



CONFINVEST F.L.

Dal 1983 la soluzione per investire in oro fisico

CONTO
LINGOTTO

Virtual AIM Italia Conference 2020 Milan

25 Maggio 2020



CONFINVEST F.L.

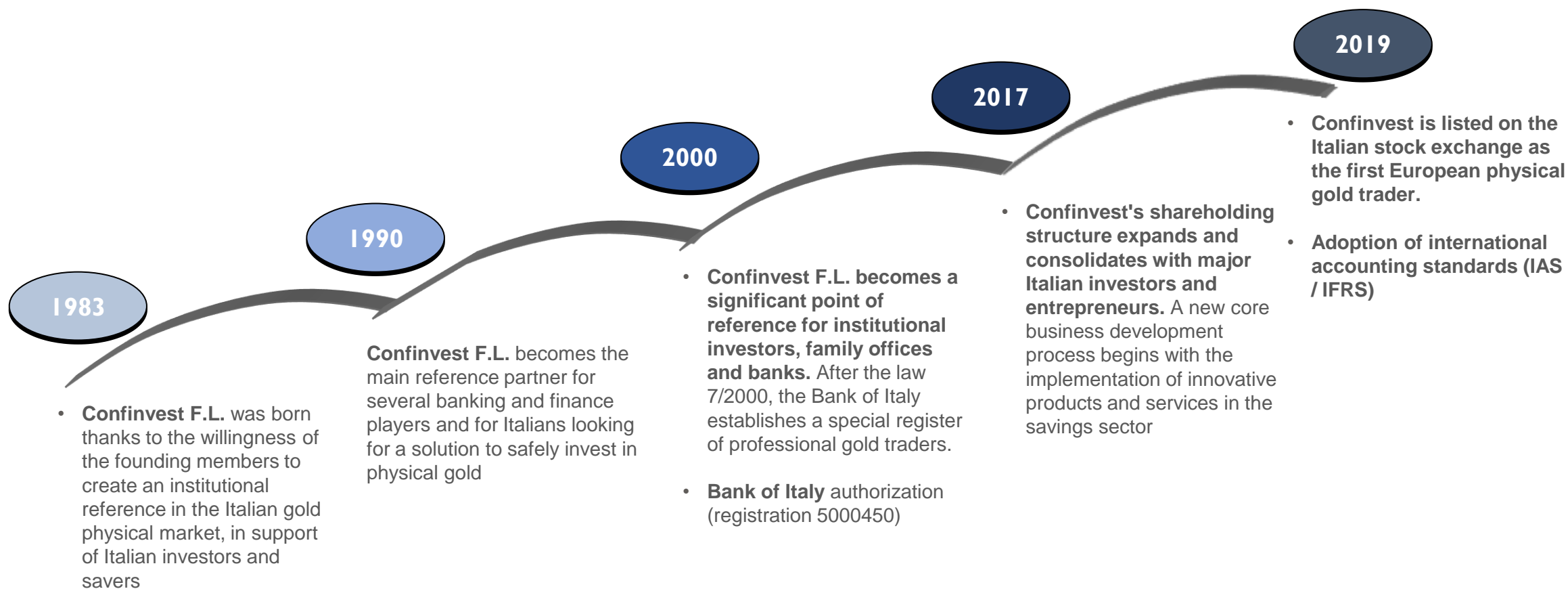


THE COMPANY

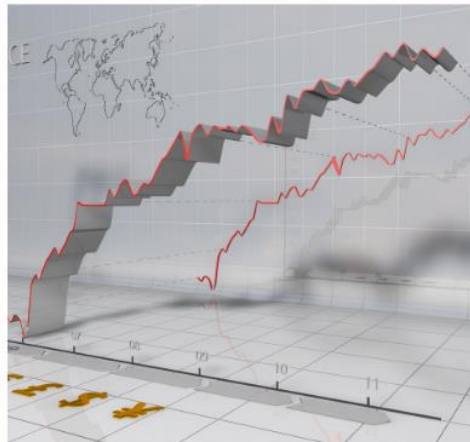
- **CONFINVEST F.L** is an innovative SME and one of the main Italian physical gold dealers. Since 1983, the company has been a major national player in the gold bullion and coin broking market.
- The opportunity offered by the Europe's new regulation PSD2 and the Open Banking has allowed CONFINVEST F.L to identify an innovative strategy to support growth in the savings sector.
- **CONTO LINGOTTO®** is a fintech solution designed to offer the opportunity to diversify liquidity by investing in physical gold through a digital and innovative user experience.
- The creation of an Innovation Business Unit is complementary to the traditional core business model, which has approximately 40 years of success.



