordance with applicable law and regulations, the transaction was approved by the Company's Board of Directors, subject to obtaining a favorable opinion from the Related Parties Committee.
Pursuant to Article 5 and in accordance with the schedule set out in Annex 4 of the Regulation adopted by Consob with Resolution no. 17221 of 12 March 2010, as amended, as well as Article 13 of the Procedure for Related Party Transactions approved on 13 March 2014 (as amended on 8 March 2017) by the Board of Directors of Anima Holding, the Parent Company has prepared the Information Document which was published on 21 May 2020 on the Anima Holding website at www.animaholding.it.

Transactions of lesser importance
With regard to paragraph 8 of Article 5 of the Consob regulation concerning the periodic reporting of transactions with related parties, the Related Parties Committee was asked to issue an opinion on the early termination of the employment relationship with Marco Carreri, the previous General Manager of Anima SGR and previous CEO of Anima SGR and the Company (the "Termination").
The Termination qualified as a transaction with a related party pursuant to the Procedure: more specifically, it was a transaction carried out by Anima SGR in which the Company itself participated in relation to the non-compete obligations that Dr. Carreri has undertaken for the benefit of the Company as well.
Mr. Carreri was considered a related party of the Company and of Anima SGR in that he was (i) a manager of Anima SGR with the position of General Manager of the that company; (ii) Chief Executive Officer of Anima SGR and (iii) Chief Executive Officer of the Company.
Since, on the basis of the checks performed by the Related Party Transaction unit, the materiality index applicable to the case in question (i.e. the significance of the value of the transaction) did not exceed the thresholds referred to in Article 6.1 of the Related Party Procedure, the transaction qualified as a "transaction (related party) of lesser importance".

Other significant transactions
With regard to paragraph 8 of Article 5 of the Consob regulation concerning the periodic reporting of transactions with related parties, during the period no other transactions of "greater importance" or "lesser importance" were carried out with related parties.
No atypical or unusual transactions were carried out.

Ordinary or recurring transactions
During the period under review in this Interim Report, the Group carried out transactions, settled on terms and conditions in line with market standards, with the parties identified by the procedures for related party transactions.
Transactions with related parties mainly regarded commercial activities supporting the distribution of the products managed by the Group, the management engagements received, current account deposits for the management of liquidity, the Bank Loan and the IRS derivatives connected with it, postal services received, as well as the remuneration paid to the members of the Board of Directors of the Group companies originating in Banco BPM and Poste.
For more details on the transactions with related parties carried out during the year, please see "Part D – Other information - Section 6 – Transactions with Related Parties" of the notes the interim financial statements at 30 June 2020.

MAIN RISKS AND UNCERTAINTIES

Main enterprise risks

The performance of the Anima Group depends on numerous factors, in particular the performance of the financial products we manage, the ability to offer products that meet the varied investment needs of customers and the capacity to maintain and develop our own customer base and that of the distribution networks through which the Anima Group operates, including through the constant and careful delivery of advisory and assistance services directly to customers and to the units of the distribution networks.

The failure to maintain the quality of our operational management, i.e. the inability to apply that management successfully to new initiatives, could have an adverse impact on the Anima Group's ability to maintain, consolidate and expand its customer base and that of the distribution networks that it uses.

The Group does not have its own distribution network and uses third-party distribution networks for the distribution of its asset management products. This means that these distribution networks also place products promoted by competitors. Furthermore, if third-party placers should transfer a significant part of their distribution network or there are changes in the shareholding and/or governance structures of these placement agents, these events could have an adverse impact on net funding and consequently on the Group's revenues.

The income generated by fund management operations is primarily represented by management and performance fees (where contractually provided for), which account for the majority of the Group's revenue.

Management and performance fees are connected with the market value of assets under management and the results of product management. More specifically, management fees are calculated periodically as a percentage of the assets of an individual product. Any decline in that value, whether due to adverse developments in the financial markets or to net redemptions of funds, could cause those fees to decrease. In addition, long-term agreements with some partners (such as Banco BPM and Poste) contain targets for KPIs that could cause a reduction in assets under management, and thus management fees, if those targets are not met.

Performance fees, on the other hand, are charged to the fund and paid to the management company when the return of the fund in a given period exceeds the performance of a benchmark index, a predetermined value or a target return. For some funds, performance fees are due if the value of fund units increases above its highest previous level. Accordingly, earning performance fees, and the amount of those fees, is a naturally volatile event, sharply affected by the returns earned by funds and other managed products, which is in turn impacted not only by the quality of the funds' managers but also by developments in markets and, more generally, the national and international economy.

Our image and reputation are a major strength of the Group. A negative perception of the Group's image on the market by customers, counterparties, shareholders, investors or supervisory authorities, engendered for example by the loss of key personnel, by a decline in the performance of our products in absolute terms or compared with benchmarks or with our competitors, by the violation on the part of portfolio managers of sector regulations, by the opening of legal, tax or arbitration proceedings against the Group companies, regardless of whether those claims are justified, or by the application of penalties by the supervisory authorities could significantly harm the image and reputation that the Group enjoys in the industry. More generally, it could undermine the confidence shown in the Group by its customers and third-party distribution networks, with a potential negative impact on the Group's growth prospects and on its revenue and operating performance.

In addition, asset management is governed by a substantial and evolving body of regulations. The regulatory authorities in each country that oversees the Group's operations include, for Italy, Consob, the Bank of Italy, the Financial Intelligence Unit and Covip for Italy and the equivalent authorities in the other countries in which the Group operates. Such an extensive and far-reaching regulatory environment makes organizational controls and control systems to manage compliance risk particularly important.

Risks related to COVID-19 that may have an impact on the Group.

The impacts emerging from the assessments of the risks associated with the current COVID-19 emergency are described below.

Health and safety risks

Since the end of February 2020, the Group has acted swiftly and effectively to ensure maximum safety for its employees and third-party employees present in the corporate premises of the Group companies, in compliance with the instructions issued by the competent authorities.

In compliance with the provisions of the Protocol governing measures to combat and contain the spread of the COVID-19 virus in the workplace signed by the Government and the social partners on 14 March 2020 (the "Protocol") as amended, the Group has prepared a detailed plan for managing the COVID-19 health emergency (the "Plan"), which sets out the contents of the Protocol and the company's prevention measures.

In compliance with a specific requirement established in the Protocol, a committee was set up to apply and verify compliance with the rules contained in the Plan, whose members also include worker safety representatives and company trade union representatives. The committee is charged with updating the Plan on an ongoing basis to incorporate any new good practices and recommendations issued by the competent bodies and with supervising compliance with its instructions.

In particular, the main activities undertaken to deal with the COVID-19 emergency include:

- (requirement under Article 17 of Legislative Decree 81/08 as amended) - revision of the Risk Assessment Document (revision date 4 May 2020) taking into further consideration of the dangers related to exposure to COVID-19 (generic biological risk) updated with the specific guidelines issued by INAIL in the planning document "Technical document on the possible reorganization of measures to contain SARS-CoV-2 contagion in the workplace and prevention strategies";
- (requirement under Article 36 of Legislative Decree 81/08 as amended) – notice to all employees about coronavirus SARS-CoV-2 biological risk and the company measures connected with the anti-contagion protocol;
- (requirement under Article 37, paragraph 2, of Legislative Decree 81/08 as amended and the State-Regions Agreement of 26 January 2012) training of all employees on coronavirus SARS-CoV-2 biological risk (as an additional risk) in a course certified in accordance with the State-Regions Agreement;
- (compliance with Article 43 of Legislative Decree 81/08 as amended) - update of the "COVID-19 health emergency management plan" in compliance with the Protocol governing measures to combat and contain the spread of the COVID-19 virus in the workplace of 14 April 2020, as updated on 24 April 2020, and the INAIL guidelines in the planning document "Technical document on the possible reorganization of measures to contain SARS-CoV-2 contagion in the workplace and prevention strategies";
- (requirement under Article 26 of Legislative Decree 81/08 as amended) - updating of the risk assessment document (DUVRI; revision date 4 May 2020) with the provisions of the anti-contagion protocol;
- preparation of privacy information pursuant to Article 13 of Regulation (EU) 679/2016 to be provided to all interested parties for the measurement of body temperature before entering company premises;
- preparation of information for air conditioning system maintenance workers, incorporating the contents of ISS COVID-19 Report no. 33/2020;
- installation of special waste collection containers for masks;
- possibility of performing COVID-19 rapid tests for employees, on a voluntary basis, with the supervision of the Company physician.

Strategic risks
Exogenous shocks such as the COVID-19 pandemic can have a very large impact on the Group's profitability, especially in terms of reduced revenues. Such events are by their nature sudden and unpredictable, and precisely because of this unpredictability in their mode of manifestation, they are difficult to model ex ante.
Revenue could be reduced by: (i) a decline in the value of assets under management, on which fees are calculated: (ii) greater difficulty in generating performance fees; and (iii) a reduction in net funding due to the climate of uncertainty generated by the shock to both the real economy and the financial markets.
As regards operations, the Group has a business continuity plan that can be promptly activated, if necessary, in order to ensure business continuity. The characteristics of the activities performed by the Group and the size of the company and the technologies in use also enable an agile, rapid and effective response even in emergency situations. The presence of a widely diversified range of products both in terms of markets and strategies, with a significant presence of absolute return/flexible products and low risk solutions, enables us to reduce the impact of any market shocks on the stock of assets under management. The considerable diversity of distribution channels and type of customers, with the consequent diversification of the portfolios under management, also helps protect assets under management from potential market shocks.
In addition, our commercial business model, which is focused on providing continuous support to placement agents and customers, enables us to maintain ongoing contacts to support their decision-making, even in conditions of high uncertainty.

Operational risks
With regard to activities outsourced to third-party vendors, the Group verifies procedures for activating their respective emergency plans on an ongoing basis, requesting and obtaining periodic notifications and updates on the performance of those activities.
In particular, the Group's operating units have also established a working group with the various suppliers of administrative services and the custodian banks to map the various activities affected by the new working practices, for each developing a review of processes instrumental to the performance of services while ensure health safety.
To further monitor the work of outsourcers, the timeliness, completeness and accuracy of the information flows received by them are monitored on a daily basis.
In addition, in the light of the emergency nature of the health crisis linked to the COVID-19 pandemic, internal procedures concerning the management of potential stresses to which the portfolios managed by Anima SGR (interruption of operations on certain financial markets and associated unavailability of quotes, a decline in the liquidity of financial instruments, receipt of significant redemption requests, etc.) have been updated. These procedures were discussed with the custodian banks as well as within the working groups set up by the Assogestioni trade association.

Technology risks
The Group's current operations depend significantly on the complex information system that has been developed and which could be exposed to potential cyber-attacks for various purposes. Accordingly, the malfunction, ineffectiveness or inefficiency of IT systems could impact corporate processes, with consequent economic, financial and reputational impacts.
Working remotely during the COVID-19 health emergency could lead to an increase in cybersecurity risks, particularly in view of the use of personal computers and/or smartphones connected to home data networks. However, this risk is mitigated by the installation of advanced antivirus applications similar to those already adopted to protect the Group's IT network.
Finally, connections between remote devices and the company system are implemented using high-level security standards, as they are direct private connections (VPN - Virtual Private Network).

For more detailed and comprehensive information on risks, please see the section "Main risks and uncertainties" of the consolidated report on operations accompanying the consolidated financial statements as at 31 December 2019, in addition to the discussion in the notes to the consolidated financial statements – "Part D - Other Information - Section 3 - Information on risks and risk management policies" of the interim financial statements at 30 June 2020.

Group organization

In accordance with applicable legislation and the content of the Group Regulation, Anima Holding, as Parent Company, exercises management and coordination over the Anima Group companies and provides governance and policy-setting for the Group concerning in particular:

- general planning and strategic policies;
- analysis of the competitive environment and identification of internal and external areas for growth to improve the Group's market position;
- extraordinary operations and transactions of greater importance from a strategic, performance, capital and financial standpoint;
- assessment of the organizational, administrative and accounting structure, with a focus on the internal control and risk management system;
- corporate governance policies;
- compensation and incentive policies;
- financial management;
- mapping strategic risks (including the model for managing money-laundering risks).

The subsidiaries are exclusively responsible for providing asset management and investment services and carrying out other activities relating to the product offering and customer service for the Group.
Under the Group's organizational structure, operational activities are almost fully concentrated within the subsidiaries.

Finally, Legislative Decree 231 of 8 June 2001, ("Legislative Decree 231/2001") introduced the rules on "Corporate liability for administrative offences resulting from a crime". More specifically, the system of rules applies to legal persons, companies and associations, even those lacking legal personality. No administrative liability arises, however, if the company adopts and effectively implements, prior to the commission of a crime, compliance models to protect against such crime. These models can be adopted on the basis of codes of conduct or guidelines prepared by industry associations (including Assogestioni, which represents Italian asset managers) and communicated to the Ministry of Justice.
The Boards of Directors of Anima Holding and Anima SGR adopted their respective "Compliance Models as per Legislative Decree 231/2001" (the "Models"). The Models are divided into: (i) a "general" part that describes the company's system of rules and organization, construed as the rules, processes and procedures for the performance of operating activities, (ii) a "special" part, which details the types of offenses relevant under Legislative Decree 231/2001, as well as the result of the company's assessment of the exposure to the risk of commission of offenses expressed in terms of "likelihood of occurrence" and "associated risk", and (iii) "Annexes" which contain the main sources of the ethical and behavioral principles underpinning the construction and operation of the model, representing an integral part of that model. They consist of the Code of Ethics, the Code of Conduct and the Disciplinary Code.
The task of monitoring the operation of and compliance with the Models and ensuring that they are updated has been assigned to specific independent Supervisory Bodies under the provisions of Legislative Decree 231/2001 designated by the Boards of Directors of the respective companies.

OTHER INFORMATION

Purchase of treasury shares

At 30 June 2020, the Company held 11,148,095 treasury shares with no par value, equal to about 3.024% of share capital. The value of the shares held, which is recognized in a negative equity reserve (inclusive of transaction costs/income), is equal to about €45,244,704, corresponding to an average price of €4.0585 per share.
For more details, please see the section "Significant events for the Anima Group – Treasury shares" in this Interim Report.
At 30 June 2020, the subsidiaries included in the scope of consolidation did not hold any treasury shares or shares of the Parent Company in their portfolios.

Tax issues

As regards tax issues and disputes, as no new material developments had arisen as at the date of approval of this Interim Report, please see the discussion in the consolidated report on operations – Other information – Tax issues accompanying the consolidated financial statements at 31 December 2019.

GROUP OPERATIONS AND RESULTS FOR THE FIRST HALF OF 2020

Information on operations

Assets under management ("AUM") by the Anima Group at 30 June 2020 amounted to €183.4 billion, down €2.3 billion on the end of 2019. The decline reflected adverse developments in the financial markets, associated in particular with the COVID-19 emergency, which reduced AUM by about €2.4 billion, with the decrease marginally offset by net funding of €0.1 billion for the period.
The following table reports AUM at the end of the first half of 2020 compared with 31 December 2019 and funding performance by distribution channel compared with the same period of 2019.

	End-of-period AUM				Net funding YTD	
Millions of euros	Dec-19	Jun-20	% change AuM	Absolute change	Jun-19	Jun-20
Total Anima Group	**185,681**	**183,420**	**-1%**	**(2,261)**	**(949)**	**101**
Retail	**54,973**	**51,965**	**-5%**	**(3,008)**	**(1,562)**	**(854)**
Strategic Partners	48,147	45,745	-5%	(2,402)	(1,013)	(455)
Bank networks	4,315	3,979	-8%	(336)	(275)	(190)
Financial advisor networks	2,286	2,017	-12%	(269)	(271)	(211)
Other	225	224	0%	(1)	(3)	2
Institutional	**130,708**	**131,455**	**1%**	**747**	**613**	**955**

Reclassified consolidated income statement at 30 June 2020

The reclassified consolidated income statement provides a scalar presentation of the formation of net profit for the period with the reporting of aggregates commonly used to provide an overview of performance.
In addition, the statement also reports the adjustments to statutory consolidated net profit as calculated for reporting purposes in order to neutralize the main impact on the latter of non-recurring or non-monetary costs and revenues and costs and revenues not pertaining to the core activities of the Group (net of the associated tax effects).
These aggregates are considered Alternative Performance Measures under the provisions of the Consob communication of 3 December 2015, which incorporates the guidelines of the European Securities and Markets Authority (ESMA) of 5 October 2015.

