

# NB Aurora Investor Update

October 2019

*For Professional Client Use Only*

## NB AURORA (“NBA”) AT A GLANCE

The first permanent capital vehicle listed in Italy in May 2018 on the MIV segment of the Milan Stock Exchange, with €150 million raised at IPO and sponsored by Neuberger Berman (“NB”)

### NB AURORA

- **First Listed permanent fund on Italian Stock Exchange (MIV)**
- **€150 million raised**
- Focus on **Small-Mid Italian companies across sectors** with **€30-300 million in revenues**
- The ideal partner of **entrepreneurs and management teams to support their growth plans**

### PORTFOLIO

- As of today, NB Aurora holds a portfolio of **9 minority stakes in Italian SMEs<sup>(1)</sup>** with ca. €1.1bn of aggregate revenues
- Export oriented
- Well diversified across industries (i.e. industrials and business services)

### TEAM

- **10 fully dedicated investment professionals** with proven track record and long experience investing together (~9 years)
- Active Investor with defined governance and exit mechanisms
- Supported by operating partners and NB Private Equity platform

1. 6 companies held through Fondo Italiano di Investimento (“FII”) units and 3 direct investments in Club del Sole, Dierre Group and Rino Mastrotto Group. NB Aurora acquired 44.55% of the units of FII on May 25, 2018. Excluding two write-offs.

## NB AURORA INVESTMENT APPROACH

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Aurora's investment objective is to achieve long-term capital appreciation through mainly minority equity investments in a portfolio of small and medium sized unlisted Italian companies operating in their niche markets

### WHERE WE INVEST

- Focus on **Italian small mid cap companies** with turnover between **€30 and €300 million**, leaders in their respective niches
- Mainly **family backed companies**
- Preference for **export driven companies**, with a clear competitive advantage and a **feasible business plan**

### HOW WE INVEST

- **Flexible approach** tailored to the needs of entrepreneurs, in order to finance organic growth projects and acquisition strategies
- **Equity ticket** between **€10 and €50 million** with the possibility to **syndicate the investments**
- **Long term investment horizon**, free from short-term strict exit constraints

### WHAT WE DO WITH THE PORTFOLIO COMPANIES

- **Partner with entrepreneurs and managers** to sustain the internationalization of their business
- **Active investor** with governance rights and exit mechanisms defined since closing
- **High intensity engagement to create scalable platforms** through buy and build strategies of companies to consolidate their market leadership

## NB AURORA INVESTMENT TEAM

10 Full-time Dedicated Investment Professionals with long experience investing together supported by NB platform operating in 35 cities worldwide, with more than 160 private equity professionals



**Patrizia Micucci**  
Managing Director



**Francesco Sogaro**  
Managing Director



**Lorenzo Baraldi**  
Managing Director



**Lorenzo Carù**  
Principal



**Viviana Gasparri**  
Principal



**Stefano Tatarella**  
Principal



**Piero Migliorini**  
Vice President



**Mauro Facchini**  
Senior Associate



**Pietro Fontana**  
Analyst



**Alessandro Viganò**  
Analyst



**Francesco Moglia**  
Head of Operations



**Giacomo Barchetta**  
Head of Finance



**Sébastien Schaack**  
Finance Manager



**Alfio Riciputo**  
Fund Controller

- Senior and skilled team - 9 years of experience investing together
- Over 2,000 companies scouted during the last eight years

### INVESTMENT COMMITTEE MEMBERS

**Lorenzo Baraldi**  
Managing Director

**Patrizia Micucci**  
Managing Director

**Francesco Sogaro**  
Managing Director

**Stefano Bontempelli**  
Senior Partner NBRP

**Fabio Cané**  
Senior Partner NBRP

### VALUATION COMMITTEE MEMBERS

NB Risk

NB Risk

NB Risk

NB Finance

NB Finance

Senior Partner NBRP

NB Alternatives

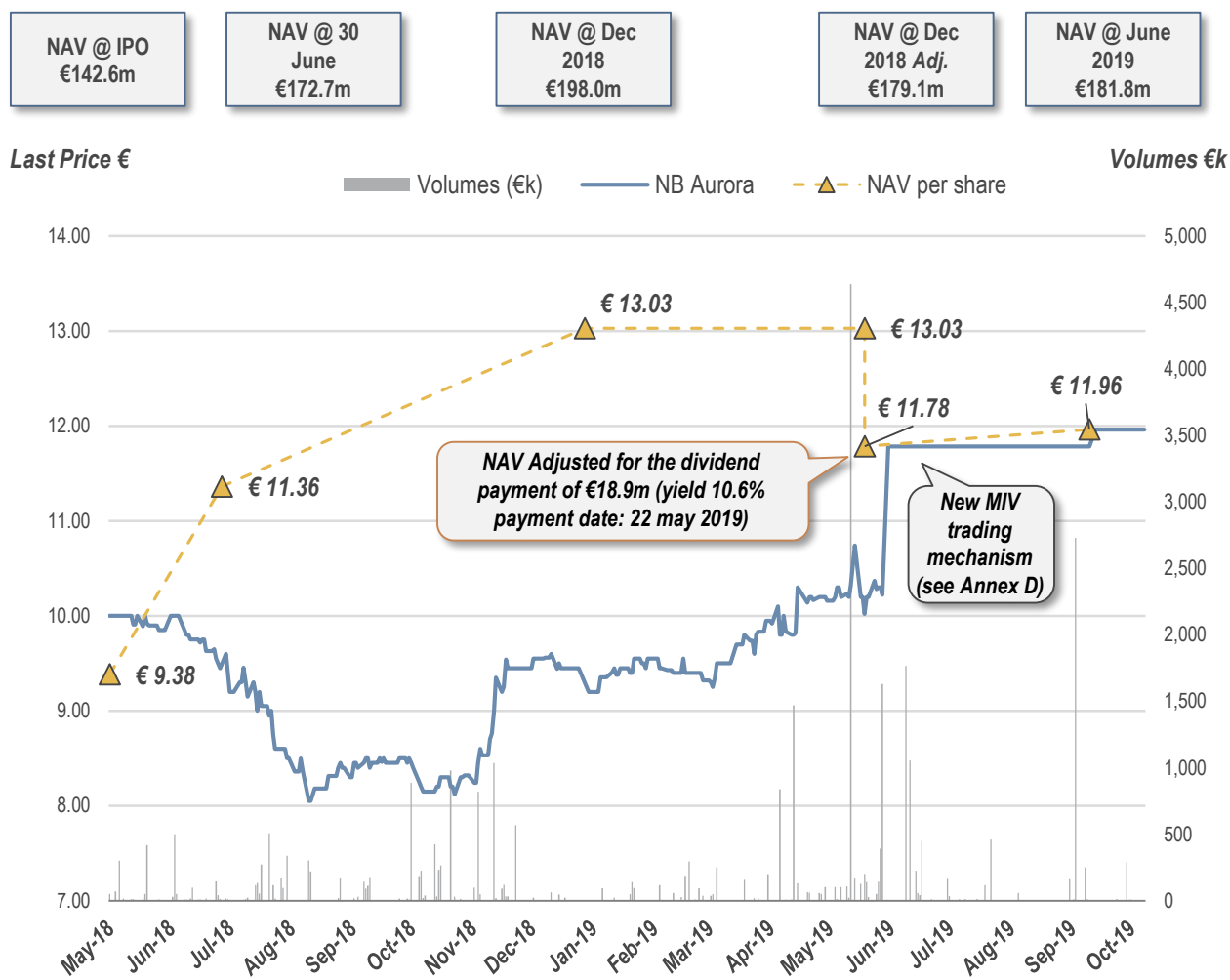
# NB AURORA IPO

The IPO of NB Aurora was a pioneering “first ever” for the Italian market

## KEY HIGHLIGHTS

IPO DATE	4-May-18
IPO PRICE	€ 10.00
NOSH (M)	15.2
LAST PRICE - 11/Oct/19	€ 11.96
MARKET CAP. (€M) - 11/Oct/19	181.8
AVG. DAILY VOLUMES TRADED SINCE IPO (€K)	88.0
DIVIDEND YIELD (paid on May 22, 2019)	~10.6%
NET ASSET VALUE (€M) - 4/May/18	142.6
NET ASSET VALUE (€M) - 31/Dec/18	198.0
NET ASSET VALUE (€M) - 30/Jun/19	181.8
TOTAL RETURN SINCE IPO (incl. dividend)	+30%
TOTAL AMOUNT INVESTED BY THE TEAM & BY THE SPONSOR (€M)	ca. 10,0
LIQUIDITY PROVIDER	- Banca IMI
CORPORATE BROKERS	- EQUITA - UBI

