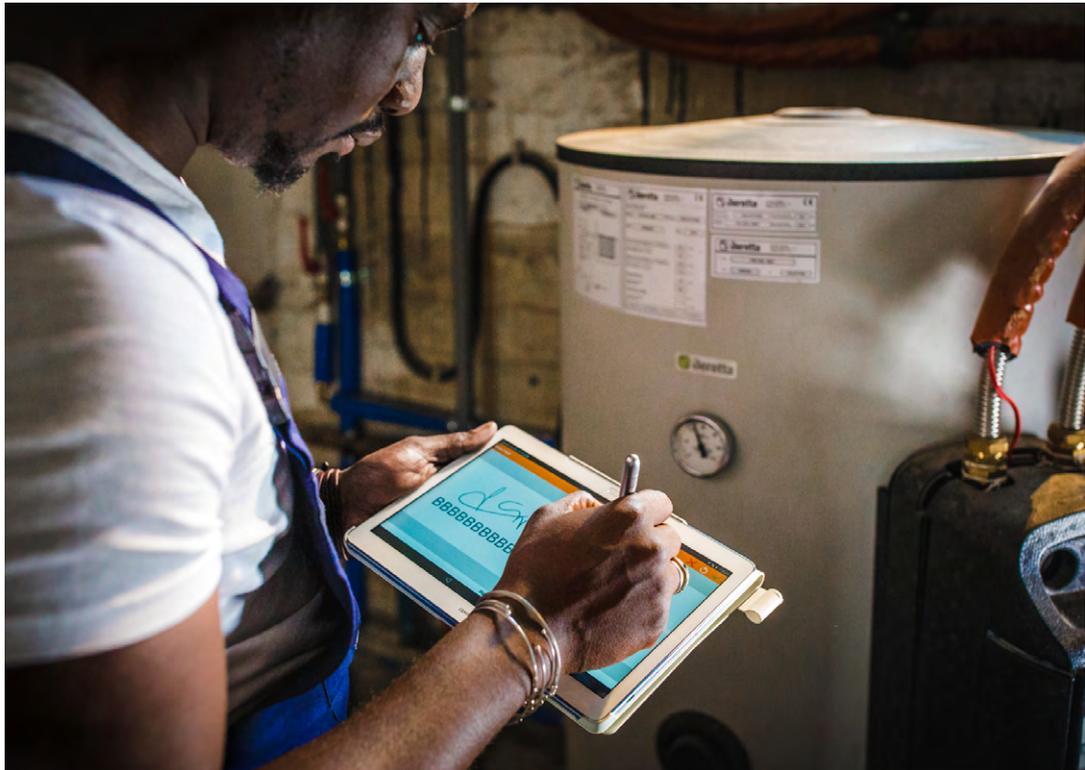




AMBIENTA

Environmental Investments



Ambienta Company Stories: NAMIRIAL

Digital Transaction Management (DTM) is one area where digitalization and sustainability can come together to create a profit and reduce stress on the environment. It allows paperless execution of private and professional transactions, from e-signatures to digital identification. Environmental benefits include savings in paper, water, energy, CO₂ and disposal.

Italy has been a pioneer in mandating the use of DTM to get around its massive public sector bureaucracy and to fight tax evasion since 2005. EU e-regulations followed in 2014, using the Italian experience as a best practice. Italy's early testing allowed Namirial, an Italian DTM provider founded in 2000, to develop a first-mover advantage that today makes it the only European player to compete against U.S. giants like DocuSign, Adobe and Dropbox in the e-signature market.

"In 20 years we grew non-stop. We were spinning

inside a vortex of new projects," says co-founder Enrico Giacomelli, whose understanding of IT was "close to zero" when he started helping accountants fill in their tax returns online in the early 1990's.

Namirial is both a software provider and a certification authority. It offers the full range of legally-compliant software solutions. About 90% of its revenues from about 100,000 customers – individuals, SMEs and multinationals like Daimler, Allianz and Santander- are recurring.

In May 2020, during the Covid lockdown, Ambienta bought a majority stake in Namirial. The transaction occurred online, of course. "We had reached a point where we had to change," Mr. Giacomelli says. "We couldn't grow any more on our own. Ambienta quickly understood the complexity of our business. Plus' they were drawn to our environmental DNA."