MILESTONES

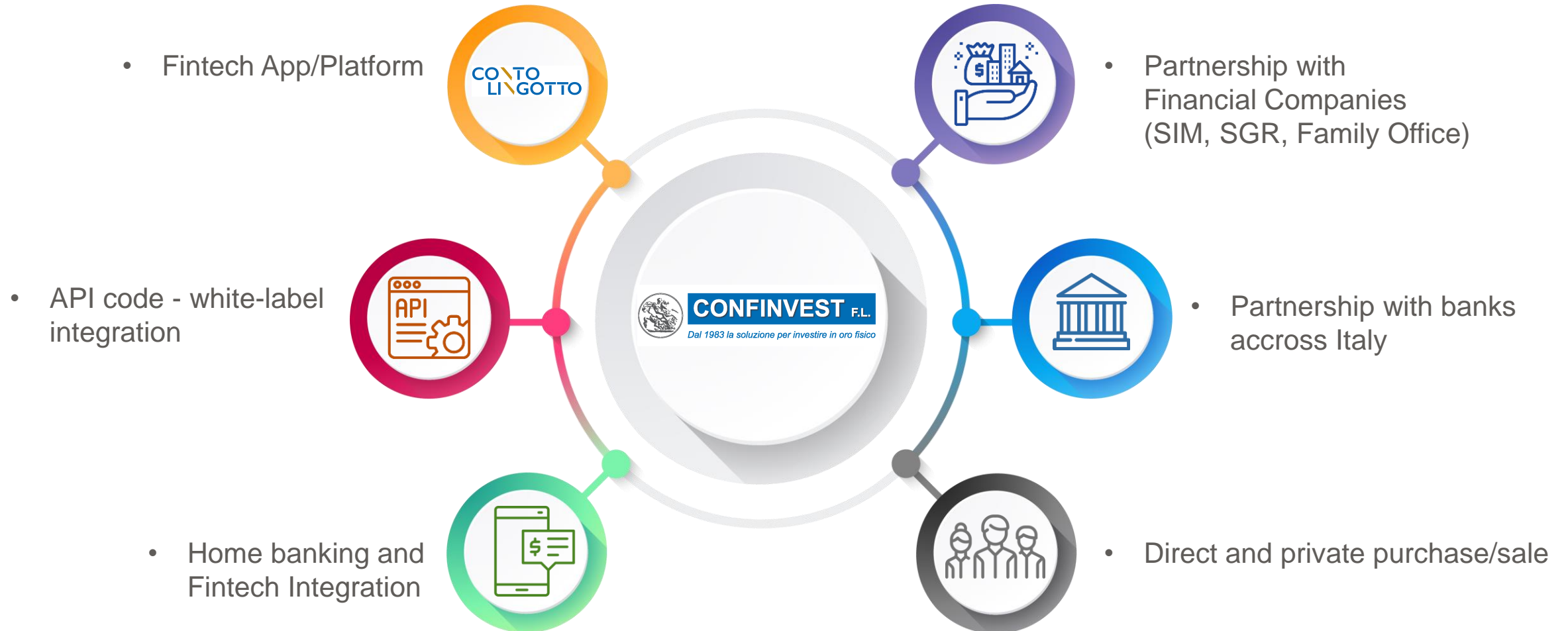


SERVICES



- Buying and selling gold bullion and coins
- Gold service provider for banking systems
- Accumulation plans
- Vaulting service
- Integrated logistic
- Evaluation





**R&D AND CONTO
LINGOTTO®****PARTNERSHIP****TERRITORIAL
EXPANSION****Target**

Taking advantage of the opportunities opened by the **PSD2 regulations and the open banking platforms**

Volume increase with multi-channel presence developed through partnerships

Monitoring of target areas to support funding and margins

Action

- **Investments aimed at automating information systems**
- Development and launch of the fintech **CONTO LINGOTTO®** solution in a proprietary and white-label version

- **Partnership** with banking channels, SIM companies, SGR and Fintech

- **Opening new stores** directly or through partnerships and franchises
- Acquisition of commercial structures

CONFINVEST EQUITY PERFORMANCE

CFV:IM - IT0005379604

4.33 € p.s.
21st May, 2020

+188%
vs IPO: 1.50 € p.s.

6.08 – 1.49 € p.s.
Max – Min since IPO

460,564 €
Average daily value traded

ANALYST COVERAGE

INTEGRAE SIM (1st April 2020)
Hold, Target Price 5,84 € p.a.

IR TOP RESEARCH (8th April 2020)
Target Price 6,07 € p.a.



CONFINVEST F.L.

GOVERNANCE

- Property-management separation: public company with management focused on equity
- Middle & Back Office with consistent know-how
- Reporting procedures, AML and privacy, in accordance with what is adopted by law
- Periodic reports to support the board
- Board of statutory auditors
- Integration of Model 231
- External Audit for AML checks
- ICT structure full outsourced

AZIONISTA	N.AZIONI	%
Luciano Renato Avanzini	866.300	12,38%
Franco Bugarè	866.300	12,38%
Sovereign S.r.l. (Giacomo Andreoli)	620.850	8,87%
Roberto Binetti	447.893	6,40%
Gabriella Villa	447.857	6,40%
Altri 8 azionisti (<4%)	1.750.800	25,01%
Mercato	2.000.000	28,57%
Totale	7.000.000	100,00%



WHY CONTO LINGOTTO?

CONTEXT + PSD2 + TECHNOLOGY

CONTEXT

NEGATIVE INTEREST RATES AND GLOBAL DEBT

REUTERS

BUSINESS NEWS NOVEMBER 15, 2019 / 2:10 PM / 3 DAYS AGO

Global debt to top record \$255 trillion by year's end

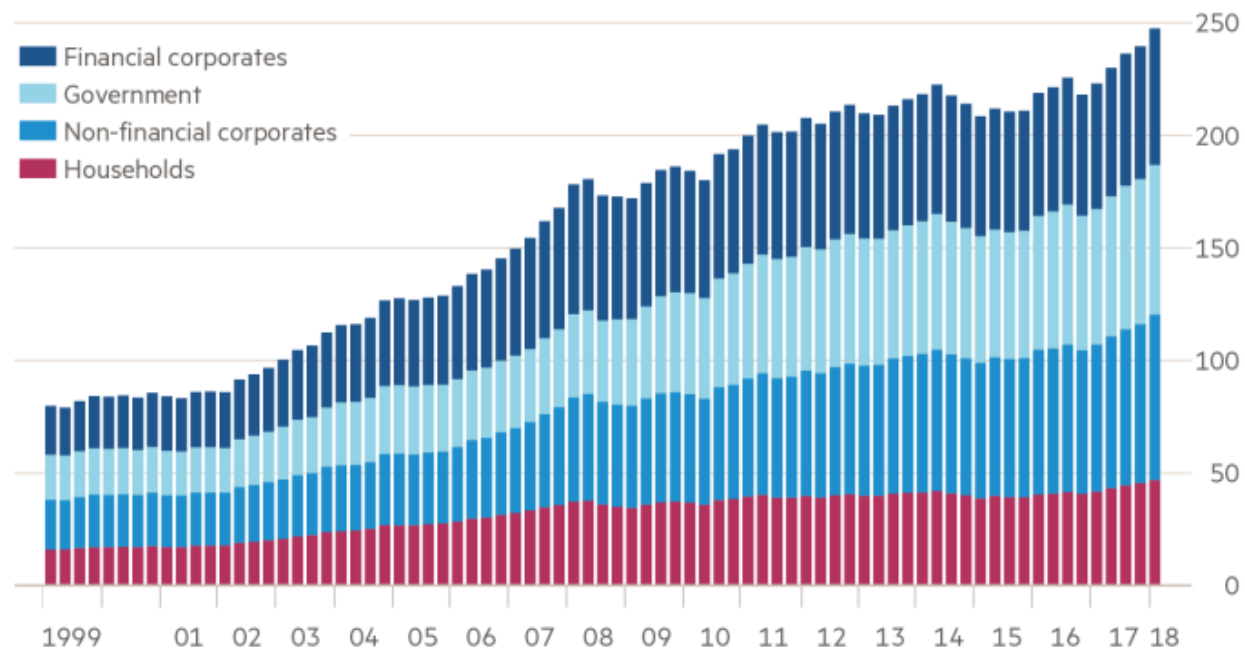
Marc Jones

3 MIN READ



Global debt still piling up

Total debt (\$tn)



Source: Institute of International Finance
© FT



CONFINVEST F.L.