## STOCK & NAV PERFORMANCE SINCE IPO (May 4, 2018)



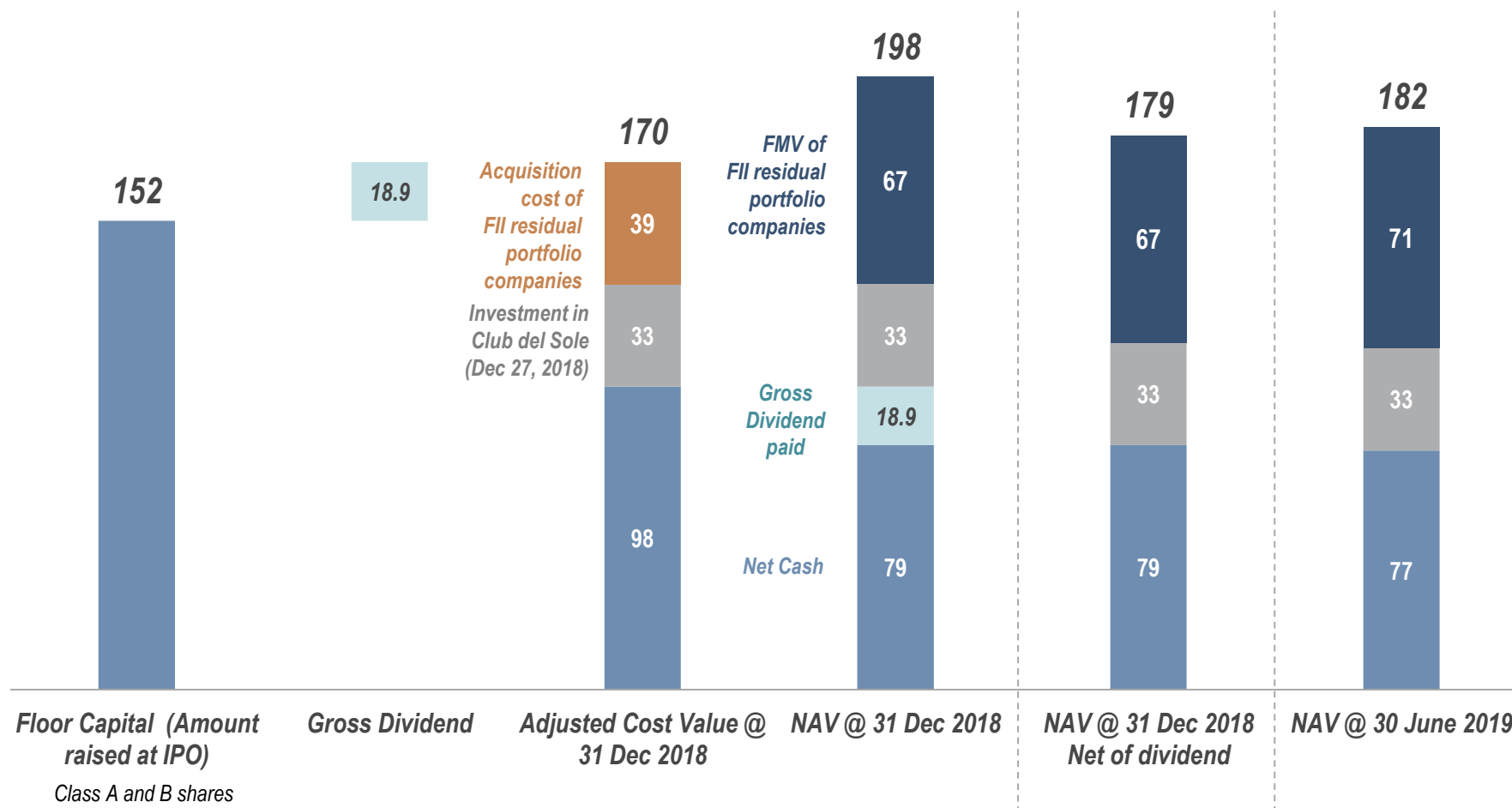
Source: Capital IQ as of October 11, 2019 and public available information.  
Dividend yield % is computed on IPO price (€10 p.s.).  
NOSH includes Class A, B and special shares.  
Past performance is not a reliable indicator of future returns.

Note: NAV provided based on half-yearly results (June-Dec).  
NAV at IPO is net of IPO costs, management fees and other payables.

# NAV

NB Aurora stock is currently trading at ca. 10 euro per share with a considerable discount to NAV

€ m



Source: NB Aurora Financial Reports and public available information.

Note: Amount distributable to investors gross of performance fees as per listing prospectus (15%).

NBA FMV as of Dec 2018, net of NOA and gross of carried interest on FII residual portfolio.

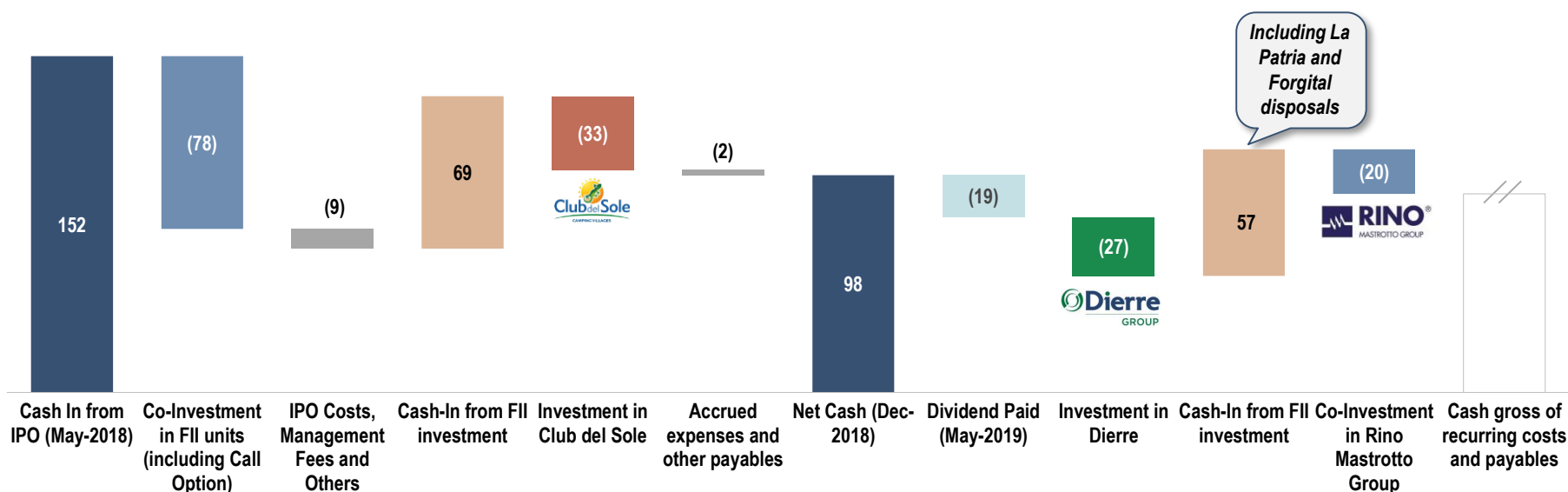
NAV as of June 30, 2019 released on September 13, 2019, net of NOA and net of carried.

## ACTIVITY SINCE IPO

~€158 million invested since IPO, coupled with generation of ~€126 million of cash-ins

- ✓ Acquisition of a portfolio of 15 investments<sup>(1)</sup> in Italian SMEs through FII for €78m
- ✓ Disposal of 9 portfolio companies realizing ~€126m of cash-ins and ~€63m of capital gain<sup>(2)</sup> (see next page)
- ✓ On 27 December 2018, acquisition of a minority stake in Club del Sole (€33m invested), the leading Italian player in the camping-village sector
- ✓ On 22 May 2019, payment of an ordinary dividend of ~€1.06 per share (for a total consideration of ~€19m)
- ✓ On 30 July 2019, acquisition of a minority stake equal to 49.9% in Dierre Group (~€27m invested), Italian leader in the production of protection systems for industrial automation
- ✓ On 6 August 2019, disposal of La Patria to A&M Capital Partners Europe LLP, realizing ~€6m<sup>(3)</sup> of expected distribution and ~€1<sup>(3)</sup> of capital gain
- ✓ On 10 September 2019, disposal of Forgital to the Carlyle Group, realizing ~€50.8m of expected distribution and ~€29.4m of capital gain
- ✓ On 30 September 2019, acquisition of a minority stake - through a co-investment agreement with NBRP - in Rino Mastrotto Group (€20m invested), world leader in the production and sale of leather for the fashion, automotive and furniture sectors

## DEPLOYMENT OF CAPITAL SINCE IPO (€m)

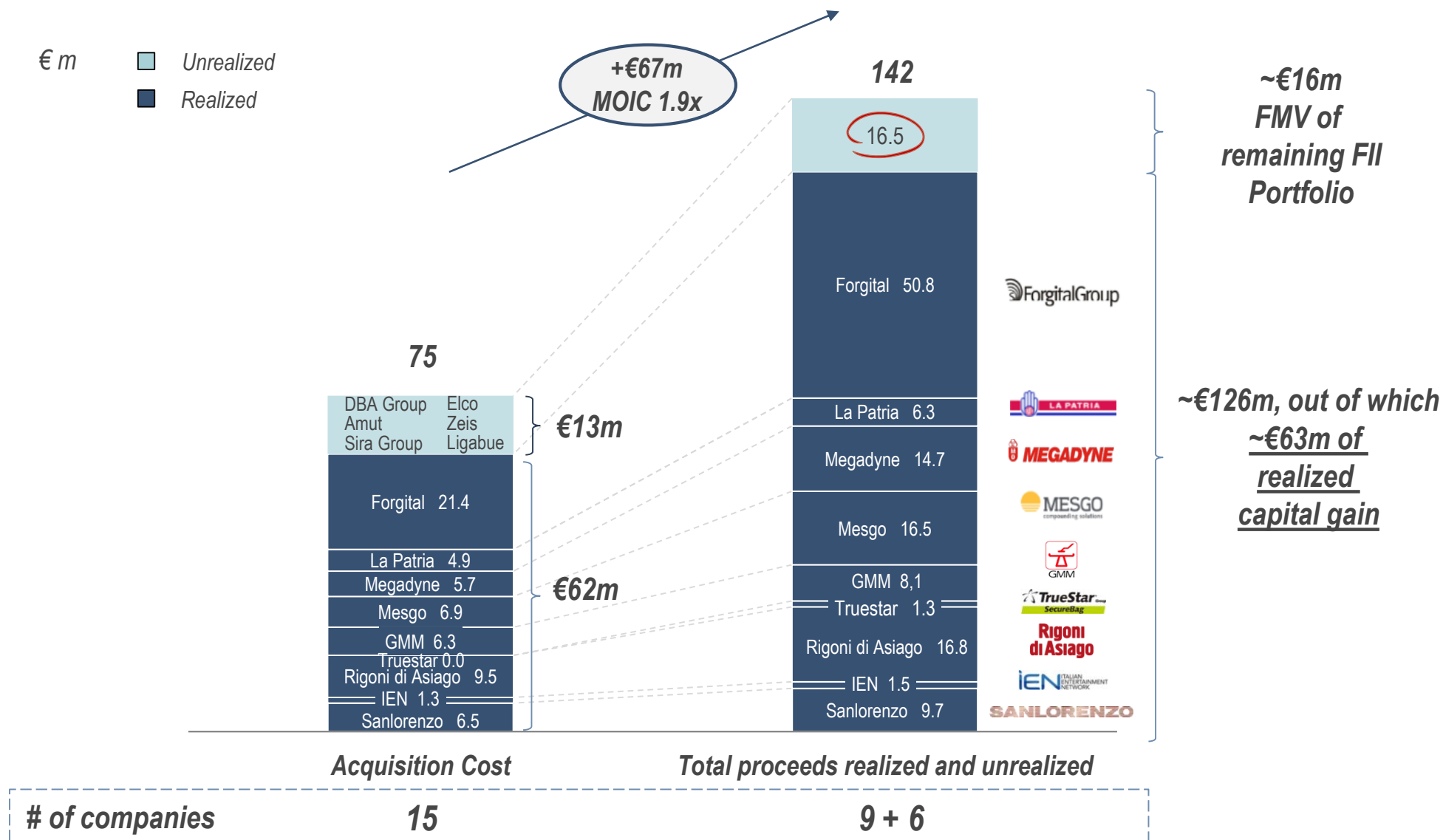


1. Excluding two write-offs. NB Aurora owns 44.55% of FII portfolio.  
 2. €63.4m net of transaction costs and carry provisions.  
 3. Excluding deferred price payment.