Namirial met Ambienta's sustainability-driven investment goals: a core environmental business, unique product offering and a leadership position in a high-growth market (+30% per year since 2015), sound financial performance (+30% CAGR in DTM and almost 30% EBITDA). Ambienta supplied the managerial know-how that Namirial needed.

The overall objective was to streamline and integrate all parts of the organization to support one clear goal: make Namirial a European DTM champion. A reporting, controlling and budgeting system was created within weeks and non-core activities were pruned.

By September, new appointments included a CEO, with top experience in the IT sector in the U.S., a CFO and HR Director, plus a handful of other managers. Mr. Giacomelli, who retained a 25% share in the company, is fully onboard and is in charge of Business Development. A management equity incentive scheme based on individual and company objectives kicked in. Integrated software systems for streamlining operations and optimizing customer relations as well as a new organization helped shift the focus onto the customer rather than the product. "We redesigned the organization in six weeks," says Max Pellegrini, the CEO.

The second phase is ongoing and has two objectives. The first is making Namirial a European DTM

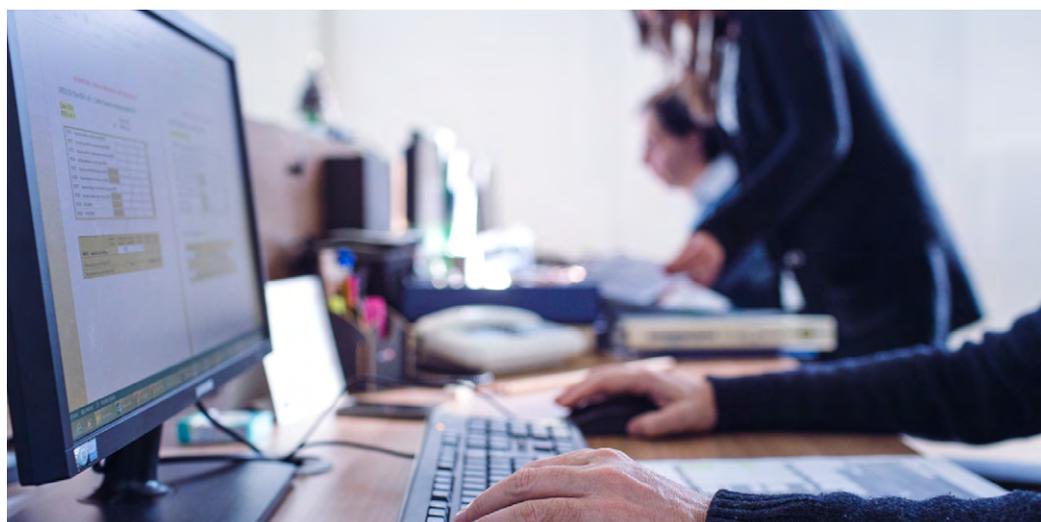
one-stop-shop. This means overhauling its product-based approach with a seamless cross-selling and up-selling of services into a platform that is easily accessible, and scalable. It also foresees expanding into adjacent areas like digital identity and digital onboarding – the process of connecting to customers and optimizing their experience.

European growth will be next. New e-regulations across Europe have removed barriers to growth, and M&A activity will unlock further opportunities in France, Germany, Spain and Eastern Europe.

Throughout Namirial's transformation, its strong environmental footprint will remain a key competitive advantage. "Ambienta has made us more aware of the importance of DTM's environmental benefits, and we have started monitoring the impact," says Mr. Giacomelli.

In 2020, Namirial saved 9,454 tons of paper, 608,000 cubic meters of water, 7,388 tons of energy, 23,295 tons of CO₂ and 2,082 cubic meters of landfill.

"We have a tangible goal: €100 million in revenues in three years, that's almost doubling our current size. To get there, we have to stay competitive, differentiated, relevant. We've jumped on a high-speed train and we will have to make it go faster," says Mr. Pellegrini.




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ABOUT AMBIENTA Ambienta is a European environmental sustainability investor across private and public markets. Operating out of Milan, London, Paris and Munich, Ambienta manages over €1.5 billion in assets with a focus on investing in private and public companies driven by environmental megatrends and whose products or services improve Resource Efficiency or Pollution Control. In private equity Ambienta has completed 42 investments to date and in public equity markets, Ambienta has pioneered the world's first absolute return fund entirely focused on environmental sustainability. www.ambientasgr.com