# 2023

# Consolidated Half-Year Financial Report

REVO

REVO Insurance S.p.A.
Registered office: Viale dell'Agricoltura 7, 37135 Verona, Italy
Operational headquarters: Via Mecenate 90, 20138 Milan, Italy

Tax code/VAT No. and Verona Companies Register No. 05850710962
An insurance company authorised by ISVAP Order No. 2610 of 3 June 2008
entered in Section I of the Register of Insurance and Reinsurance Companies kept by IVASS, under No. 1.00167;
Parent Company of the REVO Insurance group, entered in the IVASS Register of Groups under No. 059

www.revoinsurance.com

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# Corporate officers and Directors

BOARD OF DIRECTORS

*Chairman*
Antonia Boccadoro

*Chief Executive Officer*
Alberto Minali

*Directors*
Ezio Bassi
Elena Biffi
Claudio Giraldi
Elena Pistone
Ignazio Maria Rocco di Torrepadula

BOARD OF STATUTORY AUDITORS

*Chairman*
Saverio Ugolini[1]

*Statutory Auditors*
Rosella Colleoni
Alessandro Copparoni

*Alternate Auditors*
Francesco Rossetti
Paola Mazzucchelli

GENERAL MANAGER
Alberto Minali

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EXTERNAL AUDITOR
KPMG S.p.A.

[1] Appointed by the Shareholders' Meeting on 19 April 2023 following the resignation of Alfredo Michele Malguzzi.

# General information

These condensed consolidated half-year financial statements as at 30 June 2023 of the REVO Group have been prepared in accordance with the provisions of Article 154-*ter* of Legislative Decree No. 58/1998 (TUF) and ISVAP Regulation No. 7 of 13 July 2007, implementing IAS 34 applicable to interim financial statements.
The presentation layout complies with the provisions of Title III of ISVAP Regulation No. 7 of 13 July 2007, as amended (the "Regulation"), and Consob Communication No. DEM/6064293 of 28 July 2006.

The Group consists of the Parent Company, Revo Insurance S.p.A. (hereinafter also "Revo" or "the Company"), and the subsidiary, Revo Underwriting s.r.l. (hereinafter also the "Subsidiary").

The financial statements consist of the:

- Statement of financial position;
- Income statement;
- Statement of comprehensive income;
- Statement of changes in shareholders' equity;
- Statement of cash flows (indirect method);
- Notes to the financial statements;
- Schedules attached to the notes to the financial statements.

In accordance with industry regulations, the Italian Civil Code and Consob regulations, the following file is also supplemented with the following documents:

- the Directors' Interim Report on Operations;
- Certification pursuant to Article 81-*ter* of Consob Regulation No. 11971/1999 193;
- the External Auditor's Report.

## Corporate information

The REVO Insurance Group, entered in the register of insurance groups under No. 059, consists of a Parent Company, REVO Insurance S.p.A., an insurance company created through the reverse merger between Elba Assicurazioni S.p.A. and the Parent Company, Revo S.p.A., and an insurance brokerage company, Revo Underwriting s.r.l., operational since July 2022.
Revo Insurance S.p.A. is an insurance company operating in the non-life business with its registered office at Viale dell'Agricoltura 7, Verona.
Revo Underwriting, an insurance brokerage and advisory services company, operates as an MGA (managing general agency), i.e. an agency authorised to write, issue and manage insurance policies, under licences and authorisations held by the insurance company, as well as own its risk capital. The Subsidiary, with its registered office at Via Dei Bossi 2/A, Milan, has been operating as an agency since 6 July 2022 (date of entry in the register).
At 30 June 2023, the Parent Company held own shares (a total of 850,700 shares), amounting to 3.46% of the share capital, consisting solely of ordinary shares, and is listed on the Euronext STAR Milan market and therefore subject to the rules of the Euronext Milan Issuers' Regulation.
There are no associates or companies under joint control.
The Group is overseen by IVASS, the Italian insurance supervisory authority, which has its registered office at Via del Quirinale 21, Rome.
The Consolidated Half-Year Report has been subject to a limited audit by the External Auditor, KPMG S.p.A., charged with auditing the accounts for the 2017-2025 financial years.

In this file, a comparison of the data for 2022 was made, starting with the consolidated statement of financial position as at 31 December 2022 and the consolidated economic statement as at 30 June 2022,

adjusting the IFRS 4 values as provided for with the entry into force of IFRS 17 on 1 January 2023.

# Group structure and scope of consolidation

The legal, organisational and management structure of the REVO Insurance Group is linear, with the Parent Company holding 100% of the share capital of Revo Underwriting S.r.l., an insurance brokerage firm.
Pursuant to IVASS Regulation No. 30, the main intercompany entries recorded during the period are shown below, regardless of their materiality.

- REVO Insurance S.p.A. owns 100% of the share capital of REVO Underwriting S.r.l., amounting to €150,000;
- During the half-year, Revo Underwriting carried on insurance brokerage services on which commission income of €589,000 was paid, recognised in the revenues of the Subsidiary and in the costs of the Parent Company. It also expects to collect premiums of €118,000, recognised in the receivables of the Parent Company and in the payables of the Subsidiary;
- REVO Insurance S.p.A. provided secondment services to REVO Underwriting S.r.l. totalling approximately €23,000. This amount is recognised in the revenues of the Parent Company and in the costs of the Subsidiary. For the service provided, €52,000 was recorded in the Subsidiary's payables and in the Parent Company's receivables;
- During the reporting period, the Group did not carry out any intercompany transactions involving derivatives.

# Group areas of activity

The REVO Insurance Group operates exclusively in the non-life business in the insurance market.
Insurance business is carried out by the Parent Company, REVO Insurance S.p.A.
As at 30 June 2023, the Revo Insurance Group operates in Italy and abroad under the freedom to provide services scheme[2], in the following areas of activity[3], as defined in Article 2, paragraph 3 of the Italian Private Insurance Code (Decree-Law No. 209 of 7 September 2005): 1. Accident, 2. Sickness, 3. Land vehicles (other than railway rolling stock), 4. Railway rolling stock, 5. Aviation hull, 6. Marine hull (sea, lake and river and canal vessels), 7. Goods in transit, 8. Fire and natural forces, 9. Other damage to property, 11. Aviation liability, 12. Marine hull (sea, lake and river and canal vessels), 13. General liability, 14. Credit, 15. Suretyship, 16. Miscellaneous financial loss and 17. Legal expenses, 18. Assistance.

[2] It should be noted that since 4 July 2022 the Company has been authorised to operate under the freedom to provide services scheme.
[3] It should be noted that authorisation for the Sickness, Land vehicles, Railway rolling stock, Aviation hull, Marine hull, Goods in transit, Aviation liability, Marine liability, Credit and Financial loss classes was obtained from the Supervisory Body on 29 March 2022 and that, on the same date, the Company was authorised to extend its reinsurance activities to the Accident, Fire and natural forces, Other damage to property and General liability classes. Authorisation to exercise the legal expenses class was obtained by the Company on 18 May 2023.

# Interim Report on Operations

# Interim Report on Operations

## Market scenario

*Macroeconomic scenario*

The effects of the profound change in the macroeconomic and financial landscape observed during 2022 continued during the first half of 2023, in an environment also characterised by signs of instability in the global financial system.
Moving in parallel but reversing the previous year's trend, growth and inflation were moderated in the main economic areas of the planet in the first six months of 2023, albeit at different rates and intensities. The macroeconomic picture was made more uncertain by the sequence of banking crises that occurred in the spring: US regional banks, a significant part of the US system, suffered losses and outflows that caused some of them to fail; at the same time, in Europe, Credit Suisse experienced a liquidity crisis that prompted the Swiss authorities to organise an emergency bailout by UBS. Therefore, the sharp rate-hiking cycle, triggered in the spring of last year after years of zero or negative rates, has challenged some of the more fragile components of the international financial system.

In this context, central banks continued to tighten monetary policy, raising their base rates, albeit at a much slower pace, precisely in order to balance the aim of moderating inflation with that of financial stability.
The Fed raised its base rates three times in the first half of the year, from 4.5% to 5.25%, suggesting a possible wait-and-see approach. The European Central Bank (ECB), further back in the tightening cycle, raised its deposit rate from 2% at the start of the year to 3.5% at the end of June, with two hikes of 50 basis points and a further two of 25.

The growth dynamics in the first part of the half-year followed a more positive trajectory than initially expected, with a more gradual slowdown in both Europe and the United States. However, the difficulties of the banking sector and the impact of higher interest rates have been factors in the tightening of lending conditions and, on a lesser level, a weakening of growth. Despite annual growth of 3.5% in 2022, the euro area has been in decline for two consecutive quarters, held back in particular by manufacturing-intensive countries such as Germany and France. Italy performed better, with an encouraging 0.6% increase in the first quarter of this year after the -0.1% decrease recorded in the last quarter of 2022.

The inflation picture is also quite mixed: while in Europe headline inflation, including volatile components such as food and energy, clearly decreased in the first part of the year, from 9.2% at the end of 2022 to an estimated 5.5% at the end of June, core inflation remained high, mainly driven by the services sector. In Italy, there was an even steeper drop in the harmonised price index, from 12.3% at the end of 2022 to an estimated 6.7% at the end of the half-year.

At a particularly complex time in history, in the first quarter of 2023, GDP growth of 0.6% was recorded compared with the previous quarter, with year-on-year growth (i.e. compared with the same quarter of 2022) of 1.9%. Compared with the previous quarter, all the main aggregates of domestic demand were up, with 0.3% growth in household consumption and 0.2% in gross fixed investment. Imports and exports, in contrast, decreased by 1% and 1.4%, respectively. Italy's GDP is forecast to grow by 1.1% in 2023 and 0.9% in 2024. Growth will continue to be driven primarily by private consumption and lower energy costs, although it may be affected by any monetary tightening that might be required later on and the increased risks of the delayed implementation of the National Recovery and Resilience Plan (NRRP).

*Insurance scenario*

According to industry studies[4], in the non-life sector, at the end of the first quarter of 2023, total premiums collected by insurance companies and Italian representative offices in the Italian direct portfolio amounted to €11.2 billion, up by 11% compared with the end of the same period in 2022, when premiums written totalled €10 billion and the sector recorded growth of 5.1%. The first quarter of 2023 produced the ninth consecutive positive interim increase, with premium income exceeding €11 billion for the first time at the end of the first quarter of the year.
The increase in total non-life premiums recorded is due, in particular, to growth in the non-motor sector, the Company's core market, which recorded the highest-ever increase (around +14%) compared with motor sector premiums, driven, in particular, by the increase in the Land vehicles class, which recorded a positive change of 15.5%, and a more modest contribution of premiums by the Motor liability class, which rose by 4.1%.

The other classes were positively affected by the recovery in domestic production. All the main insurance classes contributed to the overall growth of the segment (13.8%): the Sickness and General liability classes grew by 21.2% and 19.8% respectively, Accident class by 6.5% and Other damage to property by 9.3%, while Fire grew by 14.3%.

The ANIA statistics on the Suretyship class show an increase in premiums written in 2022 of €61.5 million, i.e. an increase of 9.5% compared with 2021, giving total premiums for this class of €705.5 million. The volume of premiums is the highest so far recorded, due to the recovery in the procurement sector, to which the NRRP has also contributed. It was precisely cover on contracts that recorded the strongest growth of €48.4 million (+14.7% in total premiums and +11.8% in new business premiums) followed by cover related to waste management, up by 7.5 million (+17.2% in total premiums and +9.2% in new business premiums).

The 2022 IVASS annual report also shows an increase in premium income in other non-life classes (+8.2%), with the most representative sectors being health and property, which account for 39.6% of non-life business, up 8.5%. In the health sector, there was an increase in premiums for the Sickness class (+12.6% compared with 2021), due to the increased use of private insurance, particularly in the corporate context. In the property sector, the increase in premium income in the "Other damage to property" (+8.3%) and "Fire and natural forces" (+6.2%) classes reflects the increase in demand for the protection of assets. In Fire and natural forces, the retail and corporate segments are growing, while in Other damage to property, the corporate segment is expanding, particularly with regard to hail cover. Growth in General liability strengthened (+8.2%, accounting for 10.5% of total non-life classes) mainly due to activity related to Superbonus 110% returns and the recovery of the corporate sector. Legal expenses and Assistance grew (+6.8%), the latter mainly due to the recovery in the tourism sector after the pandemic, as did Credit (+25.1%) and Suretyship (+7.7%), respectively due to the recovery in economic activity and the high number of tenders, including within the scope of the NRRP.

With regard to the distribution channel, the main form of brokerage in terms of market share (69.9%) is still the agency network, which is particularly successful in the Suretyship, General liability, Motor liability, Marine hull and Other damage to property classes. The broker channel holds a 10.6% share. The classes in which brokers are significant are Aviation hull, Marine hull, Land vehicles, Goods in transit, Credit and Suretyship.

According to an analysis by Espresso Communication for Mia-Platform, the main trends in the insurance sector in 2023 will be: the management of a risk directly at the time of purchase of a good or service by consumers ("instant insurance"); the automation of processes and decisions through platforms for the development of cloud applications in order to better respond to the needs of the market and customers (platform orchestration); personalisation of the experience and offer to customers through immediate responses and tailor-made solutions (human-centred experience); making processes efficient and conquering new markets through the right mix of human and technological resources; and an increasing focus on the insurance risks associated with climate change (climate change insurance).

[4] Monthly report issued by the industry association, ANIA

# Industry regulations

Some of the new legislation affecting the insurance sector during the half-year is described below:

- European and national cybersecurity legislation - Reg. (EU) No. 2022/2554 ("DORA") (O.J. 27 December 2022) and Directive (EU) 2022/2556, relating to digital operational resilience for the financial sector;
- IVASS Letter to the Market of 3 January 2023 Consolidated financial statements - Notice on the transition to IFRS 17 referred to in Annex 4 of Reg. No. 7/2007, amended by Order No. 121/2022;
- EIOPA Supervisory Statement of 19 January 2023 The Statement addresses the impact of inflation on insurance and reinsurance companies from a prudential perspective. Published to support Solvency II year-end calculations;
- IVASS Order No. 127 of 14 February 2023 for amendments and additions to IVASS Reg. No. 52 of 30 August 2022 concerning the implementation of provisions on the temporary suspension of capital losses for short-term securities introduced by Decree-Law No. 73 of 21 June 2022;
- Legislative Decree No. 36 of 31 March 2023 Code of Public Contracts and Decree-Law No. 57 of 29 May 2023 - Urgent measures for local authorities and to ensure timely implementation of the NRRP and for the energy sector, for amendments to the Code of Public Contracts;
- IVASS Order No. 131 of 10 May 2023 Order laying down amendments and additions on sustainable finance to the following IVASS Regulations:
  - ✓ No. 24/2016 laying down provisions on investments and assets covering technical provisions;
  - ✓ No. 38/2018 laying down provisions on the corporate governance system;
  - ✓ No. 40/2018 laying down provisions on insurance and reinsurance distribution;
  - ✓ No. 45/2020 laying down provisions on insurance product governance and control requirements;
- Order No. 132 of 7 June 2023 Amendments and additions to IVASS Regulation No. 18 of 15 March 2016 concerning the implementing rules for determining the technical provisions referred to in Article 36-*bis* of the CAP resulting from the national implementation of the EIOPA guidelines on the financial requirements of the Solvency II regime (Pillar 1 requirements).

# Main corporate events

Various major corporate events took place in the first half of 2023, the most significant of which are described below:

- On 14 February 2023, REVO S.p.A., as part of its new specialty offering for risks related to ownership and production activity, launched the first parametric earthquake cover in Italy, designed for SMEs. This cover forms part of insurance for catastrophic events and protection in the event of earthquakes: when a certain intensity threshold is exceeded, automatic compensation is provided for emergency expenses;
- On 16 March, the Board of Directors approved the 2022 financial statements and, at the same meeting, acknowledged the resignation of Alfredo Malguzzi as Chairman of the Board of Statutory Auditors with effect from the end of the Shareholders' Meeting convened on 19 April 2023 to approve the financial statements and called, *inter alia*, to take action to supplement the Board of Statutory Auditors and appoint its Chairman;
- On 23 March, REVO S.p.A. launched Specialty MarineXYacht, a specific type of comprehensive nautical cover to insure leisure boats during sailing and mooring;
- On 19 April, the Shareholders' Meeting, *inter alia*: (i) approved the 2022 financial statements; (ii) supplemented the Board of Statutory Auditors by appointing Saverio Ugolini as Chairman of the control body to remain in office until the approval of the 2024 financial statements; and (iii) amended the Articles of Association, in an extraordinary session, to extend the insurance and reinsurance business to Class 17 - Legal expenses;

- On 26 April, REVO, in partnership with Hort@, extended its insurance offering to two parametric agricultural policies. The first solution protects wine grape producers from the financial damage caused by plant diseases, while the second protects alfalfa processing and production farms from the financial losses caused by drought. Both products were created by a scientific partnership between REVO and Hort@, established in 2008 as a spin-off of the Università Cattolica del Sacro Cuore (Catholic University of the Sacred Heart), which develops decision support systems for sustainable crop management based on information and communication technologies (ICTs);
- On 15 May, Revo Insurance S.p.A. launched a partial voluntary public tender offer for its own shares, involving a maximum of 700,000 ordinary shares of the Company, equal to 2.84% of the share capital, at a price of €9.25 per share and for a maximum value of €6,475,000. The transaction was completed on 16 June with the purchase of 699,885 own shares tendered via the public tender offer. At 30 June 2023, as a result of transactions in its own shares, REVO Insurance held a total of 850,700 own shares, amounting to 3.46% of the share capital;
- On 18 May, the Supervisory Authority authorised REVO Insurance to operate in Class 17 - Legal expenses. Consequently, the new Articles of Association, as amended by the Shareholders' Meeting on 19 April, entered into force;
- On 15 June, the Board of Directors approved a change to the composition of the Internal Control and Risks Committee, with effect from 1 July, with the appointment of Director Ignazio Rocco di Torrepadula to replace Ezio Bassi, and to the Appointments and Remuneration Committee, appointing Director Claudio Giraldi to replace Elena Biffi;
- On 22 June, REVO Insurance obtained an "EE (strong)" rating from Standard Ethics, an independent international agency that assesses the sustainability of companies;
- On 27 June, S&P Global Ratings upgraded REVO's outlook from stable to positive, confirming its BBB+ rating. The ratings agency appreciated the Company's risk diversification and its continued leadership in Suretyship, as well as its capital strength;

# General performance

## Alternative performance indicators

| Alternative performance indicators | 30.06.2023 | 30.06.2022 |
|---|---|---|
| Loss ratio[5] | 31.2% | 23.7% |
| Combined ratio[6] | 81.3 | 76.0% |

## Group performance

At the Group level, the operating performance in the 2023 financial year was characterised by the Company's pursuit of its own strategic plan, which provided for the further development of the existing insurance business and broadening of the offering, with the launch of new lines and products focused on specialty and parametric risks.
The Consolidated Half-Year Report as at 30 June 2023 shows a pre-tax profit of €8,224,000. After taxes of €1,969,000, consolidated profit amounted to €6,255,000.
This result was determined by the IAS profit, net of the taxes recorded by Revo Insurance S.p.A., amounting to €6,186,000 and increased by the IAS profit of Revo Underwriting, amounting to €69,000.