Source: NB Aurora financial reports and public available information.

## FOCUS ON THE INVESTMENT IN FII PORTFOLIO

~ €126m of total cash-ins from 9 divestments realized with ~ €63m of realized capital gain



Note: FII portfolio excludes two write-offs. Past performance is not necessarily indicative of future results.










Figures net of transaction costs and carry provisions and gross of dividends received. As of September 2019, NBA has received in total €126.1m of distributions from FII.

Unrealized value refers to NBA FMV as of June 30, 2019 net of NOA and gross of carried interest on FII residual portfolio.



## DIVESTMENTS REALIZED

9 divestments realized since May 2018 through different exit routes, with ~€63m of realized capital gain

COMPANY	INDUSTRY	DESCRIPTION	EXIT DATE	NBA INDIRECT STAKE (%)	TOTAL PROCEEDS* (€m)	NBA COST (€m)	CAPITAL GAIN* (€m)	MOIC (X)	EXIT TYPE
 <b>ForgitalGroup</b>	Industrials	Production of large forged components used in the industrial and aerospace industry	Sept-19	7,6%	50,8	21,4	<b>29,4</b>	2,4x	Trade Sale
 <b>LA PATRIA</b>	Business Services	Security services	July-19	14,4%	6,3	4,9	<b>1,4</b>	1,3x	Trade Sale
 <b>GMM</b>	Healthcare	Diagnostic radiological equipment manufacturing	Nov-18	12,9%	8,1	6,3	<b>1,8</b>	1,3x	Buyback
 <b>MESGO</b> compositing solutions	Industrials	Production of synthetic, fluorinated and natural rubber and plastic compounds	Oct-18	14,3%	16,5	6,9	<b>9,6</b>	2,4x	Trade Sale
 <b>MEGADYNE</b>	Industrials	Manufacturing of premium polyurethane belts and rubber belts for industrial applications	Sept-18	2,1%	14,7	5,7	<b>9,0</b>	2,6x	Trade Sale
 <b>TrueStar</b> SecureBag	Business services	Provider of wrapping solutions and related services within airports	Aug-18	11,1%	1,3	0,0	<b>1,3</b>	n.m.	Buyback
 <b>IEN</b> ITALIAN ENTERTAINMENT NETWORK	Entertainment	Content production company	July-18	Credit	1,5	1,3	<b>0,2</b>	1.2x	Credit
 <b>SANLORENZO</b>	Luxury goods	Design, development and production of luxury yachts	July-18	7,1%	9,7	6,5	<b>3,3</b>	1.5x	Buyback
 <b>Rigoni di Asiago</b>	Food & Beverage	Production of organic spreadable	July-18	15,8%	16,8	9,5	<b>7,4</b>	1.8x	Trade Sale
<b>TOTAL REALIZED</b>					<b>~126</b>	<b>~62</b>	<b>~63</b>	<b>~2.0x</b>	










Note: Past performance is not necessarily indicative of future results.

\* Figures net of transaction costs and carry provisions and gross of dividends received. Excluding La Patria deferred price payment. As of October 1, 2019, NBA has received in total €126.1m of distributions from FIL.

Source: Press release and public available information.

## CURRENT PORTFOLIO PERFORMANCE

Positive outlook of the unrealized portfolio with a total FMV\* of ~€50m

COMPANY	INDUSTRY	DESCRIPTION	NBA COST (€m)	NBA STAKE (%)	REVENUES (€m)	EBITDA (€m)	NET DEBT/ EBITDA (x)	LAST AVAILABLE YEAR	REVENUES CAGR L3 YEARS
	Leisure	Camping-village operator, offering a wide range of open air holiday solutions including bungalows, mobil homes and housing tents	33,1	26,4%	43	13	2,5x	2018	18%
	Industrials	Production of protection systems for industrial automation	26,5	42,0%	47	8	0,4x	2018	13%
	Textile	Production and sale of leather for the fashion, automotive and furniture sectors	20.0	~11%	317	46	1,2x	2018	14%
	Business Services	Contract light maintenance and catering in the industrial and naval markets	7,2	13,6%	310	12	0,5x	2018	10%
	Industrials	Aluminum heaters and radiators manufacturing and die-casting	1,9	18,0%	128	9	1,9x	2018	21%
	Industrials	Manufacturing of high-performance plastic processing machinery	1,6	17,7%	68	(3)	n.m.	2018	5%
	Business Services	Engineering services in the fields of architecture, project and life cycle management, ICT infrastructures	1,3	4,4%	47	4	2,3x	2018	7%
	Industrials	Printed circuit boards manufacturer	1,1	13,3%	42	1	n.m.	2018	4%
	Consumer Goods	Shoes manufacturer	0,0	8,9%	n.a.	n.a.	n.a.	n.a.	n.a.
AVERAGE CAGR LAST 3 YEARS									~12%

Note: FII Portfolio held through FII units. Excluding two write-offs. Past performance is not necessarily indicative of future results.

1. ZEIS is currently under bankruptcy procedure (i.e. "concordato in continuità" under the Italian law)

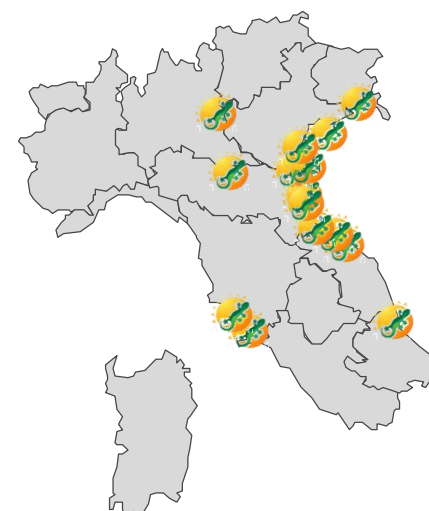
Source: 2018 Financial figures refer to BoD and AGM approved financials. BoD approved financials might be subject to changes post AGM approval.

\* FMV is at 30 June 2019 (net of NOA and gross of carried interest on FII residual portfolio and ex. Dierre Group and Rino Mastroto Group).

## FOCUS ON THE INVESTMENT IN CLUB DEL SOLE

On 27 December 2018, NB Aurora completed the acquisition of a minority stake in Club del Sole, the leading Italian player in the camping-village sector

- NB Aurora, together with some investors and Italian family offices, acquired a **minority stake in Club del Sole Group**, the leading Italian Camping-village operator, offering a wide range of open-air solutions in Italy, through a total investment of ~€50m, out of which ~€33m for NB Aurora.
- The proceeds will be used to support **the acquisition plan aimed at consolidating the Italian market** which remains fragmented. The Giondi family continues to hold the majority of the Group and to lead it in the coming years.
- Club del Sole, headquartered in Forlì, **directly manages 15 camping villages in 6 centre-north Italian regions** operating over 2,400 camping pitches, 3,200 mobile homes, bungalows and housing tents in different parts of Italy. Since investment date, the Group has closed 4 acquisitions.
- The Group can boast an **integrated business model** that includes a diversified accommodation offer with accessory services such as restaurants, bars, swimming pools, beach clubs, ensuring a high level of service in all locations.
- Club del Sole **experienced significant growth in the last years**, increasing revenues from approximately €8 million in 2008 to over €43 million in 2018 with an EBITDA of ~€13m.



**15** camping-village (3-4 stars)



**45%** of foreign guests



**22k** beds and **2m** of visitors



**800+** seasonal workers

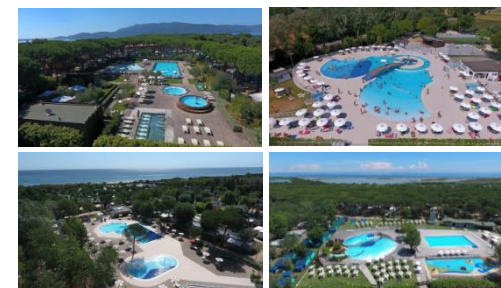


**17** restaurant, **31** bars and **14** markets



**~€43m** Revenues **€13m** Ebitda

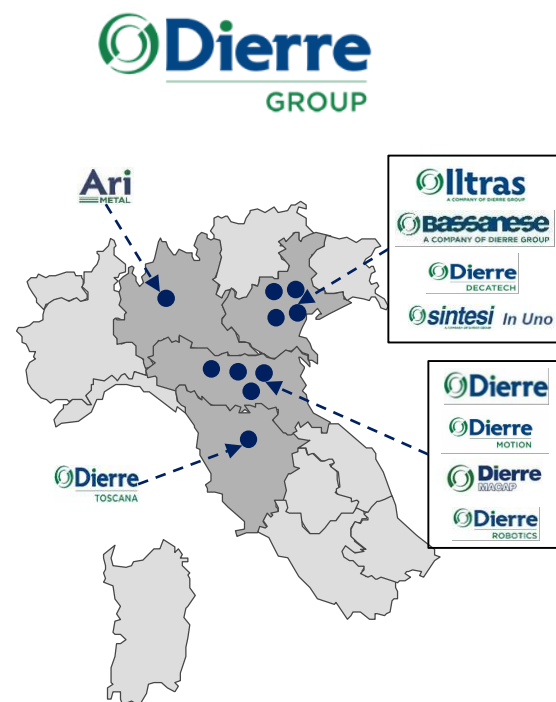
2018 figures (15 campings)



## FOCUS ON THE INVESTMENT IN DIERRE GROUP

On 30 July 2019, NB Aurora completed the acquisition of 49.9% stake in Dierre Group, Italian leader in the production of protection systems for industrial automation

- NB Aurora, together with some Italian family offices, acquired, **for a total consideration of ~€30m, a minority stake equal to 49.9% stake in Dierre Group**, an Italian leading company in the design, manufacture and sale of technologically advanced protections and components for industrial automation
- With the support of NB Aurora and the Neuberger Berman's global platform, **the purpose of Dierre is to become the leading European player in the reference sector**, continuing the growth path both at operational and productive level. Giuseppe Rubbiani, Group Chairman and Chief Executive Officer, will remain the major shareholder, driving the development in the coming years.
- Founded in Spezzano in 1997 by Giuseppe Rubbiani, as a small manufacturer of protection systems for the automated industry, nowadays Dierre is a Group **composed of 11 manufacturing companies** located in Emilia Romagna, Lombardy, Veneto and Tuscany with over 280 employees, becoming in twenty years the Italian leading company in its market niche thanks to constant investments in innovation and acquisitions of complementary businesses.
- Thanks to **its clear growth strategy based on M&A**, Dierre has successfully completed **5 acquisitions in Italy in the last three years**, which allowed the company to expand and diversify its product offering. Thus, today Dierre can rely on a unique product portfolio ranging from aluminum profiles, linear guides, soundproofing solutions, to Cartesian and anthropomorphic robots, reaching a **total turnover of ca. €47 million** in 2018 with an EBITDA of **€8 million**.