It should also be noted that the accounting effects of application of IFRS 16 have been reclassified in the reclassified consolidated income statement, consistent with the management figures used by the Group.

(Thousands of euros)	30/06/2020	30/06/2019	Δ% 2020 VS 2019
Net management fees	135,431	141,108	-4%
Performance fees	36,730	9,595	283%
Other revenues	13,496	11,827	14%
Total revenues	**185,657**	**162,530**	**14%**
Personnel expenses	(24,177)	(22,436)	8%
Other administrative expenses	(16,604)	(19,146)	-13%
Total operating expenses	**(40,781)**	**(41,582)**	**-2%**
Adjusted EBITDA	**144,876**	**120,948**	**20%**
Non-recurring costs	(6,187)	(4,607)	34%
Other costs and revenues	2,344	2,915	-20%
Net adjustments of property, plant and equipment and intangible assets	(26,422)	(26,692)	-1%
EBIT	**114,611**	**92,564**	**24%**
Net financial expense	(5,236)	(5,761)	-9%
Profit before taxes	**109,375**	**86,803**	**26%**
Income taxes	(36,772)	(23,424)	57%
Consolidated net profit	**72,603**	**63,379**	**15%**
Net tax adjustments	**21,462**	**15,591**	**38%**
Normalized net profit	**94,065**	**78,970**	**19%**

The Company defines adjusted earnings before interest and taxes, depreciation and amortization (adjusted EBITDA) as the difference between total revenues and total operating expenses as reported in the reclassified income statement.
At 30 June 2020, Group adjusted EBITDA amounted to €144.9 million, an increase of about €23.9 million compared with the same period of 2019 (€120.9 million).
The main factors impacting developments in adjusted EBITDA for the period were:

- a decrease of about €5.7 million in net management fees, which fell to €135.4 million from €141.1 million in the year-earlier period;
- an increase in performance fees of about €27.1 million (€36.7 million in the first half of 2020 compared with €9.6 million in the same period of 2019);
- an increase of about €1.7 million in other revenues (€13.5 million in the first half of 2020 compared with €11.8 million in the same period of 2019); the item includes, among other things, fixed fees and advisory fees;
- an increase in personnel expenses of about €1.8 million, rising from €22.4 million in the first half of 2019 to €24.2 million in the first half of 2020. The rise mainly reflected an increase in the estimated variable remuneration component connected with the increase in performance fees recognized in Group revenues in the first half of 2020 compared with the year-earlier period;
- a reduction in other administrative expenses of about €2.5 million, mainly due to the decline in outsourcing costs and a reduction in commercial costs, mainly reflecting the restrictions

imposed to counter the spread of COVID-19.

The Group defines earnings before interest and taxes (EBIT) as consolidated net profit before income taxes and net financial expense, as shown in the reclassified income statement.
The Group defines extraordinary costs as non-recurring and/or non-monetary costs. "Extraordinary costs" for 2020 mainly regarded the costs connected with the termination of the employment relationship with the former General Manager of Anima SGR, the costs charged to Anima SGR for the notification of customers about the merger of funds as part of the rationalization of the product range and the costs connected with the Long Term Incentive Plan approved by the Company's Shareholders' Meeting of 21 June 2018 ("LTIP").

The normalized consolidated net profit for the Group for the first half of 2020 amounted to €94.1 million, an increase of about 19% on the €79.0 million posted in the same period of the previous year.

The following table reconciles consolidated net profit with adjusted EBITDA.

(Thousands of euros)	30/06/2020	30/06/2019	Change	
			Absolute	%
Consolidated net profit	**72,603**	**63,379**	**9,224**	**15%**
Income taxes	36,772	23,424	13,348	57%
Profit before taxes	**109,375**	**86,803**	**22,572**	**26%**
Net financial expense	5,236	5,761	(525)	-9%
Net adjustments of property, plant and equipment and intangible assets	26,422	26,692	(270)	-1%
Other costs and revenues	(2,344)	(2,915)	571	-20%
Non-recurring costs	6,187	4,607	1,580	34%
Adjusted EBITDA	**144,876**	**120,948**	**23,928**	**20%**

The following table reconciles consolidated net profit with normalized consolidated net profit:

(Thousands of euros)	30/06/2020	30/06/2019
Consolidated net profit	***72,603***	***63,379***
Amortization of intangibles	24,964	25,332
Amortization of capitalized costs on loans	617	863
Other income and expense	(86)	(46)
Change in provisions	111	(108)
Non-recurring costs	4,770	442
LTIP costs	1,417	4,165
Gain on Bond repurchase	(1,425)	0
Non-recurring taxes and duties	0	(6,015)
Tax effects of adjustments	**(8,906)**	**(9,042)**
Total net adjustments	***21,462***	***15,591***
Normalized consolidated net profit	94,065	78,970

Of particular note among the components that characterize the adjustments to consolidated net profit in order to produce normalized consolidated net profit at 30 June 2020 is the increase in extraordinary operating costs attributable to the charge discussed earlier connected with the termination of the employment relationship with the former General Manager of Anima SGR and costs for the notification of customers of the merger of funds. The costs in respect of the Long-Term Incentive Plan are reported as adjustments increasing net profit as calculated for statutory purposes as they are without any monetary effect. More specifically, LTIP costs of about €1.4 million (in the year-earlier period that item amounted to €4.2 million) reflect both the revision of the probability of meeting the Vesting Conditions approved by the Board of Directors on 20 December 2019 and the requantification of the Units granted to the departing Beneficiary in consideration of the lapse of the exercise rights in respect of Units that have not yet vested and the associated grant of a portion of those Units to Alessandro Melzi d'Eril, CEO and General Manager of the Company and of Anima SGR, in proportion to the residual duration of the Plan.

Net financial debt at 30 June 2020

Net financial debt reported below is defined as total financial debt net of cash and cash equivalents, including financial debt and receivables and excluding trade receivables and payables. The net financial position also includes receivables in respect of collective investment undertakings under management for accrued performance fees collected in the early days of the month following the close of the period. The NFP presented below is also considered an Alternative Performance Measure under the Consob and ESMA guidelines referred to above.

Millions of euros	30/06/2020	31/12/2019	30/06/2019
Term Loan	262.0	297.0	596.1
Bond	282.6	298.4	0.0
Accrued financial expense	3.4	1.0	0.1
Total financial debt	**548.0**	**596.4**	**596.2**
Cash and other liquidity	(177.1)	(263.7)	(174.5)
Securities	(88.8)	(89.6)	(89.3)
Receivables for performance fees	(11.5)	(19.7)	(4.0)
Cash and cash equivalents	**(277.4)**	**(373.1)**	**(267.9)**
Net financial debt	**270.6**	**223.3**	**328.3**

The decrease in liquidity at 30 June 2020 compared with the end of the previous year is mainly attributable to the liquidity generated by the core business and the balance of the income components that did not have any financial impact, which mainly decreased because of (i) purchases of treasury shares in the early months of the period in the amount of about €31.4 million (excluding transaction costs connected with the purchases); (ii) the payment of the dividend from the 2019 earnings of Anima Holding in the amount of about €73.3 million; (iii) payments of the balance for 2019 and the first payment on account for 2020 of corporate income tax (IRES) and regional business tax (IRAP) in the amount of about €47.6 million; and (iv) the optional early repayment of the Bank Loan and the partial repurchase of the Bond, including associated interest, in the amount of about €51.4 million.

* * *

OUTLOOK

The Group has achieved a significant diversification of its customer base and therefore its sources of revenue, with the overall benefit of reducing the risk profile of all the assets managed by the Group.
In pursuit of further growth and development of the Group, particular emphasis will be placed on enhancing the strategic partner and institutional investor channels, especially with regard to supplemental pensions and insurance customers. In terms of products, the Group continued to work

to develop and implement new investment solutions in order to attract liquidity on the market towards investments in investment funds and individual asset management contracts.
During the remainder of 2020, we plan to strengthen the service capacity of the placement networks even further and to rationalize operating approaches.
With the establishment of Anima Alternative, the Group is seeking to expand its operations into the alternative "illiquid" products segment, in particular so-called "private capital" funds.
In the wake of the COVID-19 pandemic, macroeconomic factors returned to prominence in the early months of 2020, with fears fueled by the spread of the virus having a negative impact on expectations for global economic growth and the performance of the financial markets.
The Board of Directors will continue to monitor the impact of the pandemic, with regular updates of economic-financial projections and the performance of scenario and sensitivity analyzes that enable the evaluation of the potential effects of the COVID-19 crisis on economic and financial developments and the financial stability of the Group.

for the Board of Directors

[signed] The Chief Executive Officer

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT 30 JUNE 2020

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

Thousands of euros

	Assets	30/06/2020	31/12/2019
10.	Cash and cash equivalents	6	7
20.	Financial assets measured at fair value through profit or loss	88,763	89,645
	c) other financial assets mandatorily measured at fair value	88,763	89,645
40.	Financial assets measured at amortized cost	258,261	383,787
80.	Property, plant and equipment	12,644	15,363
90.	Intangible assets	1,670,767	1,696,087
	of which:		
	- goodwill	1,105,463	1,105,463
100.	Tax assets	15,067	18,371
	a) current		2,502
	b) deferred	15,067	15,869
120.	Other assets	40,484	35,565
	TOTAL ASSETS	**2,085,992**	**2,238,825**

	Liabilities and shareholders' equity	30/06/2020	31/12/2019
10.	Financial liabilities measured at amortized cost	667,766	741,930
	a) Debt	383,492	444,454
	b) Securities issued	284,274	297,476
40.	Hedging derivatives	2,148	-
60.	Tax liabilities	144,336	159,524
	a) current	9,177	18,235
	b) deferred	135,159	141,289
80.	Other liabilities	40,301	73,201
90.	Deferred remuneration benefits	2,541	2,546
100.	Provisions for risks and charges:	1,655	1,723
	a) committments and guarantees issued	125	97
	c) other provisions	1,530	1,626
110.	Share capital	7,292	7,292
120.	Treasury shares (-)	(45,245)	(59,639)
140.	Share premium reserve	787,652	787,652
150.	Reserves	407,184	379,495
160.	Valuation reserves	(2,241)	(728)
170.	Net profit (loss) for the period	72,603	145,829
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,085,992**	**2,238,825**

CONSOLIDATED INCOME STATEMENT

Thousands of euros

		30/06/2020	30/06/2019
10.	Fee and commission income	491,255	491,963
20.	Fee and commission expense	(306,082)	(329,909)
30.	**NET FEE AND COMMISSION INCOME (EXPENSE)**	**185,173**	**162,054**
50.	Interest and similar income	98	57
	of which: interest income calculated using effective interest rate method		
60.	Interest and similar expense	(5,335)	(5,817)
90.	Gain (loss) on disposal or repurchase of:	1,228	
	c) financial liabilities	1,228	
100.	Net gain (loss) on financial assets and liabilities measured at fair value through profit or loss	(1,494)	702
	a) financial assets and lialities at fair value		
	b) other financial assets mandatorily valued at fair value	(1,494)	702
110.	**GROSS INCOME**	**179,670**	**156,996**
130.	**NET PROFIT FROM FINANCIAL ACTIVITIES**	**179,670**	**156,996**
140.	Administrative expenses:	(45,414)	(44,794)
	a) personnel expenses	(27,520)	(26,497)
	b) other administrative expenses	(17,894)	(18,297)
150.	Net provisions for risks and charges	(111)	108
160.	Net adjustments of property, plant and equipment	(1,648)	(1,698)
170.	Net adjustments of intangible assets	(25,941)	(26,312)
180.	Other operating (expenses)/income	2,819	2,503
190.	**OPERATING PROFIT (LOSS)**	**(70,295)**	**(70,193)**
240.	**PROFIT (LOSS) BEFORE TAX ON CONTINUING OPERATIONS**	**109,375**	**86,803**
250.	Income tax expense from continuing operations	(36,772)	(23,424)
260.	**PROFIT (LOSS) AFTER TAX ON CONTINUING OPERATIONS**	**72,603**	**63,379**
280.	**NET PROFIT (LOSS) FOR THE PERIOD**	**72,603**	**63,379**
290.	Profit (loss) attributable to non-controlling interests		
300.	Profit (loss) attributable to shareholders of the Parent Company	72,603	63,379

Basic earnings per share - euros	0.202	0.177
Diluted earnings per share - euros	0.200	0.174

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

Thousands of euros

		30/06/2020	30/06/2019
10.	**Net profit (loss) for the period**	**72,603**	**63,379**
	Other comprehensive income after tax without recycling to profit or loss		
70.	Defined benefit plans		(132)
	Other comprehensive income after tax with recycling to profit or loss		
120.	Cash flow hedges	(1,513)	(667)
170.	**Total other comprehensive income after tax**	**(1,513)**	**(799)**
180.	**COMPREHENSIVE INCOME (ITEMS 10+170)**	**71,090**	**62,580**
190.	Consolidated comprehensive income attributable to non-controlling interests		
200.	**Consolidated comprehensive income attributable to shareholders of the Parent company**	**71,090**	**62,580**

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

Thousands of euros

2020	at 31.12.19	Change in opening balance	at 01.01.20	Allocation of net profit of previous year: Reserves	Allocation of net profit of previous year: Dividends and other allocations	Change for the year: Change in reserves	Change for the year – Equity transactions: Issue of new shares	Change for the year – Equity transactions: Purchase of treasury shares	Change for the year – Equity transactions: Extraordinary dividends	Change for the year – Equity transactions: Change in equity instruments	Change for the year – Equity transactions: Other changes	Comprehensive income at 30.06.2020	Shareholders' equity attributable to the shareholders of the Parent Company at 30.06.2020	Non-controlling interests at 30.06.2020
Share capital	7,292		7,292										7,292	
Share premium reserve	787,652		787,652										787,652	
Reserves:	379,495		379,495	72,544							(44,855)		407,184	
a) earnings	347,600		347,600	75,483							(46,272)		376,811	
b) other	31,895		31,895	(2,939)							1,417		30,373	
Valuation reserves	(728)		(728)									(1,513)	(2,241)	
Equity instruments													-	
Treasury shares	(59,639)		(59,639)					(31,878)			46,272		(45,245)	
Net profit (loss) for the year	145,829		145,829	(72,544)	(73,285)							72,603	72,603	
Shareholders' equity attributable to shareholders of the Parent Company	**1,259,901**	**-**	**1,259,901**	**- -**	**73,285**	**-**	**- -**	**31,878**	**-**	**-**	**1,417**	**71,090**	**1,227,245**	
Non-controlling interests														

2019	at 31.12.18	Change in opening balance	at 01.01.19	Allocation of net profit of previous year: Reserves	Allocation of net profit of previous year: Dividends and other allocations	Change for the year: Change in reserves	Change for the year – Equity transactions: Issue of new shares	Change for the year – Equity transactions: Purchase of treasury shares	Change for the year – Equity transactions: Extraordinary dividends	Change for the year – Equity transactions: Change in equity instruments	Change for the year – Equity transactions: Other changes	Comprehensive income at 30.06.2019	Shareholders' equity attributable to the shareholders of the Parent Company at 30.06.2019	Non-controlling interests at 30.06.2019
Share capital	7,292		7,292										7,292	
Share premium reserve	787,652		787,652										787,652	
Reserves:	315,767		315,767	61,232			(234)				4,165		380,930	
a) earnings	281,723		281,723	65,877									347,600	
b) other	34,044		34,044	(4,645)			(234)				4,165		33,330	
Valuation reserves	(1,712)		(1,712)									(799)	(2,511)	
Equity instruments													-	
Treasury shares								(41,153)					(41,153)	
Net profit (loss) for the year	122,057		122,057	(61,232)	(60,825)							63,379	63,379	
Shareholders' equity attributable to shareholders of the Parent Company	**1,231,056**		**1,231,056**	**-**	**(60,825)**	**-**	**(234)**	**(41,153)**	**-**	**-**	**4,165**	**62,580**	**1,195,589**	
Non-controlling interests														

CONSOLIDATED STATEMENT OF CASH FLOWS

Thousands of euros

OPERATING ACTIVITIES	30/06/2020	30/06/2019
Operations	**88,144**	**103,483**
- Net profit (loss) for the period (+/-)	72,603	63,379
- Gains (losses) on hedging activities (+/-)	(1,513)	(667)
- Net adjustments of property, plant and equipment and intangible assets (+/-)	27,589	28,010
- Net provisions for risks and charges and other costs/revenues (+/-)	(68)	(765)
- Taxes and duties to be settled (+/-)	(11,884)	9,361
- Other adjustments (+/-)	1,417	4,165
Net cash flows from/used in financial assets	**34,899**	**(29,309)**
- Other assets mandatorily measured at fair value	882	(682)
- Financial assets measured at amortized cost	38,936	(22,401)
- Other assets	(4,919)	(6,226)
Net cash flows from/used in financial liabilities	**(104,921)**	**(39,842)**
- Financial liabilities measured at amortized cost	(74,164)	(41,559)
- Financial laibilities designated as at fair value	2,148	952
- Other liabilities	(32,905)	765
Net cash flows from/used in operating activities	18,122	34,332
INVESTING ACTIVITIES		
Cash flows from	**1,542**	
- Sales of equity investments		
- Sales of property, plant and equipment	1,542	
Cash flows used in	**(1,091)**	**(1,062)**
- Purchases of property, plant and equipment	(470)	(252)
- Purchases of intangible assets	(621)	(810)
- Purchases of subsidiaries and business units		
Net cash flows from/used in investing activities	451	(1,062)
FINANCING ACTIVITIES		
- Issues/purchases of treasury shares	(31,878)	
- Issues/purchases of equity instruments		(41,387)
- Distribution of dividends and other	(73,285)	(60,825)
Net cash flows from/used in financing activities	(105,163)	(102,212)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	**(86,590)**	**(68,942)**

RECONCILIATION

	30/06/2020	30/06/2019
Cash and cash equivalents at beginning of period	263,711	243,441
Net increase/decrease in cash and cash equivalents	(86,590)	(68,942)
Cash and cash equivalents: exchange rate difference		
Cash and cash equivalents at end of period	177,121	174,499

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

PART A- ACCOUNTING POLICIES

A.1 –GENERAL INFORMATION

Section 1 – Declaration of conformity with the International Accounting Standards

These condensed consolidated interim financial statements at 30 June 2020 (the “interim financial statements”) have been prepared in accordance with the International Accounting Standards and International Financial Reporting Standards (IASs/IFRSs) issued by the International Accounting Standards Board (IASB), and the related International Financial Reporting Interpretations Committee (IFRIC) interpretations, endorsed by the European Commission as established with Regulation (EC) no. 1606 of 19 July 2002, and in effect as of the date of approval of these interim financial statements. No departures have been adopted in the application of the IASs/IFRSs.