[5] Profitability indicator calculated as the ratio of claims-related expenses gross of reinsurance to insurance revenues gross of commissions and the value of the acquired portfolio (formerly VoBA).
[6]Profitability indicator calculated as the ratio of the sum of the costs for insurance services issued and the reinsurance result and insurance revenues gross of the value of the acquired portfolio (formerly VoBA).

The Group's income statement[7] is set out below, including the contribution of each individual company within the scope of consolidation.

| | Income statement | REVO Insurance | REVO Underwriting | Total |
|---|---|---|---|---|
| 1. | Insurance revenues deriving from insurance contracts written | 64,665 | 590 | 65,255 |
| 2. | Costs of insurance services deriving from insurance contracts written | - 46,258 | - 445 | - 46,703 |
| 3. | Insurance revenues deriving from cessions to reinsurance | 23,867 | - | 23,867 |
| 4. | Costs of insurance services deriving from cessions to reinsurance | - 31,232 | - | - 31,232 |
| 5. | Result of insurance services | 11,043 | 145 | 11,188 |
| 6. | Inc./expenses from financial assets and liabilities measured at FVPL | - | - | - |
| | Income from financial assets and liabilities measured at FVPL | 106 | - | 106 |
| | Expenses from financial assets and liabilities measured at FVPL | - | | - |
| 7. | Income/expenses from investments in subsidiaries, associates and joint ventures | - | | - |
| 8. | Income/expenses from other financial assets and liabilities and from investment property | 1,724 | - | 1,724 |
| **9.** | **Investment result** | **1,830** | **-** | **1,830** |
| 10. | Financial costs/revenues relating to ins. contracts written | - 296 | - | - 296 |
| 11. | Financial revenues/costs relating to cessions to reinsurance | 48 | - | 48 |
| **12.** | **Net financial result** | **- 248** | **-** | **- 248** |
| 13. | Other revenues/costs | 38 | - | 38 |
| 14. | Operating expenses: | - 2,969 | - 45 | - 3,014 |
| 14.1 | - Investment management expenses | - 10 | - | - 10 |
| 14.2 | - Other administrative expenses | - 2,959 | - 45 | - 3,004 |
| 15. | Net provisions for risks and charges | - | | - |
| 16. | Write-downs/write-backs of tangible assets | - 945 | - | - 945 |
| 17. | Write-downs/write-backs of intangible assets | 15 | - 1 | 14 |
| 18. | Other operating income/expenses | - 637 | - 2 | - 639 |
| **19.** | **Profit (loss) for the year before tax** | **8,127** | **97** | **8,224** |
| 20. | Taxes | - 1,941 | - 28 | - 1,969 |
| **21.** | **Profit (Loss) for the year after tax** | **6,186** | **69** | **6,255** |

At the end of the half-year, adjusted operating profit was €13,155,000. This figure has undergone the following adjustments compared with the operating result in that it:

- includes investment income and expenses, exclusively related to accrued coupons and issue and trading differences (and therefore, write-backs and value adjustments and gains/losses on disposals are excluded, as they are non-recurring);
- excludes the depreciation of tangible assets over the period;
- excludes any costs for financial payables (not present at that date);
- excludes the negative change attributable to the value paid for the acquisition of the insurance portfolio of Elba Assicurazioni (formerly VoBA);
- excludes costs relating to payment of the agency severance indemnity provision, which are typically non-recurring;
- excludes extraordinary costs incurred for one-off projects, including, for example, the voluntary public tender offer and the application to IVASS for authorisation to operate in Class 17 - Legal expenses.

The table below summarises the components of the adjusted operating result as at 30 June 2023:

| Adjusted operating profit | 30.06.2023 |
|---|---|
| Insurance result | 11,188 |

[7] The statement is presented in the format provided for by IVASS Regulation No. 7/2007, as amended following the entry into force of the new IFRS 17.

| | |
|---|---|
| Operating expenses | -3,014 |
| LTI | -705 |
| Amortisation of intangible assets transferred to the technical part | 1,211 |
| Interest income - expense | 1,969 |
| Operating profit | 10,649 |
| One-off costs | 358 |
| LTI | 705 |
| Settlement of severance indemnity | 18 |
| Depreciation of tangible assets (no IFRS 16) | 64 |
| Depreciation of value of acquired portfolio (formerly VoBA) | 1,291 |
| Adjustments of interest on loan | 70 |
| **Adjusted operating profit** | **13,155** |

For the sake of completeness, the adjusted net result at 30 June 2023 is shown below. It includes the same adjustment measures made to the operating result shown above but excludes the provision for LTI incentive plans.

| Adjusted net profit | 30.06.2023 |
|---|---|
| Net profit | 6,255 |
| Capital gains/losses on disposal and measurement | 138 |
| Adjustments of interest on loan | 70 |
| Listing and other one-off costs | 358 |
| Depreciation of tangible assets (no IFRS 16) | 64 |
| LTI | 705 |
| Agency liquidation | 18 |
| Depreciation of value of acquired portfolio (formerly VoBA) | 1,291 |
| Tax adjustment | -815 |
| Adjusted net profit | **8,085** |

The total value of the technical balance, net of reinsurance, was €11,188,000, representing an increase on the same period of 2022, when it was €4,975,000.

The technical performance of the insurance portfolio during the year was characterised by:

- A significant increase in gross premiums written (+78.6% compared with 30 June 2022), due to:
  - the strengthening of the team with the recruitment of 26 staff, all in the underwriting area;
  - the extension of the business lines following authorisation from IVASS to operate in new non-life classes at the end of the first quarter of 2022;
  - the launch of new products on the market, partly due to the expansion into the new classes;
  - the expansion of the distribution network, which at 30 June 2023 consisted of 118 multi-firm agents (116 at 31 December 2022) and 62 brokers (53 at 31 December 2022).
- A total loss ratio at 30 June 2023 of 31.2%, compared with 23.7% in the first half of 2022, with an increase in claims-related expenses gross of reinsurance of €16,220,000, including approximately €4,387,000 (€1,400,000 net of reinsurance) relating to the flood that struck Emilia-Romagna in May.

  At 30 June 2023, the claims reserve was increased by the IBNR provisioning totalling €5,853,000 compared with 30 June 2022, with €2,219,000 ceded to reinsurance. Of this increased provision, €3,656,000 (€1,736,000 ceded) related to the Hail LoB, for which expected claims were estimated in accordance with the projections of the business plan. The final figures for the technical performance of this business, with a one-year duration, will be available in the fourth quarter of the year. Total IBNR at 30 June 2023 amounted to €8,002,000 (€2,149,000 at 30 June 2022), including €4,852,000 related to the Hail LoB[8] (€1,196,000 in 2022). The net loss ratio of the Suretyship LoB confirmed the very positive trend, although it was up slightly, at 13.8%, compared with 13.1% at 30 June 2022.

[8] Amount equal to the value of the Hail LoB claims expected for the year, over premiums generated, calculated in accordance with the business plan projections

- The technical balance for reinsurance of €7,364,000 (€3,528,000 at 30 June 2022), following the amendment and streamlining of reinsurance agreements and the activation of non-proportional and optional cover to better protect the technical result and the soundness of the Company.
- Acquisition commissions amounted to €21,079,000, an increase compared with 30 June 2022 (€12,005,000), consistent with the strong growth in premiums recorded in the period, compared with higher commissions received from reinsurers as a result of the expansion of the business. Overall, acquisition commissions represented 21.0% of gross premiums (a slight improvement on 21.4% in the first half of 2022). The decrease mainly reflected the new mix of premium portfolios and distribution channels (with greater exposure to brokers).

Due to the above performance, the COR (combined operating ratio) was 81.3% net of reinsurance (76.0% in the first half of 2022) and 70.2% gross of reinsurance (63.7% in the first half of 2022).

The financial result, which was a profit of €1,830,000 (a loss of €527,000 at 30 June 2022), was positively affected by the reduction of €508,000 in write-downs on investments measured at fair value. These adjustments in 2022 were due to the sharp rise in policy rates during the period.
This is in addition to the increase of €958,000 in interest on coupons in the first half of 2023, partially offset by the €344,000 decrease in net gains on disposals.

| | Insurance sector | | Other | | Total | |
|---|---|---|---|---|---|---|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Intangible assets | 83,965 | 83,071 | 4 | 0 | 83,969 | 83,071 |
| Tangible assets | 14,770 | 14,448 | 0 | 0 | 14,770 | 14,448 |
| Insurance assets | 44,029 | 45,805 | 0 | 0 | 44,029 | 45,805 |
| Investments | 209,385 | 188,681 | -149 | -150 | 209,236 | 188,531 |
| Other financial assets | 5,244 | 4,018 | -93 | -182 | 5,151 | 3,836 |
| Other assets | 5,422 | 19,032 | 1 | 17 | 5,423 | 19,049 |
| Cash and cash equivalents | 4,465 | 4,444 | 335 | 207 | 4,800 | 4,651 |
| **Total assets** | **367,280** | **359,499** | **98** | **-108** | **367,378** | **359,391** |
| Shareholders' equity | 216,966 | 216,516 | 47 | -21 | 217,013 | 216,495 |
| Provision for risks and charges | 3,077 | 3,243 | 0 | 0 | 3,077 | 3,243 |
| Insurance liabilities | 115,372 | 101,473 | -118 | -108 | 115,254 | 101,365 |
| Financial liabilities | 14,433 | 14,448 | 0 | 0 | 14,433 | 14,448 |
| Payables | 11,385 | 18,149 | 126 | 18 | 11,511 | 18,167 |
| Other liabilities | 6,047 | 5,670 | 42 | 3 | 6,089 | 5,673 |
| **Total shareholders' equity and liabilities** | **367,280** | **359,499** | **98** | **-108** | **367,378** | **359,391** |

| | Insurance sector | | Other | | Total | |
|---|---|---|---|---|---|---|
| | 30.06.2023 | 30.06.2022 | 30.06.2023 | 30.06.2022 | 30.06.2023 | 30.06.2022 |
| Result of insurance services | 11,043 | 4,974 | 145 | | 11,187 | 4,974 |
| Investment result | 1,830 | 527 | - | | 1,830 | 527 |
| Net financial result | -248 | 613 | | | -248 | 613 |
| Other revenues/costs | 39 | -1,040 | | | 39 | -1,040 |
| Operating expenses: | -2,969 | -2,530 | -45 | | -3,014 | -2,530 |
| Net provisions for risks and charges | - | | | | - | |
| Write-downs/write-backs of tangible assets | -945 | | | | -945 | |
| Write-downs/write-backs of intangible assets | 14 | | -1 | | 13 | |
| Other operating income/expenses | -637 | | -2 | | -639 | |
| **Profit (loss) for the year before tax** | **8,127** | **2,544** | **97** | **-** | **8,224** | **2,544** |

## Performance of insurance operations

# Evolution of the insurance portfolio and the sales network

## Insurance revenues deriving from insurance contracts written

The following table sets out the reconciliation between the classification of the business for groups of contracts (Revo LoB) and IFRS 17 portfolios for the purposes of comparing the data presented in the following schedules:

| IFRS 17 portfolio | Contract group - REVO LoB |
|---|---|
| Property | Engineering |
| | Property |
| | FI |
| Indirect Property | Property Cat |
| Parametric | Parametric Cat |
| | Parametric Agro |
| | Parametric Financial Loss |
| Accident & Health | PA |
| Other Motor | Land Vehicles |
| MAT Specialty Lines | Aviation |
| | FA&S |
| | Marine |
| General Liability | Liability |
| | PI |
| | D&O |
| | Cyber |
| Credit | Credit |
| Agro | Agro |
| Suretyship | Bond |
| Legal | Legal |

Insurance revenues from insurance contracts written by REVO Insurance alone amounted to €64,665,000 at 30 June 2023, up from 30 June 2022 by €37,792,000 (€26,873,000 at 30 June 2022).

Premiums written, gross of reinsurance and net of current year cancellations, totalled €100,361,000 in the first half of 2023, a significant increase compared with the €56,200,000 recorded at 30 June 2022 (an increase of 79%).
The following is a presentation of direct and indirect premium income, first by Revo LoB and then by IFRS 17 portfolio:

| Revo LoB | 30.06.2023 | % | 30.06.2022 | % |
|---|---|---|---|---|
| Engineering | 10,085 | 10.0% | 6,442 | 11.5% |
| Property | 11,164 | 11.1% | 2,898 | 5.2% |
| FI | 465 | 0.5% | - | 0.0% |
| Property CAT | 2,148 | 2.1% | - | 0.0% |
| Agro | 13,585 | 13.5% | 3,678 | 6.5% |
| Parametric Agro | 69 | 0.1% | 68 | 0.1% |
| Parametric Financial Loss | 70 | 0.1% | | 0.0% |
| PA | 3,812 | 3.8% | 185 | 0.3% |
| Land Vehicles | 446 | 0.4% | 291 | 0.5% |
| Aviation | 1,525 | 1.5% | - | 0.0% |
| FA&S | 375 | 0.4% | 6 | 0.0% |
| Marine | 6,035 | 6.0% | 532 | 0.9% |
| Credit | 0 | 0.0% | 82 | 0.1% |
| PI | 4,540 | 4.5% | 4,213 | 7.5% |
| D&O | 1,734 | 1.7% | - | 0.0% |
| Cyber | 1,659 | 1.7% | 95 | 0.2% |
| Casualty | 2,286 | 2.3% | 1,448 | 2.6% |
| Legal | 1 | 0.0% | - | 0.0% |
| Bond | 40,363 | 40.2% | 36,264 | 64.5% |
| **Total gross premiums** | **100,361** | **100.0%** | **56,200** | **100.0%** |

| IFRS 17 portfolio | 30.06.2023 | % | 30.06.2022 | % |
|---|---|---|---|---|
| Property | 21,713 | 21.6% | 9,339 | 16.6% |
| Indirect Property | 2,148 | 2.1% | - | 0.0% |
| Parametric | 138 | 0.1% | 68 | 0.1% |
| Accident & Health | 3,812 | 3.8% | 185 | 0.3% |
| Other Motor | 446 | 0.4% | 291 | 0.5% |
| MAT Specialty lines | 7,935 | 7.9% | 538 | 1.0% |
| General Liability | 10,219 | 10.2% | 5,755 | 10.2% |
| Credit | 0 | 0.0% | 82 | 0.1% |
| Agro | 13,585 | 13.5% | 3,678 | 6.5% |
| Suretyship | 40,363 | 40.2% | 36,264 | 64.5% |
| Legal | 1 | 0.0% | - | 0.0% |
| **Total gross premiums** | **100,361** | **100.0%** | **56,200** | **100.0%** |

The following is a breakdown of insurance revenues deriving from insurance contracts written, by IFRS 17 portfolio:

| Insurance revenues deriving from insurance contracts written | 30.06.2023 | % | 30.06.2022 | % |
|---|---|---|---|---|
| Property | 14,812 | 22.90% | 4,218 | 15.70% |
| Indirect Property | 616 | 1.00% | 0 | |
| Parametric | 44 | 0.10% | -151 | -0.56% |
| Accident & Health | 2,166 | 3.30% | 97 | 0.36% |
| Other Motor | 122 | 0.20% | 0 | 0.00% |
| MAT Specialty lines | 6,116 | 9.50% | 21 | 0.08% |
| General Liability | 9,268 | 14.30% | 1,003 | 3.73% |
| Credit | - | - | - | |
| Agro | 5,110 | 7.90% | 3,202 | 11.91% |
| Suretyship | 26,411 | 40.80% | 18,483 | 68.78% |
| Legal | - | - | - | - |
| **Total** | **64,665** | **100%** | **26,873** | **100%** |

The income statement item also includes commissions paid to the sales network. The following table sets out the amount of revenues gross of the share of commissions of REVO Insurance only:

| Insurance revenues deriving from insurance contracts before commissions | 30.06.2023 | % | 30.06.2022 | % |
|---|---|---|---|---|
| Property | 19,738 | 30.5% | 7096 | 27.1% |
| Indirect Property | 380 | 0.6% | - | - |
| Parametric | 69 | 0.1% | -61 | -0.2% |
| Accident & Health | 2,687 | 4.2% | 140 | 0.5% |
| Other Motor | 245 | 0.4% | 0 | 0.0% |
| MAT Specialty lines | 7,361 | 11.4% | 238 | 0.9% |
| General Liability | 11,016 | 17.0% | 2173 | 8.3% |
| Credit | - | - | - | - |
| Agro | 6,815 | 10.5% | 3215 | 12.3% |
| Suretyship | 36,673 | 56.7% | 30488 | 116.4% |
| Legal | - | - | - | - |
| **Total** | **84,983** | **100%** | **43,288** | **100%** |

For the purposes of presentation and in order to ensure continuity with the information provided up to 31 December 2022, the following table summarises gross premiums written by class in the statutory financial statements:

| | Gross premiums | 30.06.2023 | % | 30.06.2022 | % |
|---|---|---|---|---|---|
| 1 | Accident | 376 | 0.4% | 205 | 0.4% |
| 2 | Sickness | 3,582 | 3.6% | - | 0.0% |
| 3 | Land vehicles | 488 | 0.5% | - | 0.0% |
| 4 | Railway rolling stock | 45 | 0.0% | - | 0.0% |
| 5 | Aviation hull | 630 | 0.6% | 123 | 0.2% |
| 6 | Marine hull (sea, lake and river and canal vessels) | 4,244 | 4.2% | 384 | 0.7% |

| | | | | | |
|---|---|---|---|---|---|
| 7 | Goods in transit | 1,801 | 1.8% | 153 | 0.3% |
| 8 | Fire and natural forces | 11,489 | 11.4% | 2,817 | 5.0% |
| 9 | Other damage to property | 23,284 | 23.2% | 9,295 | 16.5% |
| 11 | Aviation liability | 169 | 0.2% | 48 | 0.1% |
| 12 | Marine liability (sea, lake and river and canal vessels) | 192 | 0.2% | - | 0.0% |
| 13 | General liability | 12,376 | 12.3% | 6,825 | 12.1% |
| 14 | Credit | 157 | 0.2% | 82 | 0.1% |
| 15 | Suretyship | 40,363 | 40.2% | 36,264 | 64.5% |
| 16 | Financial loss | 1,158 | 1.2% | 0 | 0.0% |
| 17 | Legal expenses | 1 | 0.0% | - | 0.0% |
| 18 | Assistance | 5 | 0.0% | 4 | 0.0% |
| | **Total** | **100,361** | **100.0%** | **56,200** | **100.0%** |

In this regard, it should be noted that during the period there was an increase not only in Suretyship (+11% compared with 2022), which remained the main business class, but also a significant increase in the other classes, mainly due to the impetus provided by the expansion of the product range and the distribution network.
At the end of the year, the insurance portfolio was more diversified, with a 40% impact on the total premiums of the Suretyship class (65% at 30 June 2022), due to greater exposure to Other classes, which increased from 34% at 30 June 2022 to 60% at 30 June 2023.