CONTEXT



NUOVE MISURE

Fed: Qe illimitato contro le devastazioni economiche e finanziarie del coronavirus

Acquisti senza tetto di titoli del Tesoro e bond garantiti da mutui. Lanciate nuove facility per sostenere mercati e business. Interventi necessari per affrontare "severi traumi"

di Marco Valsania



WORLD TRADE ORGANIZATION

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home → wto news → 2020 press releases → press release

8 APRIL 2020

Trade set to plunge as COVID-19 pandemic upends global economy

World trade is expected to fall by between 13% and 32% in 2020 as the COVID 19 pandemic disrupts normal economic activity and life around the world.

[Trade forecast press conference: Remarks by DG Azevêdo](#)

REUTERS

Prima Pagina Economia Mercati TV

PRIMA PAGINA 14 APRILE 2020 / 15:15 / UN GIORNO FA

Italia, Fmi taglia drasticamente stime Pil a -9,1%, vede parziale ripresa in 2021 - Weo

Reuters Staff

2 IN. DI LETTURA

Analisi | VOLATA VERSO 1.800 DOLLARI

Oro record: non è il coronavirus ma la cura delle banche centrali

Il coronavirus rischia di mandare il mondo in recessione. Ma il rally, più che della paura, è scatenato dai fiumi di denaro con cui governi e banche centrali cercano di sorreggere l'economia