The IASs/IFRSs were also applied in accordance with the “Framework for the Preparation and Presentation of Financial Statements”, with particular regard to the principles of substance over form, accruals accounting and the concepts of the relevance and materiality of the information.

The content of the interim financial statements is compliant with the international accounting standard governing interim financial reporting (IAS 34). Under paragraph 10 of IAS 34, the Group has elected to publish the interim financial statements in condensed form.

The interim financial statements do not provide all of the disclosures required for the preparation of the annual consolidated financial statements. For this reason, it is necessary to read it together with the consolidated financial statements at 31 December 2019.

The interim financial statements have been prepared in accordance with the same accounting policies and methods used to prepare the consolidated financial statements at 31 December 2019, which readers are invited to consult, supplemented by accounting standards endorsed by the European Commission and applicable as from 1 January 2020.

In the first half of 2020, the following accounting standards or amendments to existing accounting standards came into force.

International accounting standards endorsed as of 30 June 2020 and in force as from 2020

Endorsement regulation	Title	Date of entry into force
2020/551	Amendments to IFRS 3 *Business combinations*, which adopts a "Definition of a business"	01/01/2020

The adoption of these standards and interpretations did not have a substantive impact on performance or financial position.

International accounting standards not yet endorsed as of 30 June 2020

Type	Standard/ Interpretation	Date of publication
New standard	IFRS 17 *Insurance contracts*	18/05/2017
Amendments	Amendments to IAS 1 *Presentation of financial statements and IAS 8 Accounting policies, changes in accounting estimates and errors*	31/10/2018
Amendments	Amendments to IFRS 9 and IAS 39 concerning hedge accounting	22/09/2019
Amendments	Amendments to IAS 1 *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current* in order to clarify how to classify debts and other liabilities as current or non-current.	23/01/2020
Amendments	Amendments to the following IFRS: • *Amendments to IFRS 3 Business Combinations:* updates the reference in IFRS 3 to the revised version of the Conceptual Framework, without changes in the provisions of the standard • *Amendments to IAS 16 Property, Plant and Equipment*: amends the standard to prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before the asset is ready for use. Those proceeds and the associated costs shall be recognized in profit or loss • *Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets:* clarifies what costs an entity considers in assessing whether a contract is onerous • *Annual Improvements*: amends *IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases*	14/05/2020
Amendments	Amendments to: - IFRS 4 *Extension of the Temporary Exemption from Applying IFRS 9*, e - IFRS 17 *Insurance contracts*	25/06/2020

The introduction and amendments of the standards indicated above do not have an impact on these interim financial statements as they will not apply until they have been endorsed by the European Commission with the issue of specific regulations.

Section 2 – General preparation principles

The interim financial statements are composed of the consolidated balance sheet, the consolidated income statement, the statement of consolidated comprehensive income, the consolidated statement of cash flows, the statement of changes in consolidated equity and the explanatory notes to the financial statements. They have been prepared in accordance with the new instructions for the preparation of the financial statements of IFRS financial intermediaries other than banks issued by the Bank of Italy, in the exercise of the powers established with the provisions of Article 9 of Legislative Decree 38/2005 and Article 43 of Legislative Decree 136/2015, with its measure of 30 November 2018. The instructions establish binding formats for the financial statements and required procedures for completing them, as well as for the content of the notes to the financial statements.
The interim financial statements have been prepared on a going-concern basis, considered appropriate in the light of performance and the outlook for the Company in accordance with the principle of accrual accounting, complying with the principle of the materiality and significance of information and the prevalence of substance over form. There were no significant events or circumstances that might raise doubts about the ability of the company to operate as a going concern.

The tables also show the corresponding comparative balance sheet figures at 31 December 2019, while the comparative income statement figures are those at 30 June 2019.
In accordance with Article 5, paragraph 2, of Legislative Decree 38 of 28 February 2005, the euro has been adopted as the currency of account in the preparation of the financial statements.
Unless otherwise specified, the amounts in the interim financial statements are expressed in thousands of euros.
Items with zero balances for the two years under review are excluded from the balance sheet, income statement or statement of comprehensive income. Similarly, the explanatory notes to the financial statements do not include sections and/or tables concerning items for which no amounts are reported.
Assets and liabilities and costs and revenues were offset only if required or permitted by a standard or its interpretation.
As provided for under IAS 7, paragraphs 45 and 46, the reconciliation of the statement of cash flows considers cash and current account items at the start and end of the period as the "cash equivalent" aggregate.

Section 3 – Events subsequent to the reporting date

As of 30 July 2020, the date the Board of Directors approved the consolidated financial statements, no significant event had occurred that would require an adjustment or would modify the values of the assets and liabilities or require disclosure in the explanatory notes.

We report that:
- on 30 July 2020, the Board of Directors of the Company appointed Francesca Pasinelli to replace Maria Patrizia Grieco, who resigned in June 2020 to take the position of Chairman of Banca Monte dei Paschi di Siena S.p.A.;
- with effect from 15 August 2020, Rita Laura D'Ecclesia resigned her position as a director of the Company in consideration of consideration of her appointment as director and Deputy Chairman of Banca Monte dei Paschi di Siena S.p.A. (and, accordingly, pursuant to the applicable rules banning interlocking positions);
- the net funding (excluding Branch I insurance assets) of the Group in July del 2020 was about €210 million. At the end of July 2020, total assets under management amounted to more than €185 billion, essentially in line with the end of 2019.

Section 4 – Other information

As regards the disclosures required under IAS 10 concerning the publication of financial information, these interim financial statements were approved by the Board of Directors of the Parent Company on 30 July 2020.

Use of estimates and assumptions in financial reporting

The preparation of financial reports requires the use of estimates and assumptions that can have a significant impact on the values reported in the consolidated balance sheet and the consolidated income statement, as well as on disclosures concerning the contingent assets and liabilities reported in the consolidated financial statements. The preparation of these estimates involves the use of available information and the adoption of subjective assessments, based in part on experience, in order to formulate reasonable assumptions for the recognition of operating events. By their very nature, estimates and assumptions used may vary from year to year and, therefore, the amounts recognized in the financial statements may vary significantly in subsequent years, due to changes in the subjective assessments used.
The main circumstances for which management makes greatest use of subjective assessments are:

- the identification and quantification of any losses due to impairment of goodwill and other intangible assets recognized in the interim financial statements;

- the determination of the fair value of financial instruments not listed on an active market (hedging derivatives);
- the quantification of provisions for risks and charges, with specific reference to estimated liabilities in respect of personnel and legal and tax disputes;
- the estimates and assumptions concerning the recoverability of deferred tax assets;
- the estimates and assumptions concerning the determination of the actuarial value of the deferred compensation benefits (*trattamento fine rapporto*, or TFR);
- the estimates and assumptions concerning the number of units connected with long-term incentive plans and the determination of their fair value;
- the estimates and assumptions concerning the recoverability of prepayments relating to the one-off commissions paid to distributors;
- the estimates concerning the determination of the commitments connected with guarantees given by the subsidiary Anima SGR for pension fund segments which provide for the repayment of capital.

LTIP

On 21 June 2018, the Shareholders' Meeting of the Anima Holding approved the 2018-2020 Long Term Incentive Plan (the "Plan" or "LTIP"), based on the financial instruments issued by Anima Holding, to be granted free of charge to employees of the Parent Company and the subsidiaries who perform key functions and roles within the Group (the "Beneficiaries"). During the session addressing extraordinary business, the same Shareholders' Meeting authorized the Board of Directors of the Company, pursuant to Article 2443 of the Italian Civil Code, to carry out a bonus capital increase for Anima Holding S.p.A. in one or more instalments by the final time limit of 21 June 2023, through the issue of a maximum of 8,780,353 ordinary shares with no par value (the "Shares"), up to a maximum of 2.31% of share capital (percentage at the date of approval of the Plan), to be granted, pursuant to Article 2349 of the Civil Code, to employees and/or categories of employees of the Parent Company and/or its subsidiaries, implementing the Plan by drawing on a corresponding amount of profit and/or profit reserves reported in the approved financial statements, up to a maximum amount of €168,470.

The Plan is intended to: (i) involve management personnel whose activities are considered of key importance to achieving the objectives of the Anima Group, (ii) strengthen the loyalty of management to the Group, encouraging such personnel to remain with Anima, (iii) share and align the medium/long-term interests of management with those of the Group and the shareholders (the Plan makes a significant portion of the variable remuneration of the Beneficiaries contingent on achieving corporate performance objectives) and (iv) facilitate the attraction and retention of talent.

The Plan is one of the range of tools used to supplement the remuneration packages of the key managers of the Anima Group, with remuneration deferred over an appropriate period of time and variable components linked to achievement of performance objectives (Vesting Conditions), with a view to creating medium/long-term value for shareholders.

Please see the notes to the consolidated financial statements at 31 December 2019, "Part A - Accounting policies – A.2 Main items of the consolidated financial statements – Share-based payments – LTIP" for a complete description of the Plan.

Following the termination of the employment relationship with the previous General Manager of Anima SGR (the "departing Beneficiary"), considered a good leaver, the number of Units granted to him were requantified in view of the lapse of the exercise rights in respect of Units that had not yet vested pursuant to the Plan Rules.

Following that requantification, the departing Beneficiary retained a grant of 3.83% of the total Units granted to the Plan beneficiaries, a decrease on the original grant of 21 June 2018 equal to 15% of the total Plan Units.

On 7 May 2020, following a resolution of the Company's Board of Directors, a portion of the Units originally granted to the departing Beneficiary were reassigned to Alessandro Melzi d'Eril, CEO and General Manager of the Company and of Anima SGR, in proportion to the residual duration of the Plan. As a result of the foregoing, Mr. Melzi, who on 21 June 2018 had already been granted 7.5% of the total Units of the Plan, was granted an additional 2.79% of the total Units, bringing the total to 10.29%.

The Plan Units granted on 7 May 2020 (Grant Date 7/05/2020) to Mr. Melzi d'Eril had the following fair values correlated with each Vesting Condition:

- at the Grant Date 7/5/2020 the fair value of each 2018-2020 Unit for the EPS and LNF conditions (non-market conditions) of the plan was €3.20, while the fair value of each 2018-2020 Unit for the TRS condition (market condition) of the Plan was €0.37. The overall fair value of the 2018-2020 Units granted on 7 May 2020 amounted to about €0.03 million (the value also reflects the revision of the probability of meeting the Vesting Conditions approved by the Company's Board of Directors on 20 December 2019);
- at the Grant Date 7/5/2020 the fair value of each 2019-2021 Unit for the EPS and LNF conditions (non-market conditions) of the plan was €3.10, while the fair value of each 2019-2021 Unit for the TRS condition (market condition) of the Plan was €1.63. The overall fair value of the 2019-2021 Units granted on 7 May 2020 amounted to about €0.16 million (the value also reflects the revision of the probability of meeting the Vesting Conditions approved by the Company's Board of Directors on 20 December 2019;
- at the Grant Date 7/5/2020 the fair value of each 2020-2022 Unit for the EPS and LNF conditions (non-market conditions) of the plan was €3.01, while the fair value of each 2020-2022 Unit for the TRS condition (market condition) of the Plan was €1.49. The overall fair value of the 2020-2022 Units granted on 7 May 2020 amounted to about €0.16 million (the value also reflects the revision of the probability of meeting the Vesting Conditions approved by the Company's Board of Directors on 20 December 2019.

The total value of the Plan for the Group, which incorporates the revision of the probability of meeting the Vesting Conditions approved by the Company's Board of Directors on 20 December 2019 and the reassignments described above, is summarized in the following table:

Vesting Period	30.06.2020	31.12.2019
Units 2018-2020	4,609,780	4,786,326
Units 2019-2021	4,626,195	5,368,238
Units 2020-2022	4,898,542	5,683,758
Total	**14,134,517**	**15,838,322**

The Group has therefore recognized a net amount of about €1.4 million in profit or loss in these interim financial statements, deriving from the amount accruing for the period of about €2.2 million, partially offset, as a result of the requantification of the Units granted to the departing Beneficiary, by a positive adjustment of the previous estimate in the amount of €0.8 million.
The terms and conditions of the Plan, and the characteristics of the Units granted, are described in the disclosure document prepared pursuant to Article 84-bis, paragraph 1, of the Issuers Regulation and in accordance with Scheme 7 of Attachment 3A published on the website of Anima Holding at www.animaholding.it.

Section 5 - Scope and methods of consolidation

1 Investments in subsidiaries
The following table reports fully-consolidated equity investments in the consolidated financial statements at 30 June 2020:

	Headquarters	Registered office	Type of relationship (a)	Investment		% availability of votes (b)
				Investor	% holding	
Anima SGR S.p.A.	Milan – Italy	Milan – Italy	1	Anima Holding S.p.A.	100%	
Anima Alternative SGR S.p.A.	Milan – Italy	Milan – Italy	1	Anima Holding S.p.A.	100%	
Anima Asset Management Ltd	Dublin -Ireland	Dublin -Ireland	1	Anima SGR S.p.A.	100%	

a) Type of relationship: 1=majority of voting rights in ordinary shareholders' meeting.
b) Where this differs from percentage interest, the percentage of votes in the ordinary shareholders' meeting is given, distinguishing between actual and potential votes.

Compared with 31 December 2019, the scope of consolidation has changed following the establishment on 13 February 2020 of Anima Alternative SGR S.p.A. (the new name since June, after initially being registered under the name of Aliseam SGR S.p.A.) to manage alternative investment funds ("AIFs").
On 28 July 2020, Anima Alternative was registered under no. 187 in the Register of Asset Management Companies - AIF Managers Section maintained by the Bank of Italy pursuant to Article 35 of the Consolidated Law following the receipt of authorization to operate on the same date.

A.2 – MAIN ITEMS OF THE INTERIM FINANCIAL STATEMENTS

The accounting policies adopted for the preparation of these interim financial statements at 30 June 2020, with reference to the classification, registration, valuation and cancellation phases of the various asset and liability items, as well as the methods for recognizing costs and revenues, are unchanged compared with those adopted for the Group's consolidated financial statements at December 31, 2019, to which reference is made.

