

PRESS RELEASE

Azimut Alternative Capital Partners strikes its first deal in the US private markets by acquiring an equity interest in Kennedy Lewis

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Azimut Group ("Azimut" or the "Group"), one of Europe's largest independent asset managers, via its US subsidiary Azimut Alternative Capital Partners, LLC ("AAP"), entered into agreements to **acquire a minority equity interest in Kennedy Lewis Investment Management LLC** and certain affiliated entities ("**Kennedy Lewis**"), a **leading opportunistic private credit investment management firm headquartered in New York City**.

AACP is part of Azimut, which was established in 1989, headquartered in Milan, Italy with a presence in 17 countries around the world, and has in excess of €55bn (equivalent to ca. \$65bn) in total AUM. AACP was set up in November 2019 with the purpose of partnering with US-based alternative asset managers by providing them with permanent capital to grow and reach their greatest business potential. The deal is the first transaction completed by AACP, representing a significant milestone and a demonstration of Azimut's commitment to pursue its objectives in the US private markets industry.

Kennedy Lewis was founded in 2017 by **David Chene** and **Darren Richman**, and currently has ca. **\$2.1bn in combined AUM and committed capital**. Prior to founding Kennedy Lewis, **David** was a **Managing Director** with **CarVal Investors** and **Darren** was a **Senior Managing Director** with **Blackstone**. David, Darren and the Kennedy Lewis team have significant investment experience in the private credit space across different cycles, asset classes and geographies, and previously worked at world-class organizations, including CarVal Investors, Blackstone, The Carlyle Group, Apollo Global Management, Perella Weinberg Partners and Goldman Sachs.

Kennedy Lewis pursues event-driven credit situations in which an idiosyncratic catalyst may unlock investment value. The **firm primarily focuses on middle-market companies** facing disruption, whether it be cyclical, secular, or regulatory related. Kennedy Lewis is **able to deploy capital opportunistically across a range of sectors and debt securities in both North America and Europe**. Kennedy Lewis currently employs a growing team of 28 professionals, including **19 investment professionals**.

The transaction entails AACP acquiring a ca. 20% equity interest as permanent capital in various Kennedy Lewis entities. The transaction also includes a mechanism for price adjustment. Azimut will consequently consolidate Kennedy Lewis' AUM on a pro-rata basis and receive pro-rata distributions from Kennedy Lewis. **Approximately 90% of proceeds from the transaction will be used to increase Kennedy Lewis' investments in its own funds**, confirming the team's strong commitment to align itself with its investors and drive the long-term growth of the business. There will be no changes in the strategy, management, investment process or day-to-day operations of Kennedy Lewis or any Kennedy Lewis managed product as a result of AACP's investment.

David Chene and Darren Richman, Co-Founders of Kennedy Lewis, comment "*We are very excited to welcome Azimut as a strategic partner. This is an important development in the evolution of Kennedy Lewis as we continue to grow our Firm and strive to continue to achieve excellent results for our investors. Azimut's permanent capital strengthens our Firm's balance sheet allowing us to increase commitments to our own funds and deepen our alignment with our limited partners. Additionally, having a world-class strategic partner in Azimut based in Europe will provide for yet another differentiated sourcing channel for future investment opportunities for Kennedy Lewis. Azimut's investment validates our deliberate and long-term strategy to build an enduring opportunistic credit platform and we look forward to many years of successful collaboration and partnership with the entire Azimut organization*".

Jeff Brown, Chief Executive Officer of AACP, comments "*We at Azimut Alternative Capital Partners are delighted and honored to welcome Kennedy Lewis as our first strategic partner and affiliate. With the strength of Azimut's global resources, we will fulfill our shared vision of helping Kennedy Lewis achieve its greatest potential.*"

Pietro Giuliani, Chairman of Azimut Group, comments "*In November 2019, we announced our intention to build a greenfield project in the **US Private Markets** industry by **partnering and growing private markets businesses** over the long-term. Jeff*

and his team have done an excellent job identifying and joining forces with Kennedy Lewis, a successful and respected firm, and most importantly in finding two leaders like David and Darren who share Azimut's entrepreneurial philosophy and long-term view. We welcome them and their colleagues to the wider Azimut family and are convinced our partnership will be highly successful. Our goal is for private markets to represent at least 15% of our AUM by the end of 2024, and this deal certainly puts us on the right track. Azimut is deeply committed to developing its presence in the United States, it being one of the leading markets for alternative managers and where Azimut counts the majority of its shareholders."

Houlihan Lokey served as financial advisor and Seward & Kissel LLP served as legal advisor to Kennedy Lewis. Sidley Austin LLP served as legal advisor to AACP.

Azimut is Italy's leading independent asset manager (active since 1989). The parent company Azimut Holding was listed on the Italian stock exchange on 7 July 2004 (AZM.MI) and, among others, is a member of the main Italian index FTSE MIB. The shareholder structure includes over 2,000 managers, employees and financial advisors bound by a shareholders' agreement that controls ca. 21% of the company. The remaining is free float. The Group comprises various companies active in the sale, management and distribution of financial and insurance products, with Registered Offices mainly in Italy, Luxembourg, Ireland, China (Hong Kong and Shanghai), Monaco, Switzerland, Taiwan, Brazil, Egypt, Singapore, Mexico, Australia, Chile, USA, UAE and Turkey. In Italy, Azimut Capital Management SGR sells and manages Italian mutual funds, Italian alternative investment funds, as well as being active in the discretionary management of individual investment portfolios. Furthermore, Azimut Capital Management SGR, following the demerger by incorporation of Azimut Consulenza SIM, distributes Group and third-party products in Italy via a network of financial advisors while Azimut Libera Impresa focuses on the Alternatives business. Overseas main operations are Azimut Investments (formerly AZ Fund Management, founded in Luxembourg in 1999), which manages the multi strategy funds AZ Fund 1 and AZ Multi Asset and the Irish AZ Life DAC, which offers life insurance products.

Kennedy Lewis pursues event-driven credit situations in which an idiosyncratic catalyst may unlock investment value. Based in New York City, it currently employs 28 professionals, including 19 investment professionals.

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