

## LVENTURE GROUP: BOD APPROVES THE STRATEGIC BUSINESS PLAN 2016-2019 AND CALLS FOR AN EXTRAORDINARY GENERAL MEETING FOR THE CAPITAL INCREASE

### Strategic Business Plan 2016-2019

- Investments of approximately 12 million Euros
- 77 portfolio holdings by 2019 (net of exits and write-offs)
- Net Result expected in 2019 exceeding 4 million Euros

### Pre-final results 2015

- Startups Portfolio value of 5.7 million Euros, +68% compared to 3.4 million Euros as of December 31st, 2014
- Revenues of approximately 1 million Euros, +57% compared to 2014
- Net Debt Liquidity in the amount of 1.3 million Euros
- Net Worth in the amount of 6.8 million Euros

Rome, December 30th, 2015

On December 29th, 2015, the Board of Directors of LVenture Group, a holding company listed on the Italian Stock Exchange which invests in digital startups, approved the **Strategic Business Plan 2016-2019** and convened an Extraordinary General Meeting for the approval of a **capital increase** in option for a maximum amount of 4,990 thousand Euros.

**Luigi Capello, CEO of LVenture Group** said "*The new Strategic Business Plan reflects the goals that we set for the next four years: an increase in consulting activities aimed at leading towards the balancing of operating activities, the development of investments in startups, a focus towards international development to achieve better opportunities of growth and increase in value for the exit of the startups in portfolio. The capital increase is placed on the path already identified in the initial plans and is a key step to achieve these goals.*"

### Strategic Business Plan 2016-2019

#### Objective

The Strategic Plan aims at **consolidating the positioning** of LVenture Group among the major players in the sector of *seed and micro seed* investments in digital startups at the national and European level and **achieving a significant level of profitability** resulting from the exits, that is the valuation of the investments through the sale of equities of startups, beginning from **2016**.

## Strategic Guidelines

The **Strategic Business Plan** is based on the following guidelines:

- **investing in the most promising digital startups**, selected among those participating in the Acceleration Program of LUISS ENLABS or sought on the market, and supporting them in the phase of growth and development in order to maximize the values of exits;
- **promoting the development of** an international network through joint ventures with other accelerators in order to facilitate the entry of startups in foreign markets;
- **expanding the ecosystem** to maximize the support to startups and in particular **increasing spaces** to allow a growing number of startups to enjoy the benefits deriving from operating within the accelerator;
- **increasing the lines of business** of the Group by organizing "Open Innovation" programs aimed at corporates, training activities and events, in order to stabilize and diversify ordinary incomes;
- **Dividend Pay Out of 50%** of operating profits beginning from 2018.

## Realization actions

In line with the strategic objectives of the Company, the **main realization actions** are the following:

- **providing the Company with sufficient capital** to finance the process of investment in the startups;
- **expanding the spaces available to the accelerator** to accommodate a growing number of startups;
- **strengthening the organizational structure of the Group**, also in terms of resources used, to allow the management of a volume of investments and activities wider than the current one.

## Main Targets 2016-2019

In the light of the experience gained in the past three years and the new objectives, a Strategic Business Plan that takes into account the following lines of business has been developed:

- i) **"Open Innovation" Programs**: exclusive programs dedicated to companies that are involved in the ecosystem created by LUISS ENLABS and LVenture Group;
- ii) **Co-working**: rental of spaces and workstations for startups;
- iii) **Training**: delivery of courses via the brand Dolab, designed to create professionals trained to face the new challenges of the digital world;
- iv) **Events**: organization of events for a fee and / or sponsored, such as hackathons, startup weekends, etc.

The Plan expects **overall investments amounting to about 12 million Euro in the period 2016-2019** and **the achievement of n. 77 portfolio holdings by 2019**, net of exits and write-offs. In particular the following investments are expected:

- **Micro Seed in n. 74 startups: investment of 80 thousand Euros in n. 48 startups** participating in the Acceleration Programs of LUISS ENLABS<sup>1</sup> and of **30 thousand** in n. **26 startups** participating to Acceleration Programs on behalf of third parties;
- **Follow-On in n. 78 startups:** individual investments of Euros 63 thousands in startups in a more advanced stage of growth that have participated in LUISS ENLABS Acceleration Program;
- **Seed in n. 21 startups** selected among the best already on the market for an average amount equal to **144 thousand Euros** each.

The Plan expects **the first exit in 2016**, with an assumption of average return on investment of approximately 5.45 times the capital invested. A total of about 14 exits is expected in the period 2016-2019.

**In terms of financial results, the Plan provides for a significant increase in Revenues, which are expected to be equal to approximately 3.8 million Euros in 2019, through the development of the new business lines already mentioned.**

The **Net Result** expected in 2019 exceeds **4 million Euros**.

### Pre-final results 2015

- **Revenues** of approximately 1 million Euros, +57% compared to 2014;
- **EBITDA** is negative for 1.1 million Euros (negative for 0.9 million Euros in 2014);
- **EBIT** is negative for 1.2 million Euros, in line with the previous year;
- The **Net Result** is negative for 1.2 million Euros, in line with the previous year.

During 2015 the Company invested a total of **2.4 million Euros** of which **1.5 million Euros in startups in portfolio** and **0.9 million Euros in new startups**, including direct investments and convertibles. The pre-final figures show a pre fair-value valuation portfolio, as of December 31st, 2015, increased by **68%**.

The **Liquidity Net Debt** is equal to about **1.3 million Euros**. The **Net Asset** is equal to about **6.8 million Euros**.

### Share Capital Increase

With the aim of providing the Company the financial resources necessary for the implementation of the Business Plan 2016-2019, the Board of Directors resolved to **convene an Extraordinary General**

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<sup>1</sup> Until 2015, the investment was equal to 60 thousand Euros for a 10% equity; from 2016 the investment of 80 thousand Euros will imply the acquisition of 9% of equity, more in line with international best practices.

**Meeting of Shareholders to approve a capital increase to pay, for a maximum amount of 4,990 thousand Euros**, including any premium, to be carried out in tranches no later than December 31st, 2016, through the issue of ordinary shares without nominal value, in dematerialized form, with the same characteristics as those outstanding and regular dividend, to be offered as an option to shareholders pursuant to art. 2441, first paragraph of the Civil Code.

Shareholders are invited to the social headquarters at via Giovanni Giolitti, 34 in Rome on **February 1st, 2016 at 12.00 am on first call** and on **February 2nd, 2016 at 12.00 am on second call**. It is expected now that the Assembly can convene and deliberate in second call.

The notice of meeting is published today on the newspaper "**Il Giornale**" and made available its entirety in the "Investitori-Assemblee" section of the website [www.lventuregroup.com](http://www.lventuregroup.com). The explanatory report on the capital increase will be made available to the public at the Company's registered office and on the website in the same section referred above, within the terms of the law (as detailed in the notice).

*This press release is available on the website of the Company <http://lventuregroup.com> and on the website [www.http://www.1info.it/](http://www.1info.it/)*

**LVenture Group** is a holding company listed on the MTA of the Italian Stock Exchange that operates in the field of Venture Capital with an international perspective. LVenture Group invests in companies with high growth potential in the field of digital technologies, and is currently a leader in the following segments:

- Micro seed financing: investment of limited financial resources in favour of startups selected and included in the acceleration program run by LUISS ENLABS "The Startups Factory";
- Seed financing: investments in startups in more advanced stages of growth that require more financial resources to support.

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