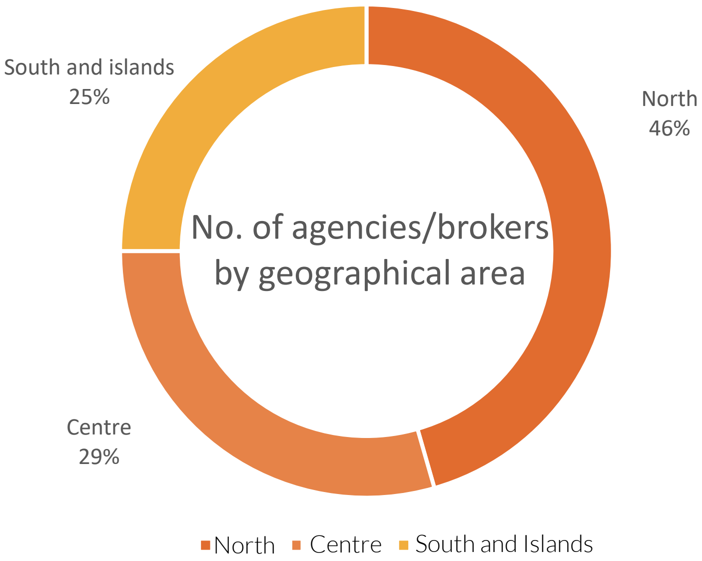
In addition to the description of premium income for the year, a breakdown of premium income by geographical area is shown below:

| **Geographical area** | **30.06.2023** | **.%** | **30.06.2022** | **.%** |
|---|---|---|---|---|
| North | 67,161 | 67% | 30,605 | 54% |
| Centre | 16,036 | 16% | 14,426 | 26% |
| South and Islands | 15,016 | 15% | 11,169 | 20% |
| Abroad | 2,148 | 2% | 0 | 0% |
| Total | 100,361 | 100% | 56,200 | 100% |

In 2023, the Company continued to implement measures to increase the number of agency mandates and the number of non-exclusive agency agreements with brokers, in order to boost both overall production and the productivity of individual intermediaries.
At 30 June 2023, the sales network consisted of 118 multi-firm agents (116 at 31 December 2022) and 62 brokers (53 at 31 December 2022).
During the 2023 financial year, as part of a process designed to strengthen its commercial structure, the Company embarked on a path of harmonisation of the agency network that entailed the awarding of 7 new agency mandates, 10 new non-exclusive agency agreements with brokers and the withdrawal of 1 non-exclusive agency agreement and 5 agency mandates.

The distribution of agencies/brokers and the average premiums written at 30 June 2023 by geographical area are as follows:

| **Geographical area** | **No. of agencies/brokers by geographical area** | **Overall premiums** | **Average premiums per Agency/Broker 2023** | **Average premiums per Agency/Broker 2022** |
|---|---|---|---|---|
| North | 82 | 67,161 | 819 | 519 |
| Centre | 53 | 16,036 | 302 | 343 |
| South and Islands | 45 | 15,016 | 334 | 238 |
| **Total** | **180** | **98,213** | **546** | **380** |




## Insurance costs deriving from insurance contracts written

A breakdown of the components of the item "Insurance costs deriving from insurance contracts written by the Parent Company" is provided below:

| Insurance costs deriving from insurance contracts written | 30.06.2023 | 30.06.2022 | Change |
|---|---|---|---|
| Amounts paid | 27,190 | 1,530 | 25,228 |
| Amounts to be recovered | -22,911 | -4 | -22,907 |
| Change in LIC | 22,323 | 8,532 | 13,122 |
| Costs allocated to insurance contracts | 16,069 | 8,106 | 7,960 |
| Non-distinct investment component | -117 | 0 | -117 |
| Loss component | 1 | 207 | -206 |
| Other technical items | 3,703 | - | 3,703 |
| **Total** | **46,258** | **18,371** | **27,887** |

In particular, claims-related expenses for direct and indirect business at 30 June 2023 amounted, respectively, to €26,485,000 gross of reinsurance (€10,265,000 at 30 June 2022). Operating expenses and other technical items totalled €19,772,000 (€8,106,000 at 30 June 2022).

The following tables show a breakdown by portfolio of claims-related expenses[9] for direct and indirect business:

| Claims for the period – IFRS 17 portfolio | 30.06.2023 | 30.06.2022 |
|---|---|---|
| Property | 12,347 | 3,804 |
| Indirect Property | 1,100 | - |
| Parametric | 3 | 17 |
| Accident & Health | 885 | 32 |
| Other Motor | 21 | - |
| MAT Specialty lines | 5,529 | 120 |
| General Liability | 1,549 | 2,223 |
| Credit | - | - |
| Agro | (22) | 70 |
| Suretyship | 5,073 | 3,999 |

[9] Calculated as the sum of the amounts paid net of recoveries, including the change in LIC, the investment component and the loss component (if any).

| | | |
|---|---|---|
| Legal | - | - |
| **Total** | **26,485** | **10,265** |

The overall performance of claims-related expenses at 30 June 2023, measured in terms of loss ratio, was, although it increased, appropriate in view of the development and diversification of other lines of production, standing at 31.2%%[10], compared with 23.7% in 2022.
In absolute terms, claims-related expenses increased by €16,220,000, mainly due to the effect of the Property portfolio (€8,543,000), the Suretyship portfolio (€1,074,000) and the MAT Specialty Lines portfolio, which had been negligible in the 2022 half-year, and increased by €5,409,000, due to the reporting of five large claims, amounting to a claims expense net of reinsurance of around €2,500,000. The General Liability portfolio decreased by €674,000.

- Suretyship

The technical performance in the first half of 2023, due to the particular attention that the Company pays to customer reliability and risk assessment in the underwriting phase, once again proved profitable, decreasing from a ratio of claims for the period to insurance revenues, gross of reinsurance, of 13.1% at 30 June 2022 to 13.8% at 30 June 2023.
Net claims for the period increased by €1,074,000 compared with 30 June 2022, due to the increase in claims paid and reserved in the current year.

- Other portfolios

In the other portfolios, the ratio, gross of reinsurance, of claims paid and reserved net of recoveries (including an IBNR provision of €8,002,000, up from €1,640,000 at 31 December 2022 and €2,149,000 at 30 June 2022) to earned premiums net of commissions totalled 44.3% overall (48.9% in the first half of 2022).
With regard to the other portfolios, it should be noted that, for the Agro portfolio, a positive run-off of the claims reserve set aside in the previous year was registered with respect to the total paid of €22,000.

An analysis of the claims performance of the main portfolios is shown below:

- The Property portfolio recorded an increase in claims for the period totalling €8,543,000 compared with the previous half-year. The ratio of claims to gross reinsurance premiums was 62.6%. This ratio is determined by the greater weight of hail risk in the first half of the year compared with the observation of an entire year and by the Emilia-Romagna flood event. In the first half of 2023, IBNR provisions of €4,852,000 were made for the Hail LoB[11] (€1,196,000 at 30 June 2022), estimated at the time of preparation of the half-year report on the basis of the reference loss ratio envisaged in the plan. For claims in the current year, the portfolio also showed a negative impact of around €4,387,000 (€1,400,000 net of reinsurance) related to the flood event in Emilia-Romagna;
- The General Liability portfolio, as specified above, improved in the first half of 2023, with a profit of €674,000 compared with the first half of 2022. This positive effect was mainly due to claims reserved in previous years, which were ceded in 2023 under new treaties entered into. The gross loss ratio was 14.1% (102.3% at 30 June 2022). The marked improvement in the class is due to the more than proportional increase in business for the period, compared with new claims reported and/or paid during the period;
- The MAT Speciality Lines portfolio recorded a loss of 75.1% at 30 June 2023, mainly due to the reporting of four large claims in 2023 and one in 2022, generating a claims expense net of reinsurance of around €2,500,000. The Company expects the loss ratio to decrease substantially in the second half of the year as earned premiums increase, and volatility decreases.

[10] The loss ratio is obtained by expressing claims for the period relating to direct and indirect business as a percentage of insurance revenues gross of the share of commissions.
[11] Amount equal to the value of the Hail LoB claims expected for the year, over premiums generated, calculated in accordance with the business plan projections

At 30 June 2023, management increased the claims reserve, increasing IBNR by a total of €5,853,000 compared with 30 June 2022, with €2,219,000 ceded to reinsurance. Of this increased provision, €3,656,000 (€1,736,000 ceded) related to the Hail LoB, for which expected claims were estimated in accordance with the projections of the business plan. Total IBNR at 30 June 2023 amounted to €8,002,000 (€2,149,000 at 30 June 2022), including €4,852,000 related to the Hail LoB[12] (€1,196,000 in 2022).

The ratio of claims for the period to insurance revenues net of the share of commissions was 31.2%, compared with 23.7% in the first half of 2022.
With regard to the largest claims, with an effect net of cessions of more than €200,000, the following should be noted:

- four claims opened in 2023 relating to cover taken out in 2022 and 2023, with a total negative effect of €5,414,000 and €1,895,000 net of reinsurance (two claims totalling €925,000 on the Property portfolio and two claims totalling €970,000 on the MAT Specialty Lines portfolio);
- six claims opened in 2023 relating to cover taken out prior to 2022, with a total negative effect of €3,690,000 and €2,149,000 net of reinsurance (two claims totalling €508,000 relating to the Property portfolio, one claim of €301,000 relating to the General liability portfolio and three claims totalling €1,340,000 relating to the Bond portfolio);
- two claims opened in previous years, with an overall negative effect of €514,000 and €117,000 net of reinsurance, both relating to the Property portfolio.

According to the new IFRS 17 accounting standard, the item "insurance costs deriving from insurance contracts written" includes the Company's operating expenses attributable to insurance contracts.
The following table shows the breakdown of operating expenses allocated to insurance contracts:

| **Total costs allocated to insurance contracts** | **30.06.2023** |
|---|---|
| Portion of operating expenses allocated to insurance contracts | 12,397 |
| Other acquisition expenses | 2,462 |
| Amortisation of intangible assets | 1,210 |
| **Total** | **16,069** |

The portion of operating expenses by type allocated to the insurance business was €12,397,000, in addition to €2,462,000 relating to other acquisition expenses, such as additional commissions and commission bonuses, and €1,210,000 for the amortisation of intangible assets.
The following table shows the split of operating expenses by type between the various items of the consolidated income statement:

| **Breakdown of operating expenses by type** | **30.06.2023** |
|---|---|
| Costs allocated to insurance contracts written | 12,397 |
| Costs not allocated to insurance contracts | 3,014 |
| Costs allocated to claims settlement expenses | 756 |
| **Total** | **16,167** |

The following table contains a breakdown by type of the Company's total operating expenses, compared with operating expenses at 30 June 2022, showing the share allocated to insurance management. Costs have been allocated based on their nature and the relevant cost centre and are distributed by portfolio based on earned premiums.

| **Operating expenses by type** | **30.06.2023** | **30.06.2022** | **Change** |
|---|---|---|---|
| Staff | 9,481 | 6,758 | 2,724 |
| Expenses for travel/company car leasing | 510 | 309 | 201 |
| Depreciation of tangible assets | 64 | 79 | (15) |

[12] Amount equal to the value of the Hail LoB claims expected for the year, over premiums generated, calculated in accordance with the business plan projections

| | | | |
|---|---|---|---|
| BoD-Board of Statutory Auditors-Various Committees | 459 | 377 | 81 |
| Ext. Auditor | 199 | 49 | 150 |
| Expenses related to and condo/cleaning | 594 | 294 | 300 |
| Legal expenses | 155 | 74 | 81 |
| EDP services/maintenance | 2,218 | 789 | 1,430 |
| Policies | 277 | 465 | (188) |
| Advisory services | 1,285 | 1,982 | (697) |
| One-off costs | 358 | - | 358 |
| Company/Agent events | 165 | - | 165 |
| Other expenses | 402 | 507 | (105) |
| **Total** | **16,167** | **11,682** | **4,485** |

The main changes compared with costs at 30 June 2022 relate to payroll costs and costs for EDP services, which rose by €4,154,000, mainly due to the marked increase compared with 2022 (+30 resources) needed for the development of the business lines and the continuation of the technological development project.

The total costs allocated to insurance management thus amounted to €16,069,000 at 30 June 2023 (€8,106,000 at 30 June 2022).

## Foreign business

During the half-year, the Company carried out insurance activities under the freedom to provide services scheme in the territory of the Member States of the European Community, including States in the European Economic Area, following the authorisation received from IVASS on 4 July 2022.

The table below sets out the most substantial operating amounts relating to foreign business, which did not exist at 30 June 2022, separated into direct and indirect business:

| **Foreign business** | **Direct 30.06.2023** | **Indirect 30.06.2023** |
|---|---|---|
| Premiums | 5,656 | 2,148 |
| Change in premium reserve | -781 | -1,284 |
| Claims paid | -566 | -432 |
| Change in claims reserve | -2,396 | -668 |
| Operating expenses | -1,607 | -472 |
| - o/w commissions | -681 | -380 |
| **Total** | **306** | **-708** |

## Reinsurance policy

The Company's reinsurance policy in the first half of 2023 centred on entering into contracts designed to optimise its overall risk profile, protecting the Company against unexpected/sudden events such as “large” claims, including catastrophe claims, and increasing its ability to fulfil its obligations to policyholders.
Treaties continued to be signed with leading reinsurance companies, significantly reducing the Group’s counterparty risk. The minimum rating of the companies included in the panel was greater than or equal to an A- rating from Standard & Poor’s and an A- rating from A.M. Best.
Quota and excess of loss treaties were agreed for Suretyship policies (as in previous years) and quota and excess of loss treaties for other non-life policies, (except for Assistance, Cyber and Fine Art policies, for which quota share treaties were signed). For LoB Engineering, Agro and D&O policies it was decided to retain pure excess of loss coverage.

The following table shows a breakdown of the balance of ceded business compared with the previous year:

| **Technical reinsurance account** | **30.06.2023** | **30.06.2022** |
|---|---|---|

| | | |
|---|---|---|
| Insurance revenues deriving from reinsurance contracts | 23,867 | 4,502 |
| Insurance costs deriving from reinsurance contracts | -31,232 | -8,030 |
| **Result of insurance services deriving from cessions to reinsurance** | **-7,365** | **-3,528** |

Premiums ceded, which equalled €40,294,000 (€20,732,000 at 30 June 2022) increased due to both new business and the new proportional, non-proportional and optional treaties entered into, primarily from the second half of 2022 and in 2023.

## Main new products launched on the market

In the first half of 2023, the REVO product range was further expanded:

- Property: new cover to protect manufacturing companies and their property assets against the risk of fire and other damage to property, theft and robbery, catastrophic events and indirect damage, and income protection. In the catastrophic event insurance, activating the earthquake cover provides parametric cover for initial expenses, with prompt automatic compensation provided if an earthquake occurs that exceeds a given parameter: this cover is completely new on the market;
- Marine: new insurance solutions for owners of leisure, sailing or motor craft, to provide damage cover against the risks of sailing and during wet or dry docking while not in use; for boats flying the Italian flag, assistance at sea can also be activated, provided through the Main Office, open 24 hours a day, 7 days a week;
- Travel agency and tour operator liability and insolvency: new insurance policies – distributed through brokers specialising in travel – that enables travel agencies to protect themselves against claims for damages by third parties and to protect their customers in the event that the travel agency becomes insolvent or bankrupt;
- Honey production: a parametric policy has been created for bee keepers in Piedmont to compensate them for damage caused by the loss of honey yields due to drops in temperature at certain stages of the flowering of the acacia plant;
- Alfalfa: a parametric policy has been created for alfalfa producers and processors to compensate farmers if the irrigation needs of the alfalfa field are not met due to particularly dry weather conditions;
- Wine grape plant diseases: this product is for growers of wine grapes who, in the event of particularly adverse weather conditions, experience reduced yields due to a season that predisposes plants to develop diseases such as oidium, peronospora and botrytis. Again, this is a parametric policy based on a biological indicator;
- Olive fly: this product is for customers who produce olives for oil and who, due to certain weather conditions, see an increase in olive fly infestations that damage the harvest, reducing yields. A parametric policy based on an infestation indicator was also developed.