**11** Manufacturing Companies



**5** Acquisitions in the last 3 years



Fragmented, export-oriented and diversified customer base, which includes more than **1.900** clients

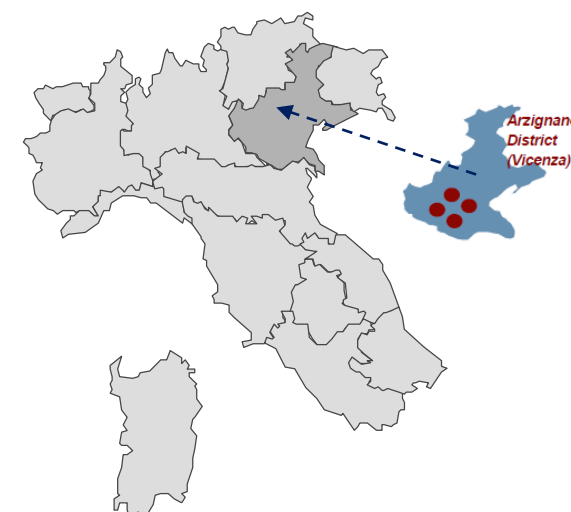


**~€47m** revenues and **€8m** EBITDA  
2018 figures

## FOCUS ON THE INVESTMENT IN RINO MASTROTTO GROUP

On 30 September 2019, NB Aurora completed the acquisition of about 11% stake in Rino Mastrotto Group («RMG») world leader in the production and sale of leather for the fashion, automotive and furniture sectors

- **NB Aurora acquired a minority stake in RMG of ~11% for a total equity investment of €20m through a co-investment agreement with NB Renaissance Partners.** The Mastrotto family has a significant minority stake and will maintain key management roles in the Company. The investment aims to further support the Company in its growth both organically and by consolidating a highly fragmented sector.
- RMG is a global leader in the production and sale of premium bovine and calf leather to the worldwide fashion ("Fashion Business Unit"), high quality leather for automotive steering wheels, with a growing presence in seats and dashboard ("Automotive Business Unit"), and upholstery industry ("Upholstery Business Unit"), combining the high quality standards of its products with a rigorous environmental policy.
- RMG, founded in 1969 and headquartered in Trissino (VI), **has a global production footprint and it is one of the few players in the world that operates through an integrated business model covering all production cycles of the leather treatment**, from the selection of raw hides to tanning, dyeing and finishing. In Italy, the Group employs over 850 people and has four production plant: specialized mostly in the production of leather for the automotive and fashion industry. RMG also operates a production plant in Sweden and one in Brazil, both dedicated to the automotive and upholstery sectors, as well as a joint venture in Mexico specialized in cutting of finished leather.
- In the last years, the Group experienced strong growth, increasing both **revenues** from approx. €260m in 2015 to approx. **€320m in 2018** and **EBITDA** from approx. €24m in 2015 to approx. **€46m in 2018**.



**6** production plants (4 in Italy, 1 in Sweden e 1 in Brazil)



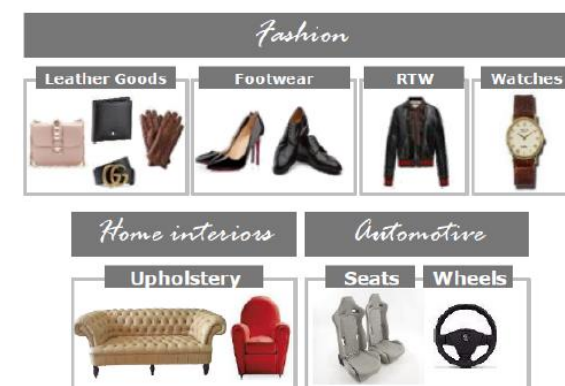
**#1** supplier of premium bovine and calf leather to the worldwide fashion industry



**60%** revenues generated outside Italy in **60** countries



**~€320m** revenues and **~€46m** EBITDA  
2018 figures



## SELECTED PIPELINE OF NEW OPPORTUNITIES

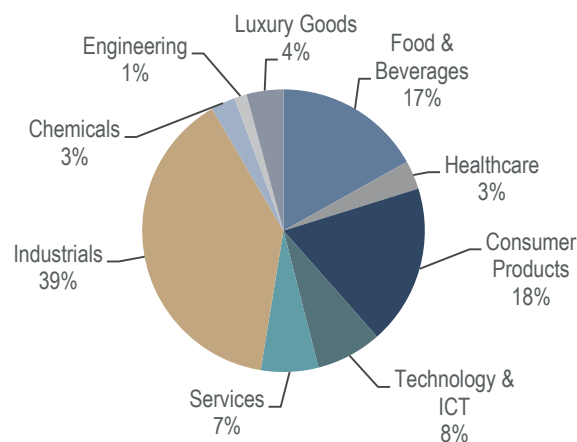
Since inception NB Aurora can count on robust proprietary deal flow and selectivity

The current pipeline for NB Aurora includes a number of interesting opportunities:

Project	Sector	Turnover size	Deal type	Equity Ticket	Investment Rationale	Origination
Project 1	Furniture & Design	€ 100 – 150m	Minority stake through replacement and capital increase	€ 30m	Supporting the organic and external growth	Proprietary
Project 2	Consumer Goods	€ 50 – 100m	Minority stake through replacement and capital increase	€ 30m	Supporting the international expansion	Limited auction
Project 3	Food	€ 30 – 50m	Co-investment	€ 10m	Supporting the organic and external growth	Proprietary
Project 4	Consumer Goods	€ 30 – 50m	Minority stake through capital increase	€ 15m	Supporting the organic and external growth	Proprietary
Project 5	Cosmetics	€ 30 – 50m	Minority stake through replacement and capital increase	€ 15m	Supporting the organic and external growth	Limited auction

**Total Potential Pipeline:** ~€ 100m

### 200+ DEALS ANALYSED SINCE IPO BY SECTOR



Note: Pipeline as of October 2019.

There can be no assurance that the Fund will be able to implement its investment strategy or achieve its investment objectives. There can be no guarantee that the transactions described above will be consummated. Past performance is not an indicator, guarantee or projection of future performance.



## FOCUS ON ESG

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NBA integrated ESG best practices into its operating model

### NBA FOCUS ON ESG BEST PRACTICES

- NB has a long history as a leader in responsible investing, and NB Private Equity has incorporated **formal evaluation of financially material ESG factors** in private equity investments since 2007
- **ESG integration** is an integral part of our **private equity investment processes** and we are committed to continuous improvement
- NBA believes that **mitigating ESG-related risks** may reduce overall portfolio risk
- Identifying and **incorporating ESG factors into investment due diligence** and post-acquisition value creation strategy may help to generate stronger investment outcomes



*On July 12, 2018, Neuberger Berman has received the top score (A+) in the most recent UN-backed Principles for Responsible Investment (PRI) assessment report of Environmental, Social and Governance (ESG) integration efforts for 2017*

# NB AURORA MAIN TERMS AND CONDITIONS

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## LEGAL STRUCTURE

- Investment company qualifying as alternative investment fund listed on the MIV professional segment of the Italian Stock Exchange (Borsa Italiana)
- Luxemburg SICAF-RAIF (closed-end fund) externally managed
- PIR eligible

## SIZE AND PRICING

- Size of € 150 mln in IPO (at € 10 per share)
- Initial Public Offering only to professional investors (MIFID definition)

## ALIGNMENT OF INTEREST

- NB & Management Commitment in NB Aurora and FII: ca. € 10m

## FEES

- Annual management fees: 1.50% of the total adjusted cost value (book value adjusted for write downs and write-offs, plus cash and cash equivalents)
- Performance fees at 15% on distributed capital gain

## DIVIDEND YIELD STRATEGY

- Recurring and solid dividends (also leveraging on favourable vintage of FII portfolio)
- Distribution between 50% and 100% of the cash in excess between the “Adjusted Cost Value” and the “Floor Capital”
- Dividend paid after annual reports’ approval



## APPENDIX A: NEUBERGER BERMAN PLATFORM



# NEUBERGER BERMAN

Founded in 1939, today Neuberger Berman provides solutions across equities, fixed income and alternative investments with a global reach



**AUM: \$333 BN<sup>3</sup>**

**EQUITY I \$101BN**

- Global / EAFE
- U.S. Value / Core / Growth
- Emerging Markets
- Regional EM, China

## FUNDAMENTAL

- Socially Responsive Investing
- Income Strategies
  - MLP
  - REITs

## QUANTITATIVE

- Global
- U.S.
- Emerging Markets
- Custom Beta

**FIXED INCOME I \$151BN**

- Global Inv. Grade
- Global Non-Inv. Grade
- Emerging Markets
- Opportunistic / Unconstrained

- Municipals
- Specialty Strategies
  - CLO Mezzanine
  - Special Situations
  - Currency
  - Corporate Hybrids

**ALTERNATIVES<sup>3</sup> I \$90BN (COMMITTED CAPITAL)**

- Private Equity:
  - Primaries
  - Co-Investment
  - Secondaries
  - Specialty Strategies
- Alternative Credit:
  - Private Credit
  - Residential Loans
  - Special Situations
  - Specialty Finance

- Insurance-Linked Strategies
- Hedge Funds:
  - Multi-Manager
  - Equity Long/Short
  - Credit Long/Short
  - Event Driven
  - Co-Investments

- Risk Premia
- Options
- Global Macro
- Commodities

## ESG Integration Across Investment Platform

**2012:** Signatory of PRI

**A+:** 2017 Assessment Report ESG Strategy and Governance<sup>4</sup>

**A+:** 2017 Assessment Report Indirect Private Equity<sup>4</sup>

All information is as of June 30, 2019, except as otherwise noted. Firm data reflects the collective data for the various subsidiaries of Neuberger Berman Group LLC.