A.3 – DISCLOSURES ON TRANSFERS BETWEEN PORTFOLIOS OF FINANCIAL ASSETS

With regard to the disclosures required under IFRS 7, paragraph 12 B, we report that during the period the Group did not transfer any financial assets between categories as defined by IFRS 9.

A.4 –FAIR VALUE DISCLOSURES

QUALITATIVE DISCLOSURES

This section provides the fair value disclosures required by IFRS 13, paragraphs 91 and 92.
The fair value hierarchy, introduced by the IASB with an amendment of IFRS 7 "Financial Instruments: Disclosures" in March 2009, must be applied to all financial instruments recognized at fair value in the balance sheet.
Paragraph 24 of IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.
In the case of financial instruments quoted on active markets, fair value is determined on the basis of prices obtained from the financial markets, while the fair value of other financial instruments is determined on the basis of quoted prices for similar instruments or internal valuation techniques.

IFRS 13 establishes a fair value hierarchy based on the degree of observability of the inputs used in the valuation techniques adopted.
The following section sets out the manner in which financial instruments are classified within the three levels of the fair value hierarchy on the basis of the inputs used.

Level 1
Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
A financial instrument is considered quoted on an active market when:
a) quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, authorized entity or regulatory agency;
b) those prices represent actual and regularly occurring market transactions on an arm's length basis.
If the quoted prices meet these requirements, they represent the best estimate of fair value and must be used to measure the financial instrument.
The definition indicates that the concept of active market regards that for the individual financial instrument being measured and not the market on which it is quoted. Accordingly, the fact that a financial instrument is listed on a regulated market is not in itself a sufficient condition for that instrument to be considered quoted on an active market.

Levels 2 and 3
Financial instruments that are not listed on an active market must be classified in levels 2 or 3.
Whether an instrument is classified as level 2 or level 3 depends on the observability of the significant inputs used to measure the fair value. A financial instrument must be classified in its entirety in a single level. When an instrument is measured using inputs from different levels it must be categorized in the same fair value level of the lowest level input that is significant to the entire measurement.
A financial instrument is classified as level 2 if all the significant inputs are observable on the market, either directly or indirectly. An input is observable when it reflects the same assumptions used by market participants based on market data provided by independent sources.
Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in markets that are not active, namely markets in which:
    - there are few recent transactions;
    - price quotations are not developed using current information or vary substantially either over time or among market makers and little information is publicly available;

  and there are also:
    - observable market inputs (e.g. interest rates or yield curves observable at commonly quoted intervals, volatility etc.);
    - inputs based primarily on observable market data whose relationship is corroborated by various parameters, including correlation.

A financial instrument is classified as level 3 if the valuation techniques adopted also use inputs that are not observable on the market and they make a significant contribution to the estimation of the fair value.
All financial instruments not quoted on an active market are classified as level 3 when even if observable data is available, it is necessary to make substantial adjustments to the data using unobservable inputs, and the estimation is based on internal assumptions concerning future cash flows and risk adjustments of the discount rate.

A.4.1 Levels 2 and 3: the valuation techniques and inputs used

At 30 June 2020 the balance sheet items measured at fair value were composed:

- of financial assets measured at fair value through profit or loss, namely units of CIUs, which are measured exclusively with level 1 inputs (reference values published daily);
- financial derivatives (interest rate swaps) used to hedge the risk of changes in the cash flows connected with interest expense on the outstanding loan. The valuation technique used is the discounted cash flow method and the input used in 6-month Euribor, with the consequent classification of the fair value of the financial derivatives in level 2.

In addition, during the period the Group did not hold financial instruments measured using Level 3 inputs.

QUANTITATIVE DISCLOSURES

A.4.5 Fair value hierarchy

A.4.5.1 Financial assets and liabilities measured at fair value on a recurring basis: composition by level of fair value hierarchy

In the following table, financial assets and liabilities that are measured at fair value are broken down into the levels of the fair value hierarchy discussed above.

Financial assets/liabilities measured at fair value		Total 30.06.2020				Total 31.12.2019			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1.	Financial assets measured at fair value through profit or loss	88,763			88,763	89,645			89,645
	a) financial assets held for trading								
	b) financial assets designated as at fair value								
	c) financial assets mandatorily measured at fair value	88,763			88,763	89,645			89,645
2.	Financial assets measured at fair value through other comprehensive income								
3.	Hedging derivatives								
4.	Property, plant and equipment								
5.	Intangible assets								
Total		**88,763**	**-**	**-**	**88,763**	**89,645**	**-**	**-**	**89,645**
1.	Financial liabilities held for trading								
2.	Financial liabilities designated as at fair value								
3.	Hedging derivatives		(2,148)		(2,148)				
Total			**(2,148)**	**-**	**(2,148)**	**-**	**0**	**-**	**0**

There were no transfers of assets/liabilities from level 1 to level 2 of the fair value hierarchy during the period (IFRS 13, paragraph 93 letter c).

In view of the type of financial assets/liabilities held, the impact of the Credit Value Adjustment (CVA)/Debit Value Adjustment (DVA) is not material.

A.4.5.4 Financial assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: composition by level of fair value hierarchy

In the following table, financial assets and liabilities that are not measured at fair value, or measured at fair value on a non-recurring basis, are broken down into the levels of the fair value hierarchy discussed above.

Financial assets/liabilities not measured at fair value or measured at fair value on non-recurring basis	30.06.2020				31.12.2019			
	Carrying amount	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3
1. Financial assets measured at amortised cost	258,261		258,261		383,787		383,787	
2. Investment property								
3. Non-current assets and disposal groups								
Total	**258,261**		**258,261**		**383,787**	**-**	**383,787**	
1. Financial liabilities measured at amortized cost	(667,766)	(284,274)	(383,492)		(741,930)	(297,476)	(444,454)	
2. Liabilities associated with assets held for sale								
Total	**(667,766)**	**(284,274)**	**(383,492)**		**(741,930)**	**(297,476)**	**(444,454)**	

A.5 – DISCLOSURE OF "DAY ONE PROFIT/LOSS"

Paragraph 28 of IFRS 7 does not apply.

OTHER INFORMATION

Disclosures on operating segments (IFRS 8)

The activities of the Anima Group, which are conducted by Anima SGR and its subsidiaries specialized in the promotion and management of financial products, are carried out in a single operating segment.[1]
The nature of the products and services, the structure of management and operational processes and the type of customers served do not differ to an extent that they would give rise to different risks and rewards. In fact, they are quite similar and correlated in many respects.
The Group has also decided to enter the alternative "illiquid" products segment, in particular so-called "private capital" funds to be offered mainly to institutional customers. This new initiative was implemented with the establishment on 13 February 2020, of Anima Alternative SGR SpA, a company dedicated to the management of alternative investment funds ("AIF"), which obtained authorization to operate from of the Bank of Italy on 28 July 2020 and, therefore, at the date of these interim financial statements, the company was still not operational.
Accordingly, the Group's operating companies, while operating with full independence under the management and coordination of Anima Holding, have been allocated to a single CGU, all of which is dedicated to asset management activities and capable of generating income flows, with no separate segment reporting.
Consequently, the accounting information has not been presented separately by operating segment, in line with the internal reporting system used by management, which is based on the accounting data of those companies used for the preparation of the consolidated financial statements in compliance with the IAS/IFRS.
Similarly, no disclosures are provided concerning customers and non-current assets broken down by geographical area or information on the degree of reliance on major customers as that information is not felt to be material by management.
As the Group essentially has a single segment as regards disclosures concerning revenues from customers broken down by product/service, readers should refer to the detailed information on commission and fee income in the information on the income statement in these notes to the interim financial statements.

[1] According to IFRS 8, an operating segment is a component of an entity: a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity); b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and c) for which discrete financial information is available.

Earnings per share

Earnings per share were calculated by dividing consolidated net profit for the period by the weighted average number of ordinary shares in circulation.

	30/06/2020	30/06/2019	
Weighted average number of shares (number)	358,876,734	358,876,734	(*)
Net profit (euros)	72,603,000	63,379,000	
Basic earnings per share (euros)	0.20230623	0.17660381	
Diluted weighted average number of shares (number)	363,404,386	363,404,386	(*)
Net profit (euros)	72,603,000	63,379,000	
Diluted earnings per share (euros)	0.19978570	0.17440351	

(*) The figure for 2019 has been restated to reflect the capital transactions in the first half of 2020 (as provided for under IAS 33).

The weighted average of basic earnings per share takes account of the daily purchases of treasury shares/cancellations of shares effected by the Company during the reference period: at 1 January 2020 there were 364,640,983 ordinary shares in circulation (net of 15,395,909 ordinary shares held by the Company), while at 30 June 2020 there were 357,487,690 ordinary shares in circulation (net of 11,148,095 ordinary shares held by the Company).

The diluted weighted average number of shares takes account of the dilutive effect of the LTIP (approved on 21 June 2018 by the Ordinary Shareholders' Meeting of the Company) and the Units granted and weighted in the light of the revision of the probability of achieving the vesting conditions approved by the Board of Directors of the Company on 20 December 2019 and the requantification of the Units granted to the departing Beneficiary in consideration of the lapse of the exercise rights in respect of Units that have not yet vested and the associated grant of a portion of those Units to Alessandro Melzi d'Eril, CEO and General Manager of the Company and of Anima SGR, in proportion to the residual duration of the Plan.

PART B- INFORMATION ON THE CONSOLIDATED BALANCE SHEET

ASSETS

Section 2 – Financial assets measured at fair value through profit or loss - item 20

2.5 Other financial assets mandatorily measured at fair value: composition by type

		Total 30.06.2020			Total 31.12.2019		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1.	Debt securities						
2.	Equity securities						
3.	Units in collective investment	88,763			89,645		
4.	Loans						
Total		**88,763**	**-**	**-**	**89,645**	**-**	**-**

Units in collective investment undertakings mainly regard units of funds established or operated by the subsidiary Anima SGR.
The change in the item during the period is mainly due to the decline in the fair value of the Group's CIU portfolio, equal to about €1.5 million, partly offset by the net balance of subscriptions and redemptions in the amount of around €0.6 million.

Section 4 – Financial assets measured at amortized cost – Voce 40

4.1 Financial assets measured at amortized cost: composition by type

		Total 30.06.2020						Total 31.12.2019					
		Carrying amount			Fair value			Carrying amount			Fair value		
		First and second stage	Third stage	of which: impaired acquired or originated	Level 1	Level 2	Level 3	First and second stage	Third stage	of which: impaired acquired or originated	Level 1	Level 2	Level 3
1.	Receivables for asset management services:	79,527			-	79,527	-	119,775			-	119,775	-
	1.1 management of collective investment undertakings	65,142				65,142		81,907				81,907	
	1.2 individual portfolio management	10,369				10,369		23,964				23,964	
	1.3 pension fund management	4,016				4,016		13,904				13,904	
2.	Receivables for other services:	177			-	177	-	197			-	197	-
	2.1 advisory services	157				157		174				174	
	2.2 providing outsourced business services					-						-	
	2.3 other	20				20		23				23	
3.	Other loans and receivables:	178,557			-	178,557	-	263,815			-	263,815	-
	3.1 repurchase agreements	-			-	-	-	-			-	-	-
	of which Government securities					-						-	
	of which other debt securities					-						-	
	of which equity securities and units in CIUs					-						-	
	3.2 current accounts and deposit accounts	177,115				177,115		263,705				263,705	
	3.3 other	1,442				1,442		111				111	
4.	Debt securities					-						-	
	Total	258,261			-	258,261	-	383,787			-	383,787	-

The item "1. Receivables for asset management services" includes i) receivables in respect of management and performance fees that the Group was mainly owed by funds it has established; ii) receivables for commissions and fees for portfolio management services; and iii) receivables for commissions and fees for asset management services provided to institutional and retail customers and pension funds.

The item decreased by about €40.2 million compared with 31 December 2019, mainly in reflection of a decrease in receivables for (i) performance fees of about €8.2 million; (ii) fees connected with products under management of about €6.5 million; and (iii) withholding tax, stamp duty and the tax in lieu on the profits generated on products under management of about €25.2 million.
The receivables were collected almost entirely in the month following the reporting date for these interim financial statements.
"3. Other receivables – 3.2 Current accounts and deposit accounts" include the cash available on the current accounts held with leading banks.
In the item "3. Other receivables - 3.3 Other" includes financial receivables recognized for subleases of assets consisting of rights of use acquired through lease and rental contracts that fall within the scope of IFRS 16.
Please see the consolidated statement of cash flows for details on the events giving rise to the generation and use of cash during the period.

Section 8 – Property, plant and equipment – item 80

8.1 Property, plant and equipment used in operations: composition of assets carried at cost

		Total 30.06.2020	Total 31.12.2019
1.	**Owned**	**3,591**	**3,571**
	a) land	755	755
	b) building	937	979
	c) movables	292	308
	d) electronic plant	1,607	1,529
2.	**Right-of-use assets**	**9,053**	**11,792**
	b) building	8,428	11,049
	d) electronic plant	219	272
	e) other	407	471
	Total	**12,644**	**15,363**

The item "Owned" assets include property, plant and equipment used in operations owned by the Group.
"Right-of-use assets" includes the rights of use acquired under leases and rentals falling within the scope of IFRS 16. The sub-item "b) buildings" decreased compared with the previous year, mainly as a result of the subletting during the period of part of the premises leased by the Group in Dublin.
-

Section 9 – Intangible assets - item 90

9.1 Intangible assets: composition by type of asset

		Total 30.06.2020		Total 31.12.2019	
		Assets valued at cost	Assets valued at fair value	Assets valued at cost	Assets valued at fair value
1.	**Goodwill**	**1,105,463**		**1,105,463**	
2.	**Other intangible assets**	**565,304**		**590,624**	
	2.1 internally-generated intangible assets				
	2.2 other	565,304		590,624	
	of which software and other	4,791		5,147	
	of which intangibles	560,513		585,477	
	Total	**1,670,767**	-	**1,696,087**	-

The table below provides a breakdown of the intangible assets recognized in the Group's interim financial statements:

	30.06.2020	31.12.2019
Goodwill identified in PPA (former Gestielle Sgr)	421,951	421,951
Goodwill identified in PPA (former Prima Sgr)	304,736	304,736
Goodwill identified in PPA Anima Sgr	316,738	316,738
Goodwill identified in PPA Compendio Scisso BPF	44,327	44,327
Goodwill identified in PPA former Aperta SGR and former Lussemburgo Gestioni SA	17,711	17,711
TOTAL CONSOLIDATED GOODWILL	**1,105,463**	**1,105,463**
OTHER INTANGIBLE ASSETS		
Intangible assets identified in PPA (Anima Sgr)	112,121	112,121
- *of which intangible assets recognized by Anima Sgr*	*17,745*	*17,745*
- Amortization and impairment for previous periods	(86,604)	(77,072)
- Amortization and impairment for current period	(4,740)	(9,532)
Residual value of intangible assets identified in PPA (Anima Sgr)	**20,777**	**25,516**
Intangible assets identified in PPA (former Aperta Sgr and Lussemburgo Gestioni SA)	12,361	12,361
- *of which intangible assets recognized by former Aperta Sgr (now Anima Sgr)*	*9,680*	*9,680*
- Amortization and impairment for previous periods	(8,654)	(7,418)
- Amortization and impairment for current period	(615)	(1,236)
Residual value of intangible assets identified in PPA (former Aperta Sgr and Lus. Gestioni SA)	**3,092**	**3,706**
Intangible assets identified in PPA (former Gestielle Sgr)	380,341	380,341
- Amortization and impairment for previous periods	(50,711)	(25,355)
- Amortization and impairment for current period	(12,609)	(25,356)
Residual value of intangible assets identified in PPA (former Gestielle Sgr)	**317,021**	**329,630**
Intangible assets identified in PPA (Compendio Scisso BPF)	106,875	106,875
- Amortization and impairment for previous periods	(8,310)	(1,190)
- Amortization and impairment for current period	(3,550)	(7,120)
Residual value of intangible assets identified in PPA (BPF Demerged Business)	**95,015**	**98,565**
Total consolidated intangibles identified in PPA	**435,905**	**457,418**
Intangible assets in respect of management contracts	138,473	138,473
- Amortization and impairment for previous periods	(10,415)	(3,493)
- Amortization and impairment for current period	(3,450)	(6,922)
Residual value of intangible assets in respect of management contracts	**124,608**	**128,058**
Total Intangible assets	**560,513**	**585,477**
Other consolidated intangible assets	**4,791**	**5,147**
TOTAL OTHER INTANGIBLE ASSETS	**565,304**	**590,624**
TOTAL CONSOLIDATED INTANGIBLE ASSETS	**1,670,767**	**1,696,087**

Intangible assets with an indefinite life, represented by goodwill, total €1,105.5 million.