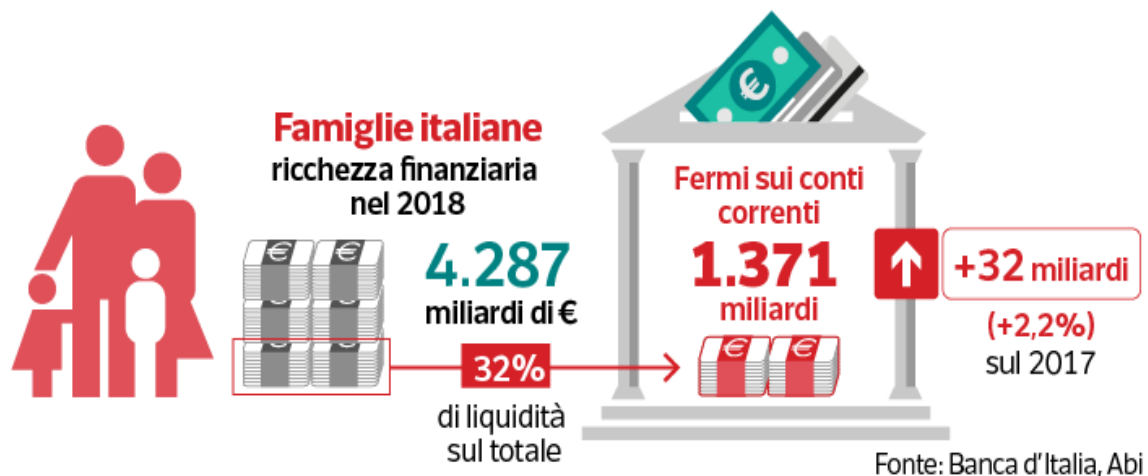


CORRIERE DELLA SERA

DATAROOM

di Milena Gabanelli

Risparmio, la paura degli italiani vale 1.371 miliardi

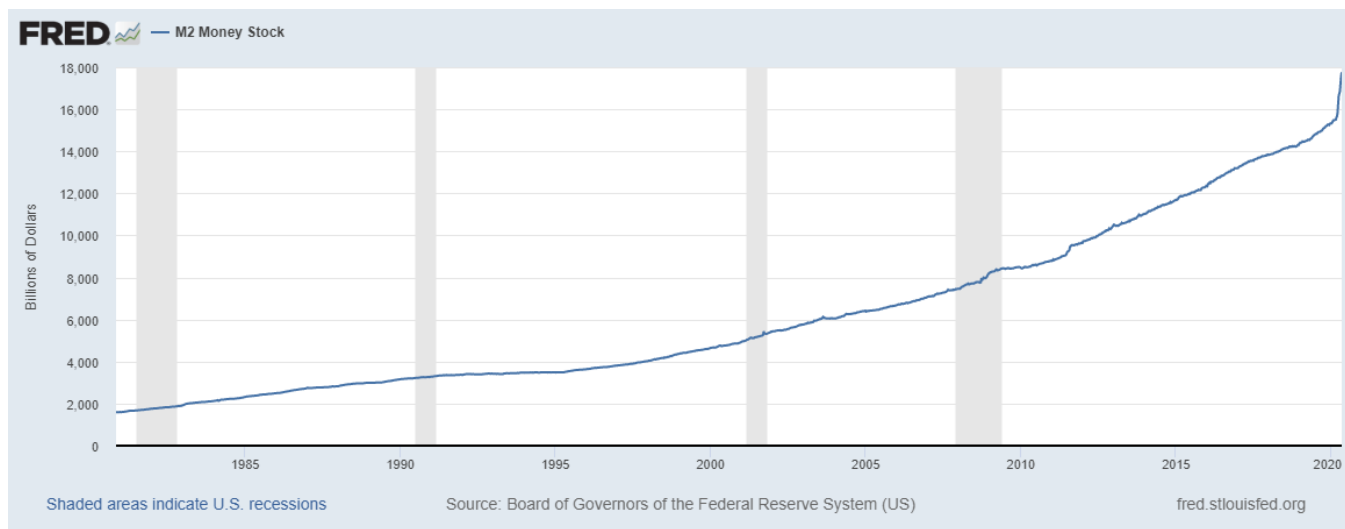


CONTEXT

GOLD PRICE



M1 – Money Stock



CONTEXT

Gold Price Performance: % Annual Change

	USD	AUD	CAD	CHF	CNY	EUR	GBP	INR	JPY
2005	+20.0%	+28.9%	+15.4%	+37.8%	+17.0%	+36.8%	+33.0%	+24.2%	+37.6%
2006	+23.0%	+13.7%	+23.0%	+14.1%	+19.1%	+10.6%	+8.1%	+20.9%	+24.3%
2007	+30.9%	+18.3%	+12.1%	+21.7%	+22.3%	+18.4%	+29.2%	+16.5%	+22.9%
2008	+5.6%	+31.3%	+30.1%	-0.1%	-2.4%	+10.5%	+43.2%	+28.8%	-14.4%
2009	+23.4%	-3.0%	+5.9%	+20.1%	+23.6%	+20.7%	+12.7%	+19.3%	+26.8%
2010	+29.5%	+13.5%	+22.3%	+16.7%	+24.9%	+38.8%	+34.3%	+23.7%	+13.0%
2011	+10.1%	+10.2%	+13.5%	+11.2%	+5.9%	+14.2%	+10.5%	+31.1%	+4.5%
2012	+7.0%	+5.4%	+4.3%	+4.2%	+6.2%	+4.9%	+2.2%	+10.3%	+20.7%
2013	-28.3%	-16.2%	-23.0%	-30.1%	-30.2%	-31.2%	-29.4%	-18.7%	-12.8%
2014	-1.5%	+7.7%	+7.9%	+9.9%	+1.2%	+12.1%	+5.0%	+0.8%	+12.3%
2015	-10.4%	+0.4%	+7.5%	-9.9%	-6.2%	-0.3%	-5.2%	-5.9%	-10.1%
2016	+9.1%	+10.5%	+5.9%	+10.8%	+16.8%	+12.4%	+30.2%	+11.9%	+5.8%
2017	+13.6%	+4.6%	+6.0%	+8.1%	+6.4%	-1.0%	+3.2%	+6.4%	+8.9%
2018	-2.1%	+8.5%	+6.3%	-1.2%	+3.5%	+2.7%	+3.8%	+6.6%	-4.7%
2019	+18.9%	+19.3%	+13.0%	+17.1%	+20.3%	+22.7%	+14.2%	+21.6%	+17.7%
2020	+14.9%	+22.3%	+22.9%	+14.6%	+17.1%	+17.4%	+24.5%	+22.0%	+13.7%
Average	10.2%	11.0%	10.8%	9.1%	9.1%	11.9%	13.7%	13.7%	10.4%