1. Employee assets include current and former employees and their family members.

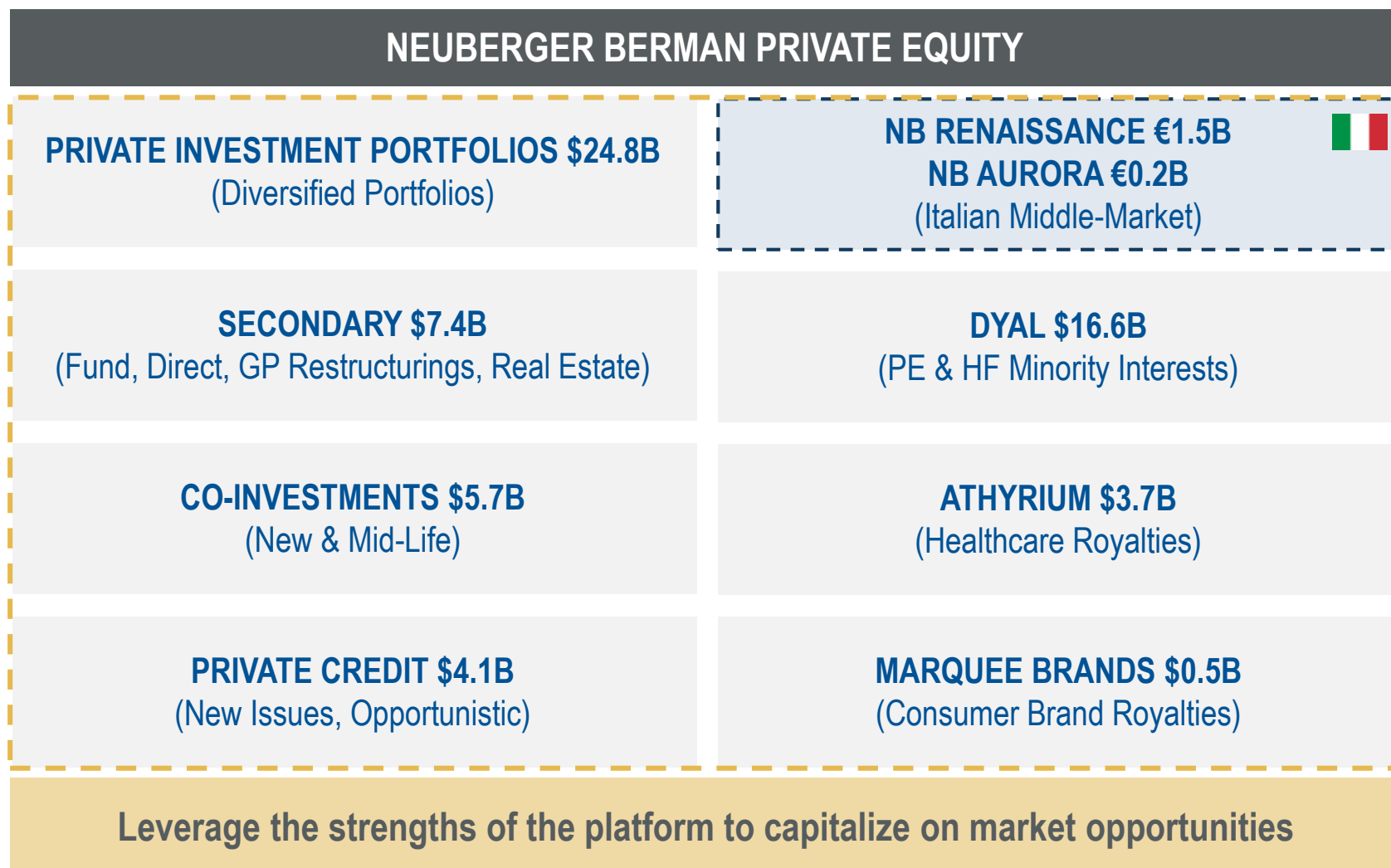
2. Average over the past five years, including retirements.

3. As of June 30, 2019, Firm assets under management (AUM) includes \$101.5 billion in Equity assets, \$150.6 billion in Fixed Income assets and \$81.0 billion in Alternatives assets. Alternatives "AUM and Committed Capital" includes assets under management for non-Private Equity businesses and Committed Capital since inception for the Private Equity businesses. Committed Capital since inception reflects all contractual commitments, including those still in documentation, to fund investments, including those which have since been realized, advised by NB Alternatives Advisers LLC and its affiliates or predecessors (the oldest mandate of which was founded in 1981).

4. Awarded by UN-supported Principles of Responsible Investment.

## NEUBERGER BERMAN PRIVATE EQUITY STRATEGIES

Large and integrated PE platform, with over \$64 billion of commitments managed<sup>(1)</sup>, provides superior deal flow and information



1. Represents aggregate committed capital since inception through August 2018, including commitments in the process of documentation.

# NB PRIVATE EQUITY PLATFORM IN ITALY

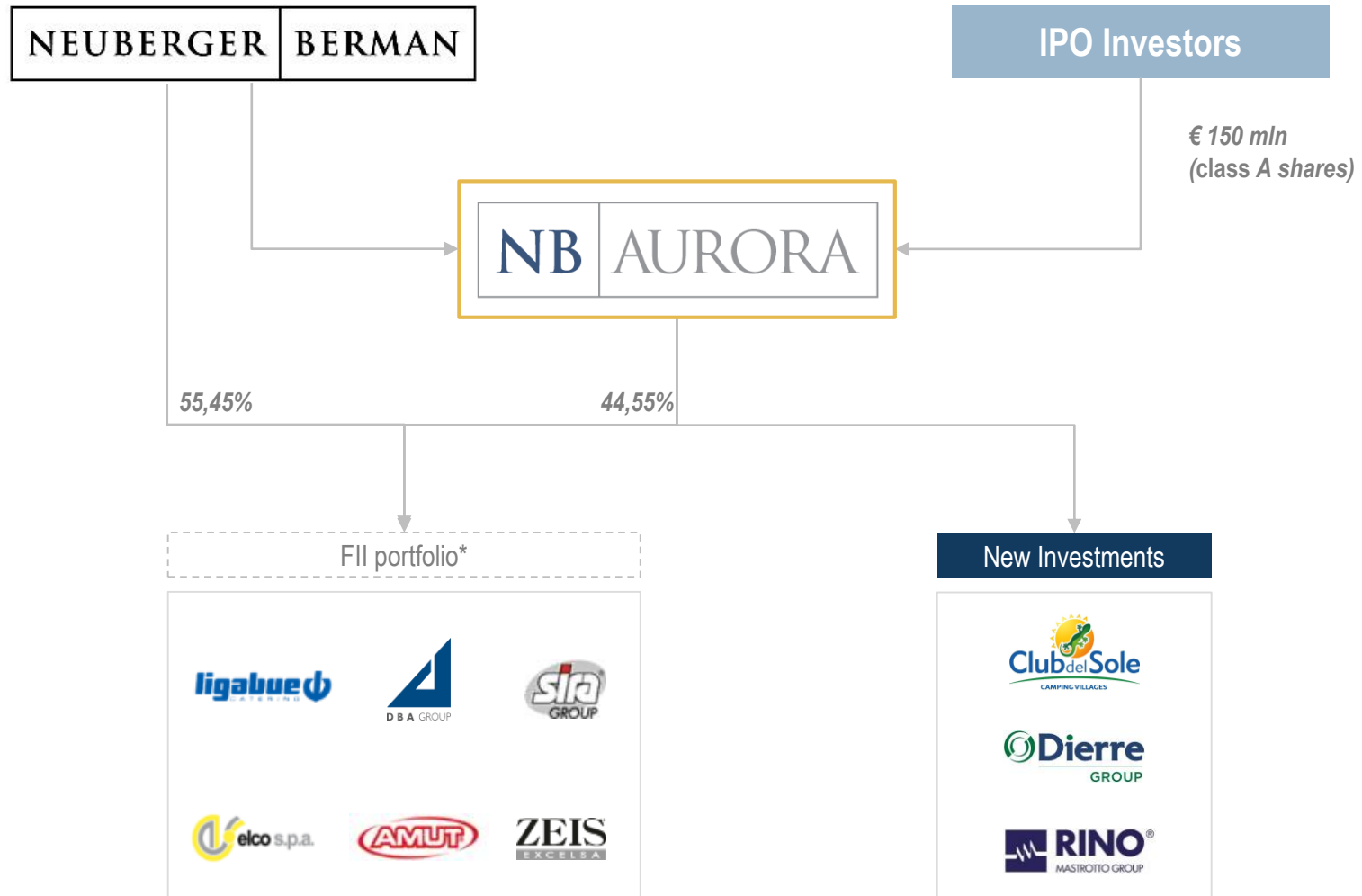
NB operates jointly in Italy through two funds in order to cover the entire market spectrum

	NB RENAISSANCE PARTNERS (AUM €1.5B)	NB AURORA (AUM €150M)
1.   THE REFERENCE MARKET	<ul style="list-style-type: none"> <li>Focus on leading <b>Italian Mid Cap</b> companies with a focus also in Western Europe</li> <li>Turnover typically between <b>€ 50 and € 500 million</b></li> </ul>	<ul style="list-style-type: none"> <li><b>Italian Small Mid Cap</b></li> <li>Turnover typically between <b>€ 30 and € 300 million</b></li> <li>Mainly family owned companies</li> </ul>
2.   TYPE OF DEALS	<ul style="list-style-type: none"> <li><b>Leverage Buyouts</b></li> <li><b>Growth Capital</b></li> </ul>	<ul style="list-style-type: none"> <li>Growth and patient capital with a <b>flexible approach</b> which includes <b>minority investments</b>, replacement and MBO/MBIs</li> </ul>
3.   DEALS' SIZE	<ul style="list-style-type: none"> <li>Equity ticket typically between <b>€ 50 and € 300 million</b> (through support of NBRP investors and NB platform)</li> </ul>	<ul style="list-style-type: none"> <li>Equity ticket between <b>€ 10 and € 50 million</b>, possibility to leverage on co-investments and to syndicate the deals</li> </ul>
4.   INVESTMENT HORIZON	<ul style="list-style-type: none"> <li>In line with PE's standards (<b>4-5 years</b>)</li> </ul>	<ul style="list-style-type: none"> <li><b>Long term investment horizon</b>, free from short-term strict exit constrains</li> </ul>
5.   INDUSTRY FOCUS	<ul style="list-style-type: none"> <li>Investments across many sectors</li> <li>Only exceptions: real estate, start-ups and operational turnarounds</li> </ul>	<ul style="list-style-type: none"> <li>Investments across many sectors</li> <li>Only exceptions: real estate, start-ups and operational turnarounds</li> </ul>
6.   TEAM TRACK RECORD	<ul style="list-style-type: none"> <li><b>NBRP Fund I (2015): 1.7x net MOIC</b></li> <li><b>NBRP Annex (2016): 1.6x net MOIC</b></li> <li><b>ISP Private Equity (2007-2014): 2.3x gross MOIC</b></li> </ul>	<ul style="list-style-type: none"> <li><b>2.0x MOIC on FII realized investments</b></li> </ul>

THE LARGEST INVESTMENT TEAM IN ITALY WITH 25+ INVESTMENT PROFESSIONALS SUPPORTED BY NB GLOBAL PLATFORM LEVERAGING ON A WIDE NETWORK AND MUTUAL SYNERGIES

Note: NBA figures refer to FII realized portfolio; performance are gross of transaction costs.  
NBRP Fund I and Annex figures include also unrealized assets valued as of March 31, 2019.