It is also important to note that authorisation to operate in the legal expenses regulatory class has been obtained from IVASS. The Company has therefore extended its insurance offering further, through new, tailor-made insurance solutions for legal expenses, to cover legal and expert costs incurred by policyholders to enforce their rights in and out of court, for risks related to their business and to driving and licence suspension.

*OverX*

Revo Insurance S.p.A. further developed the new proprietary technological platform, OverX, in the first half of 2023. The tool, which is fundamental for structuring and creating new insurance products, significantly simplifies underwriting and distribution processes, partly thanks to automated reading of broker communications, the use of external databases and the structuring of information needed to assess risk and draw up insurance contracts.
OverX was developed natively in the cloud environment, using cutting-edge technologies, such as artificial intelligence, micro-services, APIs (application programming interfaces) and paradigms of privacy and security by design; it is based on a simple and efficient data structure, which facilitates information collection by brokers and stands out as it is highly innovative in terms of flexibility and efficiency in product personalisation.

## Investment policy guidelines and profitability achieved

In 2023, the Company's investment policy in the first half of 2023 was based on prudent criteria. The guidelines also take into account the framework resolution referred to in Article 8 of IVASS Regulation No. 24/2016, which was updated by the Board of Directors on 28 March 2023. It should be noted that updates to the framework resolution are designed to ensure both greater flexibility in investments in securities and greater diversification of portfolio instruments.
In the first half of the year, in particular, foreign Italian and foreign government securities with high credit ratings were purchased, including from Germany, the Netherlands, France and Spain, as well as from supranational issuers. In the same period, to a lesser extent, highly rated corporate bonds were also purchased.
The asset portfolio has a particularly low duration of less than two years and an excellent level of liquidity. All portfolio positions are denominated in euro.
The Company's prudent policy in terms of investments and issuer quality serves to protect it from market risk and liquidity risk, despite the current fragile economic scenario. The increased diversification in terms of asset class and issuers is intended to make the portfolio more resistant to market fluctuations and increased volatility in domestic government bond spreads.

Total investments at 30 June 2023 amounted to €209,235,000 (€188,531,000 at 31 December 2022), including €202,509,000 in bonds and other listed fixed-rate securities (including 45.4% in Italian government securities and other bonds and 54.3% in foreign government securities and other bonds), in addition to €2,717,000 relating to units in bond funds. Shares and quotas of companies include a €556,000 investment in Mangrovia Blockchain Solutions S.r.l.
This item includes, in assets measured at amortised cost, the escrow account set up following the acquisition of Elba Assicurazioni S.p.A., amounting to €4,009,000 (€4,016,000 at 31 December 2022). The escrow account will be reduced by €1,000,000 annually from 30 November 2023 until the account balance is zero (on 30 December 2026).
At 30 June 2023, total cash and cash equivalents therefore amounted to €4,800,000 (€4,652,000 at 31 December 2022).
The following table sets out the breakdown of investments compared with the previous year:

| **Investments and cash and cash equivalents** | **30.06.2023** | **31.12.2022** |
|---|---|---|
| Investment property | - | - |
| Investments in subsidiaries, associates and joint ventures | - | - |
| Financial assets measured at amortised cost | 4,009 | 4,016 |
| Financial assets measured at fair value through OCI | 202,510 | 181,895 |
| Financial assets measured at fair value through profit or loss | 2,717 | 2,620 |
| **Total investments (excluding cash and cash equivalents)** | **209,235** | **188,531** |
| Cash and cash equivalents | 4,800 | 4,652 |
| **Total (including cash and cash equivalents)** | **214,036** | **193,183** |

| **Investments by type – excluding escrow** | **30.06.2023** | **%** | **31.12.2022** | **%** |
|---|---|---|---|---|
| Shares and quotas | 556 | 0.3% | 556 | 0.3% |
| Foreign corporate bonds | 25,021 | 11.9% | 22,480 | 11.9% |
| Italian corporate bonds | 5,966 | 2.8% | 4,861 | 2.6% |
| Italian government bonds | 86,020 | 41.0% | 97,987 | 51.8% |
| Foreign state/government bonds | 84,947 | 40.4% | 56,011 | 29.6% |
| Mutual fund units | 2,717 | 1.3% | 2,620 | 1.4% |
| Total investments (excluding cash and cash equivalents) | 205,226 | | 184,515 | |
| Cash at bank and in hand | 4,800 | 2.3% | 4,652 | 2.5% |
| Total investments (including cash and cash equivalents) | 210,026 | 100.0% | 189,167 | 100.0% |

## Remuneration policies and employee information

At 30 June 2023, the workforce consisted of 181 employees, in addition to 5 external contractors and 1 intern (at 31 December 2022, there were 151 employees, 6 external contractors and 1 intern).
The substantial increase compared with 2022 (+30 resources) is mainly due to the recruitment of new staff to develop the Company's lines of business and the continuation of the technological development project, with the simultaneous strengthening of staff structures and key functions.
The internal structure by area of expertise breaks down as follows:

| | 30.06.2023 | 30.06.2022 |
|---|---|---|
| CEO/GM | 1 | 1 |
| Specialty Insurance Solutions | 106 | 82 |
| Operations | 27 | 19 |
| Finance Planning and Control | 13 | 8 |
| Legal & Corporate Affairs | 10 | 10 |
| Parametric Insurance Solutions | 7 | 5 |
| Risk Management | 3 | 2 |
| Human Resources and Organisation | 3 | 2 |
| Communications & ESG | 3 | - |
| Compliance | 2 | 1 |
| Staff | 1 | - |
| Actuarial | 2 | 1 |
| Internal Audit | 3 | 1 |
| **Total** | **181** | **132** |

Also during this first half of 2023, staff training continued with the aim of promoting professional and managerial growth. In particular, a training course was set up for Company managers who took part in this 40h course entitled "Leadership training: the strategic role of the manager". Managers are one of the cornerstones of an organisation. Their daily work is essential for interpreting and passing on the Company's values.
The Company moved from its previous operational headquarters at Via Mecenate 90 in Milan to the prestigious head office at Via Monte Rosa 91, with collaborative workspaces and a strong sustainability footprint.
REVO also decided to open an additional operational headquarters in the city of Genoa, a choice dictated by the growing need for proximity to business, particularly the Marine business.
Total labour costs, including the reimbursement of expenses (employees and contractors on project-based contracts) in the first half of 2023 came to €9,481,000 (€6,758,000 at 31 December 2022). The substantial change compared with 2022 mainly reflects the increase in total remuneration due to the recruitment of a further 53 resources since 30 June 2022.

# Performance of the Subsidiary

The Subsidiary, Revo Underwriting, which is responsible for insurance brokerage and advisory services and operates as the Group's MGA (managing general agency), has been active since 6 July 2022, the date of entry in the Single Register of Insurance and Reinsurance Intermediaries (RUI) with registration number A000711224.
During the half-year, the company activated 121 mandates, including the 69 that were opened during the second half of 2022, bringing the total number of active mandates to 190.
At 30 June 2023, the company posted revenues of €589,000, costs associated with the marketing of insurance products of €445,000 and costs associated with administrative services of €47,000. The result for the period was a net profit of €69,000.

# The Group's key half-year figures

Further to the above, the figures are summarised below, in thousands of euro, for the half-year ended 30 June 2023 compared with the same period in 2022 for the income statement and with 31 December 2022 for statement of financial position items:

| Assets | 30.06.2023 | 31.12.2022 |
|---|---|---|
| Intangible assets | 83,969 | 83,071 |
| Tangible assets | 14,770 | 14,448 |
| Insurance assets | 44,029 | 45,805 |
| Investments | 209,236 | 188,531 |
| Other financial assets | 5,151 | 3,835 |
| Other assets | 5,423 | 19,049 |
| Cash and cash equivalents | 4,800 | 4,652 |
| **Total assets** | **367,378** | **359,391** |

| Shareholders' equity and liabilities | 30.06.2023 | 31.12.2022 |
|---|---|---|
| Shareholders' equity | 217,013 | 216,495 |
| Provision for risks and charges | 3,077 | 3,243 |
| Insurance liabilities | 115,254 | 101,365 |
| Financial liabilities | 14,433 | 14,448 |
| Payables | 11,511 | 18,167 |
| Other liabilities | 6,090 | 5,673 |
| **Total liabilities and shareholders' equity** | **367,378** | **359,391** |

| Income statement | 30.06.2023 | 30.06.2022 |
|---|---|---|
| Result of insurance services | 11,187 | 4,975 |
| Net financial result | 1,583 | 1,140 |
| - *o/w investment result* | 1,830 | 527 |
| Other revenues/costs | 38 | -1,041 |
| Operating expenses | -3,014 | -2,530 |
| Net provisions for risks and charges | - | - |
| Write-downs/write-backs of tangible assets | -945 | - |
| Write-downs/write-backs of intangible assets | 14 | - |
| Other operating income/expenses | -639 | - |
| **Profit (loss) for the year before tax** | **8,224** | **2,544** |
| Taxes | -1,969 | -1,746 |
| **Profit (loss) for the year after tax** | **6,255** | **798** |

For presentation purposes and to ensure continuity with the information provided up to 31 December 2022, the abridged statement of financial position and income statement, setting out figures in accordance with the old IFRS 4 (superseded by the introduction, on 1 January 2023, of IFRS 17), are set out below:

| Assets | 30.06.2023 | 31.12.2022 |
|---|---|---|
| Intangible assets | 91,796 | 92,128 |
| Tangible assets | 14,770 | 14,448 |
| Investments | 209,236 | 188,531 |
| Reinsurers' share of technical provisions | 70,323 | 55,737 |
| Receivables | 57,218 | 52,856 |
| Other assets | 5,613 | 7,528 |
| Cash and cash equivalents | 4,800 | 4,654 |
| **Total assets** | **453,756** | **415,882** |

| Shareholders' equity and liabilities | 30.06.2023 | 31.12.2022 |
|---|---|---|
| Shareholders' equity | 217,425 | 216,632 |

| | | |
|---|---|---|
| Technical provisions | 154,777 | 140,074 |
| Provisions | 3,077 | 3,176 |
| Financial liabilities | 16,028 | 16,048 |
| Payables | 53,140 | 31,613 |
| Other liabilities | 9,309 | 8,340 |
| **Total liabilities and shareholders' equity** | **453,756** | **415,882** |

| **Income statement** | **30.06.2023** | **30.06.2022** |
|---|---|---|
| Net premiums | 47,472 | 26,394 |
| Commission income | 0 | 0 |
| Income and expenses deriving from financial instruments measured at fair value through profit or loss | 106 | -403 |
| Reclassification according to the overlay approach (*) | 0 | 0 |
| Income deriving from investments in subsidiaries, associates and joint ventures | 0 | 0 |
| Income deriving from other financial instruments and investment property | 2,696 | 1,704 |
| Other revenues | 2,727 | 825 |
| **Total revenues and income** | **53,001** | **28,521** |
| Net claims-related expenses | -14,597 | -7,341 |
| Commission expenses | 0 | 0 |
| Expenses deriving from investments in subsidiaries, associates and joint ventures | 0 | 0 |
| Expenses deriving from other financial instruments and investment property | -982 | -774 |
| Operating expenses | -19,811 | -13,159 |
| Other costs | -9,093 | -4,550 |
| **Total costs and expenses** | **-44,483** | **-25,824** |
| **Profit (loss) for the year before tax** | **8,518** | **2,697** |
| Taxes | -2,059 | -1,793 |
| **Profit (loss) for the year after tax** | **6,459** | **904** |

The difference, net of taxes, of €203,000 between the IFRS 17 and IFRS 4 result is mainly due to the effect of the use of the present value of future cash flows of €348,000 and the elimination of the -€40,000 change in the profit-sharing reserve.

# Solvency II – Solvency margin

Information on the Group's Solvency II solvency margin, calculated on the basis of the information available today, compared with the annual 2021 data, is provided below:

| **Information on the solvency margin - Solvency II** | **30.06.2023** | **31.12.2022** |
|---|---|---|
| Solvency Capital Requirement | 62,725 | 52,895 |
| Eligible Own Funds to meet the SCR (Tier 1) | 147,255 | 142,463 |
| Solvency Ratio | 234.7% | 269.3% |
| Minimum capital requirement | 18,425 | 14,652 |
| MCR Coverage Ratio | 799.2% | 972.3% |

The Solvency II Ratio was 234.7% at 30 June 2023, down by 35 percentage points due to the growth in business volumes affecting non-life premiums and reserves, offset by an increase in own funds due to the result for the period and expected future earnings.
It should be noted that the Solvency II Ratio does not take into account the organisational provision of €8.150 million to cover start-up expenses (set aside in response to the authorisation to operate in the new insurance classes), which has to be excluded from the calculation of own funds for the first three financial years. Own shares are also excluded from own funds. The amount of own shares increased in the first half of 2023 as a result of the public tender offer. For details, see the section "Own shares held and changes in own shares" in the Report on Operations.

The solvency situation will be specifically reported to the Supervisory Authority within the deadlines established by the applicable legislation.

# Risk management objectives and policy and hedging policy of the companies included in the scope of consolidation

The Group's risk management is designed to comply with regulatory provisions, including constant monitoring according to the provisions of IVASS Regulation No. 24/20216. The Company has defined and implemented its risk assumption, measurement and management policies, taking an integrated view of its assets and liabilities in accordance with European Solvency II rules.
With regard to liquidity, underwriting and counterparty risks, ordinary monitoring activities continue to be overseen at all times, in order to ensure the Company's ongoing ability to meet its commitments. Furthermore, with reference to the internal solvency objective established in Article 18 of IVASS Regulation No. 38/18, current assessments have not brought to light any critical issues that require specific action.
The Group, including in the first half of 2023, was required by the Supervisory Authority to monitor its solvency position on a monthly basis, pursuant to the communication dated 17 March 2020. The results of these monthly assessments demonstrate a high and constant capital solvency level.
In the same period, the Group underwent an organisational enhancement following the merger in November 2022 between Elba Assicurazioni S.p.A. and Revo S.p.A. The Risk Management function was strengthened with new resources (internal and outsourced) and a system of risk oversight tools was created that includes the new risk management policies, Risk Appetite Framework (RAF) and Own Risk and Solvency Assessment (ORSA), as well as a more structured and effective Risk Register.
The Risk Officer's report to the Board of Directors does not highlight any critical issues and notes that the control processes implemented emphasise the Company's commitment to timely compliance with the reference provisions and regulations, to safeguard and protect the activity performed.
Based on the risk mapping undertaken, the highest-intensity risk to which the Group is exposed is its underwriting risk.
In particular, the following should be noted:

*Underwriting risks*
Revo Insurance takes a conservative approach to underwriting risk, prioritising the financial security of its customers, in order to avoid taking on risk that could undermine the Company's solvency or constitute a serious obstacle to the achievement of its objectives.
The main techniques used by the Company to mitigate underwriting risk are:

- underwriting techniques;
- reinsurance techniques.

With regard to the assumption of risks in the Suretyship class, which is the Company's core business, policies are written following careful technical investigations to establish the nature and characteristics of the risks to be covered and the soundness in terms of capital, income and cash flow, as well as the reliability, of the obligated entities, depending on the activities they carry out, to which the cover applies.
With regard to reinsurance techniques, specific treaties were entered into for each line of business.

*Market risk*
REVO has a portfolio of assets consisting mainly of government and corporate bonds. Liquid assets are managed to ensure that sufficient resources are always available for normal claims payment.
The Company's prudent policy in terms of investments and issuer quality serves to protect it from market risk and liquidity risk, despite the current economic environment.

All investments are denominated in euro and therefore no currency risk exists.
With regard to concentration risk, there is a significant percentage of investment in the Italian Republic (although this has been decreasing steadily since December 2022), amounting to 41% of the Group's total portfolio at 30 June 2023 (around 51.8% at 31 December 2022).

*Credit risk*
The Group is exposed to the risk associated with a deterioration in the creditworthiness of the market counterparties with which it operates and has business and insurance relationships. These exposures mainly derive from reinsurance and co-insurance activities, cash deposits with banks and activities with insurance brokers and policyholders, in respect of which receivables are typically generated according to recurring insurance product underwriting patterns, particularly when the end of each quarter approaches.
At the same time, in its investment activities, the Group is subject to the creditworthiness and default risk of the relevant issuers. In addition to the Italian government, any default on the part of issuers in which the Company has exposure could have a negative impact on its financial position, cash flows and income, as well as an effect on its Solvency II Ratio.
The default risk management system defined by the Company is assessed on the basis of the material risk factors related to the receivable for which top management ensures the correct and timely application of the same and ensures the consequent establishment of adequate processes for the analysis of overdue receivables and the monitoring and recovery of overdue receivables with respect to the main business counterparties (policyholders, intermediaries and reinsurance partners).
At least once a quarter, as part of its SCR recalculation activities, the Risk Management Function monitors changes in the risk profile and compliance with the risk appetite and risk tolerance limits defined in the Risk Appetite Framework.
In addition, the ratings of reinsurance counterparties are monitored every six months, as required by the Reinsurance Policy.

*Liquidity risk*
Liquidity risk is the risk of not being able to meet obligations to policyholders and other creditors due to the difficulty of converting investments into cash without suffering losses; this risk is monitored through specific stress scenarios based on short- and medium-term cash flow planning.

*Operational risk*
Operational risk is the risk of losses due to inefficiencies in human resources, processes and systems, including those used for distance selling, or to external events, such as fraud or the actions of service providers; this definition includes legal risk but not strategic or reputational risk.
In the procedures currently in force, operational risk is also quantified in the context of the solvency requirement calculated using the standard formula.
In addition to this quantitative support, "residual" risk is measured, at least once a year, on the basis of the probability of occurrence of the negative event and the severity of its impact, the scale of which is determined using a qualitative and quantitative methodological approach that helps management in mapping risks in order to adequately identify the most exposed areas and to prioritise when implementing action/mitigation plans.
These assessments enable the Company to ascertain the consistency of the results with the Risk Appetite Framework (RAF), outlined by the Company in its risk appetite policy.