Intangible assets with a finite life are composed of:

- contracts, valued in the PPA for Anima SGR in 2011, in which the portfolio of contracts with customers acquired and trademarks was acquired for a residual value of about €20.8 million. More specifically, given the characteristics of the acquisition and long-standing practices in the asset management industry, we identified the "AUM" as an intangible asset, the value of which is equal to the net fee and commission income over the entire term of the contractual relationship acquired, breaking down the net profitability associated with the different types of assets managed. The volumes taken as the starting point for valuing the intangible asset referred to the AUM managed by the company at the acquisition date (29 December 2010). The estimated useful life of this intangible was set at ten years. In addition, we identified the intangible asset "trademark", the value of which was estimated based on the marketing costs incurred by the company in the 7 years prior to the acquisition and revalued at a rate of 2%. The estimated useful life of this intangible was determined on the basis of the duration of the company as set under the bylaws;

- contracts, valued in the PPA for the former Aperta SGR and the former Lussemburgo Gestioni SA during 2013, in which customer relationships were attributed a residual value of €3.1 million. More specifically, given the characteristics of the acquisition and long-standing practices in the asset management industry, we identified "Portfolios managed (AUM)" as an intangible asset, the value of which is equal to net fee and commission income over the entire term of the contractual relationship acquired, breaking down the net profitability associated with the different types of assets managed. The following asset management products were identified: portfolio management products (GP) and open-end retail collective investment undertakings formed under Luxembourg law (International CIUs). The volumes taken as the starting point for valuing the intangible asset referred to the AUM managed by the company at the acquisition date (27 December 2012).
- contracts, valued in the PPA for the former Aletti Gestielle S.p.A. ("Gestielle SGR"), in which customer relationships were attributed a residual value of €317 million. More specifically, given the characteristics of the acquisition and long-standing practices in the asset management industry, we identified "Customer Relationships" as an intangible asset, the value of which is equal to the net fee and commission income over the entire term of the contractual relationship acquired, breaking down the net profitability associated with the different types of funds managed. The volumes taken as the starting point for valuing the intangible asset referred to the AUM of the funds managed by Gestielle SGR at the acquisition date (28 December 2017); the estimated useful life of this intangible was set at fifteen years, amortized on a straight-line basis.
- contracts, valued in the purchase price allocation process for the partial demerger of the BancoPosta Fondi SGR business line (the "Demerged Business"), for a residual value of €95 million. An intangible asset denominated "Operating Agreement" was identified, whose value was determined on the basis of the expected cash flows from the assets under management over the term of the Operating Agreement of 6 March 2018 between Poste Italiane, BancoPosta Fondi SGR, Poste Vita, Anima Holding and Anima SGR. Consistent with the guidelines established by IFRS 3, the AUM used in the valuation only regarded customer relationships established before the acquisition date. The ability to generate new relationships has not been valued in any way. The estimated useful life of this intangible was set at fifteen years, amortized on a straight-line basis.
- contracts for the management of insurance assets acquired by Anima SGR from Banca Aletti on 29 June 2018 for a residual value of €124.6 million. More specifically, given the characteristics of the acquisition, the value of the intangible (equal to the price paid to Banca Aletti), was determined on the basis of the assets under management transferred to Anima SGR, equal to about €9.4 billion. The estimated useful life of this intangible was set at twenty years, amortized on a straight-line basis.

For the acquisitions involving the former Gestielle SGR, the Management Contracts and the Demerged Business, the agreements, in line with market practice for similar transactions, provide for specific protection and guarantee mechanisms (for example, price adjustment mechanisms, earn-in/earn-out mechanisms, maintenance of specified levels of market share by the counterparties for the products managed by the Group, mechanisms for verifying the performance of products managed by the Group and remedies in the event of their underperformance).

For more details, see Chapter XXII of the Prospectus published on 23 March 2018 concerning the capital increase and the information documents concerning transactions of greater importance with related parties published on 7 April 2020 and 21 May 2020, which are available on the Company's website.

IMPAIRMENT TESTING

Under IAS 36, goodwill is tested for impairment on an annual basis to determine whether it is recoverable.

For its intensity and unpredictability, the COVID 19 pandemic represents an external indicator of potential impairment for all companies and therefore requires an assessment of the impact of the crisis on the value of assets, as underscored in the recommendations of the European Securities and Markets Authority (ESMA) contained in the public statement "Implications of the COVID-19 outbreak on the half-yearly financial reports" of 20 May 2020, as also indicated on multiple occasions by Consob (most recently Consob warning notice no. 8/20 of 16 July 2020) and as emphasized by the International Organization of Securities Commissions (IOSCO) in its "Statement on Importance of Disclosure about COVID-19" of 29 May 2020.

The COVID-19 pandemic was already considered by Company management in the consolidated interim report on operations at March 31, 2020 as a potential indicator of impairment (a trigger event pursuant to IAS 36) with regard to the intangible assets recognized in the Group consolidated financial statements, which could have suffered an impairment loss. Consequently, the recoverable value of these assets was estimated (performing impairment testing). The results of the impairment test performed for the Anima SGR Cash Generating Unit ("CGU") at 31 March 2020 did not reveal any impairment of goodwill or intangible assets with a finite useful life.

In consideration of the recommendations of the various authorities mentioned above and in the light of the ongoing uncertainty characterizing macroeconomic conditions, the Company also tested the CGU for impairment at 30 June 2020.

Impairment is present whenever the carrying amount of an individual asset or a cash generating unit ("CGU") - i.e. the smallest "revenue center" to which it is possible to allocate specific cash flows - is greater than its recoverable amount.

For this purpose, goodwill must be allocated to individual assets or CGUs in such a way that they benefit from the synergies arising from the combination, regardless of whether other assets and liabilities acquired are assigned to those assets or CGUs.

In the interim financial statements at 30 June 2020 of Anima Holding, intangible assets with an indefinite life, represented by goodwill, amounted to a total of €1,105.5 million. Following the various acquisitions and mergers in recent years, goodwill is treated as a single undifferentiated item, because:

- management operates the Anima Group companies as if they were a single CGU, capable of generating income and cash flows;
- there is no separate segment reporting for the assets acquired;
- Anima Holding does not possess any assets or liabilities that are unrelated to its business (so-called "surplus assets").

The CGU to which the goodwill has been allocated also includes intangible assets mainly identified during the various PPAs with finite useful lives, with a total residual value (net of amortization and deferred taxation) of about €431.6 million. The impairment testing is conducted to determine how well the carrying amount of the single CGU identified ("Anima CGU"), equal to €1,537.1 million, has held its value.

For the purposes of the impairment testing procedure, the Group used the value in use method to determine whether goodwill is recoverable.

<u>Method: Value in use</u>

Value in use is determined by estimating the present value of future cash flows that the Anima CGU is expected to generate. The value of an asset is determined by discounting future cash flows including the terminal value calculated as a perpetuity based on an economically sustainable normalized flow that is consistent with the long-term growth rate.

The discounting of the cash flows is used to determine the enterprise value of the CGU.

The discounted cash flow method was applied to the cash flows of the Anima CGU to estimate the value in use.

Cash flows

Under IAS 36, cash flow projections should be based on the most recent budgets/business plans approved by management and on reasonable and supportable assumptions that are capable of representing the best estimate of the economic conditions expected over the useful life of the assets.
Accordingly, the cash flow projections used to determine the recoverable value of intangible assets with an indefinite useful life, in particular goodwill, have been revised by management based on the estimates indicated in the Group's 2020-2024 Business Plan approved by the Company's Board of Directors in December 2019. In light of the continuous evolution and possible effects of the COVID-19 pandemic, the Company has revised certain annual forecasts, which were evaluated by the Company's Board of Directors, most recently on 30 July 2020.
These estimates are based on reasonable and supportable assumptions that, while duly considering the uncertainty generated by the health emergency, are capable of representing the best estimate of the economic conditions expected over the useful life of the assets. Sensitivity analyzes were also conducted of the potential impact of the COVID-19 epidemiological emergency on the assumptions underlying the estimates performed.
In particular, the estimates indicated in the Business Plan have been updated to take account of both the definitive results as at 31 December 2019 and the following assumptions:

- the projection of future profit flows based on the most recent AUM available at the date of approval of these interim financial statements;
- the most recent definitive net funding available at the date of approval of these interim financial statements and, for the subsequent period, the net funding envisaged by the Business Plan, broken down by commercial clusters (e.g. retail, institutional non-Branch I and Branch I);
- performance fees for the period 2021-2024 envisaged in the Business Plan and kept unchanged for this year with respect to the most recent values available at the date of approval of these interim financial statements;
- a bottom-up review of costs for 2020: a reduction in costs, with particular regard to commercial costs and those associated with the Plan projects; for 2021-2024 the costs envisaged in the Business Plan;
- the future growth of AUM resulting from the performance of the markets envisaged in the Business Plan.

Starting from the above assumptions, the Company then developed the economic and financial projections for estimating the value in use of the Anima CGU.

Discount rate

To determine the value in use, cash flows must be discounted at a rate that reflects both the time value of money and the risks specific to the business conducted. The discount rate used is equal to 7.94% (8.88% at 31 March 2020 and 8.10% at 31 December 2019), calculated in line with best valuation practices, and corresponds to the cost of equity, equal to the rate of return on equity demanded by investors/shareholders for investments with similar risk profiles. This rate was estimated using the Capital Asset Pricing Model (CAPM) on the basis of the following formula:
Ke = Rf + Beta * (Rm-Rf)
where
Rf = risk-free interest rate, determined as the average annual gross yield over the last 12 months on the 10-year BTP Italia (source: Bank of Italy, July 2020), equal to 1.37% (1.58% at 31 March 2020 and 1.95% at 31 December 2019);
Rm - Rf = market risk premium, set at 5.37% (6.16% 31 March 2020 and 5.20% at 31 December 2019), in line with valuation practices, and determined on the basis of the long-term yield differential between shares and bonds (source: Damodaran, June 2020);
Beta = a correlation factor between the effective return on a share and the overall return of the reference market (a measure of the volatility of a stock compared with the market), set equal to 1.22 as estimated considering the levered beta of Anima Holding with a 5-year observation period and a weekly observation frequency (1.19% at 31 March 2020 and 1.18% at 31 December 2019).

A perpetual growth rate of 1.5% was used to calculate the terminal value (unchanged from 31 March 2020 and the previous year), in line with long-term inflation forecasts provided by reliable external sources (International Monetary Fund, Prometeia, ECB).
The discounted flows are considered net of tax using a tax rate equal to current tax rates applicable as of the date of these interim financial statements.

Sensitivity analysis
In order to better gauge the sensitivity of the results of the impairment tests to changes in the underlying assumptions, sensitivity analysis was performed. For the purposes of calculating value in use, an analysis was conducted of sensitivity in respect of the overall discount rate (Ke) and the growth rate used to calculate the terminal value. The ranges of change analyzed were as follows:
- Ke between 6.94% and 8.94%;
- growth rate in perpetuity of between 0.5% and 2.5%;

Stress scenario
In addition to the above, considering the uncertainty engendered by the COVID-19 emergency, another scenario analysis was conducted using negatively “stressed” assumptions compared with the baseline scenario.
The purpose of this analysis is to identify the risks of a deterioration in profitability due to additional negative assumptions compared with the baseline scenario, which were estimated considering: (i) a reduction in net funding flows; (ii) a market shock in the second half of 2020, with a contraction in AUM; and (iii) the reduction to zero of performance fees.

Results of impairment testing
The impairment testing did not find any impairment of goodwill or intangible assets with a finite useful life in either the baseline scenario or in the especially adverse stress scenario.
For the purposes of the sensitivity analysis of the baseline scenario:
- using the change in the overall discount rate (Ke) to 8.94%, recoverable value falls by 13.16%;
- using the change in the growth rate in perpetuity to 0.5%, recoverable value falls by 10.59%;
- in the most extreme case in the sensitivity analysis of the two components considered jointly, recoverable value falls by 20.98%;

In all the scenarios presented above, recoverable value is higher than the carrying amount of Anima CGU.
An analysis was also conducted to identify the “threshold” discount rate, which equalizes the value in use of the Anima CGU with its carrying amount. That value was found to be 14.45%, while in the stress scenario, the threshold discount rate falls to 9.76%.

Section 10 – Tax assets and tax liabilities - items 100 of assets and 60 of liabilities

Tax assets/liabilities report the net balance of the tax positions of the individual Group companies with regard to their respective tax authorities.
The Company and the subsidiary Anima SGR have opted to participate in a Group taxation mechanism pursuant to Article 117 et seq. of the Uniform Income Tax Code (the so-called "National Consolidated Taxation Mechanism"). The newly established Anima Alternative will also participate in the mechanism. For that reason, in the balance sheet the net balance of payments on account and the Group's ordinary corporate income tax (IRES) for the period is reported in "Current tax assets" or "Current tax liabilities".

10.1 Current and deferred tax assets: composition

At 30 June 2020 there was no balance of current tax assets, as all of the Group companies report tax liabilities only.

The following table reports the events that gave rise to timing differences and the associated deferred tax assets.

	30.06.2020	31.12.2019
Provisions for risks and charges	244	267
Discharge of tax liability in respect of goodwill	13,879	15,222
Amortization former Aperta SGR eliminated in FTA	130	132
Impairment of intangible assets	47	64
Hedging derivatives	635	
Actuarial losses - termination benefits	89	93
Other	43	91
Total	**15,067**	**15,869**

10.2 Current and deferred tax liabilities: composition

	30.06.2020	31.12.2019
IRAP (regional business tax)	4,371	3,322
IRES (corporate income tax)	4,759	14,873
OTHER (FOREIGN)	47	40
Total	**9,177**	**18,235**

The following table reports the events that gave rise to timing differences and the associated deferred tax liabilities.

	30.06.2020	31.12.2019
Goodwill	6,194	5,966
Intangible assets identified during PPA	128,891	135,249
Other	74	74
Total	**135,159**	**141,289**

Section 12 – Other assets – item 120

12.1 Other assets: composition

		30.06.2020	31.12.2019
1.	**Tax receivables**	**17,075**	**20,691**
	Application for reimbursement of IRES for IRAP deduction	572	973
	VAT credits	209	210
	Virtual stamp duty	5,863	9,108
	Other receivables	10,431	10,400
2	**Sundry receivables**	**23,409**	**14,874**
	Accrued income and prepaid expenses	5,611	4,380
	Prepaid one-off placement fees	10,352	4,018
	Due in respect of reimb. of IRES for IRAP ded.	1,569	1,569
	Due from former shareholders in respect of indemnities	3,304	3,304
	Other receivables	2,008	973
	Leasehold improvements	565	630
Total		**40,484**	**35,565**

"Other assets" includes (i) tax receivables in the amount of about €17.1 million; (ii) accrued income and prepaid expenses totaling about €5.6 million; (iii) prepaid one-off placement fees totaling about €10.4 million; (iv) receivables in respect of applications for reimbursement of corporate income taxes (IRES) in connection with the non-deduction of IRAP in respect of personnel expenses (pursuant to Article 2, paragraph 1-quater, of Decree Law 201/2011, for the 2004–2011 tax periods (submitted with the former consolidating shareholders Banca Monte dei Paschi di Siena and Banco BPM), in the amount of about €1.6 million; (v) receivables due from former shareholders in respect of indemnities under the agreements entered into by the Company in December 2010 in the amount of about €3.3 million; (vi) other assets totaling about €2 million; and (vii) assets in respect of leasehold improvements in the amount of €0.6 million.