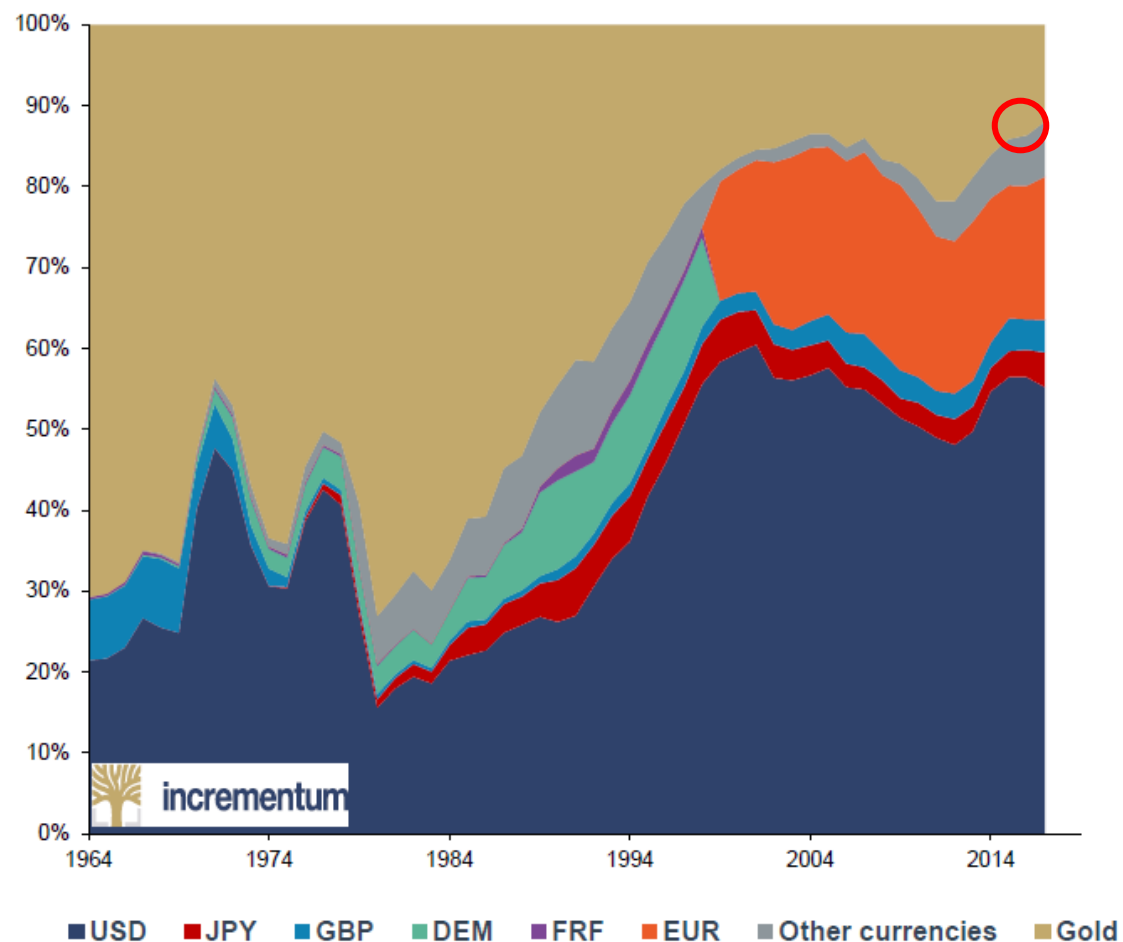
goldprice.org

Wednesday, May 20, 2020

GOLD
AS A
CURRENCY:
Gold market
Capitalization
~ 9 TRILLION



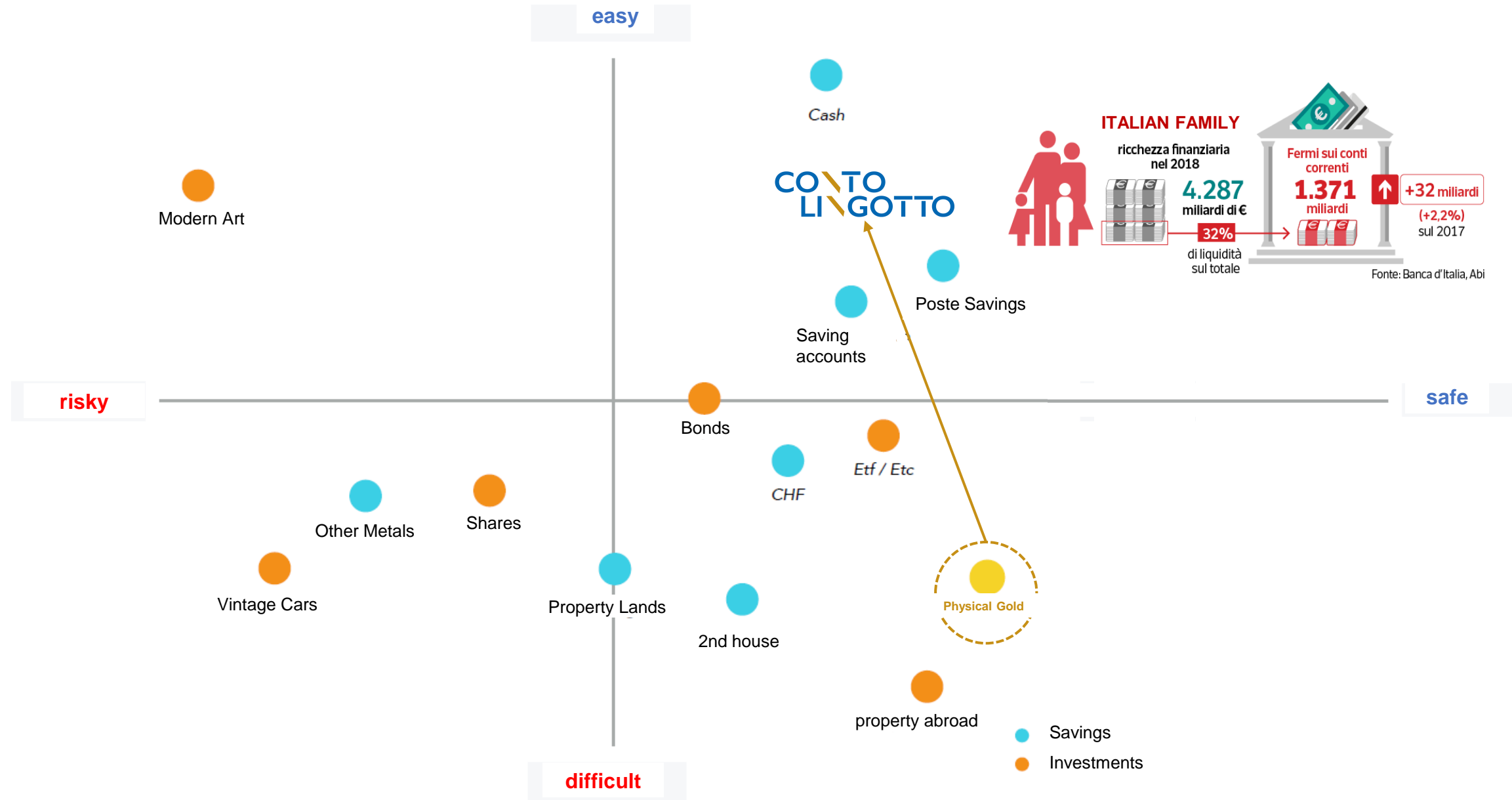
CONTEXT



GOLD
AS A
CURRENCY: today gold is
undervalued as % total
broad money

Sources: IMF, World Gold Council, Incrementum AG

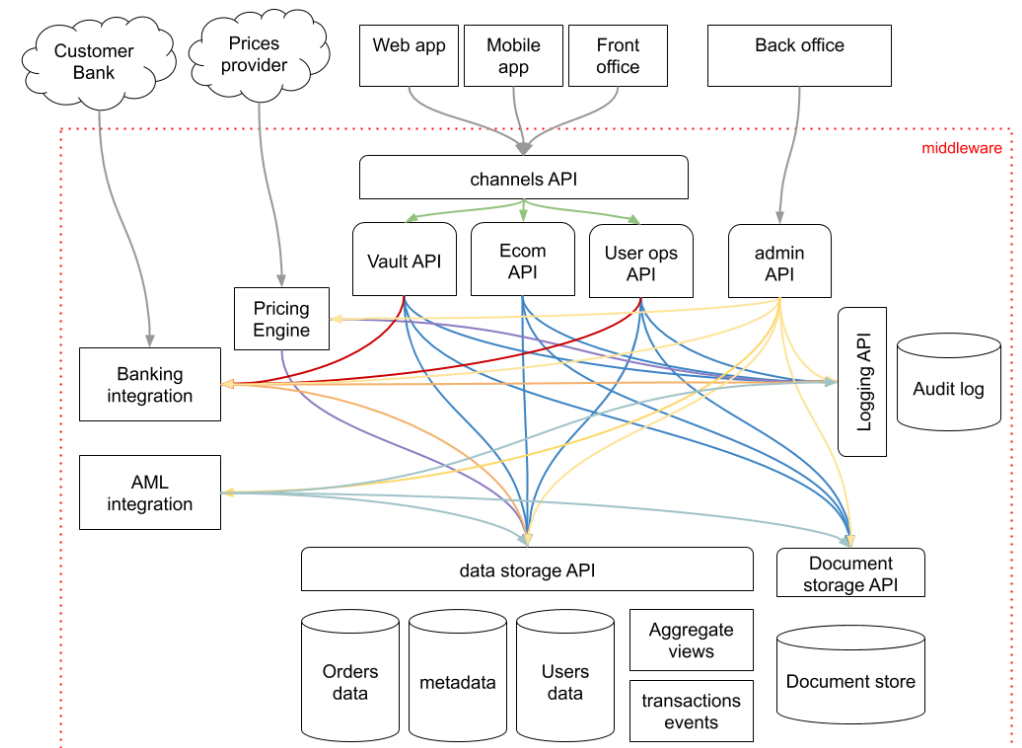
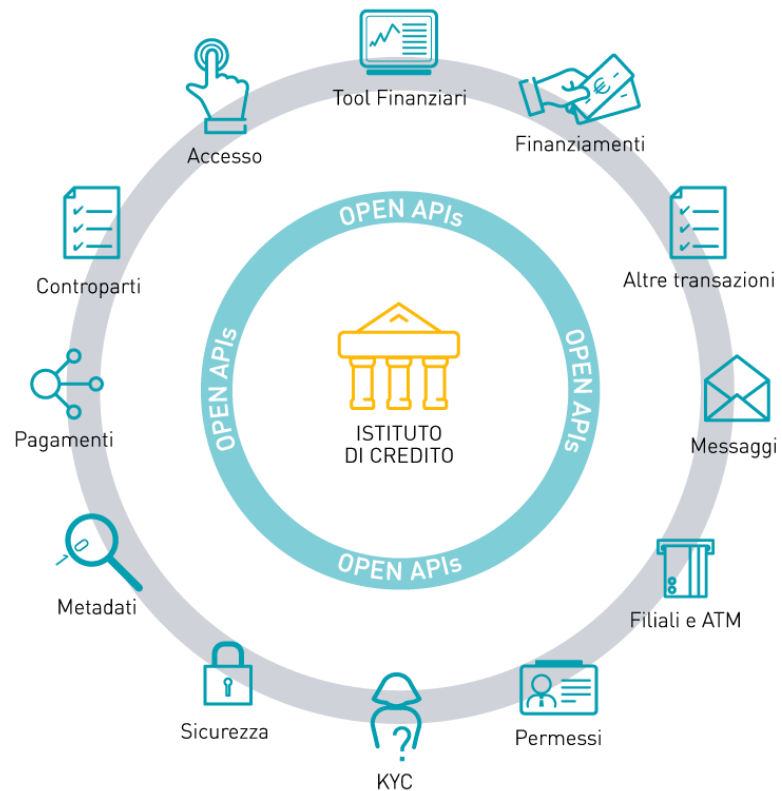