*Compliance risk*
Compliance risk is the risk of incurring legal or administrative penalties or suffering losses or reputational damage as a result of failure to comply with laws, regulations or provisions of the Supervisory Authorities or self-regulation rules, such as articles of association, codes of conduct or governance codes.
The Compliance Risk Management System has been defined, in accordance with the provisions in force. Responsibility for this lies with the Compliance Manager, who is supported by the heads of the corporate functions in performing operating activities.

The compliance mission and operating procedures are defined in directives on the Company's internal control system and operating activities are governed by a specific company procedure.
As part of the activities envisaged in the compliance process, the Compliance Manager monitors on an ongoing basis and shares the relevant impact analyses with the relevant process manager. In the event of critical issues that could entail the risk of legal challenges and penalties, the Board of Directors becomes involved.
A report is produced each year describing all the ongoing and non-ongoing Compliance activities carried out during the year, as provided for in Regulation No. 38/18.

*Reputational risk*
Reputational risk (or image risk) is the risk of losses that the Company may suffer as a result of events that degrade its image among the various types of stakeholders (policyholders, shareholders, counterparties, investors and Supervisory Authorities).
The Company focuses its reputational risk management activities on implementing adequate mitigation measures and on the quality of its organisational and control structures.
In this area, correctness and professionalism are of the utmost importance, particularly regarding:

- the level of awareness among senior management of the importance of the subject;
- the promotion, at all corporate levels, of a culture of ethics and fair behaviour;
- adequate management of relations with all stakeholders;
- the suitability of the risk management and mitigation systems.

To this end, the Company has adopted a Code of Ethics in order to promote a culture of ethics and fair behaviour at all levels of the Company. As part of the activities envisaged in the compliance process, the Compliance Manager monitors on an ongoing basis and shares the relevant impact analyses with the process manager.
In the event of critical issues that could entail significant reputational risks, the Board of Directors becomes involved.
A report is produced each year describing all the ongoing and non-ongoing Compliance activities carried out during the year, as provided for in Regulation No. 38/18.

*Strategic risk*
Strategic risk is defined as the current or prospective risk arising from a decline in profits or capital and the sustainability of the business model, including the risk of not being able to generate an adequate return on capital based on the risk appetite defined by the company, arising from changes in the operating environment or poor corporate decisions, inadequate implementation of decisions, incorrect management of the risk of belonging to the group or insufficient responsiveness to changes in the competitive environment.
The Company focuses its strategic risk management activities on the own risk and solvency assessment (ORSA), which is the main tool for assessing and managing this risk.
As part of the ORSA, the Company checks that the analysis of changes in profits resulting from strategic planning and the adequacy of the own funds held to cover the capital requirement, including in major stress scenarios, does not highlight any particular critical situations.
Strategic risk management is based on the Company's ability to identify and measure this form of risk and to adopt management practices that allow it to be mitigated in accordance with risk tolerance as defined by the Board of Directors in the Risk Appetite Framework.
Strategic risk is monitored by the CFO in a qualitative and quantitative manner, taking into account any changes in the corporate and organisational structure, including through quarterly analysis of the performance of the main management KPIs compared with those provided for in the Strategic Plan, and verifying the adequacy of own funds held to cover the capital requirement.

# Ongoing disputes

There are no disputes pending, except for claims-related insurance disputes and disputes relating to recourse or recovery of receivables actions.
With regard to insurance disputes, it should be noted that in 2022, the Company received a payment order for approximately €250,000, relating to a counterfeit suretyship policy. As of 30 June 2023 the dispute is still ongoing, and as a precautionary measure a portion of the contested amount has been set aside.

There were eight complaints received in the first half of 2023, of which seven were dismissed and one admitted. At the date of preparation of this Report (30 June 2023), there was therefore one claim at the investigation stage.
Internal Audit reports on the above claims were issued and the relevant assessments were carried out by the Board of Statutory Auditors and the Board of Directors and, according to the procedures in force, were notified to the Supervisory Authority.

# Capital and financial transactions with parent companies, associates, affiliates and other related parties

*Companies and subsidiaries included in the scope of consolidation*
Pursuant to Article 2497 *et seq*. of the Italian Civil Code, REVO Insurance S.p.A. exercises management and coordination activities over REVO Underwriting S.r.l.
At 30 June 2023, we report the following transactions between REVO Underwriting S.r.l. and REVO Insurance S.p.A.:

- costs for seconded staff of €24,000;
- revenues from commission income of €589,000;
- payables for insured sums collected of €118,000;
- payables for seconded staff of €52,000.

*Associates, companies under joint control and other related parties*
As at 30 June 2023, no natural person or legal entity held, directly or indirectly, a number of shares such as to have a controlling interest in REVO Insurance S.p.A. Similarly, no significant shareholders' agreements have been reported to the Company pursuant to Article 122 of the TUF, such as to result in potential *de facto* control.
It follows that the Company is not subject to the management and coordination of any entity or company.

It should also be noted that on 26 May 2022, the Company adopted a specific procedure for transactions with related parties (the "RPT Procedure"), approved by the Board of Directors, in order to: (i) regulate procedures for identifying related parties, defining procedures and time scales for preparing and updating the list of related parties and identifying the corporate functions competent for this purpose; (ii) establish rules for identifying transactions with related parties before they are entered into; (iii) regulate procedures for the carrying out of related party transactions by the Company, including through subsidiaries pursuant to Article 93 of the TUF or in any case companies subject to management and coordination; and (iv) establish procedures and time scales for the fulfilment of reporting obligations to the corporate bodies and to the market.

The Procedure is published in the "corporate-governance/documenti-societari/operazioni con parti correlate" section of the REVO Insurance website (www.revoinsurance.com).

In this regard, it should be noted that, during the half-year, no transactions were carried out with companies subject to joint control and other related parties.

# Other significant events during the half-year

As at 30 June 2023, no significant events had occurred apart from those reported in the introductory section.

# Main events after the half-year

It should be noted that on 21 July, IVASS informed the Company that it had notified the Supervisory Authorities of Belgium, France, Germany, Spain and Portugal of the commencement of operations under the freedom to provide services regime for Class 1 – Accident (direct and indirect business) and Class 15 – Suretyship (direct business only).
In addition, on 24 July notice was given to the Supervisory Authority of the intention to acquire a 33% stake in the share capital of MedInsure S.r.l. , a newly formed insurance agency.

No other significant events occurred after the half-year.

# Business outlook

In terms of business outlook, it should be noted that following the completion of the reverse merger on 21 November 2022 and the simultaneous listing on the Euronext STAR Milan segment of Borsa Italiana, no further changes to the corporate structure are currently planned.
As part of project development, REVO will continue to implement its business plan in accordance with the strategic guidelines outlined, aiming to further develop its existing business and to expand its offering with the consolidation of new business lines focused on specialty and parametric risks.
In this regard, REVO approved, during the Board of Directors' meeting of 25 January 2023, the rolling plan for 2023-2026, which confirms the main income and asset projections announced in the 2022-2025 plan, also supported by the results for the first half of 2023.
The current environment of macroeconomic and geopolitical uncertainty has not had an impact on REVO's production or margins, partly due to the presence in the business of automatic inflation protection mechanisms for specialty lines products, as well as the flexibility afforded to underwriters when policies are written, with the possibility of adapting pricing to changing market conditions. Moreover, in the second half of 2023, the Company believes that there will be a gradual easing of inflation which, in the context of a less critical geopolitical situation than in 2022, is expected to continue to have no significant effects on operations.
From a financial standpoint, REVO continued to adopt an investment policy focused on greater diversification, further reducing the overall level of risk in the managed portfolio. In the short and medium term, the Company expects to benefit from the particularly attractive yields offered by the market by maintaining an overall low investment duration and pursuing its policy of diversification and decorrelation from Italy risk.
It should also be noted that, after obtaining authorisation from IVASS to extend its insurance and reinsurance activities to the Legal expenses class, REVO will also expand the services offered to small and medium enterprises in this sector.
REVO Underwriting's business will be developed further in the second half of 2023, with a strong focus on signing new brokerage mandates with specialised small/medium-sized brokers and third-party agencies specialising in the marketing of specialty or parametric solutions.

# Own shares held and changes in own shares

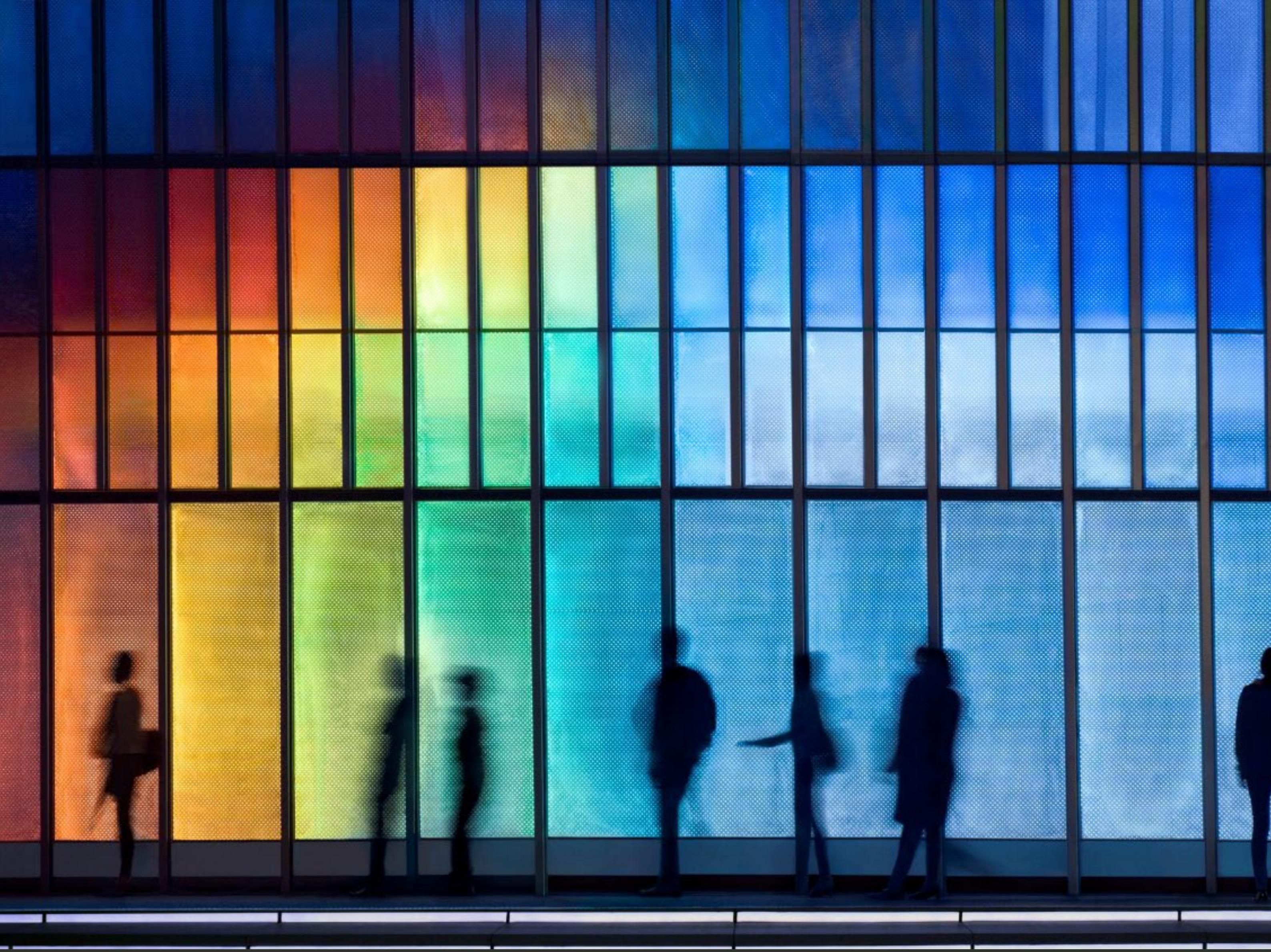
With regard to the information required by Article 2428, paragraph 3(3) and (4) of the Italian Civil Code, it should be noted that the Company:

- At 30 June 2023, held a total of 850,700 own shares, equal to 3.46% of the share capital, consisting solely of ordinary shares;
- Purchased during the half-year, also following the voluntary partial public tender offer for own shares launched on 15 May 2023, a total of 709,747 own shares, equal to 2.88% of the share capital, consisting solely of ordinary shares;
- Did not dispose of any own shares during the half-year.

The share buy-back programme implemented during the half-year was implemented pursuant to the resolution adopted by the Ordinary Shareholders' Meeting of 3 May 2021, with the aim of making REVO shares available for any external growth transactions effected through an exchange of shares and for incentive plans reserved for the corporate population.

Milan, 8 August 2023

REVO Insurance S.p.A.
Chief Executive Officer
(Alberto Minali)



# Consolidated financial statements

# Consolidated financial statements

# Statement of financial position

| | Asset items | 30.06.2023 | 31.12.2022 |
|---|---|---|---|
| 1. | INTANGIBLE ASSETS | 83,969 | 83,071 |
| | o/w: Goodwill | 74,323 | 74,323 |
| 2. | TANGIBLE ASSETS | 14,770 | 14,448 |
| 3. | INSURANCE ASSETS | 44,029 | 45,805 |
| 3.1 | Insurance contracts written classified as assets | - | - |
| 3.2 | Cessions to reinsurance classified as assets | 44,029 | 45,805 |
| 4. | INVESTMENTS | 209,236 | 188,531 |
| 4.1 | Investment property | - | - |
| 4.2 | Investments in associates and joint ventures | - | - |
| | Investments in subsidiaries | - | - |
| | Investments in associates | - | - |
| | Investments in joint ventures | - | - |
| 4.3 | Financial assets measured at amortised cost | 4,009 | 4,016 |
| 4.4 | Financial assets measured at fair value through OCI | 202,510 | 181,895 |
| 4.5 | Financial assets measured at fair value through profit or loss | 2,717 | 2,620 |
| | a) Financial assets held for trading | 2,717 | 2,620 |
| | b) Financial assets designated at fair value | - | - |
| | c) Other financial assets compulsorily measured at fair value | - | - |
| 5. | OTHER FINANCIAL ASSETS | 5,151 | 3,835 |
| | OTHER FINANCIAL ASSETS | 5,151 | 3,835 |
| 6. | OTHER ASSETS | 5,423 | 19,049 |
| 6.1 | Non-current assets or disposal groups held for sale | - | - |
| 6.2 | Tax assets | 2,995 | 5,402 |
| | a) Current | 2,995 | 5,394 |
| | b) Deferred | - | 7 |
| 6.3 | Other assets | 2,428 | 13,647 |
| | Other assets | 2,428 | 13,647 |
| | Consolidation adjustments (IC elimination) - assets | - | - |
| 7. | CASH AND CASH EQUIVALENTS | 4,800 | 4,652 |
| | **TOTAL ASSETS** | **367,378** | **359,391** |

| | Shareholders' equity and liability items | 30.06.2023 | 31.12.2022 |
|---|---|---|---|
| 1. | SHAREHOLDERS' EQUITY | 217,013 | 216,495 |
| 1.1 | Capital | 6,680 | 6,680 |
| 1.2 | Other equity instruments | - | - |
| 1.3 | Capital reserves | 170 | 170 |
| 1.4 | Earnings reserves and other equity reserves | 221,046 | 214,854 |
| 1.5 | Own shares (-) | - 7,803 | - 1,247 |
| 1.6 | Valuation reserves | - 9,335 | - 10,154 |
| | Assets attributable to non-controlling interests (+/-) | - | - |
| | Capital of non-controlling interests | - | - |
| | Other equity instruments of non-controlling interests | - | - |
| | Capital reserves of non-controlling interests | - | - |
| | Earnings reserves and other equity reserves of non-controlling interests | - | - |
| | Own shares (-) of non-controlling interests | - | - |
| 1.7 | Valuation reserves of non-controlling interests | - | - |
| 1.8 | Profit (loss) for the year (+/-) | 6,255 | 6,193 |
| 1.9 | Profit (loss) for the year attributable to non-controlling interests (+/-) | - | - |
| 2. | PROVISIONS FOR RISKS AND CHARGES | 3,077 | 3,243 |
| 3. | INSURANCE LIABILITIES | 115,254 | 101,365 |
| 3.1 | Insurance contracts written classified as liabilities | 115,254 | 101,365 |
| 3.2 | Cessions to reinsurance classified as liabilities | - | - |
| 4. | FINANCIAL LIABILITIES | 14,433 | 14,448 |
| 4.1 | Financial liabilities measured at fair value through profit or loss | - | - |
| | a) Financial liabilities held for trading | - | - |
| | b) Financial liabilities designated at fair value | - | - |
| 4.2 | Financial liabilities measured at amortised cost | 14,433 | 14,448 |
| 5. | PAYABLES | 11,511 | 18,167 |
| 6. | OTHER LIABILITIES | 6,090 | 5,673 |
| 6.1 | Liabilities of disposal groups held for sale | - | - |
| 6.2 | Tax liabilities | 306 | 275 |
| | a) Current | 20 | - |
| | b) Deferred | 286 | 275 |
| 6.3 | Other liabilities | 5,784 | 5,398 |
| | Other liabilities | 5,784 | 5,398 |
| | Consolidation adjustments (IC elimination) - liabilities | - | - |
| | TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 367,378 | 359,391 |