LIABILITIES

Section 1 – Financial liabilities measured at amortized cost – item 10

1.1 Financial liabilities measured at amortized cost: composition by type

		30.06.2020	31.12.2019
1.	Due to sales networks:	109,854	133,969
	1.1 for placement of collective investment undertakings	105,790	129,463
	1.2 for placement of individual portfolio management products	2,486	2,885
	1.3 for placement of pension fund products	1,578	1,621
2.	Due for management activities:	3,104	3,515
	2.1 for management of own portfolios		
	2.2 for management of third-party portfolio	3,080	3,488
	2.3 other	24	27
3.	Due for other services:	37	43
	3.1 advisory services		
	3.2 outsourced business services		
	3.3 other	37	43
4.	Other amounts due	270,497	306,927
	4.1 repurchase agreements		
	4.2 lease liabilities	10,225	12,112
	4.3 other	260,272	294,815
Total		**383,492**	**444,454**
	Fair value - level 1		
	Fair value - level 2	**383,492**	**444,454**
	Fair value - level 3		
Total fair value		**383,492**	**444,454**

The item "1. Due to sales networks" is almost entirely accounted for by commissions to be paid to the distributors of products created and managed by the Group. Those commissions will be almost entirely paid in the third quarter of 2020. The decrease compared with 31 December 2019 is mainly due to (i) a decrease in front-end fees of about €5.9 million; (ii) a reduction in placement fees of about €9.6 million; and (iii) a decrease in maintenance fees to be paid to product distributors of about €9.2 million.
The item "2. Due for management activities" is mainly accounted for by amounts due fees and commission to be paid to distributors of SICAVs promoted and/or managed by the Group, notably the Anima Funds Plc SICAV in Ireland.
The item "4. Other amounts due – 4.2 lease liabilities" represents the residual liability at 30 June 2020 connected with right-of-use assets recognized in application of IFRS 16.
The item "4. Other amounts due – 4.3 other" consists of the medium/long-term loan granted to the Parent Company on 10 October 2019 in the original amount of €297 million by a pool of banks (Banca Monte dei Paschi di Siena S.p.A., Banco BPM S.p.A., Mediobanca - Banca di Credito Finanziario S.p.A., Credito Valtellinese S.p.A. and Banca Popolare di Puglia e Basilicata ScpA). The loan falls due 5 years from the signing date and bears an annual interest rate equal to 6-month Euribor plus a spread of 1.5% (150 bps) (the "Bank Loan").
On 30 June the Company, exercising the option available in the Bank Loan agreement, made an early repayment of principal in the amount of €35 million.
At 30 June 2020, the Bank Loan (with a nominal value of €262 million) is carried at amortized cost, in the amount of about €260.2 million. The difference between its nominal value at the amortized cost is

attributable to residual capitalized transaction costs of about €1.8 million connected with obtaining the loan.
For more details on the terms and conditions of the loan, please see “Part D – Other information– Section 3 – Risks and risk management policies - 3.1 Financial risks” of these notes to the consolidated financial statements.

1.2 Composition of “Financial liabilities measured at amortized cost: Securities issued”

		30.06.2020				31.12.2019			
		CA	Fair value			CA	Fair value		
			L1	L2	L3		L1	L2	L3
1.	Securities	284,274	266,454			297,476	296,772		
	- bonds	284,274	266,454			297,476	296,772		
	- other								
	Total	**284,274**	**266,454**			**297,476**	**296,772**		

Key
CA = carrying amount; L1= Level 1; L2= Level 2; L3= Level 3.

The item “Securities – bonds” is represented by bonds issued by the Parent Company on 23 October 2019.
The non-convertible senior unsecured bond was issued with a nominal value of €300 million with a maturity of 7 years. The Bond was issued at a price of 99.459%, with a fixed annual interest rate of 1.75%. The Bond is currently rated BBB- by Fitch Ratings Ltd..
On 10 June 2020, the Company settled the partial repurchase offer (for a maximum nominal amount of €30 million) for bonds issued by the Company. The offer, which began on 22 May (see the press release of 22 May 2020), ended on 5 June 2020 (see the press release of 8 June 2020) with the repurchase of a total nominal amount of €16,022,000 at a price equal to 90.00% of the nominal value of the bonds. At 30 June 2020, following the cancellation of the repurchased bonds, the nominal value of the Bond is equal to €283,978,000.
At 30 June 2020, the Bond is carried at amortized cost in the amount of €284.3 million. That amount is represented by (i) the amount raised by the issue (net of the amount repurchased on 10 June 2020) of about €282.44 million, (ii) increased by interest expense accrued between the issue date and 30 June 2020, as calculated using the amortized cost method (on the basis of the effective interest rate) of about €3.6 million and (iii) decreased by transaction costs connected with the bond issue, which were capitalized and reported at their residual value of about €1.7 million.
For more details on the terms and conditions of the Bond, please see “Part D – Other information– Section 3 – Risks and risk management policies - 3.1 Financial risks” of these notes to the interim financial statements.

Section 4 – Hedging derivatives – item 40

4.1 Hedging derivatives: composition by type of hedge and fair value hierarchy level

	30.06.2020				31.12.2019			
	Fair Value			NV	Fair Value			NV
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
A. Financial derivatives								
1. Fair value								
2. Cash flows		2,148		148,500				
3. Investments in foreign operations				-				
Total A	-	2,148	-	148,500	-	-	-	-
B. Credit derivatives								
1. Fair value				-				
2. Cash flows				-				
Total B	-	-	-	-	-	-	-	-
Total	**-**	**2,148**	**-**	**148,500**	**-**	**-**	**-**	**-**

Key: NV = notional value

The item reports the fair value of interest rate swaps (IRS) entered into in order to hedge the risk of variations in Euribor (the basis rate of the outstanding loan), which is replaced by payment of a fixed rate (a cash flow hedging strategy).

Implementing the terms of the loan agreement, on 17 January 2020 and with effect from 21 January 2020 the Company signed the IRS contracts with a total notional value of €148.5 million. The contracts hedge the liability over the entire term of the loan.

The Parent Company verified the existence of all the conditions set out in IFRS 9 for the use of hedge accounting for the transaction. Consequently, the portion of changes in the fair value of the derivatives related to future interest payments on the loan not yet accrued for recognition through profit or loss are recognized in valuation reserves (net of tax effects) and are reported in the consolidated statement of comprehensive income.

For more information on the IRS contracts, see "Part D - Other Information - Section 3 - Information on risks and risk management policies – 3.3 Derivatives and hedging policies" of these notes to the consolidated financial statements.

Section 8 – Other liabilities - item 80

8.1 Composition of Item 90 "Other liabilities"

	30.06.2020	31.12.2019
Due to suppliers for invoices to be paid and received	8,302	8,718
Due to employees and social security institutions	14,583	16,045
Withholding tax to be paid (on CIU, pension fund and portfolio management income)	3,860	31,595
Due to tax authorities (IRPEF, VAT, other)	1,128	1,297
Due for virtual stamp duty	882	4,043
Due to former shareholders for prior-year items	8,835	8,835
Accrued expense and deferred income	204	205
Sundry payables	2,507	2,463
Total	**40,301**	**73,201**

"Other liabilities" include: (i) amounts due to suppliers; (ii) amounts due to employees and social security institutions including, among other things, the variable component of remuneration; (iii) liabilities for withholding tax and other taxes to be paid to tax authorities in respect of asset management products (this decreased by about €27.7 million compared with 31 December 2019); (iv) the liabilities in respect of tax consolidation agreements from previous years and agreements signed by the Company with former shareholders in December 2010; and (v) accrued expense, deferred income and sundry payables.

Section 11 – Shareholders' equity – items 110, 120, 130, 140, 150 and 160

11.1 Composition of item 120 "Share capital"

	30.06.2020	31.12.2019
1. Share capital	**7,292**	**7,292**
1.1 Ordinary	7,292	7,292
1.2 Other		

Al 30 June 2020, share capital amounted to €7,291,809.72 and is represented by 368,635,785 ordinary shares with no par value.
On 27 April 2020 the resolution of the Shareholders' Meeting of 31 March 2020, meeting in extraordinary session, approving the proposal of the Board of Directors to cancel 11,401,107 treasury shares in the Company's portfolio, equal to 3% of the share capital on the date of the resolution was registered with the Company Register. Pursuant to Article 5 of the Company's Articles of Association, the share capital is represented by ordinary shares with no par value. Accordingly, the cancellation of treasury shares only reduced the number of existing shares (which went from 380,036,892 to 368,635,785) without any reduction in share capital.
The shares of the Company have been listed since 16 April 2014 on the electronic stock exchange (Mercato Telematico Azionario) organized and operated by Borsa Italiana S.p.A..

11.2 Composition of "Treasury shares"

	30.06.2020	31.12.2019
1. Treasury shares	**(45,245)**	**(59,639)**
1.1 Ordinary	(45,245)	(59,639)
1.2 Other		

On 21 December 2018, the Shareholder's Meeting of the Company approved a program to purchase treasury shares pursuant to Articles 2357 and 2357-*ter* of the Italian Civil Code and of Article 132 of the Consolidated Law in order to: (i) make use of treasury shares to support existing and future incentive plans for corporate officers, employees, or other Group associates that involve the use or grant of shares or financial instruments that are convertible into shares; and (ii) establish a securities portfolio to be used, in line with the strategic guidelines of the Company, to support any extraordinary transactions.
The resolution authorized the purchase, in one or more transactions in a freely determinable amount, with a resolution of the Board of Directors, a maximum number of the Company's ordinary shares with no par value equal to no more than 10% of the share capital, taking account of any treasury shares that may already be held by the Company or held by subsidiaries.

The share buy-back program was initiated by the Company in two phases:

- the first (see the press release of 8 January 2019) in the period between 9 January 2019 and 23 April 2019 resulted in the purchase on the Mercato Telematico Azionario ("MTA") of 11,401,107 treasury shares, equal to 3% of share capital, for €41,192,258 (excluding costs and/or income associated with the transaction) at an average price of €3.613;
- the second (see the press release of 15 November 2019) in the period between 18 November 2019 and 28 February 2020 resulted in the purchase on the MTA of 11,148,095 treasury shares, equal to 2.93% of share capital, for €49,999,992 (excluding costs and/or income associated with the transaction) at an average price of €4.4851.

The Company published information about the share buy-back program on a weekly basis, providing the number, average price and value of treasury shares purchased on the MTA during the specified period.
At 31 March 2020, the Company held a total of 22,549,202 treasury shares, with no par value, equal to approximately 5.93% of share capital, with a value of €91,516,260 (inclusive of transaction costs/income), corresponding to an average price of about €4.0585 per share.
As described in the previous section, on 31 March 2020 the Shareholders' Meeting of the Company approved the cancellation of 11,401,107 treasury shares in the Company's portfolio. On 27 April 2020 the shareholders' resolution to cancel treasury shares was entered in the Company Register. Accordingly, at 30 June 2020 the Company held 11,148,095 treasury shares, equal to about 3.024% of share capital. The value of the treasury shares, which is recognized in a negative equity reserve and includes transaction costs/income, amounts to about €45,244,704, equal to an average price of about €4.0585 per share.

During the year under review, the following transactions in treasury shares were carried out:

	No. of ordinary shares	Treasury shares	Shares in circulation
Shares at start of period	**380,036,892**	**(15,395,909)**	**364,640,983**
- Purchase of treasury shares		(7,153,293)	(7,153,293)
- Cancellation of treasury shares	(11,401,107)	11,401,107	
Shares at 30 June 2020	**368,635,785**	**(11,148,095)**	**357,487,690**

11.4 Composition of "Share premium reserve"

	30.06.2020	31.12.2019
Share premium reserve	787,652	787,652

PART C - INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

Section 1 – Fees and commissions – items 10 and 20

1.1 "Fees and commissions"

	30.06.2020			30.06.2019		
	Fee and commission income	Fee and commission expense	Net fees and commissions	Fee and commission income	Fee and commission expense	Net fees and commissions
A. ASSET MANAGEMENT						
1. Management of own portfolios						
1.1 Investment funds						
- Management fees	271,631	(188,581)	83,050	284,406	(194,878)	89,528
- Performance fees	29,710	(2,422)	27,288	8,003	(167)	7,836
- Front-end load/back-end load	41,502	(41,148)	354	48,634	(48,400)	234
- Switching fees						
- Other fees and commissions	77,072	(59,156)	17,916	86,919	(69,859)	17,060
Total fees and commissions from investment funds	**419,915**	**(291,307)**	**128,608**	**427,962**	**(313,304)**	**114,658**
1.2 Individual portfolio management						
- Management fees	22,540	(5,242)	17,298	21,529	(5,871)	15,658
- Performance fees	20	-	20	1	(1)	
- Front-end load/back-end load	1	(1)	-			
- Other fees and commissions	34	-	34	41		41
Total fees and commissions from individual portfolio management	**22,595**	**(5,243)**	**17,352**	**21,571**	**(5,872)**	**15,699**
1.3 Open-end pension funds						
- Management fees	5,135	(2,687)	2,448	4,663	(2,432)	2,231
- Performance fees						
- Front-end load/back-end load						
- Other fees and commissions	64	(104)	(40)	59	(101)	(42)
Total fees and commissions from open-end pension funds	**5,199**	**(2,791)**	**2,408**	**4,722**	**(2,533)**	**2,189**
2. Management of third-party portfolios						
- Management fees	32,114	(6,299)	25,815	32,794	(7,153)	25,641
- Performance fees	9,423	-	9,423	1,758		1,758
- Other fees and commissions	1,795	(327)	1,468	2,740	(766)	1,974
Total fees and commissions from management of third-party portfolios	**43,332**	**(6,626)**	**36,706**	**37,292**	**(7,919)**	**29,373**
TOTAL FEES AND COMMISSIONS FROM ASSET MANAGEMENT (A)	**491,041**	**(305,967)**	**185,074**	**491,547**	**(329,628)**	**161,919**
B. OTHER SERVICES						
- Advisory services	171	(72)	99	208	(76)	132
- Other services	43	(43)		208	(205)	3
TOTAL FEES AND COMMISSIONS FOR OTHER SERVICES (B)	**214**	**(115)**	**99**	**416**	**(281)**	**135**
TOTAL FEES AND COMMISSIONS (A+B)	**491,255**	**(306,082)**	**185,173**	**491,963**	**(329,909)**	**162,054**

The income generated by fund management operations is primarily represented by management and performance fees (where provided for contractually), which account for the majority of the Group's revenue. Management and performance fees are connected with the market value of assets under management and the results of product management. More specifically, management fees are calculated periodically as a percentage of the assets of an individual product. Performance fees, on the other hand, are charged on certain products and paid to the management company when the return of the fund in a given period exceeds the performance of a benchmark index, a predetermined value or a target return. For some funds, performance fees are due if the value of fund units increases above its highest previous level. Accordingly, performance fees, and the amount of those fees, are highly affected by the returns achieved by funds and other managed products, which are in turn impacted not only by the quality of the funds' managers but also by developments in markets and, more generally, the national and international economy.

Fee and commission income on investment funds is collected on a monthly basis, that on individual portfolio management products and on products managed on a delegated basis is collected on a monthly or quarterly basis.

Section 3 – Interest – items 50 and 60

3.2 Composition of "Interest and similar expense"

		Loans	Repurchase agreements	Securities	Other	Total 30.06.2020	Total 30.06.2019
1.	Financial liabilities measured at amortized cost	(2,314)		(2,820)		(5,134)	(5,303)
	1.1 Debt	(2,314)				(2,314)	(5,303)
	1.2 Securities issued			(2,820)		(2,820)	
2.	Financial liabilities held for trading						
3.	Financial liabilities measured at fair value						
4.	Other liabilities						
5.	Hedging derivatives	(201)				(201)	(514)
6.	Financial assets						
	Total	**(2,515)**	**-**	**(2,820)**	**-**	**(5,335)**	**(5,817)**
	of which: interest expense related to lease liabilities	(73)				(73)	(90)

Item "1.1 Debt" includes:

(i) interest expense on the Bank Loan of about €2.2 million, determined using the amortized cost method (based on the effective interest rate), of which about €0.2 million of interest related to the optional early repayment of €35 million in principal on 30 June 2020;

(ii) interest expense accrued during the period on lease liabilities recognized in application of IFRS 16 in the amount of about €0.07 million.

Item "1.2 Securities issued" reports the interest expense accrued during the period on the Bond and determined using the amortized cost method (based on the effective interest rate) in the amount of about €2.8 million.

Item "5. Hedging derivatives" reports the interest component of the IRS derivatives hedging the Loans.