PSD2



TECHNOLOGY



CONTO LINGOTTO

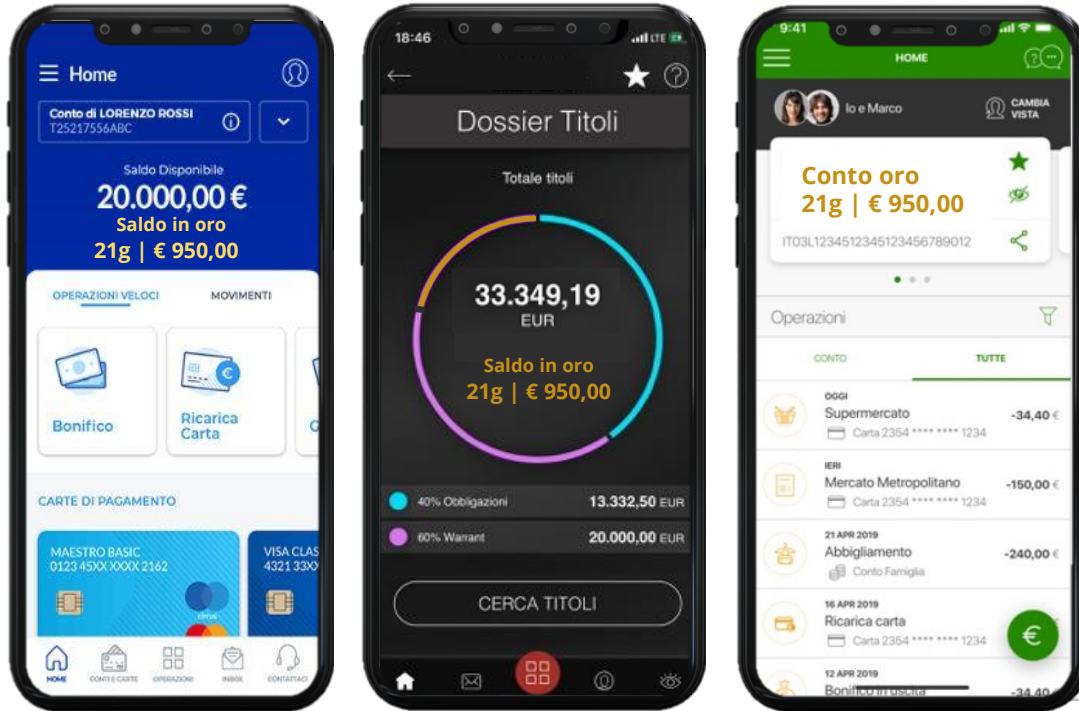


Conto Lingotto® offers the opportunity to diversify liquidity through investments in physical gold in a friendly and smart way, thanks to an innovative and digital UX.

Through the application or website the user can:

- **Monitor** daily gold prices
- **Buy** physical gold even in small quantities and subscribe to weekly or monthly accumulation plans
- **Sell** the gold purchased with instant credit to the bank account or credit card
- **Benefit from the integrated and assured vaulting service**, or have the gold home delivered