# Income statement

| | ITEMS | 30.06.2023 | 30.06.2022 |
|---|---|---|---|
| 1. | Insurance revenues deriving from insurance contracts written | 65,255 | 26,873 |
| 2. | Costs of insurance services deriving from insurance contracts written | -46,704 | -18,371 |
| 3. | Insurance revenues deriving from cessions to reinsurance | 23,867 | 4,502 |
| 4. | Costs of insurance services deriving from cessions to reinsurance | -31,232 | -8,030 |
| **5.** | **Result of insurance services** | **11,187** | **4,974** |
| 6. | Income/expenses from financial assets and liabilities measured at FVPL | 106 | -403 |
| 7. | Income/expenses on investments in associates and joint ventures | - | - |
| **8.** | **Income/expenses from other financial assets and liabilities and from investment property** | **1,724** | **930** |
| 8.1 | - Interest income calculated according to the effective interest method | 2,228 | 1,460 |
| 8.2 | - Interest expense | -259 | -694 |
| 8.3 | - Other income/expenses | - | - |
| 8.4 | - Realised gains/losses | -160 | 184 |
| 8.5 | - Valuation gains/losses | -84 | -21 |
| | o/w: Related to non-performing financial assets | 0 | - |
| **9.** | **Investment result** | **1,830** | **527** |
| 10. | Net financial costs/revenues relating to insurance contracts written | -296 | 1,105 |
| 11. | Net financial revenues/costs relating to cessions to reinsurance | 48 | -492 |
| **12.** | **Net financial result** | **-248** | **613** |
| **13.** | **Other revenues/costs** | **39** | **-1,041** |
| 14. | Operating expenses: | -3,014 | -2,530 |
| 14.1 | - Investment management expenses | -10 | -8 |
| 14.2 | - Other administrative expenses | -3,004 | -2,522 |
| 15. | Net provisions for risks and charges | - | - |
| 16. | Write-downs/write-backs of tangible assets | -945 | - |
| 17. | Write-downs/write-backs of intangible assets | 13 | - |
| | o/w: Goodwill write-downs | - | - |
| 18. | Other operating income/expenses | -639 | - |
| **19.** | **Profit (loss) for the year before tax** | **8,224** | **2,544** |
| **20.** | **Taxes** | **-1,969** | **-1,746** |
| **21.** | **Profit (loss) for the year after tax** | **6,255** | **798** |
| **22.** | **Profit (loss) on discontinued operations** | **0** | **0** |
| **23.** | **Consolidated profit (loss)** | **6,255** | **798** |
| | *o/w: attributable to the parent company* | *6,255* | *798* |

# Statement of comprehensive income

| | ITEMS | 30.06.2023 | 30.06.2022 |
|---|---|---|---|
| 1. | Profit (loss) for the year | 6,255 | 798 |
| 2. | Other income after tax not reclassified to profit or loss | 685 | 161 |
| 2.1 | Share of valuation reserves of investments measured using the equity method | - | - |
| 2.2 | Change in valuation reserve for intangible assets | - | - |
| 2.3 | Change in valuation reserve for tangible assets | - | - |
| 2.4 | Financial revenues or costs relating to insurance contracts written | - | - |
| 2.5 | Income/expenses relating to non-current assets or disposal groups held for sale | - | - |
| 2.6 | Actuarial gains and losses and adjustments relating to defined benefit plans | 685 | 161 |
| 2.7 | Gains/losses on equity securities designated at FVOCI | - | - |
| 2.8 | Change in creditworthiness on financial liabilities designated at FVPL | - | - |
| 2.9 | Other elements | - | - |
| 3. | Other income after tax reclassified to profit or loss | 351 | (3,380) |
| 3.1 | Change in reserve for net foreign exchange differences | - | - |
| 3.2 | Gains/losses on financial assets measured at FVOCI | 351 | (3,380) |
| 3.3 | Gains/losses on cash flow hedging instruments | - | - |
| 3.4 | Gains/losses on instruments hedging a net investment in a foreign operation | - | - |
| 3.5 | Share of valuation reserves of investments measured using the equity method | - | - |
| 3.6 | Financial revenues or costs relating to insurance contracts written | - | - |
| 3.7 | Financial revenues or costs relating to cessions to reinsurance | - | - |
| 3.8 | Income/expenses relating to non-current assets or disposal groups held for sale | - | - |
| 3.9 | Other elements | - | - |
| 4. | TOTAL OTHER COMPREHENSIVE INCOME | 1,036 | (3,218) |
| 5. | TOTAL CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Item 1+4) | 7,291 | (2,420) |
| 5.1 | o/w: attributable to the parent company | 7,291 | (2,420) |
| 5.2 | o/w: attributable to non-controlling interests | - | - |

# Change in shareholders' equity

| | Capital | Other capital instruments | Capital reserves | Earnings reserves and other capital reserves | Own shares | Valuation reserves | Profit (loss) for the year | Shareholders' equity of the parent company | Total shareholders' equity |
|---|---|---|---|---|---|---|---|---|---|
| **Balances at 1.1.** | **- 23,055** | **-** | **- 207,045** | **- 6,462** | **-** | **-** | **13,842** | **- 222,720** | **- 222,720** |
| o/w: Change in opening balances | - | - | - | - | - | 4,242 | - | 4,242 | 4,242 |
| **Allocation of profit for the year** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| Reserves | - | - | - | 13,842 | - | - | - 13,842 | - | - |
| Dividends and other dispositions | - | - | - | - | - | - | - | - | - |
| **Changes during the year** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| Issue of new shares | - | - | - | - | - | - | - | - | - |
| Purchase of own shares | - | - | - | - | 1,247 | - | - | 1,247 | 1,247 |
| Changes in participating interests | - | - | - | - | - | - | - | - | - |
| Statement of comprehensive income | - | - | - | - | - | 6 | - 6,193 | - 6,187 | - 6,187 |
| Other changes (+) | 16,375 | - | 206,875 | - | - | 5,907 | - | 229,157 | 229,157 |
| Other changes (-) | - | - | - | - 222,234 | - | - | - | - 222,234 | - 222,234 |
| **Balances at 31.12.** | **- 6,680** | **-** | **- 170** | **- 214,854** | **1,247** | **10,154** | **- 6,193** | **- 216,495** | **- 216,495** |
| Change in opening balances | - | - | - | - | - | - | - | - | - |
| Allocation of profit for the year | | - | - | - | - | - | - | - | - |
| Reserves | - | - | - | - 6,193 | - | - | 6,193 | - | - |
| Dividends and other dispositions | - | - | - | - | - | - | - | - | - |
| Changes during the year | | - | - | - | - | - | - | - | - |
| Issue of new shares | - | - | - | - | - | - | - | - | - |
| Purchase of own shares | - | - | - | - | 6,556 | - | - | 6,556 | 6,556 |
| Changes in participating interests | - | - | - | - | - | - | - | - | - |
| Statement of comprehensive income | - | - | - | - | - | - 1,036 | - 6,255 | - 7,291 | - 7,291 |
| Other changes (+) | - | - | - | - | - | 217 | - | 217 | 217 |
| Other changes (-) | - | - | - | - | - | - | - | - | - |
| **Balances at 30.06.** | **- 6,680** | **-** | **- 170** | **- 221,046** | **7,803** | **9,335** | **- 6,255** | **- 217,013** | **- 217,013** |

# Statement of cash flows

| | 30.06.2023 | 30.06.2022 |
|---|---|---|
| Net cash generated/utilised by: | | |
| - Profit (loss) for the year | 6,255 | 798 |
| - net revenues and costs of insurance contracts written and cessions to reinsurance (-/+) | 25,738 | 15,630 |
| - Capital losses/gains on financial assets measured at fair value through profit or loss (-/+) | -97 | - |
| - Other non-monetary income and expenses deriving from financial instruments, investment property and equity investments (+/-) | 84 | 810 |
| - Net provisions for risks and charges (+/-) | - | 202 |
| - Interest income, dividends, interest expense, taxes (+/-) | 629 | |
| - Other adjustments (+/-) | 1,557 | 1,714 |
| - interest income received (+) | 2,228 | - |
| - dividends received (+) | - | - |
| - interest expense paid (-) | -70 | - |
| - taxes paid (-) | - | - |
| Net cash generated/utilised by other monetary items related to operating activity | - | - |
| - Insurance contracts written classified as liabilities/assets (+/-) | -25,151 | -8,932 |
| - Cessions to reinsurance classified as assets/liabilities (+/-) | 15,087 | 5,811 |
| - Liabilities from financial contracts written by insurance companies (+/-) | - | - |
| - Receivables of banking subsidiaries (+/-) | - | - |
| - Liabilities of banking subsidiaries (+/-) | - | - |
| - Other financial assets and liabilities measured at fair value through profit or loss (+/-) | - | - |
| - Other financial assets and liabilities (+/-) | 3,300 | 32,286 |
| Total net cash generated/utilised by operating activity | 29,562 | 48,319 |
| Net cash generated/utilised by: | | |
| - Sale/purchase of investment property (+/-) | - | 1 |
| - Sale/purchase of investments in associates and joint ventures (+/-) | - | - |
| - Dividends received on investments (+) | - | - |
| - Sale/purchase of financial assets measured at amortised cost (+/-) | 7 | - |
| - Sale/purchase of financial assets measured at fair value through OCI (+/-) | -20,699 | -50,986 |
| - Sale/purchase of tangible and intangible assets (+/-) | -2,152 | -3,019 |
| - Sale/purchase of subsidiaries and business units (+/-) | - | - |
| - Other net cash flows from investment activities (+/-) | - | - |
| Total net cash generated/utilised by investment activity | -22,843 | -54,004 |
| Net cash generated/utilised by: | | |
| - Issues/purchases of equity instruments (+/-) | - | -37 |
| - Issues/purchases of own shares (+/-) | -6,556 | -879 |
| - Distribution of dividends and other purposes (-) | - | - |
| - Sale/purchase of control of non-controlling interests (+/-) | - | - |
| - Issues/purchases of subordinated liabilities and participating financial instruments (+/-) | - | - |
| - Issues/purchases of liabilities measured at amortised cost (+/-) | -15 | 403 |
| Total net cash generated/utilised by financing activity | -6,570 | -513 |
| NET CASH GENERATED/UTILISED DURING THE YEAR | 148 | -6,198 |

| | | |
|---|---|---|
| Cash at 31/12/2022 | 4,652 | 12,396 |
| Cash generated/utilised | 148 | -6,198 |
| Cash at 30/06/2023 | 4,800 | 6,198 |


# Notes to the half-year report

# Notes to the financial statements

## General section

REVO Insurance S.p.A. is a newly incorporated joint stock insurance company created by the reverse merger between REVO S.p.A. (SPAC – special purpose acquisition company) and Elba Assicurazioni S.p.A., having its registered office at Via dell'Agricoltura 7, Verona, VAT No. 05850710962 and entered in the Verona Companies Register.
REVO was created by the reverse merger on 21 November 2022 of REVO SPAC and Elba Assicurazioni S.p.A., an insurance company operating in the insurance market since 2008.
Since that date, the Company has been listed on the Euronext STAR market organised and managed by Borsa Italiana S.p.A.
In May 2022, REVO Underwriting S.p.A. was established as an agency authorised to write, issue and manage insurance policies, under licences and authorisations held by the insurance company, as well as its risk capital.

The Company, together with the subsidiary, REVO Underwriting S.r.l., forms the REVO Insurance Group, registered in the IVASS register under No. 059.

These financial statements have been prepared pursuant to ISVAP Regulation No. 7 of 13 July 2007 and have been prepared in accordance with applicable legal provisions, according to the valuation criteria and international accounting standards referred to below, and corresponding to the accounting records that reflect the transactions carried out by the REVO Insurance Group (hereinafter also the "Group") at 30 June 2023, supplemented by internal management data not directly identifiable in the accounts.

They have been prepared on a going concern basis and according to the accounting standards applied in the previous year, to ensure the comparability of the data.

The figures at 30 June 2023 of the REVO Insurance Group are compared, for the comparison with the previous half-year, with the consolidated figures appropriately adjusted for the entry into force of the new IFRS 17 on 1 January 2023.

Amounts are shown in thousands of euro, unless expressly specified.

# General basis of preparation and measurement

The condensed consolidated half-year financial statements as at 30 June 2023 of the REVO Group have been prepared in accordance with the provisions of Article 154-*ter* of Legislative Decree No. 58/1998 (TUF) and ISVAP Regulation No. 7 of 13 July 2007, implementing IAS 34 applicable to interim financial statements.
They do not include all of the information required for the annual financial statements and should be read in conjunction with the consolidated financial statements as at 31 December 2022.
The presentation layout complies with the provisions of Title III of ISVAP Regulation No. 7 of 13 July 2007, as amended (the "Regulation"), concerning layouts for the consolidated financial statements of insurance and reinsurance companies that are required to adopt international accounting standards.
The condensed consolidated half-year financial statements of the Revo Group as at 30 June 2023 comprise:

- the consolidated statement of financial position;
- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the statement of cash flows (indirect method);
- the statement of changes in shareholders' equity;
- the notes to the Consolidated Half-Year Report;
- the annexes to the notes to the Consolidated Half-Year Report.

The information required by Consob Communication No. DEM/6064293 of 28 July 2006 is also provided.
The accounting standards used, to which express reference is made and which are to be considered an integral part of these notes, the basis of recognition and measurement and the consolidation principles applied for the preparation of the condensed consolidated half-year financial statements as at 30 June 2023, are consistent with those adopted for the consolidated financial statements as at 31 December 2022, except as may be specified in the section below entitled "New accounting standards in force".
The condensed consolidated half-year financial statements as at 30 June 2023 are subject to a voluntary limited audit by KPMG S.p.A., charged with auditing the financial statements for the period 2017-2025.

## Scope of consolidation

The scope of consolidation includes the half-year report of the Parent Company, REVO S.p.A., and that of its direct or indirect subsidiaries.
At 30 June 2023, the scope of consolidation exclusively comprised REVO Underwriting S.r.l., which is wholly owned by REVO Insurance S.p.A.

## Consolidation method

The consolidation method for subsidiaries provides for the full control, from the date of acquisition, of the assets, liabilities, income and expenses of the consolidated companies. By contrast, the carrying amount of the investment is eliminated with the corresponding share of the shareholders' equity of each subsidiary, and, in the case of equity investments of less than 100%, the share of shareholders' equity and profit for the year pertaining to non-controlling interests is shown.
The differences resulting from this operation, if positive, are recognised – after allocation to the assets or liabilities of the Subsidiary, including intangible assets – as goodwill under intangible assets.
Any negative differences are recognised in the income statement.
With regard to intercompany transactions, when preparing the consolidated financial statements, receivables and payables between the companies included in the scope of consolidation are de-recognised, as are income and expenses relating to transactions between the companies themselves, and gains and losses arising from transactions between such companies and not yet realised with Group third parties.

## Share-based payments

The international accounting standard that governs share-based payments is IFRS 2. This standard defines a share-based payment transaction as a transaction in which the company receives goods or services from a supplier (including employees and financial advisors) under a share-based payment agreement.
This agreement confers the right to receive cash or other assets of the company in amounts based on the price (or value) of the equity instruments of the entity or another Group entity, or to receive equity instruments of the entity or another Group entity, provided that the specified vesting conditions, if they exist, are met.
In view of the difficulty in reliably assessing the fair value of services received based on the value of shares, reference is made to the fair value of the financial instrument, with the expense recognised over the vesting period. The obligation assumed by the company may be settled by delivery of own financial instruments ("equity-settled") or by delivery of cash and/or financial instruments of other entities ("cash-settled").
The Group settles the obligation through the former configuration, with a contra-entry in equity for the expense, thus without generating either a decrease in equity value or monetary effects in the income statement.

## Earnings per share

In accordance with IAS 33, basic earnings per share are calculated by dividing the net profit attributed to shareholders holding ordinary shares of REVO Insurance S.p.A. by the weighted average number of ordinary shares outstanding during the year.
Diluted earnings per share are calculated by dividing the net profit attributed to shareholders holding ordinary shares by the weighted average number of any additional ordinary shares that would be outstanding in the event of the conversion of all potential ordinary shares with dilutive effect. In the event of a negative result of operations, a loss (basic and diluted) per share is calculated.

## Foreign-currency transactions

In accordance with IAS 21, items denominated in foreign currencies are managed according to multi-currency accounting principles.
Monetary items in foreign currencies (currency units held and assets or liabilities to be collected or paid out as a number of fixed or determinable currency units) are converted using the exchange rate prevailing at the reporting date.
Foreign exchange differences deriving from the settlement or valuation of monetary items are recognised in the income statement. At 30 June 2023, the Group did not hold any non-monetary assets denominated in foreign currencies.

## New accounting standards in force

### IFRS 17 - Insurance Contracts

IFRS 17 for the recognition, measurement, presentation and disclosure of insurance contracts entered into force on 1 January 2023. The standard requires entities to value insurance contracts using current estimates of cash flows associated with the fulfilment of insurance contracts, both incoming and outgoing, using one of the three measurement models envisaged.
REVO uses the simplified Premium Allocation Approach as a measurement model, after verifying compliance with the conditions that have to be met in order to apply it, with a year-to-date approach regarding the accounting estimates used, or with a measurement and change of the estimates on a year-to-year basis.
The effects for the Company of the adoption of the new standard in the various areas are presented below:

*Definition and classification of contracts*

The standard defines as an insurance contract a contract under which one party (the issuer) accepts significant insurance risk from another party (the policyholder) by agreeing to indemnify the policyholder if the latter suffers damage as a result of a specified uncertain future event (the insured event).
Reinsurance contracts do not exempt the Company from its liability associated with the underlying insurance contracts, but are designed to indemnify the Company against claims arising from one or more insurance contracts written by the latter (underlying contracts). Assets deriving from reinsurance contracts held are presented separately in the consolidated statement of financial position to indicate the extent of the credit risk and the Company's obligations to its policyholders.
Insurance contracts and reinsurance contract assets held must be aggregated into insurance contract portfolios according to the underlying risk and the management of such risks, further subdivided into groups according to expected profitability and the year in which the contract was signed, and they are then broken down into annual cohorts.
The Group has divided the business into 20 different groups of contracts, with an approach that reflects the lines currently marketed and is consistent with the segmentation already used for other business valuations. These groups are in turn divided into 11 portfolios of contracts with similar risks, which are managed jointly.
The table below sets out the classification of business within the above contract groups and portfolios:

| IFRS 17 portfolio | Contract group - REVO LoB |
|---|---|
| Property | Engineering |
| | Property |
| | FI |
| Indirect Property | Property Cat |
| Parametric | Parametric Cat |
| | Parametric Agro |
| | Parametric Financial Loss |
| Accident & Health | PA |
| Other Motor | Land Vehicles |
| MAT Specialty Lines | Aviation |
| | FA&S |
| | Marine |
| General Liability | Liability |
| | PI |
| | D&O |
| | Cyber |
| Credit | Credit |
| Agro | Agro |
| Suretyship | Bond |
| Legal | Legal |

With regard to subdivision on the basis of expected profits, a specific onerous contract test was defined and carried out for each contract group with the same characteristics. The test, carried out at initial recognition of contract groups, enables a Combined Ratio (CoR) to be obtained that also takes into account the risk adjustment component, and is then compared with the value of the thresholds selected by the Company, which are shown below:

- onerous, if CoR > 100%
- potentially onerous if 95% < CoR ≤ 100%
- profitable, if CoR ≤ 95%

At 30 June 2023, the assessments showed that the Parametric Agro group of contracts was onerous, with a loss component of €1,000.
At 30 June 2022, three groups of contracts were found to be onerous. In particular, these relate to the Marine, Agro and Parametric Agro groups, for which a loss component of €207,000 and a relative loss recovery (on cession to reinsurance) of €50,000 were determined.