Section 6 – Gain (loss) on disposal or repurchase – item 90

6.1 Composition of item 90 "Gain (loss) on disposal or repurchase"

	Total 30.06.2020			Total 30.06.2019		
	Gains	Losses	Net gain (loss)	Gains	Losses	Net gain (loss)
1.1 Financial assets						
1.1 Financial assets measured at amortized cost						
1.2 Financial assets measured at fair value through other comprehensive income						
Total assets (1)						
2. Financial liabilities measured at amortized cost						
2.1 Loans and other payables						
2.2 Securities issued	1,228		1,228			
Total liabilities (2)	**1,228**		**1,228**			
Total (1+2)	**1,228**	**-**	**1,228**			

Item "2.2 Securities issued" is represented by the gain realized on 10 June 2020 with the partial repurchase of €16,022,000 of the Bond issued by the Company on 23 October 2019. Under the provisions of IFRS 9, the amount is recognized net of transaction costs of about €0.2 million.

Section 7 – Net gain (loss) on other financial assets and liabilities measured at fair value through profit or loss – item 100

7.2 Composition of "Net gain (loss) on other financial assets and liabilities measured at fair value through profit or loss: other financial assets mandatorily measured at fair value

		Gains (A)	Gains on trading (B)	Losses (C)	Losses on trading (D)	Net gain (loss) (A+B) – (C+D)
1.	**Financial assets**					
	1.1 Debt securities					
	1.2 Equity securities					
	1.3 Units in collective investment undertakings	99	37	(1,526)	(103)	(1,494)
	Of which own UCIS	*99*	*37*	*(1,526)*	*(103)*	*(1,494)*
	1.4 Other					
2	**Financial liabilities**					
3.	**Financial assets and liabilities: exchange differences**					
4.	**Derivatives**					
	Total	**99**	**37**	**(1,526)**	**(103)**	**(1,494)**

The table reports the increase/decreases (gain/loss) from the fair value measurement of financial assets mandatorily measured at fair value, as well as gains and losses realized on the sale of financial instruments.

Section 9 – Administrative expenses – item 140

9.1 Personnel expenses: composition

		Total 30.06.2020	Total 30.06.2019
1.	**Employees**	**(26,531)**	**(25,556)**
	a) wages and salaries	(16,620)	(14,922)
	b) social security contribution	(4,275)	(3,962)
	c) termination benefits		
	d) pensions	(382)	(331)
	e) allocation to employee termination benefit provision	(17)	(30)
	f) allocation to provision for retirement and similar liabilities:		
	g) payments to supplementary pension funds:	(963)	(895)
	- defined contribution	(963)	(895)
	- defined benefit		
	h) other	(4,275)	(5,416)
2.	**Other personnel**	**(35)**	**(32)**
3.	**Board of Directors and members of Board of Auditors**	**(954)**	**(909)**
4.	**Personnel in retirement**		
5.	**Recovery of expenses for employees seconded to other companies**		
6.	**Reimbursement of expenses for third-party employees seconded to the Company**	**(1)**	
	Total	**(27,520)**	**(26,497)**

The item "Employees" includes the costs connected with estimated variable remuneration, which is also linked to performance fees on products managed, and costs accruing for the period in association with the termination of the employment relationship with the previous General Manager of Anima SGR. In addition. the sub-item "other" includes LTIP costs of about €1.4 million (in the year-earlier period that item amounted to €4.2 million), which reflects both the revision of the probability of meeting the Vesting Conditions approved by the Board of Directors on 20 December 2019 and the requantification of the Units granted to the departing Beneficiary in consideration of the lapse of the exercise rights in respect of Units that have not yet vested and the associated grant of a portion of those Units to Alessandro Melzi d'Eril, CEO and General Manager of the Company and of Anima SGR, in proportion to the residual duration of the Plan.

9.3 "Other administrative expenses": composition

	Total 30.06.2020	Total 30.06.2019
advisory services	(1,468)	(957)
facility leasing and property management expenses	(752)	(834)
outsourcing	(4,252)	(5,393)
marketing and communication expenses	(1,366)	(3,145)
infoproviders	(4,631)	(3,206)
telephone and information systems	(2,838)	(2,638)
other operating expenses	(2,587)	(2,124)
Total	**(17,894)**	**(18,297)**

The item "Other administrative expenses" decreased compared with the previous period mainly due to (i) a decline in marketing and communication expenses, a consequence of the restrictions on movement imposed in response to the COVID-19 pandemic; and (ii) a reduction in costs for the outsourcing of administrative services following a review of certain contracts during the previous year. These decreases were partially offset by an increase in (a) consulting costs, mainly reflecting the agreements amending the contracts signed with strategic partners; (b) costs for research services from infoproviders; and (c) other operating expenses, associated with donations and sundry costs connected with the COVID-19 emergency and costs for postal services for sending periodic notices concerning products under management.

Section 12 – Net adjustments of intangible assets – item 170

12.1 Composition of "Net adjustments of intangible assets"

		Amortization	Impairment	Writeback	Net adjustments 30.06.2020
1.	**Goodwill**				-
2.	**Other than goodwill**	**(25,941)**	-	-	**(25,941)**
	2.1 owned	(25,941)			**(25,941)**
	- generated internally				-
	- other	(25,941)			**(25,941)**
	2.2 right-of-use assets				-
Total		**(25,941)**	-	-	**(25,941)**

The table above reports amortization for the period, including (i) about €25 million in respect of intangibles with a finite useful life and (ii) about €0.9 million for other intangible assets (software).

Section 18 – Income tax expense from continuing operations - item 250

18.1 Composition of "Income tax expense from continuing operations"

	Total 30.06.2020	Total 30.06.2019
1. Current taxes	(41,469)	(42,442)
2. Changes in current taxes from previous periods		
3. Reduction of current taxes for the period		
4. Change in deferred tax assets	(1,433)	12,778
of which from previous period		
5. Change in deferred tax liabilities	6,130	6,240
of which from previous period		
Income taxes for the period	**(36,772)**	**(23,424)**

"Current taxes", equal to about €41.5 million, include the Group corporate income tax (IRES) liability in the amount of about €28.3 million, the regional business tax (IRAP) in the amount of about €13 million and foreign taxes totaling about €0.3 million.
At 30 June 2019, the item also included the tax in lieu of about €7.1 million paid by the subsidiary Anima SGR following election of the special tax scheme for the adjustment of the tax value of assets to their carrying amount ("Discharge of tax liability" – pursuant to Article 15, paragraph 10, of Decree Law 185 of 29 November 2008) for the goodwill recognized as part of the purchase price allocation for the acquisition of the Demerged Business. The election involved the recognition of deferred tax assets equal to the expected tax benefit of the future deductibility of the goodwill (about €13.1 million).
The effective income tax rate, with a tax liability of €36.8 million for the period, came to about 33.6% (about 33.9% in the previous year), net of the amounts connected with the discharge of tax liability mentioned above.

PART D- OTHER INFORMATION ON THE CONSOLIDATED FINANCIAL STATEMENTS

Section 1 – Specific comments on activities performed

The Company is primarily engaged in the coordination and operational management of its equity investments, while the other Group companies engage in the normal business of asset management companies.
In addition, the Group operating companies use a number of custodian banks for the various categories of funds it offers, including BNP Paribas for Italian investment funds, DepoBank for the Arti & Mestieri pension fund and State Street Bank for Irish funds and SICAVs.
Gestielle Investment SICAV (a SICAV incorporated under Luxembourg law), Anima Funds Plc (a SICAV under Irish law) and Monte SICAV (a SICAV under Luxembourg law) for which Anima SGR acts as the Management Company, have respectively appointed Banque Havilland, State Street and BNP Paribas as custodian banks.

1.1 Information on commitments, guarantees and leasehold interests

The definitive agreements for the acquisitions carried out in 2017 and 2018 with the Banco BPM Group and Poste Group provided for specific protection and guarantee mechanisms (for example, price adjustment mechanisms, earn-in/earn-out clauses, requirements to maintain certain market shares by the counterparties for the products managed by the Group, mechanisms to verify the performance of products managed by the Group and remedies in the event of their under-performance).
For more details, see Chapter XXII of the Prospectus published on 23 March 2018 concerning the capital increase and the information documents concerning transactions of greater importance with related parties published on 7 April 2020 and 21 May 2020, which are available on the Company's website.

Section 3 – Information on risks and risk management policies

Premise

The policies governing the assumption of risks are defined by the Board of Directors, with strategic and management supervision functions, and by the Management Control Committee, with control functions. The Board of Directors also performs its activities through specific internal committees, including the Risk Committee (the "Committee"). The Committee is an advisory and informative body, composed of three Independent directors, with expertise and experience in accounting and financial matters and/or risk management.
The meetings of the Committee are normally attended by the CEO/General Manager (as the officer in charge of the internal control and risk management system), the Chairman of the Board of Auditors (the other members of the Board of Auditors are also normally invited to attend), the heads of Internal Audit and Compliance and, depending on the agenda, the Group CFO & HR Director and the Financial Reporting Officer.
The Committee was set up in order to ensure the monitoring and management of risks and the safeguarding of corporate value at Group level, including the internal control system, in implementation of the strategic guidelines and management policies defined by the corporate bodies.

3.1 Financial risks

This disclosure is provided for under Article 2428 of the Italian Civil Code and under IAS 32 and IFRS 7.
Financial risks include:

- liquidity risk, which is associated with the difficulty of selling an asset rapidly and at a market price, or of promptly accessing the financial resources necessary for the company at a sustainable cost;
- credit risk, i.e. the risk of incurring losses due to the default or insolvency of the counterparty;
- market risk linked to fluctuations in the value of assets/liabilities following changes in market conditions (price, rate, exchange and commodity risk).

The Group is exposed to all three of the risks mentioned above. More specifically, that exposure is essentially associated with the management of the liquidity of Group companies, both in relation to the repayment of the loan obtained by the Company and in relation to the surplus of financial resources with respect to the expected liquidity needs generated by ordinary operations, i.e. the portfolio owned by the Group.

Liquidity management: borrowing

At 30 June 2020, the Parent Company had the following debt structure:

	Nominal value	Carrying amount at 30 June 2020
Bank loan	262,000	260,249
Bond	283,978	284,274
Total borrowing	**545,978**	**544,523**

The nominal maturity profile of debt is as follows:

Falling due	Bank loan	Bond	Total
less than 6 months			-
less than 1 year			-
between 1 and 3 years			-
between 3 and 5 years	262,000		**262,000**
more than 5 years		283,978	**283,978**
Total	**262,000**	**283,978**	**545,978**

The Bank Loan refers to the transaction on 10 October 2019 in which the Company obtained a medium/long-term credit line in the maximum amount of €300 million (see the press release of 17 October 2019). This credit line was drawn on 24 October 2019 in the amount of €297 million. On 30 June 2020, the Company exercised the provisions of Article 7.5 of the loan agreement for the optional early repayment of principal in the amount of €35 million.

The Bank Loan falls due 5 years from the date it was granted and bears an annual interest rate equal to 6-month Euribor plus a spread of 1.5% (150 bps), with interest paid semi-annually on 31 December and 30 June.

The Bank Loan requires compliance with financial covenants. More specifically, the contract calls for: (i) the ratio of the consolidated net financial position to consolidated EBITDA, as established in that loan agreement, to be equal to or less than 2.5. In the event of failure to comply with the covenants, the lending banks are protected by guarantee mechanisms (for example, equity cures, restrictions on the distribution of profits, early repayment of the loan).

As of the date of approval of these interim financial statements, the Company was in compliance with all of the covenants, including that calculated at 30 June 2020.

Furthermore, at 31 December of each financial year, starting from the year ending at 31 December 2021, the Company has undertaken to allocate part of any available financial surpluses - as contractually defined - to mandatory early repayment of the Bank Loan ("cash sweep").

Finally, note that the Company, at any time and without penalty, has the right to proceed with the cancellation (total or partial) of the Bank Loan.

On 23 October 2019, the non-convertible senior unsecured Bond was issued with a nominal value of €300 million with a maturity of 7 years. The Bond was issued at a price of 99.459%, with a fixed annual

interest rate of 1.75% (see the press release of 17 October 2019). The bond raised a net €298.38 million for Anima Holding.
On 10 June 2020, the Company settled the partial repurchase offer (for a maximum nominal amount of €30 million) for bonds issued by the Company. The offer, which began on 22 May (see the press release of 22 May 2020), ended on 5 June 2020 (see the press release of 8 June 2020) with the repurchase of a total nominal amount of €16,022,000 at a price equal to 90.00% of the nominal value of the bonds. At 30 June 2020, following the cancellation of the repurchased bonds, the nominal value of the Bond is equal to €283,978,000.
The Bond was restricted to qualified investors in Italy and abroad, excluding the United States and other selected countries. The Bond was listed on the multilateral trading system, as defined pursuant to Directive 2014/65/EU (multilateral trading facility, or MTF), denominated "Global Exchange Market", operated by Euronext Dublin. The Bond is currently rated BBB- by Fitch Ratings Ltd.

The following table summarizes the main features of the instrument:

Issuer	ISIN	Listing market	Rating	Currency	Nominal value	IAS reporting value	Coupon	Maturing
Anima Holding S.p.A.	XS2069040389	MTF	BBB-	Euro	283,978	284,274,267	Annual fixed-rate 1.75%	23/10/2026

With regard to other clauses concerning corporate debt, please see the "Report on corporate governance and ownership structure" - available on the Company's website (Governance section) – which has been prepared on the basis of the provisions of Article 123-bis of the Consolidated Law on Financial Intermediation, pursuant to which each year issuers must provide investors with a series of disclosures, specified in detail in the law.

With regard to market risk, the Company also has an exposure to interest rate risk on the variable-rate new Loan it obtained.
To hedge this risk, as also provided for in the Bank Loan agreement, specific hedging contracts have been entered into. More details are provided in the section "Derivatives and hedging policies" below.

Liquidity management: excess financial resources
With regard to company liquidity, the Group invests excess cash in UCITS – either managed directly or managed under contract with other Group companies – and in bank deposits. The financial risks of the portfolio owned by the Group are managed through the definition of operating limits designed to mitigate the risk that the portfolio can assume. These limits are expressed both in terms of the types of investments allowed, the allowable amounts and a limit on the maximum risk (expressed by volatility) that can be assumed.
Each year, the Board of Directors of each Group company determines the characteristics and operating limits regarding investments in UCITS (direct management or granting a management contract) and in bank deposits.
Control activities are performed, including inter-group services as well, by the Risk Management department of the subsidiary Anima SGR.
The investment in UCITS is represented by products established and/or managed by the Group, selected on the basis of the return objectives and risk limits established by the respective Boards of Directors. This type of investment is characterized by a high level of liquidity and a low level of direct credit risk, as the assets of the UCITS are segregated.
The financial risks deriving from this type of investment are essentially attributable to the market risk of the investments made, which is in any case compatible with the prudent profile that characterizes the investment strategy for the Group's liquidity.
The risks deriving from the investment in UCITS are monitored by verifying, on a daily basis, compliance with the limits set by the respective Boards of Directors. In particular, the risk limits established in terms of volatility are monitored with the risk model used by the subsidiary Anima SGR.
In view of the above, together with the diversified nature of the investments in UCITS, the Group does

not feel that an analysis of the sensitivity of these investments to the market risks to which they are exposed would be representative.
Investment in bank deposits is by its nature characterized by a high level of liquidity and the absence of market risk. The financial risks deriving from this type of investment are substantially attributable to credit risk and are regularly monitored and mitigated using various techniques, including the use of limits aimed at splitting the risk.