## NB AURORA PORTFOLIO STRUCTURE



\* Held through FII units. Excluding two write-offs and the 9 exits.

## APPENDIX B: TEAM BIOGRAPHIES



## TEAM BIOGRAPHIES

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**Patrizia Micucci** is a Managing Director of Neuberger Berman. Prior to joining NB, Mrs. Micucci was Group Country Head for Italy at Société Générale, where she was also Chief Country Officer and Head of Coverage and Investment Banking. In 2009, she worked as Senior Partner of BI-INVEST, responsible for identifying investment opportunities with strategic focus on illiquid assets. Mrs. Micucci started her career at Lehman Brothers, where she spent 17 years (from 1990 to 2007), culminating as Head of Investment Banking Division Italy. She graduated magna cum laude in business administration from Luiss University (in Rome) and obtained an MBA from L. Stern School of Business of New York University.



**Francesco Sogaro** is a Managing Director of Neuberger Berman. Prior to joining NB, he was Senior Partner (Head of the Investment Team) and member of the Investment Committee at Fondo Italiano d'Investimento, which he joined before the first closing of the fund in September 2010. Before Fondo Italiano, Francesco Sogaro co-founded (and served as CEO of the management company) Atlantis Capital Special Situations - an Italian fund specialised in turn around investments in Italian SMEs. Francesco has been member of the International Advisory Board of Heritage Bank (Geneva) for 10 years and has several years' experience as an entrepreneur (in the family company) and as a financial advisor serving for 4 years as Ceo of a small family office. He has also served as (or he is currently member of) the boards of directors or bond-holder representative of many operating and financial companies including H&C SpA, Forgital Group SpA, Tbs Group SpA, Marsilli & Co SpA, Brugola Oeb Industriale SpA, Arioli SpA, Brazzoli SpA, Truestar Group SpA, Bunch SpA, Giostyle SpA, Labomar SpA and Dierre Group SpA. Francesco graduated in Economics from the Bocconi University in Milan.



**Lorenzo Baraldi** is a Managing Director of Neuberger Berman. Prior to NB, he was Senior Partner (Head of the Investment Team) and member of the Investment Committee at Fondo Italiano d'Investimento, which he joined in February 2011. Lorenzo began his career in 1994 in the Investment Banking and Corporate Finance division of Banca Commerciale Italiana (Comit), managing several listings of company in the Stock Exchange and M&A transactions. He joined the private equity team of the Intesa Sanpaolo Group in 2004, completing numerous equity investments/divestments in various industrial sectors, as well as restructuring projects, and in the last couple of years he was in charge of PE for IMI Investimenti SpA (AUM of about € 300 mln). Lorenzo graduated with a first class degree in Economics and Business from the University of Bologna. He is a Chartered Accountant since 1999 and has served as (or he is currently member of) the boards of directors of Imaging SpA, Esaote SpA, Fila SpA, Ilpea SpA, Infracom SpA, Turbocoating SpA, Sanlorenzo Spa, Surgital SpA, Sira Industrie SpA and Club del Sole Srl. He has also been a member of the Advisory Committee of Fondo Centro Impresa and Fondo Mezzogiorno and a member of the Investment Committee of the French Fund FCIR.

## TEAM BIOGRAPHIES

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**Lorenzo Carù** is a Principal of Neuberger Berman and former Partner at Fondo Italiano d'Investimento, which he joined in February 2011. He began his career in 1999 as an auditor for Pricewaterhouse and from 2004 he worked in the Transaction Services division of Deloitte Financial Advisory Services SpA where, as Director of the private equity division, he followed numerous acquisitions and disposals on behalf of primary Italian and international private equity funds, with specific focus on investments in SMEs. He has also served on the boards of directors of Comecer SpA and Veenstra Instrumenten BV and he is currently member of the board of directors of EMARC SpA, AMUT SpA, DBA Group, Dierre SpA and Elco. Lorenzo graduated in Business Economics from the University Carlo Cattaneo in Castellanza - LIUC.



**Viviana Gasparrini** is a Principal of Neuberger Berman and former Partner at Fondo Italiano d'Investimento, which she joined in March 2011. Before that, she gained five years' experience working for the pan-European fund Barclays Private Equity where she concluded several investments in Italian SMEs in various industrial sectors, acting in some cases as board member. Viviana previously worked for several years in the Investment Banking division of Lazard & Co where she was involved, as an Associate, in numerous M&A transactions with focus on the telecommunications and media sector. Viviana graduated with a first class degree in Business Economics from the Bocconi University in Milan.



**Stefano Tatarella** is a Principal of Neuberger Berman and former Partner at Fondo Italiano d'Investimento, which he joined in January 2011. From 2002 he worked for several private equity funds specialising in investments in SMEs: initially for Quadrivio SGR (2002-2006) and then for Aletti Private Equity SGR (2006-2008) and lastly for Mid Industry Capital (2008-2011). During that period of time he concluded several acquisitions and divestitures of Italian companies, acting in some cases as board member. He previously worked for Kepler Equities (formerly Julius Baer Brokerage) as a SME analyst. Stefano graduated in Economics and Business from the Università Cattolica in Milan. Recently he attended an executive education programme at INSEAD.



## TEAM BIOGRAPHIES

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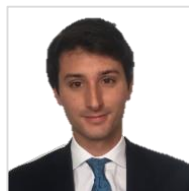
**Piero Migliorini** is a Vice President of Neuberger Berman and former Investment Manager at Fondo Italiano d'Investimento, which he joined in 2010 as an Investment Analyst. Piero served as the Board of Directors and Bond-holder representative of FIL's portfolio companies (i.e. Mesgo, BAT, Eco Eridania, Forgitel). Previously he worked as an analyst in the Investments division of MPS Venture (currently MP Venture), an Italian private equity firm with €500 mln under management and focused on growth capital for Italian SMEs, and before as a Chartered Accountant and Auditor. Piero graduated in Business and Economics and majored in Corporate Finance from the LUISS University in Rome.



**Mauro Facchini** is a Senior Associate of Neuberger Berman and former Senior Associate at Fondo Italiano d'Investimento, which he joined in 2013 as an Investment Analyst. He previously worked as analyst in the Investment Banking divisions of Banca Leonardo (2010-2011) and Nomura International Plc (2012) where, as financial advisor, followed several M&As and debt restructuring transactions for Italian and foreign companies in various industrial sectors. Mauro before graduating in Corporate Finance from the Bocconi University in Milan in 2011, joined as an intern the Investment Banking division of Goldman Sachs in London.



**Alessandro Viganò** is an Analyst of Neuberger Berman. Previously he worked at Fondo Italiano d'Investimento which he joined in 2017. Alessandro graduated in Statistics and Economics from Bocconi University in Milan.



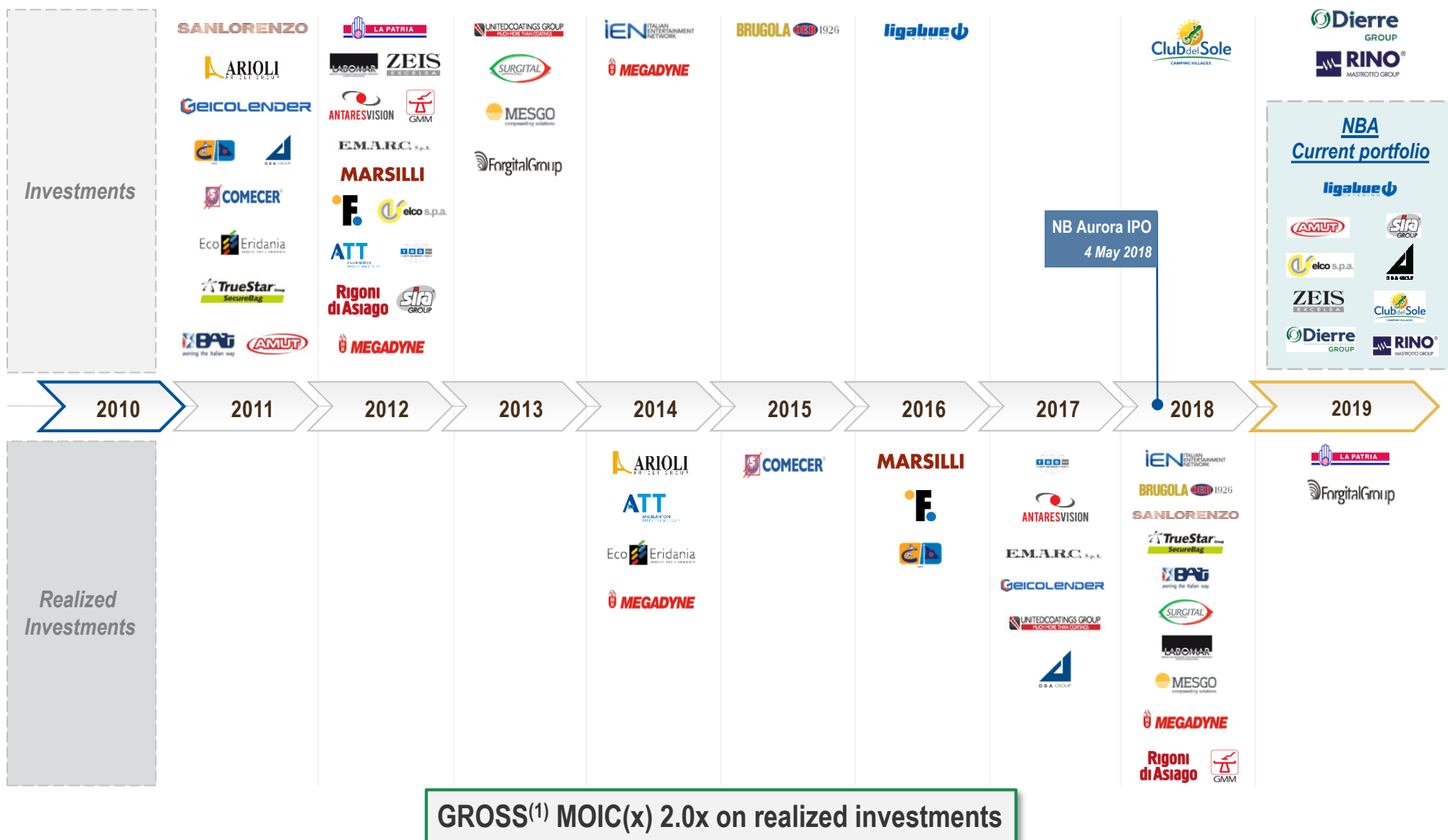
**Pietro Fontana** is an Analyst of Neuberger Berman. He previously worked at Fondo Italiano d'Investimento which he joined in 2016. Pietro graduated in Economics and Business from the Università Cattolica in Milan and holds a MSc Finance from Grenoble Graduate School of Business.