*Measurement*

The Group measures its insurance contracts and the assets of the reinsurance contracts held primarily using the Premium Allocation Approach (PAA).
The option of applying the PAA derives from a quantitative analysis (eligibility test), which concluded that the results of applying the PAA do not present significant deviations from the application of the General Model.
The elements necessary for measurement are:

- ✓ Contract boundaries - these determine the cash flows included in the valuation of a group of held and active insurance and reinsurance contracts. For insurance contracts, cash flows fall within the limits provided for in the contract and originating from the substantial rights and obligations existing during the reporting period in which the Company may obligate the policyholder to pay premiums or has a substantial obligation to provide services, including insurance cover. For the reinsurance contract assets held, the flows are within the scope of the contract and derive from substantial rights and obligations that exist during the reporting period in which the Company is obligated to pay amounts to the reinsurer or has a substantial right to receive services from the reinsurer.
- ✓ Present Value of Future Cash Flows (PVFCF) - these are the current estimates of the cash flows expected within the contract boundaries and include premiums, claims, acquisition costs and other expenses that the Company expects to incur, adjusted as necessary to reflect the timing and uncertainty of these amounts with an explicit adjustment for non-financial risk.

  There are two types of costs directly attributable and included in the contract boundaries:

  - acquisition costs or costs to acquire insurance contracts, consisting of brokerage fees, underwriting fees and the relevant general expenses amortised in the income statement as the premiums mature;
  - other costs incurred in the fulfilment of insurance contracts that include all remaining costs not classified as acquisition expenses, such as, for example, general expenses related to claims settlement.

  The PVFCF value takes into account the effects of the acquisition of Elba Assicurazioni S.p.A. completed in November 2021.

The Group uses the PAA to measure insurance and reinsurance contracts held that are found to be eligible for a simplified methodology. The simplified methodology is permitted when the coverage period of each contract is one year or less or when the Company reasonably expects that the valuation of the liability for remaining coverage (LRC) will not differ materially from that deriving from the application of the General Model (based on a materiality threshold identified by the Company).

In the PAA model for insurance contracts, at the time of initial recognition of each group, the book value of the LRC is calculated on the basis of premiums written less any acquisition costs attributed to the group. The LRC is recognised in the income statement on the basis of the contractual coverage period, in particular for the Group using the *pro-rata temporis* method.
Unless there are onerous contracts, the adjustment for non-financial risks is estimated only to determine liabilities for incurred claims (LIC).
If there are indications that a group of insurance contracts is onerous, the Company recognises a loss in costs for insurance services in the consolidated income statement and consequently increases the value of the LRC. This excess amount is recognised as a loss component within the LRC, which is recognised in liabilities deriving from insurance contracts in the consolidated statement of financial position.
In conclusion, the book value of a group of insurance contracts at each reporting date is obtained from the sum of the LRC and the LIC. Upon subsequent valuation, the book value of the LRC is increased by any new premiums written and the amortisation of acquisition costs, less the amount recognised as insurance revenues for services provided and any additional insurance acquisition costs allocated after initial recognition.
The LIC includes cash flows relating to claims and expenses that have not yet been paid, including claims incurred but not reported. Its value reflects both an adjustment for non-financial risk and an adjustment for the time value of money, to take account of the time between the reporting and the settlement of the claim.
In each reporting period, the Company measures any loss component using the same calculation as that used at initial recognition and reflects any changes by adjusting the loss component as required until it is reduced to zero. If a loss component did not exist at the time of initial recognition but there are indications that a group of contracts has become

onerous during a subsequent valuation, then the loss component is determined using the same methodology as that used at initial recognition.
For reinsurance contracts, the book value at initial recognition of the ARC (assets for remaining coverage) is measured as the premiums ceded adjusted for cession fees
When a group of onerous underlying contracts exists, a loss recovery component is created to adjust the value of the ARC.
In valuations following initial recognition, the book value deriving from reinsurance contracts held is the sum of the ARC and the AIC (assets for incurred claims). In particular, the book value of the ARC is increased by any new premiums ceded and reduced by the amount recognised as reinsurance cost for the services received.
For contracts valued according to the PAA, the AIC reflects an adjustment for non-financial risk and the time value of money.
If a loss recovery component exists, at the time of subsequent assessments, it is adjusted to reflect the changes in the loss component of the group of underlying onerous contracts and cannot exceed the portion of the loss component that the Company expects to recover from the reinsurance contracts held.

*Use of estimates*
The valuation of the LIC includes estimates of future cash flows, appropriately adjusted to take into account the time value of money and the non-financial risk (uncertainty of flows in terms of amount and timing). These estimates reflect a range of possible scenarios and results, in which the cash flows for each scenario are discounted and weighted according to the estimated probability of occurrence in order to determine the expected present value.
The estimates reflect the Group's view of current expectations at the valuation date, which include both internal and external historical data updated to reflect current expectations that could affect the amount of cash flows.
The calculation of cash flows may include some measurements and professional judgements in circumstances where the existing inputs, assumptions or techniques do not capture all the relevant risks.
Some consideration is also given regarding the allocation of expenses. In particular, acquisition costs are allocated to contracts on the basis of total premiums, while claims management costs are allocated on the basis of the amount paid. General expenses are allocated based on the nature and cost centre of the expense and on the basis of earned premiums. These costs are recognised in the consolidated income statement when they are incurred.
The Group uses a bottom-up approach in defining the discount rate, which involves the use of a risk-free curve (publicly provided by EIOPA), seeking to maintain consistency with the valuations performed for Solvency purposes as far as possible.
The risk adjustment represents the compensation that the Company requires in order to withstand the uncertainty (in terms of amount and timing) of financial cash flows due to non-financial risk. The Group calculates this figure using the Percentile Approach, which is an appropriate approximation for estimating the risk adjustment. The amount is therefore calculated using the Value at Risk method with a 75%[13] confidence level.

*Impacts at Transition date (1 January 2022)*

The Transition date (1 January 2022) is the date of commencement of the annual period immediately preceding the effective date of the standard. The purpose of the Transition period is to carry out valuations, under IFRS 17, of the periods prior to the entry into force of the standard, to allow for a comparison of the results.
At the Transition date, due to the lack of information that cannot be reconstructed without "hindsight" (not permitted by the standard) or with costs that are higher than the benefits that the reader of the financial statements would obtain, the Group did not use the Full Retrospective Approach to identify, recognise and measure each group of insurance contracts in place.
Among the alternative approaches envisaged, the Group measured insurance assets and liabilities at fair value, partly due to the business combination completed in November 2021.
The Group measured the entire business at the PAA after carrying out the eligibility test as required by the standard.

[13] The risk adjustment uses the one-year view method. Therefore, the sigma value presented by the standard formula is not affected by the duration adjustment. Its adjusted value is therefore less than 75%.

The following is a condensed consolidated statement of financial position for the year beginning on 1 January 2022 (start date of the Transition period) and ending on 31 December 2022:

| | STATEMENT OF FINANCIAL POSITION - ASSETS | 31.12.2022 | 01.01.2022 |
|---|---|---|---|
| 1. | INTANGIBLE ASSETS | 83,070,870 | 76,380,100 |
| | o/w: goodwill | 74,322,710 | 74,322,710 |
| 2. | TANGIBLE ASSETS | 14,448,189 | 1,630,366 |
| 3. | INSURANCE ASSETS | 45,805,155 | 39,037,849 |
| 3.1 | Insurance contracts written classified as assets | - | - |
| 3.2 | Cessions to reinsurance classified as assets | 45,805,155 | 39,037,849 |
| 4. | INVESTMENTS | 188,530,888 | 186,794,480 |
| 4.1 | Investment property | - | - |
| 4.2 | Investments in associates and joint ventures | - | 1,000 |
| 4.3 | Financial assets measured at amortised cost | 4,016,029 | 8,000,001 |
| 4.4 | Financial assets measured at fair value through OCI | 181,895,098 | 141,125,844 |
| 4.5 | Financial assets measured at fair value through profit or loss | 2,619,761 | 37,667,635 |
| | a) financial assets held for trading | 2,619,761 | 37,667,635 |
| | b) financial assets designated at fair value | - | - |
| | c) Other financial assets compulsorily measured at fair value | - | - |
| 5. | OTHER FINANCIAL ASSETS | 3,835,409 | 4,876,440 |
| 6. | OTHER ASSETS | 19,049,100 | 11,475,150 |
| 6.1 | Non-current assets or disposal groups held for sale | - | |
| 6.2 | Tax assets | 5,401,703 | |
| | a) current | 5,394,382 | |
| | b) deferred | 7,321 | |
| 6.3 | Other assets | 13,647,397 | 11,475,150 |
| 7 | CASH AND CASH EQUIVALENTS | 4,651,744 | 12,395,846 |
| | TOTAL ASSETS | 359,391,355 | 332,590,231 |

| | STATEMENT OF FINANCIAL POSITION – SHAREHOLDERS' EQUITY AND LIABILITIES | 31.12.2022 | 01.01.2022 |
|---|---|---|---|
| 1. | SHAREHOLDERS' EQUITY | 216,494,763 | 217,464,456 |
| 1.1 | Capital | 6,680,000 | 6,680,000 |
| 1.2 | Other equity instruments | - | - |
| 1.3 | Capital reserves | 170,000 | 170,000 |
| 1.4 | Earnings reserves and other equity reserves | 214,853,527 | 214,856,289 |
| 1.5 | Own shares (-) | - 1,247,111 | |
| 1.6 | Valuation reserves | - 10,154,377 | - 4,241,833 |
| 1.7 | Assets attributable to non-controlling interests (+/-) | - | - |
| 1.8 | Profit (loss) for the year attributable to the parent (+/-) | 6,192,724 | - |
| 1.9 | Profit (loss) for the year attributable to non-controlling interests (+/-) | - | - |
| 2. | PROVISIONS FOR RISKS AND CHARGES | 3,243,222 | 4,700,710 |
| 3. | INSURANCE LIABILITIES | 101,365,413 | 80,375,207 |
| 3.1 | Insurance contracts written classified as liabilities | 101,365,413 | 80,375,207 |
| 3.2 | Cessions to reinsurance classified as liabilities | - | |
| 4. | FINANCIAL LIABILITIES | 14,448,110 | 1,316,473 |
| 4.1 | Financial liabilities measured at fair value through profit or loss | - | |
| | a) financial liabilities held for trading | - | |
| | b) financial liabilities designated at fair value | - | |
| 4.2 | Financial liabilities measured at amortised cost | 14,448,110 | 1,316,473 |
| 5. | PAYABLES | 18,166,641 | 21,525,235 |
| 6. | OTHER LIABILITIES | 5,673,205 | 7,208,150 |
| 6.1 | Liabilities of disposal groups held for sale | - | - |
| 6.2 | Tax liabilities | 274,973 | 4,367,414 |
| | a) current | - | 887,985 |
| | b) deferred | 274,973 | 3,479,429 |
| 6.3 | Other liabilities | 5,398,232 | 2,840,736 |
| | TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 359,391,355 | 332,590,231 |

*Impact on shareholders' equity of adoption of IFRS 17*

The following table shows the impact on shareholders' equity of the application of IFRS 17 with reference to the first time adoption date (1 January 2022).
The following table summarises the write-downs in the reclassified consolidated financial statements, recognised in shareholders' equity on the dates indicated above:

| **Shareholders' equity** | **01.01.2022** |
|---|---|
| Shareholders' equity IFRS 4 | 218,477 |
| IFRS 17 effects: | |
| - PVFCF valuation | -141 |
| - inclusion of non-financial risk | -1,254 |
| - discounting of reserves and credit risk | -70 |
| - loss component net of loss recovery | - |
| - deferred taxes | 452 |
| **Shareholders' equity** | **217,464** |

The effects of applying IFRS 17 were:

- a decrease of €1,013,000 in shareholders' equity, as shown in the table above, recognised in the equity valuation reserve, mainly due to the determination of the PVFCF of the LIC (liability incurred claims) reserve and the inclusion of non-financial risk
- the risk adjustment is the remuneration that the Company requires to bear the uncertainty of both the amount and the timing of cash flows deriving from non-financial risks associated with the insurance contracts and reinsurance contracts held. The resulting amount of the adjustment for the calculated risk corresponds to a consolidated confidence level of 75% with an overall impact on the total LIC reserves net of AIC of approximately 8% at 1 January 2022.

*Additional accounting information pursuant to IFRS 17*

Since the adoption of IFRS 17 on 1 January 2023, the Company has revised some of its internal controls on financial reporting. These changes were determined by the implementation of new information systems, new actuarial processes and the reconciliation between IFRS 4 and IFRS 17 financial data.
The Group's insurance contracts are measured using the PAA method, which minimises the impacts during the transition from IFRS 4 to IFRS 17.
Additional schedules to the financial statements as at 1 January 2022 and 31 December 2022 are provided below, distinguishing between adjustments for changes in valuation deriving from the adoption of the new standard and reclassifications.

Restatement of assets at 1 January 2022:

| ASSETS | IFRS 9 and 4 | Reclassifications | Adjustments | IFRS 9 and 17 |
|---|---|---|---|---|
| INTANGIBLE ASSETS | | 76,380 | - | 76,380 |
| INTANGIBLE ASSETS | 90,620 | -90,620 | | |
| Goodwill | 74,323 | -74,323 | - | - |
| Other intangible assets | 16,298 | -16,298 | | |
| TANGIBLE ASSETS | | 1,630 | - | 1,630 |
| TANGIBLE ASSETS | 344 | -344 | | |
| Property | - | - | | |
| Other tangible assets | 344 | -344 | | |
| REINSURERS' SHARE OF TECHNICAL PROVISIONS | 39,895 | -39,895 | | |
| INSURANCE ASSETS | | 37,938 | 1,100 | 39,038 |
| Insurance contracts written classified as assets | | - | - | - |

| | | | | |
|---|---|---|---|---|
| Cessions to reinsurance classified as assets | | 37,938 | 1,100 | 39,038 |
| INVESTMENTS | 186,794 | - | - | 186,794 |
| Investment property | - | - | - | - |
| Investments in subsidiaries, associates and joint ventures | 1 | - | - | 1 |
| Financial assets measured at amortised cost | 8,000 | - | - | 8,000 |
| Financial assets measured at FVOCI | 141,126 | - | - | 141,126 |
| Financial assets measured at FVPL | 37,668 | - | - | 37,668 |
| Financial assets held for trading | - | - | - | - |
| Financial assets designated at fair value | - | - | - | - |
| Other financial assets compulsorily measured at FV | 37,668 | - | - | 37,668 |
| OTHER FINANCIAL ASSETS | | 4,876 | - | 4,876 |
| MISCELLANEOUS RECEIVABLES | 21,982 | -21,982 | | |
| Receivables deriving from direct insurance operations | 12,827 | -12,827 | | |
| Receivables deriving from reinsurance operations | 87 | -87 | | |
| Other receivables | 9,068 | -9,068 | | |
| OTHER ASSETS | 2,428 | 8,256 | 791 | 11,475 |
| Non-current assets or disposal groups held for sale | - | - | - | - |
| Deferred acquisition costs | - | - | | |
| Deferred tax assets | - | - 791 | 791 | - |
| Current tax assets | - | - | - | - |
| Other assets | 2,428 | -2,428 | - | 11,475 |
| CASH AND CASH EQUIVALENTS | 12,396 | - | - | 12,396 |
| TOTAL ASSETS | 354,460 | -23,761 | 1,891 | 332,590 |

| LIABILITIES | IFRS 9 and 4 | Reclassifications | Adjustments | IFRS 9 and 17 |
|---|---|---|---|---|
| SHAREHOLDERS' EQUITY | 218,478 | - | - 1,014 | 217,464 |
| Capital | 23,055 | -16,375 | - | 6,680 |
| Other equity instruments | - | - | - | - |
| Capital reserves | 207,045 | -206,875 | - | 170 |
| Earnings reserves and other equity reserves | 6,462 | 209,408 | -1,014 | 214,856 |
| (Own shares) | - | - | - | - |
| Reserve for net foreign exchange differences | - | - | | |
| Gains/losses on financial assets measured at FVOCI | - 67 | 67 | | |
| Valuation reserves | | -4,242 | - | -4,242 |
| Other gains or losses recognised directly in equity | -4,175 | 4,175 | | |
| Profit (loss) for the year | -13,842 | 13,842 | - | - |
| PROVISIONS | 4,701 | - 4,701 | | |
| PROVISIONS FOR RISKS AND CHARGES | - | 4,701 | - | 4,701 |
| TECHNICAL PROVISIONS | 97,004 | - 97,004 | | |
| INSURANCE LIABILITIES | | 77,810 | 2,565 | 80,375 |
| Insurance contracts written classified as liabilities | | 77,810 | 2,565 | 80,375 |
| Cessions to reinsurance classified as liabilities | | - | - | - |
| FINANCIAL LIABILITIES | 2,568 | -1,252 | - | 1,316 |
| Financial liabilities measured at fair value through profit or loss | - | - | - | - |
| Financial liabilities held for trading | - | - | - | - |
| Financial liabilities designated at fair value | - | - | - | - |
| Financial liabilities measured at amortised cost | 2,568 | -1,252 | - | 1,316 |
| PAYABLES | | 21,525 | - | 21,525 |
| PAYABLES | 25,152 | -25,152 | - | - |
| Payables deriving from direct insurance operations | - | - | | |
| Payables deriving from reinsurance operations | 791 | -791 | | |
| Other payables | 24,362 | -24,362 | | |
| OTHER LIABILITIES | 6,557 | 312 | 339 | 7,208 |
| Liabilities of disposal groups held for sale | - | - | - | - |
| Deferred tax liabilities | 3,931 | -791 | 339 | 3,479 |
| Current tax liabilities | 888 | - | - | 888 |
| Other liabilities | 1,738 | 1,103 | - | 2,841 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 354,460 | -23,761 | 1,891 | 332,590 |