WHITE-LABEL SOLUTION



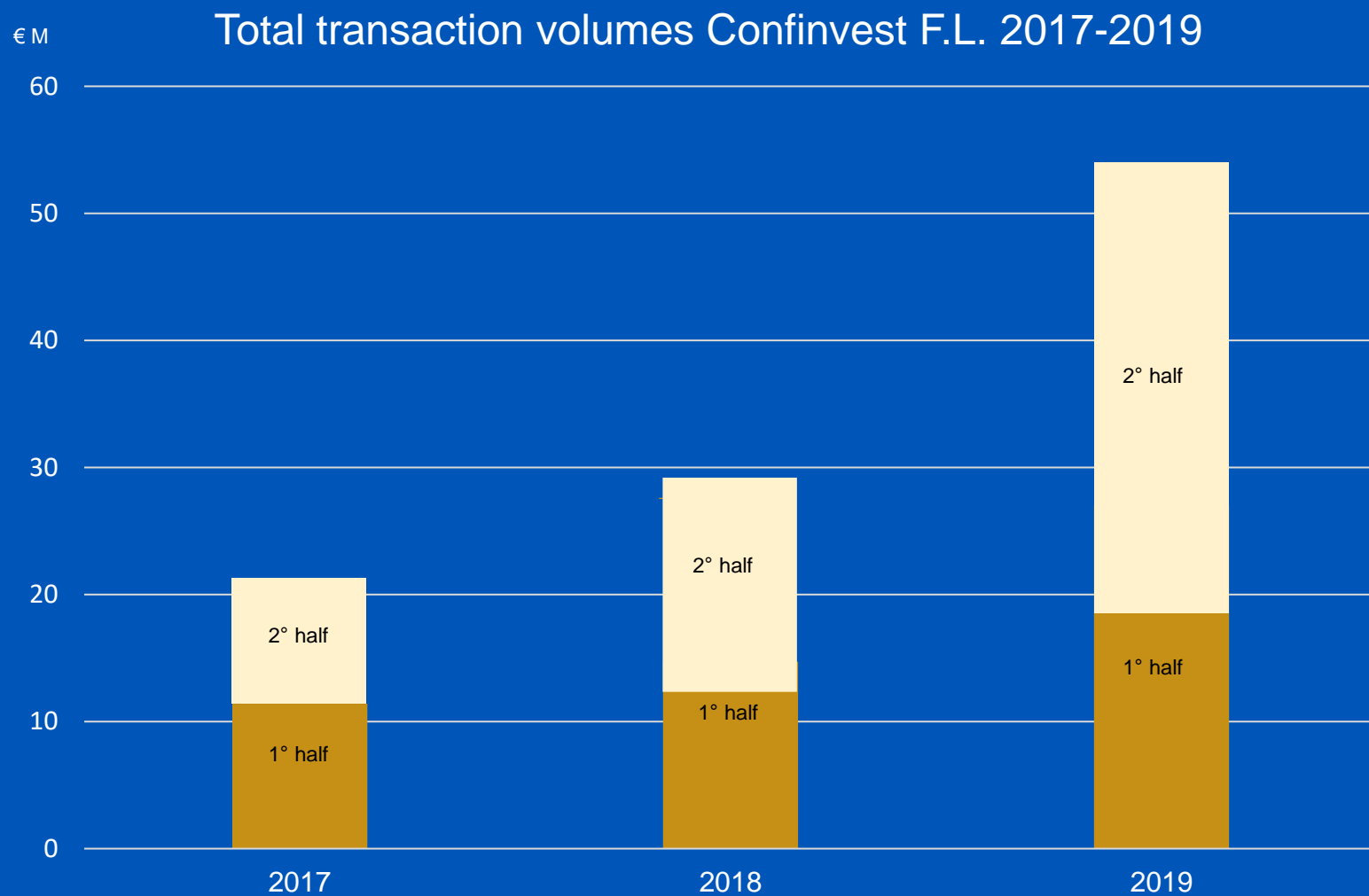
"Conto Lingotto" is a very flexible solution and can be personalized and integrated as white label on any partner's home banking or platform.

The ICT infrastructure developed by CONFINVEST F.L. and the API connector allows:

- Integration of 'Conto Lingotto' on partner platforms, APP and WEB
- Offer an intelligent and innovative solution to invest in physical gold directly from the user's account
- Full customization
- A full outsourced gold service



OUR PERFORMANCE



FINANCIAL HIGHLIGHTS

<i>data /000 Euro</i>	31/12/2019	31/12/2018	Δ %
SALES	27.284	14.711	85,5%
EBITDA	820	320	156,0%
EBIT	755	239	215,6%
EBT	558	145	
Earning	612	65	
Balance Sheet	31/12/2019	31/12/2018	
Gold inventory FIFO valuation	2.900	1.969	
Gold inventory mark to market value	3.170	2.105	
Trade receivable	73	131	
Financial debt	- 556	- 1.530	
Cash cash equivalent	1.476	582	
Net financial position (A)	920	- 948	
Gold inventory mark to market value	3.170	2.105	
Gold inventory mark to market value in excess of working capital needs (B)	2.634	1.807	
Net financial position adj (A) + (B)	3.554	859	

Sales + 85,5%

EBITDA +156%

NFP Adj: cash positive for 3,55 M €

The increase in marginality, higher than the growth in total revenue, suggests relevant economies of scale: nowadays, Confinvest is capable of managing much more important volumes, without having significant effects on the fixed cost structure.

During the first months of the first half of 2020, the positive trend of the physical gold market continued: the increase in gold prices offered to Confinvest a very favorable context and led the company to a growth path, especially regarding the total annual revenue, with positive effects on the EBITDA and NFP.



INCOME STATEMENT

P&L	31/12/2019	31/12/2018	Δ €
(Data in k €)			
Sales	27.284	14.711	12.573
Direct Cost	-26.451	-13.013	-13.438
Δ Inventory	931	-856	1.787
First Margin	1.764	842	922
Other revenues	19	71	-52
Other direct cost	-80	-73	-7
Contribution margin	1.703	840	863
Indirect labour cost	-60	-41	-19
Commercial cost	-191	-125	-66
General & Admin cost	-631	-343	-288
Rent cost	-1	-11	10
EBITDA	820	320	500
D&A	-65	-81	16
EBIT	755	239	516
Financial Income/Cost	-157	-94	-62
Financial IPO Cost non recurring	-40	0	-40
EBT	558	145	414
Tax	53	-80	133
Earning	612	65	547
Earning adj Financial IPO Cost non recurring	652	65	587

Total revenue in 2019 (27.284 k Euro) increased by 85.5% compared to total revenue in 2018, as a result of the increase in the volume of purchases and sales made by customers and the Italian physical gold market and an expansion to the foreign market, together with a strong increase in demand for new commercial products, such as Gold Plan and Confinvault.

A positive impact on total annual revenue is also due to the increase in gold prices, which reached market peaks in euro.

2019 EBITDA is equal to 820k Euro, a strong increase of 159% compared to the 2018 EBITDA, which was equal to 320.357 Euro.

The 2019 Net Result is equal to 612k Euro, compared to 65k Euro in the previous year.

The increase in marginality, above total annual revenue, emphasizes how business leverage and the presence of economies of scale are very significant elements. A very important consideration for business development, supported by an ideal business model to generate income with benefits for the entire system of the company, including its shareholders.

BALANCE SHEET

Asset	31/12/2019	31/12/2018
<i>(Data in K Euro)</i>		
Intangible fixed assets	2.112	1.809
Tangible fixed assets	49	63
Diritti d'uso	155	197
Total fixed asset	2.317	2.069
Inventory	2.900	1.969
Trade receivable	73	131
Other assets	714	139
Cash	1.476	582
Total short term asset	5.163	2.822
Total asset	7.480	4.890
Liabilities		
Equity	6.346	3.107
Employees Indemnities	6	2
Financial debt	384	1.284
Othe non current liabilities	166	67
Non current liabilities	555	1.353
Financial debt	172	273
Trade receivable	209	97
Othe current liabilities	197	60
Current liabilities	579	430
Total Liabilities	7.480	4.890

The fixed assets are represented by the goodwill item for 1.730k Euro. That item is the result of the 2017 LBO operation, with which the company has started its new growth and development path, supported by an innovative business model.