## APPENDIX C: TEAM TRACK RECORD



# TEAM TRACK RECORD

37 investments (+ 50 add-ons) since 2010



Note: Past performance is not necessarily indicative of future results.










Investments include both FII and NB Aurora direct investments, excluding two write-offs.

(1) Gross of transaction costs. MOIC refers only to FII realized investments, including two write-offs.

## TEAM TRACK RECORD (Cont'd)

Ability to create value across the cycles and with very limited leverage

in € mln unless stated otherwise

Logo	Company	Industry	Investment Date	Invested Capital	FII Stake	Exit date	Total Proceeds	Gross MOIC (x)	Gross IRR (%)
	Eco Eridania	Waste Management	Sep-11	12.3	38.8%	Jun-14	21.6	1.8x	20.6%
	Arioli	Textile Machines	May-11	5.7	32.7%	Jul-14	7.8	1.4x	10.0%
	ATT	R&D Testing Solutions	May-12	8.0	32.0%	Jul-14	12.2	1.5x	21.3%
	Megadyne	Polyurethane Belts Manufacturer	Sep-12	22.0	14.1%	Jul-14	52.9	2.4x	64.1%
	Comecer	Equipments for Nuclear Medicine	May-11	7.5	32.9%	Dec-15	16.5	2.2x	18.8%
	Farmol	Consumer Goods	May-12	9.3	32.9%	Apr-16	12.6	1.4x	15.4%
	Marsilli	Winding Machineries	Dec-12	10.0	13.8%	Jun-16	14.4	1.4x	12.3%
	C&T	Ferry Services	Jun-11	17.5	10.1%	Jul-16	36.0	2.1x	15.2%
	Emarc	Automotive Parts	Jul-12	11.0	31.0%	Apr-17	11.9	1.1x	1.7%
	Antares	Industrial Vision Systems	Jul-12	5.0	21.1%	May-17	15.2	3.0x	25.9%
	TBS	Clinical Engineering	Feb-12	20.0	13.2%	Jul-17	24.7	1.2x	5.0%
	DBA Group	ICT	Dec-11	3.8	23.0%	Dec-17	7.8	2.0x	14.6%
	Geicolender	Business Services	Apr-11	3.0	12.1%	Dec-17	2.5	0.8x	-2.9%
	Turbocoating	Surface treatments	Jan-13	10.0	15.3%	Dec-17	30.0	3.0x	25.2%
	Labomar	Healthcare	Jun-12	3.0	29.3%	Jan-18	8.3	2.8x	20.3%















Note: Figures refer to FII portfolio; performance are gross of transaction costs.

DBA Group's IRR and MOIC(x) refer to the partial disposal of the original stake (32.8%) completed at IPO (Dec 14<sup>th</sup>, 2017). FII remaining stake is 9.85%.

## TEAM TRACK RECORD (Cont'd)

Ability to create value across the cycles and with very limited leverage

in € mln unless stated otherwise

Logo	Company	Industry	Investment Date	Invested Capital	FII Stake	Exit date	Total Proceeds	Gross MOIC (x)	Gross IRR (%)
	BAT	Consumer Goods	May-11	6.7	22.1%	Feb-18	9.5	1.4x	5.3%
	Brugola	Industrial	May-15	7.5	15.2%	May-18	11.2	1.5x	14.5%
	Surgital	Food & Beverage	Jan-13	10.6	16.0%	May-18	18.0	1.7x	10.6%
	Rigoni di Asiago	Food & Beverage	Feb-12	14.0	35.6%	Jul-18	44.8	3.2x	21.6%
	Sanlorenzo	Luxury Goods	Oct-11	15.0	16.0%	Jul-18	22.5	1.5x	6.2%
	IEN	Entertainment	Aug-14	11.3	15.3%	Jul-18	13.1	1.2x	4.5%
	Truestar	Business Services	Oct-11	13.2	24.9%	Aug-18	3.6	0.3x	-19.5%
	Megadyne	Polyurethane Belts Manufacturer	Jul-14	15.0	4.8%	Sep-18	33.5	2.2x	21.6%
	Mesgo	Plastic compounds	Apr-13	8.0	32.0%	Sep-18	42.6	5.3x	40.2%
	GMM	Healthcare	Jun-12	13.0	28.9%	Nov-18	19.2	1.5x	6.3%
	La Patria	Business Services	Apr-12	9.3	32.4%	Aug-19	16.9	1.8x	8.6%
	Forgital	Industrial	Dec-13	30.0	17.0%	Sep-19	141.0	4.7x	33.3%
Total Exit Realized				301.7			650.1	2.2x	17.5%
	IMT	Grinding Machines	Dec-11	10.0	30.3%	Mar-15	0.0	0.0x	n.m.
	Mape	Automotive Transmission Systems	Oct-12	10.0	30.1%	May-14	0.0	0.0x	n.m.
Total Exit Realized Incl. Write-offs				321.7			650.1	2.0x	15.8%

Note: Figures refer to FII portfolio; performance are gross of transaction costs.

## APPENDIX D: MIV NEW TRADING MECHANISM

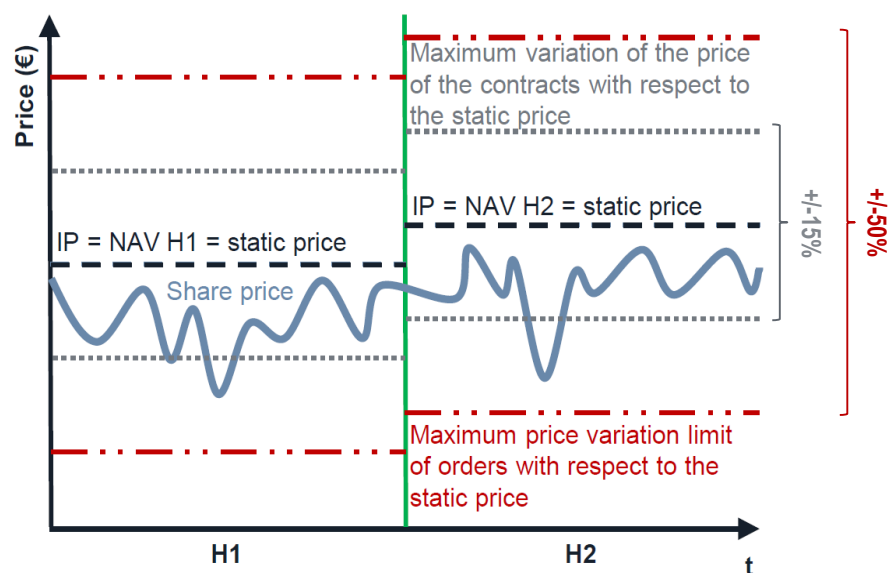


# GENERAL OVERVIEW OF THE NEW REGULATORY APPROACH

NBA opted for the new trading mechanism: the reference price has been replaced by an indicative price that is equal to the last net asset value (“NAV”) per share

## RECENT EVOLUTION

- The Rules governing Alternative Investment Funds (AIFs) to be listed on the MIV in force from **3 June 2019** (with resolution no. 20906 of the 2 May 2019, Consob approved the amendments to the Rules of the Markets managed and organized by Borsa Italiana, already approved by Borsa Italiana’s Board of Directors on 25 March 2019) include **amendments affecting the professional segment of the MIV, including a new trading mechanism anchored to the NAV = Indicative Price (IP)**



## NEW TRADING MECHANISM

- While the trading phases on the MIV market remain the same, **the relevance of the notion of the reference price is eliminated**.
- An **indicative price (IP)** is calculated and published in place of the reference price and **equates to the last NAV per share published on the market by the issuer**.
- The issuer is required to **update the indicative price at least every six months and whenever events occur that could significantly affect the NAV valuation**.

### Price Corridor

- Financial instruments can **be traded within a predetermined fluctuation range (price corridor), anchored to the NAV: therefore, it will only be possible to execute automatically contracts within specific percentage variations relative to the NAV considered normal**, taking into account the investment strategy and the **liquidity characteristics** underlying the instruments.
- With reference to the entering of orders and the variation on the dynamic and static price, price variation limits depend on the **investment strategy** (i.e. generalist, private debt, private equity, venture capital):

Investment Strategy	Max. price variation limit of orders with respect to the static price	Max. variation of the price of the contracts with respect to the static price	Max. variation of the price of the contracts with respect to the dynamic price
Private Equity	+/-50%	+/-15%	+/-5%

By means of these amendments, **the initial trading parameters of the financial instruments can be anchored to the valuation of the NAV, which is updated more frequently** and takes into account **extraordinary events and adjustments for payments of proceeds or dividends**, without making any changes to the way traditional trading processes work.