3.2 Operational risks

The Parent Company primarily coordinates and provides operational management for the subsidiaries. Its exposure to operational risk is thus limited to administrative processes, some of which are handled for Anima SGR.
The subsidiary Anima SGR monitors the operational risks to which it is exposed using a formalized process denominated "Business Risk Management". These activities are performed by the Risk Management department.
The process is organized into the phases of (i) risk mapping, (ii) analysis of risk events (operational events only), (iii) risk assessment, (iv) risk management and (v) monitoring of mitigation actions.
The methodology for identifying risks and preparation of the associated disclosures are based on the risk reporting process: this provides management with an immediate overview of the risks to which the company is most exposed and, at the same time, the processes in which those risks are concentrated. The risk situation is presented using a matrix of the characteristic process of the company and the risks (risk categories) associated with them, whose value reflects the weight and the number of risk gaps connected with them. These risk gaps are identified and measured during the checks performed by the internal control units or other control bodies.
The weight of each risk gap (scoring) is assigned on the basis of an estimate of levels of materiality, meaning the amount of the potential loss, and the probability that the underlying event will occur. The report is completed with analytical tables of the existing risk gaps and the associated corrective actions.
As regard outsourced services, in compliance with the rules governing outsourcing provided for in the Joint Bank of Italy - Consob Regulation of 19 January 2015, Anima SGR outsources a number of important services to contractors governed by specific contracts. These primarily include a number of administrative and accounting-related back-office activities and IT services connected with asset management products, including the Arti&Mestieri pension fund.
In order to monitor the maintenance of high standards of efficiency in outsourced processes, specific Service Level Agreements ("SLAs") have been reached with the outsourcers. These contracts specify the quality arrangements made by the supplier and the qualitative and quantitative service levels for the service that the outsourcer must deliver through the achievement of specific key performance indicators (KPI). Outsourced IT services are governed by specific clauses concerning the disaster recovery and business continuity plans implemented by the outsourcers in order to ensure service continuity and the retention, security and integrity of data.
These agreements also have specific clauses that enable Anima SGR to take action against the suppliers in the event of losses caused by breach of those agreements.
In the event of changes in (i) the regulatory framework, (ii) information systems or (iii) the internal organization of outsourcers, the agreements provide for contract revisions in order to keep them updated and appropriate to the new situation.
The failure of outsourcers to provide the minimum service levels could in any event harm company operations and give rise to reputational losses.
For these risks, Anima SGR has implemented the measures required under the applicable regulations to verify compliance with the SLAs with outsourcers. More specifically, monitoring of service quality and outsourcer's performance of the commitments made has been assigned to the Outsourcer Monitoring unit established within the Operations department of Anima SGR.
For more information on financial and operational risks, see the section of the report on operations entitled "Risks and uncertainties" accompanying these interim financial statements.

3.3 DERIVATIVES AND HEDGING POLICIES

DERIVATIVES
The Group has no positions in trading derivatives

HEDGING POLICIES
Qualitative disclosures
The Group hedging activity focuses on the interest rate risk resulting from variations in 6-month Euribor, to which the Bank Loan agreement signed by the Parent Company is indexed.
The objective pursued by hedging interest rate risk is to stabilize the amount of future cash flows from interest on the floating-rate loan agreement (the "hedged item"). This has been achieved with interest rate swaps (the "hedging instrument") entered into with Banca Monte dei Paschi di Siena S.p.A., Banco BPM S.p.A. and Mediobanca – Banca di Credito Finanziario S.p.A. that enable the Company to receive a floating interest rate from the counterparties (indexed to the same market parameter envisaged in the Bank Loan agreement) while paying a fixed interest rate.
The derivatives are not listed on a regulated market but were transacted on OYC circuits.
The interest rate risk hedging relationship has the following characteristics:

- type of hedged Item: liability;
- type of hedging relationship: cash flow hedge.

The hedged item and the hedging instrument are both indexed to 6-month Euribor
There is therefore an economic relationship between the above elements, given the perfect match between the technical and financial characteristics of the hedged item and the hedging instrument.
The following source of ineffectiveness of the hedging relationship has been identified:
Credit Value Adjustment (CVA)/*Debit Value Adjustment* (DVA): this adjustment is made periodically as part of the determination of the fair value of the hedging instrument in order to reflect the credit risk of the parties involved. Since the hedged risk does not include credit risk in the calculation of the fair value of the hedged item, no adjustment is made for this risk.
For the purposes of measuring any ineffectiveness, the effect of the CVA/DVA of the hedging instrument is monitored.

Quantitative disclosures
3.3.2 Hedging derivatives: end-of-period notional values

	30/06/2020
	Interest Rate Swap
Notional value	148,500
Fair Value	(2,148)
Effective date	21/01/2020
Maturity	10/10/2024

3.3.8 Impact of hedges on shareholders' equity: reconciliation of components of shareholders' equity

Cash flow hedge	**Gross amount**	**Income taxes**	**Total**
Opening balance	0	0	0
a) change in fair value	(2,349)	695	**(1,654)**
b) recycling to profit or loss	201	(59)	**142**
c) other changes			
Closing balance	**(2,148)**	**635**	**(1,513)**

Section 4 – Information on capital

4.1 *Company capital*
4.1.1 Qualitative disclosures.

At 30 June 2020, the share capital of the Company, fully subscribed and paid-up in the amount of €7,291,809.72 is represented by 368,635,785 shares with no par value.
The shares of the Company have been listed since 16 April 2014 on the *Mercato Telematico Azionario* organized and operated by Borsa Italiana S.p.A..
At the date of the approval of the interim financial statements at 30 June 2020 by the Board of Directors, shareholders with significant interests in Anima Holding, on the basis of the reports submitted pursuant to Article 120 of Legislative Decree 58/98 and other information available to the Company, were Banco BPM S.p.A. with 19.385%, Poste Italiane S.p.A. ("Poste Italiane" or "Poste") with 10.355 %, River and Mercantile Asset Management LLP with 5.210%, Wellington Management Group LLP with 5,028% and Norges Bank with 2.967%. In addition, the Company holds 3.024% of its share capital as treasury shares with no voting rights.
In addition, pursuant to Consob Resolutions 21326 - 21327 of 9 April 2020 and 21434 of 8 July 2020, on 31 March 2020 the Company was notified that the threshold of 1% of share capital had been exceeded by Caltagirone Gaetano Francesco, acting through Gamma S.r.l. with 1.118% and on 18 May 2020 by DWS Investment Gmbh with 2.771%.
Anima Holding has not issued profit participation certificates, convertible bonds, other securities or similar instruments.

4.1.1 Quantitative disclosures.
4.1.2.1 Company capital: composition

	30.06.2020	31.12.2019
1. Share capital	7,292	7,292
2. Share premium reserve	787,652	787,652
3. Reserves	407,184	379,494
- earnings	376,811	347,600
a) legal	1,458	1,458
b) established in bylaws		
c) treasury shares		
d) other	375,353	346,142
- other	30,373	31,895
4. (treasury shares)	(45,245)	(59,639)
5. Valuation reserves	(2,241)	(728)
- Cash flow hedges	(1,513)	
- Actuarial gains (losses) on defined benefit plans	(728)	(728)
6. Equity instruments		
7. Net profit (loss) for the period	72,603	145,829
Total	**1,227,245**	**1,259,901**

At 30 June 2020 the Company held 11,148,095 treasury shares with no par value, equal to about 3.024% of share capital. The value of the treasury shares, which is recognized in a negative equity reserve and includes transaction costs/income, amounts to about €45,244,704, equal to an average price of about €4.0585 per share.
On 20 May 2020 the dividend was paid (with exclusion of treasury shares held by the Company) in respect of 2019 earnings in the amount of about €73 million.

Section 6 – Transactions with related parties

6.1 Information on the remuneration of key management personnel.

The following table reports the amount of remuneration for the period accrued by the members of the governing and control bodies and by key management personnel of the Group.

	Board of Auditors	Board of Directors	Key management personnel	Total at 30.06.2020
Short-term benefits (1)	158	616	955	**1,729**
Post-employment benefits (2)			62	**62**
Other long-term benefits				
Termination benefits (3)		50	1,934	**1,984**
Share-based payments (4)			602	**602**
Total	**158**	**666**	**3,554**	**4,378**

(1) Includes fixed and variable remuneration, social security contributions charges to the company and benefits in kind.
(2) Includes the company contribution to the pension fund and the accrual to the termination benefit as provided for by law and company rules.
(3) Includes remuneration connected with terminations and the associated social security contributions charged to the Group.
(4) The value reported regards the variable portion of long-term remuneration from key management personnel's participation in the LTIP, which is quantified as described in "Part A – Accounting policies – A.2 The main items of the consolidated financial statements – Other information – Share-based payments - LTIP" in the consolidated financial statements at 31 December 2019 and in "Part A.1 – General information – Section 4 – Other information – LTIP" of these interim financial statements at 30 June 2020; the value reported does not include the amount referring to the departing Beneficiary.

As at the reporting date, no guarantees had been granted to directors, members of the Board of Auditors or key management personnel.

6.2 Information on transactions with related parties

In implementation of the regulation on related parties, the Parent Company has approved a "Procedure for related-party transactions" (available on the Anima Holding website www.animaholding.it in the section Investor Relations – Corporate Governance).
During the period the Group carried out transactions, settled on terms and conditions in line with market standards, with the parties identified by the procedures approved by the Parent Company, which are designed to ensure the transparency and the substantive and procedural fairness of transactions with related parties.

Transactions of greater importance

- On 31 March 2020, the Poste Modification Agreement was signed by Poste, BPF and Poste Vita on the one hand and the Company and Anima SGR on the other agreed to amend certain provisions of the Operating Agreement and part of the annexes and, as a result, replace the attachment to the Demerger and Purchase Agreement relating to the earn-out mechanisms.
  The Poste Modification Agreement qualifies as a related party transaction of greater importance, since, at the signing date, Poste held 10.04% of the Company's share capital and consequently, in accordance with applicable law and regulations, the transaction was approved by the Company's Board of Directors, subject to obtaining a favorable opinion from the Related Parties Committee.
  Pursuant to Article 5 and in accordance with the schedule set out in Annex 4 of the Regulation adopted by Consob with Resolution no. 17221 of 12 March 2010, as amended, as well as Article 13 of the Procedure for Related Party Transactions approved on 13 March 2014 (as amended on 8 March 2017) by the Board of Directors of Anima Holding, the Parent Company has prepared the Information Document which was published on 7 April 2020 on the Anima Holding website at www.animaholding.it.

- On 14 May 2020 the Banco BPM Modification Agreement was signed, under which Banco BPM and Banca Aletti on the one hand and the Company and Anima SGR on the other agreed to modify certain provisions contained in the Private Agreement and the Framework Insurance Agreement.
  The Banco BPM Amending Agreement qualifies as a transaction between related parties of greater importance, since, at the signing date, Banco BPM held 15.443% of the Company's share capital and is also one of the main distributors of savings products managed by Anima SGR. Note that the Company director Venuti is Head of Private Customer Coordination at Banco BPM (previously, he was Head of Investments and Wealth Management at Banca Aletti - Banco BPM Group) and a director of Bipiemme Vita S.p.A ..
  Consequently, in accordance with applicable law and regulations, the transaction was approved by the Company's Board of Directors, subject to obtaining a favorable opinion from the Related Parties Committee.
  Pursuant to Article 5 and in accordance with the schedule set out in Annex 4 of the Regulation adopted by Consob with Resolution no. 17221 of 12 March 2010, as amended, as well as Article 13 of the Procedure for Related Party Transactions approved on 13 March 2014 (as amended on 8 March 2017) by the Board of Directors of Anima Holding, the Parent Company has prepared the Information Document which was published on 21 May 2020 on the Anima Holding website at www.animaholding.it.

Transactions of lesser importance
With regard to paragraph 8 of Article 5 of the Consob regulation concerning the periodic reporting of transactions with related parties, the Related Parties Committee was asked to issue an opinion on the early termination of the employment relationship with Marco Carreri, the previous General Manager of Anima SGR and previous CEO of Anima SGR and the Company (the "Termination").
The Termination qualified as a transaction with a related party pursuant to the Procedure: more specifically, it was a transaction carried out by Anima SGR in which the Company itself participated in relation to the non-compete obligations that Dr. Carreri has undertaken for the benefit of the Company as well.
Mr. Carreri was considered a related party of the Company and of Anima SGR in that he was (i) a manager of Anima SGR with the position of General Manager of the that company; (ii) Chief Executive Officer of Anima SGR and (iii) Chief Executive Officer of the Company.
Since, on the basis of the checks performed by the Related Party Transaction unit, the materiality index applicable to the case in question (i.e. the significance of the value of the transaction) did not exceed the thresholds referred to in Article 6.1 of the Related Party Procedure, the transaction qualified as a "transaction (related party) of lesser importance".

Other significant transactions
With regard to paragraph 8 of Article 5 of the Consob regulation concerning the periodic reporting of transactions with related parties, during the period no other transactions of "greater importance" or "lesser importance" were carried out with related parties.
No atypical or unusual transactions were carried out.

Ordinary or recurring transactions
Transactions with related parties mainly regarded commercial activities supporting the distribution of the products managed by the Group, the management engagements received, current account deposits for the management of liquidity, the Bank Loan and the IRS derivatives connected with it, postal services received, as well as the remuneration paid to the members of the Board of Directors of the Group companies originating in Banco BPM and Poste.

BALANCE SHEET	Banco BPM Group	Poste Italiane Group	Total related parties
ASSETS			
40 Financial assets measured at amortized cost	69,759	6,307	**76,066**
a) for asset management	0	6,307	**6,307**
b) other loans and receivables	69,759	0	**69,759**
- deposit and current accounts	*69,759*	*0*	**69,759**
120 Other assets	585	565	**1,150**
Total assets	**70,344**	**6,872**	**77,216**
LIABILITIES			
10 Financial liabilities measured at amortized cost	(146,371)		**(146,371)**
- for product distribution	*(59,037)*		**(59,037)**
- for loans	*(87,333)*		**(87,333)**
40 Hedging derivatives	(829)		**(829)**
80 Other liabilities	(43)	(66)	**(109)**
Total liabilities	**(147,242)**	**(66)**	**(147,309)**
INCOME STATEMENT			
10 Fee and commission income	-	12,789	**12,789**
20 Fee and commission expense	(168,166)	-	**(168,166)**
50 Interest income on deposit and current account	5	-	**5**
60 Interest expense on loan/derivative	(666)	-	**(666)**
140a Personnel expenses	(40)	(35)	**(75)**
140b Other administrative expenses	(11)	(1,348)	**(1,359)**
180 Other operating income and expenses	24	375	**399**
TOTAL INCOME STATEMENT	**(168,854)**	**11,781**	**(157,072)**

In addition, in application of the new IFRS 16, about €0.09 million was recognized under "Financial assets measured at amortized cost" in respect of the lease for an apartment, which was sublet during the year to a key Group executive.

Milan, 30 July 2020

for the Board of Directors

[signed] The Chief Executive Officer

Certification of the condensed consolidated interim financial statements pursuant to Article 154-bis, paragraph 5, of Legislative Decree 58/98 and Article 81-ter of Consob Regulation no. 11971/99 as amended

The undersigned Alessandro Melzi d'Eril and Enrico Bosi, in their respective capacities as Chief Executive Officer and Officer responsible for the preparation of the financial reports of Anima Holding SpA, hereby

certify

taking account of the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree 58 of 24 February 1998:

- the appropriateness with respect to the characteristics of the Company and
- the effective adoption of the administrative and accounting procedures in the first half of 2020 for the preparation of the condensed consolidated interim financial statements.

The assessment of the appropriateness of the administrative and accounting procedures used in the preparation of the condensed consolidated interim financial statements at 30 June 2020 was based on a process defined by Anima Holding SpA in accordance with the "Internal Controls - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission, which represents a generally accepted framework at the international level.

We also certify that:

1. the condensed consolidated interim financial statements at 30 June 2020:
    - have been prepared in compliance with the international accounting standards (IAS/IFRS) and the associated interpretations of the International Financial Reporting Interpretations Committee (IFRIC) endorsed by the European Commission pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of July 19, 2002, as well as with the provisions of the Italian Civil Code, Legislative Decree 38 of 28 February 2005 and the applicable measures, regulations and circulars issued by the supervisory authorities;
    - correspond to the information in the books and other accounting records;
    - provide a true and fair representation of the performance and financial position of the issuer and the companies included in the scope of consolidation.
2. the interim report on operations at 30 June 2020 contains:
    - a reliable analysis of references to the major events that occurred during the first six months of the year and their impact on the condensed consolidated interim financial statements;
    - a description of the main risks and uncertainties to be faced in the remaining six months of the year;
    - a reliable analysis of disclosures on significant transactions with related parties.

Milan, 30 July 2020

[signed] The Chief Executive Officer

Alessandro Melzi d'Eril

[signed] Officer responsible for the preparation of the financial reports

Enrico Bosi

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REPORT ON REVIEW OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Anima Holding S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of Anima Holding S.p.A. and subsidiaries (the "Anima Group"), which comprise the consolidated balance sheet, the consolidated income statement, the statement of consolidated comprehensive income, the statement of changes in consolidated equity, the consolidated statement of cash flows and related explanatory notes as of June 30, 2020. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of Anima Group as at June 30, 2020 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Paolo Gibello Ribatto
Partner

Milan, Italy
August 7, 2020

This report has been translated into the English language solely for the convenience of international readers.