Material and immaterial fixed assets correspond to the investments in progress for the Conto Lingotto® digital solution, in support of the new business model based on the API technology in interoperability with the banking and fintech system.

The rights of use are relative to the building of the Company Headquarter in Via della Posta, 8 (Milan).

The cash amount is composed almost entirely of bank accounts (1.469 kEuro) and of 7k Euro from the company cash.

The company's physical gold stock corresponds to the inventories. On December 31, 2019, the total physical gold stock was indicatively equal to 72,61 Kg, divided between golden coins and ingots, for an overall total valorization to the current market prices equal to 3.170 k Euro. Physical gold is a strategic asset for Confinvest, both for its commercial support and its role as a liquidity buffer for the Company.

The Company Equity book value on December 31, 2019 is equal to Euro 6.345k. With the capital increase IPO on the Italian Stock Exchange Market, happened on the 1st August 2019, 2.000.0000 shares had been issued with a price of 1.5 Euro each. The net overall asset during the second semester 2019 had financially benefited of this capital increase equal to 2.446k Euro, without counting the quotation costs.



NET FINANCIAL POSITION

Net financial position	31/12/2019	31/12/2018
<i>(Data in k €)</i>		
Cash	7	5
Bank account	1.469	577
Total cash and cash equivalent	1.476	582
Short term bank financial debt (< 12 months)	- 132	-235
Short term other financial debt (< 12 months)	- 41	-167
Total short term financial debt	- 172	-402
Current Net Financial Position	1.303	180
Long e medium term bank financial debt (> 12 months)	- 258	-1.117
Long e medium term other financial debt (< 12 months)	- 126	-11
Long e medioutm term financial debt	- 384	-1.128
Net financial position (A)	920	-948
Gold Inventories at mark to market	3.170	2.105
Gold Inventories at mark to market in excess of working capital needs (B)	2.634	1.807
Net financial position Adjusted (A) + (B)	3.554	859

The NFP – considering the excess of gold in stock, regarding the working capital needs, adjusted to the market prices – is cash positive

Regarding the Adjusted NFP, the cash revenue produced in relation to the data as of December 31, 2019 was equal to 2.70 million and included the capital increase that occurred with the IPO on the Italian Stock Exchange, and despite the Company maintained investments to develop the fintech platform Conto Lingotto and the quotation of AIM's expenses.

The variation in the evaluation to the market prices on December 31, 2019 (that was equal to Euro 3.170 k for 72,61 Kg of fine gold) has contributed to this result, compared to the previous year (equal to Euro 2.105k for 58,46 Kg of fine gold).



CONSENSUS

ANALYST COVERAGE

INTEGRAE SIM

1St April, 2020

Hold, Target Price 5.84 € p.s.

Mattia Petracca

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mattia.petracca@integraesim.it

IR TOP RESEARCH

8th April, 2020

Target Price 6,07 € p.s.

Luisa Primi

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l.primi@irtop.com

€M	2018A	2019A	2020E	2021E	2022E
Sales	14.7	27.3	62,65	89,2	118,35
Integrae SIM	14,71	27,28	62,50	90,50	122,50
IR Top Research	14,7	27,3	62,8	87,9	114,2
First Margin	0,82	1.78	4,45	6,15	8,075
Integrae SIM	0,84	1,76	4.20	6.40	8,55
IR Top Research	0,8	1,8	4.7	5.9	7,6
EBITDA	0,31	0.81	3,07	4,425	6,1
Integrae SIM	0,32	0,82	2.94	4.75	6,70
IR Top Research	0,3	0,8	3,2	4,1	5,5
EBIT	0,22	0,78	2,975	4,275	5,945
Integrae SIM	0,24	0,76	2,85	4,65	6,59
IR Top Research	0,2	0,8	3,1	3.9	5,3
Net Income	0.06	0.625	2,285	3,33	4,6
Integrae SIM	0,02	0,65	2.47	3.96	5,60
IR Top Research	0,1	0,6	2,1	2,7	3,6



TOP MANAGEMENT



**ROBERTO
BINETTI**

Chairman

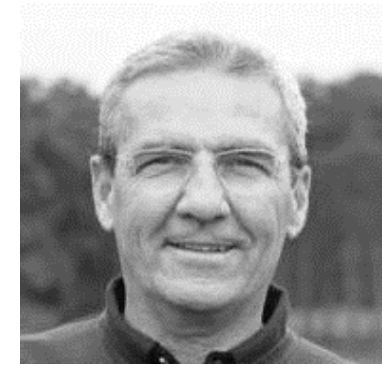
Co-founder of Confinvest F.L. Degree in economics and Ph.D. in Marketing. He has been President of the Scuderia automobile, Italy, winner for years in the Formula 3 and Formula 2 categories with primary results in Europe, and director of the Sc Italia driving school, Autodromo di Monza. Experiences also in Formula 1. Former Chief Executive Officer and General Manager of Atlantic SpA Insurance and also editor and chief editor of the magazine "Compro Vendo", the first initiative in the sector in the national field Journalist, registered with the order since 1979 and expert in the contemporary and modern art sector



**GIACOMO
ANDREOLI**

CEO

CEO of Confinvest following the Buy-Out carried out in 2017 Degree in Economics and Management at the University of Bergamo and Masters in Finance at the Université Lumière Lyon II, Lyon, France, during his career he has held managerial roles in consultancy companies between which KPMG and Grant Thornton. Previously, he personally followed projects of analysis and implementation of new business models and development of new products for the financial sector. Many years of experience in M&A activities where he conducted numerous acquisitions and transfers of companies to industrial and financial counterparts.



**LUCIANO
AVANZINI**

*Board Member
and
Lead investor*

Member of Confinvest F.L's compliance and anti-money laundering commission Degree in Business Economics at Bocconi University, after a short experience as an assistant in the Economics Department of Industrial Companies, at Bocconi University, he spent two years as a financial analyst. He later held managerial roles and was a member of the board of directors in various private companies. Expert of Extraordinary Finance, with reference to capital transactions, in 2017 he was one of the promoters of the acquisition of Confinvest



CONTACTS

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LUCIANO AVANZINI

Board Member

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