Source: MIV Education Seminar (Dr Patrizia Celia and Dr Darko Hajdukovic), Milan 4<sup>th</sup> – 5<sup>th</sup> June 2019, Borsa Italiana  
For financial instruments other than SPACs, traded in the Professional Segment of the MIV market:

- Indicative price:** the indicative price, which shall be equal to the last net asset value (NAV) per share published by the issuer, has to be considered in substitution of the reference price.
- Static price:** the static price shall be equal to the Indicative Price
- Dynamic price:** the dynamic price shall be equal to: a) the price of the last contract concluded in the current session; b) the Indicative Price, if no contract is concluded in the current session

## APPENDIX E: NB AURORA PERFORMANCE



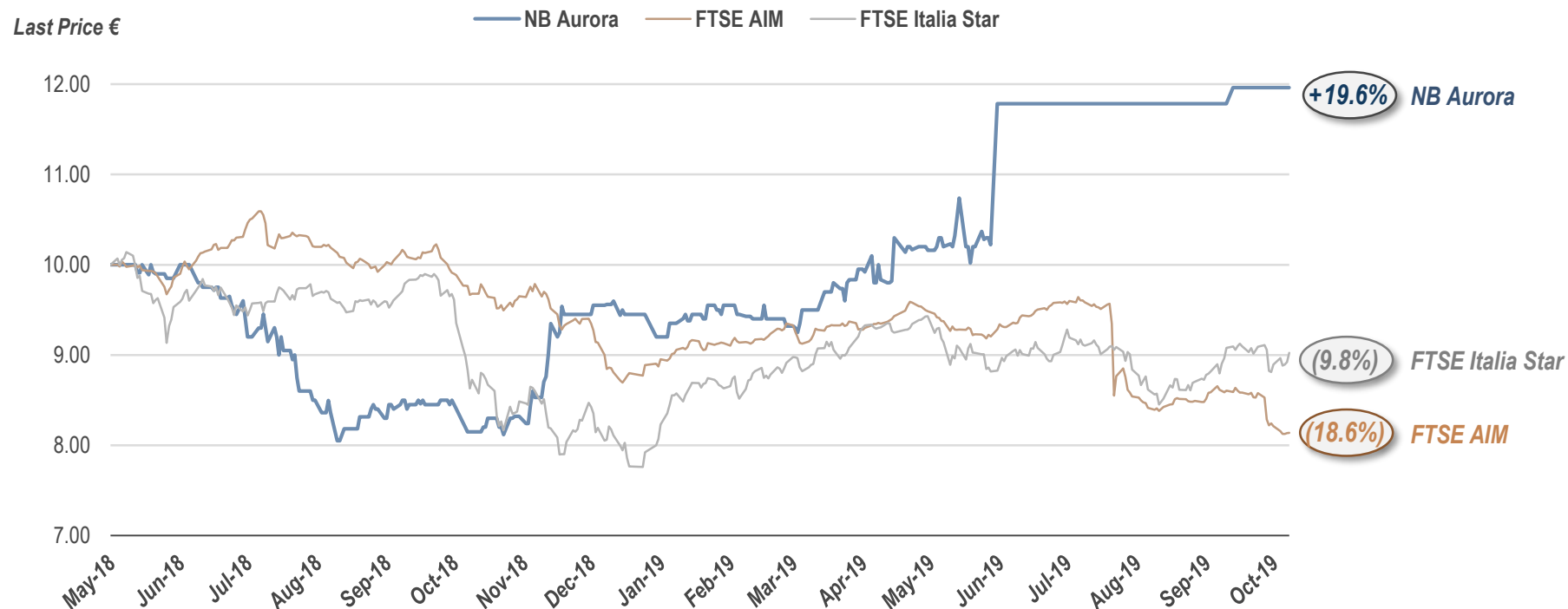


## PERFORMANCE VS INDEX

NB Aurora performed well compared to benchmarks

PERFORMANCE NB AURORA VS. INDEX (at October 11, 2019)		
NB Aurora S.A. SICAF-RAIF	Last month	1.5%
	since NBA IPO	19.6%
FTSE AIM Italia (Price Return) (EUR) Index	Last month	(5.4%)
	since NBA IPO	(18.6%)
FTSE Italia Star Index	Last month	1.3%
	since NBA IPO	(9.8%)









### PERFORMANCE SINCE IPO (May 4, 2018)

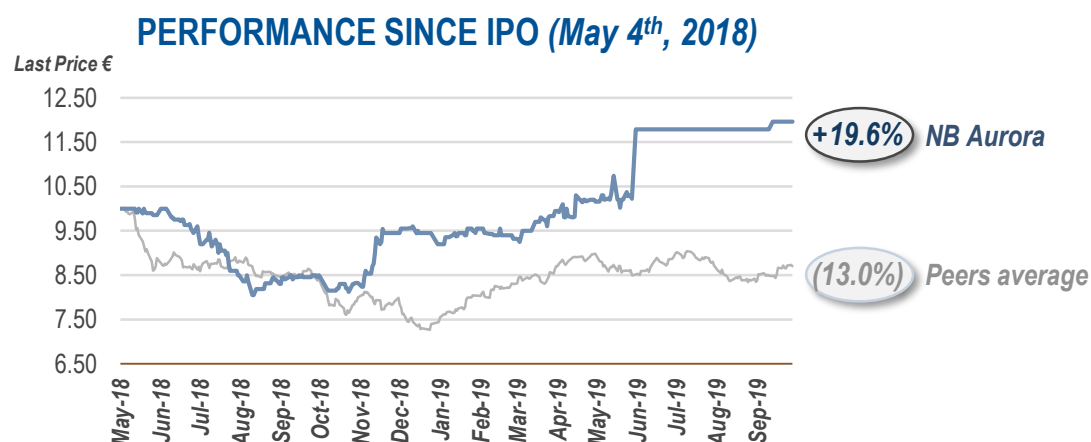
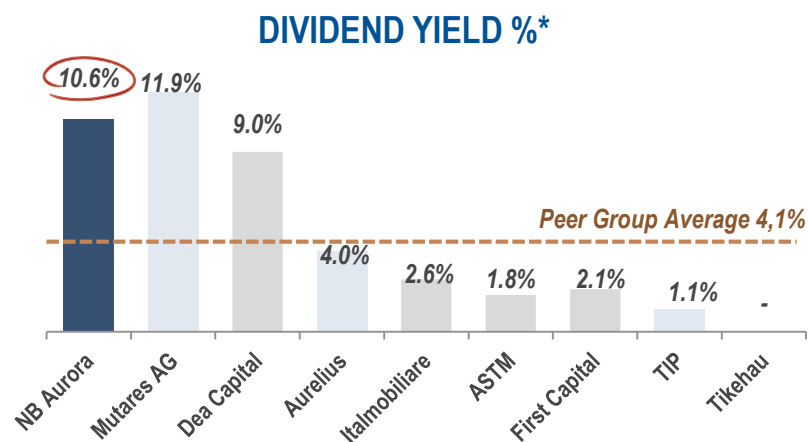


Source: Capital IQ as of October 11, 2019. Prices rebased to €10.  
Past performance is not a reliable indicator of future returns.

# PEER GROUP ANALYSIS

NB Aurora performed well compared to peers

	Country	Last price	Market Cap €m	Last Dividend paid	Dividend Yield %	Share Price Performance				
						1M	3M	6M	12M	Since May 4, 2018
NB Aurora S.A. SICAF-RAIF		11.96	182	1.06	10.6%	1.5%	1.5%	21.6%	40.7%	19.6%
ASTM S.p.A.		28.86	2,636	0.53	1.8%	2.6%	1.3%	20.3%	55.7%	19.8%
Tamburi Investment Partners S.p.A.		6.17	1,023	0.07	1.1%	5.8%	8.4%	(1.4%)	(5.5%)	(0.6%)
Italmobiliare S.p.A.		21.00	881	0.55	2.6%	4.0%	0.0%	3.4%	3.7%	(7.5%)
DeA Capital S.p.A.		1.34	348	0.12	9.0%	1.8%	4.7%	(6.2%)	5.0%	(12.5%)
First Capital S.p.A.		11.80	40	0.25	2.1%	(1.7%)	(4.1%)	7.5%	21.3%	16.7%
<b>Peer Group (Italian) Average</b>			<b>986</b>	<b>0.30</b>	<b>3.3%</b>	<b>2.5%</b>	<b>2.1%</b>	<b>4.7%</b>	<b>16.0%</b>	<b>3.2%</b>
Tikehau Capital		20.50	2,794	-	-	17.8%	0.0%	(6.4%)	(20.8%)	(25.5%)
AURELIUS Equity Opportunities SE & Co. KGaA *		37.24	1,098	1.50	4.0%	5.1%	(10.4%)	(7.4%)	(17.4%)	(42.3%)
Mutares SE & Co. KGaA		8.40	128	1.00	11.9%	(6.4%)	(23.2%)	(2.2%)	(18.4%)	(51.9%)
<b>Peer Group (EU) Average</b>			<b>1,340</b>	<b>0.83</b>	<b>5.3%</b>	<b>5.5%</b>	<b>(11.2%)</b>	<b>(5.3%)</b>	<b>(18.9%)</b>	<b>(39.9%)</b>
<b>Peer Group Average</b>			<b>1,118</b>	<b>0.50</b>	<b>4.1%</b>	<b>3.6%</b>	<b>(2.9%)</b>	<b>0.9%</b>	<b>2.9%</b>	<b>(13.0%)</b>



Source: Capital IQ as of October 1, 2019.

Note: (\*) NB Aurora Dividend yield % is computed on IPO price (€10 p.s.); Aurelius dividends exclude the participation dividend of €3.5ps.  
Peer group selected on the basis of the panel used by UBI, excluding biggest players by mkt. cap.  
Past performance is not a reliable indicator of future returns.

Source: Capital IQ as of October 1, 2019.  
Price rebased to €10.

NB AURORA

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# RISK FACTORS

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## **Market Risk**

The risk of a change in the value of a position as a result of underlying market factors, including among other things, the overall performance of companies and the market perception of the global economy. In addition, as the Fund invests in businesses that are connected with less advanced countries and economies, certain risks exist.

## **Counterparty Risk**

The risk that a counterparty will not fulfil its payment obligation for a trade, contract or other transaction, on the due date.

## **Operational Risk**

The risk of direct or indirect loss resulting from inadequate or failed processes, people and systems including those relating to the safekeeping of assets or from external events.

## **Concentration Risk**

The fund typically invests in a concentrated portfolio of investments and should a particular investment decline in value, this will have a pronounced effect on the overall value of the fund.

## **Smaller Companies Risk**

Small capitalisation companies risk investing in the securities of smaller, lesser known companies may involve greater risk due to the less certain growth prospects, the lower degree of liquidity (see liquidity risk) of such shares and the greater sensitivity of small companies to changing economic conditions.

## **Single country risk:**

Where a Fund invests primarily in a single country, it may be subject to greater risk and above average market volatility than an investment in a broader range of securities covering multiple countries.

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NB Aurora S.A. SICAF-RAIF is reserved alternative investment fund (RAIF) in the form of an investment company with fixed capital (société d'investissement à capital fixe capital SICAF) as per the Luxembourg law of 26 July 2016 on reserved alternative investment funds.

This information does not constitute investment advice or an investment recommendation and is only a brief summary of certain key aspects of the fund.

An investment in the fund involves risks, with the potential for above average risk, and is only suitable for people who are in a position to take such risks. For more information please read the prospectus and principal fund documents.

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Past performance is not a reliable indicator of current or future results. The value of investments may go down as well as up and investors may not get back any of the amount invested. The performance data does not take account of the commissions and costs incurred on the issue and redemption of units.

The value of investments designated in another currency may rise and fall due to exchange rate fluctuations in respect of the relevant currencies. Adverse movements in currency exchange rates can result in a decrease in return and a loss of capital.

Tax treatment depends on the individual circumstances of each investor and may be subject to change, investors are therefore recommended to seek independent tax advice.

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