Restatement of assets at 31 December 2022:

| ASSETS | IFRS 9 and 4 | Reclassifications | Adjustments | IFRS 9 and 17 |
|---|---|---|---|---|
| INTANGIBLE ASSETS | | 83,071 | - | 83,071 |
| INTANGIBLE ASSETS | 92,128 | -92,128 | | |
| Goodwill | 74,323 | -74,323 | | |
| Other intangible assets | 17,805 | -17,805 | | |
| TANGIBLE ASSETS | | 14,448 | - | 14,448 |
| TANGIBLE ASSETS | 14,448 | -14,448 | | |
| Property | 13,973 | -13,973 | | |
| Other tangible assets | 475 | -475 | | |
| REINSURERS' SHARE OF TECHNICAL PROVISIONS | 55,737 | -55,737 | | |
| INSURANCE ASSETS | | 46,045 | -240 | 45,805 |
| INVESTMENTS | 188,531 | - | - | 188,531 |
| OTHER FINANCIAL ASSETS | | 3,835 | - | 3,835 |
| MISCELLANEOUS RECEIVABLES | 52,856 | -52,856 | | |
| Receivables deriving from direct insurance operations | 40,303 | -40,303 | | |
| Receivables deriving from reinsurance operations | 969 | -969 | | |
| Other receivables | 11,584 | -11,583 | | |
| OTHER ASSETS | 7,528 | 11,519 | - | 19,049 |
| Non-current assets or disposal groups held for sale | - | - | - | - |
| Deferred acquisition costs | - | - | | |
| Deferred tax assets | - | 7 | - | 7 |
| Current tax assets | 5,394 | - | - | 5,394 |
| Other assets | 2,134 | 11,511 | - | 13,647 |
| CASH AND CASH EQUIVALENTS | 4,654 | 0 | - | 4,652 |
| **TOTAL ASSETS** | **415,882** | **-56,250** | **-240** | **359,391** |

| LIABILITIES | IFRS 9 and 4 | Reclassifications | Adjustments | IFRS 9 and 17 |
|---|---|---|---|---|
| SHAREHOLDERS' EQUITY | 216,632 | - | -137 | 216,495 |
| Capital | 6,680 | - | - | 6,680 |
| Capital reserves | 170 | - | - | 170 |
| Earnings reserves and other equity reserves | 215,870 | -3 | -1,014 | 214,854 |
| (Own shares) | -1,247 | - | - | -1,247 |
| Gains/losses on financial assets measured at FVOCI | -6,687 | 6,687 | | |
| Valuation reserves | | -10,154 | - | -10,154 |
| Other gains or losses recognised directly in equity | -3,470 | 3,470 | | |
| Profit (loss) for the year | 5,316 | | 877 | 6,193 |
| PROVISIONS | 3,176 | -3,176 | | |
| PROVISIONS FOR RISKS AND CHARGES | 0 | 3,243 | 0 | 3,243 |
| TECHNICAL PROVISIONS | 140,074 | -140,074 | | |
| INSURANCE LIABILITIES | | 101,405 | -40 | 101,365 |
| FINANCIAL LIABILITIES | 16,048 | -1,600 | 0 | 14,448 |
| PAYABLES | | 18,167 | - | 18,167 |
| PAYABLES | 31,613 | -31,613 | - | - |
| Payables deriving from direct insurance operations | - | - | | |

| | | | | |
|---|---|---|---|---|
| Payables deriving from reinsurance operations | 9,061 | -9,061 | | |
| Other payables | 22,553 | -22,553 | | |
| **OTHER LIABILITIES** | **8,340** | **-2,606** | **-61** | **5,673** |
| Liabilities of disposal groups held for sale | - | - | - | - |
| Deferred tax liabilities | 336 | - | -61 | 275 |
| Current tax liabilities | - | - | - | |
| Other liabilities | 8,004 | -2,606 | - | 5,398 |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | **415,882** | **-56,250** | **639** | **359,391** |

The main effects are reported below, using the figures presented in the statement of financial position at 31 December 2022 shown above as a reference:

- The following are reported under "Adjustments":
  - ✓ in the "Insurance assets" item, the total change of €240,000 compared with IFRS 4 in valuations of reinsurance contracts relating to PVFCF and risk adjustment;
  - ✓ in the shareholders' equity item, the effects of the FTA reserve as at 1 January 2022, amounting to €1,014,000, and the effect on the income statement of the adjustments resulting from the adoption of the new standard, with a total effect, net of taxes, of €877,000:
  - ✓ in the "Insurance liabilities" item, the total change of €40,000 compared with IFRS 4 in valuations of insurance contracts relating to PVFCF and risk adjustment;
  - ✓ in the "Deferred tax liabilities" item, the total effect of €61,000 for the differences generated during the transition to the new IFRS 17 accounting standard;
- The "Reclassifications" column shows the changes deriving from the new items in IVASS Regulation No. 7 of 2007, as amended by Order No. 121 of 7 June 2022 and the amendments required by the new IFRS 17 accounting standard.

## Amendments to IAS 1 - Presentation of Financial Statements Classification of liabilities as current or non-current

In January 2020, the IASB issued amendments to IAS 1 to clarify how to classify payables and other liabilities as current or non-current and, in particular, how to classify liabilities with uncertain settlement dates and liabilities that can be settled through conversion to equity. These amendments are effective as of 1 January 2023. The Group has not recorded any material impacts due to the adoption of these amendments.

## IFRS Practice Statement 2: Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1, requiring entities to provide their material accounting policy information, rather than significant accounting policies, and providing guidance on how to apply the concept of materiality to the disclosure of accounting policies. These amendments in effect from 1 January 2023 did not have material impacts on the Group.

## Amendments to IAS 8 - Changes in estimates and errors

In February 2021, the IASB issued amendments to IAS 8, clarifying that entities are to distinguish changes in accounting policies from changes in accounting estimates. These amendments are effective as of 01 January 2023. The Group has not recorded any material impacts due to the adoption of these amendments.

### Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In May 2021, the IASB issued amendments to IAS 12 to clarify how entities should account for deferred tax liabilities on transactions such as leases and decommissioning obligations, transactions for which entities recognise both an asset and a liability. In particular, it was clarified that the exemption does not apply and that entities are required to recognise deferred taxation on such transactions. These amendments effective as of 1 January 2023 have not resulted in any material impacts for the Group.

## New accounting standards that have not yet entered into force

The following new standards, amendments and interpretations have been issued by the International Accounting Standards Board (IASB) and adopted by the European Union, and will become mandatory from 2024 or in subsequent years:

### Amendments to IFRS 16 – Leases – Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 with the aim of clarifying how the vendor and lessee may measure the sale and leaseback transaction in order to comply with the requirements of IFRS 15 to account for the sale. The amendment will enter into force on 1 January 2024. The Group does not expect the adoption of these amendments to have any material impacts.

### Amendments to IAS 1 – Presentation of Financial Statements – Non-current Liabilities with Covenants

The above amendment issued by the IASB on 31 October 2022 aims to clarify the conditions under which an entity may record a short-term or long-term liability. The amendment will enter into force on 1 January 2024. The Group does not expect the adoption of these amendments to have any material impacts.

### New sustainability standard

With regard to sustainability reporting, on 26 June 2023 the International Sustainability Standards Board (ISSB) published the first two standards:

- IFRS S1 – General Sustainability-related Disclosures Standards, which provides a series of disclosure requirements that aim to enable companies to disclose to investors the sustainability risks and opportunities they face in the short, medium and long term;
- IFRS S2 – Climate-related Disclosures Standards, which identifies specific climate-related corporate information designed to be used with IFRS S1.

The two standards will come into effect on 1 January 2024: the information will therefore be available from 2025.
The Company and the Group will be required to apply these standards jointly and are exploring the issues related to the application of these new rules.

# Information on the statement of financial position

## Assets

### Intangible assets

| Intangible assets | 30.06.2023 | 31.12.2022 | Change |
|---|---|---|---|
| Goodwill | 74,323 | 74,323 | - |
| Other intangible assets | 9,646 | 8,748 | 898 |
| **Total** | **83,969** | **83,071** | **898** |

Intangible assets include start-up costs and other multi-year directly attributable costs and are recognised in the financial statements at purchase cost. They are amortised over five years on a straight-line basis according to their expected useful life, deemed appropriate to represent the residual useful life of the assets.
No impairment losses have been recognised.

### Goodwill

Goodwill, recognised following the acquisition by REVO SPAC of Elba Assicurazioni S.p.A. in November 2021, amounting to €74,323,000, is unchanged compared with the end of the previous year.
During the half-year, no potential indicators of impairment were observed and, in particular, no indicators of a failure to achieve the objectives set out in the Plan or material changes with negative effects for the Group from a technological, market, economic and regulatory viewpoint.

### Other intangible assets

Other intangible assets totalled €9,646,000 (€8,748,000 at 31 December 2022).
The item includes multi-year costs of €9,576,000 incurred for the preparation and implementation of software relating to corporate information systems (€7,655,000 at 31 December 2022), advances on intangible fixed assets of €46,000 (€42,000 at 31 December 2022), trademarks, patents and similar rights of €11,000 and start-up and expansion costs of €10,000;
The increase in the item relating to information systems was specifically due to the implementation of the strategic development plan, which provides for substantial IT investments to support and sustain the Company during the business development phase (in particular the change in the accounting management system and the development of the OverX platform, designed, *inter alia*, to simplify and facilitate underwriting processes).

| Intangible assets | Gross carrying amount at 31.12.2022 | Accumulated depreciation at 31.12.2022 | Change | Depreciation | Accumulated amortisation at 30.06.2023 | Net carrying amount at 30.06.2023 |
|---|---|---|---|---|---|---|
| Other | 15,026 | -6,267 | 2,124 | -1,237 | -7,504 | 9,646 |
| **Total** | **15,026** | **-6,267** | **2,124** | **-1,237** | **-7,504** | **9,646** |

### Tangible assets

| Tangible assets | 30.06.2023 | 31.12.2022 | Change |
|---|---|---|---|
| Property | 14,346 | 13,973 | 373 |
| Other tangible assets | 424 | 475 | -51 |
| **Total** | **14,770** | **14,448** | **-322** |

At 30 June 2023, tangible assets, net of related accumulated depreciation, amounted to €14,770,000.
The item includes:

- Property of €14,346,000 relating to rights of use of the properties of the registered office of REVO Insurance at Via dell'Agricoltura 7, Verona, the new operational headquarters at Via Monte Rosa 91, Milan and the new offices at Via Cesarea 12, Genoa. Following the decision to transfer its operational headquarters to Via Monte Rosa 91, Milan on 3 April 2023, the rights to use the old registered office at Via Mecenate 90, Milan were fully amortised on the closing date of the lease agreement, i.e. at the end of April 2023.

- Other tangible assets, mainly held by the Parent Company and relating to office furniture and machinery (€416,000) and plant and equipment (€8,000), net of the relevant accumulated depreciation.

Tangible assets are recognised at purchase cost and depreciated according to the rates below, which are considered appropriate to reflect the remaining useful life of the assets, in line with the Ministerial Decree of 1988.
For purchases that took place during the year the depreciation rates are 50% lower than the rates indicated below, which apply from the year after the first year:

| | Rate |
|---|---|
| Furniture and fixtures | 12% |
| Plant | 15% |
| Other equipment | 20% |
| Electronic machinery | 20% |
| Movable property entered in public registers | 25% |

The following table shows a breakdown of changes in tangible assets during the year:

| **Tangible assets** | **Gross carrying amount at 31.12.2022** | **Accumulated depreciation at 31.12.2022** | **Increases** | **Other changes** | **Depreciation** | **Accumulated depreciation at 30.06.2023** | **Net carrying amount at 30.06.2023** |
|---|---|---|---|---|---|---|---|
| Property | 14,756 | -783 | 1,318 | - | -945 | -1,728 | 14,346 |
| Other tangible assets | 1,545 | -1,070 | 13 | - | -64 | -1,134 | 424 |
| **Total** | **16,301** | **-1,853** | **1,331** | **-** | **-1,009** | **-2,862** | **14,770** |

## Insurance assets

| **Insurance assets** | **30.06.2023** | **31.12.2022** | **Change** |
|---|---|---|---|
| Insurance contracts written classified as assets | - | - | - |
| Cessions to reinsurance classified as assets | 44,029 | 45,805 | -1,776 |
| **Total** | **44,029** | **45,805** | **-1,776** |

Cessions to reinsurance classified as assets, measured according to the simplified PAA method, are detailed below:

| | **30.06.2023** | **31.12.2022** |
|---|---|---|
| *Assets for remaining coverage* | 45,735 | 43,110 |
| *Assets for incurred claims* | 25,729 | 15,043 |
| Reinsurance payables | -27,435 | -12,348 |
| **Total** | **44,029** | **45,805** |

The change in the "Assets for remaining coverage" item is in line with the evolution of the portfolio and with the reinsurance plan implemented by the Company.
The "Assets for incurred claims" item includes the risk adjustment amount of €1,596,000 for non-insurance risks and the counterparty credit risk totalling €9,000.

## Investments

| Investments | 30.06.2023 | 31.12.2022 | Change |
|---|---|---|---|
| Investment property | - | - | - |
| Investments in subsidiaries, associates and joint ventures | - | - | - |
| Financial assets measured at amortised cost | 4,008 | 4,016 | -8 |
| Financial assets measured at fair value through OCI | 202,510 | 181,895 | 20,615 |
| Financial assets measured at fair value through profit or loss | 2,717 | 2,620 | 97 |
| **Total** | **209,235** | **188,531** | **20,704** |

The following tables set out the Group's exposures to debt securities only at 30 June 2023, with a breakdown by geographical area and maturity band. In particular, government bonds are broken down into maturities ranging from 0 to 2 years and 2 to 5 years, while corporate bonds fall mainly within the 2- to 5-year range.
In terms of geographical exposure, government debt securities are mainly Italian government bonds, followed by issues by France, Germany and supranational entities. The bond issuers in the portfolio are well-diversified geographically between the United States, the United Kingdom, Germany, Belgium and elsewhere.

| Description | 0-2 | 2-5 | > 5 | Total |
|---|---|---|---|---|
| Non-Italian corporate bonds | 7,780 | 17,241 | 0 | 25,021 |
| Italian corporate bonds | 0 | 3,771 | 2,195 | 5,966 |
| Non-Italian government bonds | 44,577 | 37,965 | 2,405 | 84,947 |
| Italian government bonds | 35,977 | 48,751 | 1,293 | 86,020 |
| **Total** | **88,334** | **107,728** | **5,892** | **201,953** |

| Years to maturity | 0-2 | 2-5 | >5 | Total |
|---|---|---|---|---|
| Non-Italian government bonds | 44,577 | 37,965 | 2,405 | 84,947 |
| BE | 7,716 | - | - | 7,716 |
| CL | - | - | 419 | 419 |
| DE | 13,303 | 2,728 | 1,986 | 18,017 |
| ES | - | 11,229 | - | 11,229 |
| FR | 19,865 | 5,723 | - | 25,588 |
| NL | 2,012 | 4,183 | - | 6,195 |
| SNAT | 1,682 | 14,102 | - | 15,783 |
| Italian government bonds | 35,977 | 48,751 | 1,293 | 86,020 |
| IT | 35,977 | 48,751 | 1,293 | 86,020 |
| Non-Italian corporate bonds | 7,780 | 17,241 | - | 25,021 |
| AT | 965 | - | - | 965 |
| BE | - | 1,106 | - | 1,106 |
| CZ | - | 447 | - | 447 |
| DE | - | 3,732 | - | 3,732 |
| ES | - | 3,224 | - | 3,224 |
| FR | - | 3,030 | - | 3,030 |
| UK | 505 | 3,423 | - | 3,928 |
| NL | - | 1,796 | - | 1,796 |
| US | 6,310 | 483 | - | 6,792 |
| Italian corporate bonds | - | 3,771 | 2,195 | 5,966 |
| IT | - | 3,771 | 2,195 | 5,966 |
| **Total** | **88,334** | **107,728** | **5,892** | **201,953** |

The tables relating to exposure by rating subdivided into government securities and corporate bonds are set out below.

| Government securities | Amount |
|---|---|
| AAA | 37,184 |
| AA | 36,115 |
| A | 9,176 |
| BBB | 88,492 |
| **Total** | **170,967** |

| Corporate securities | Amount |
|---|---|
| AA | 1,911 |
| A | 12,820 |
| BBB | 15,747 |
| BB | 508 |
| **Total** | **30,986** |

## *Financial assets measured at amortised cost*

This category includes financial assets held to collect contractual cash flows, the terms of which give rise to cash flows on specified dates that are solely payments of capital and interest on the principal amount outstanding.
The amount of €4,008,000 refers to deposits in escrow accounts designed to secure the obligations assumed by the sellers of Elba Assicurazioni S.p.A. shares to pay any compensation:

- related to tax, provided for in the equity investment sale agreement signed on 19 July 2021. The release of the deposited amount is scheduled for after the end of the year following the reporting year, as provided in the escrow agreement of 30 November 2021;
- not related to tax, provided for in the equity investment sale agreement signed on 19 July 2021. The release of the deposited amount is scheduled to take place by the end of the year following the reporting year, as provided in the escrow agreement of 30 November 2021.

## *Financial assets measured at fair value through OCI*

Financial assets measured at fair value through other comprehensive income totalled €202,510,000 (€181,895,000 at 31 December 2022), increasing by €20,615,000, essentially reflecting a different asset allocation compared with the end of the previous year.
This item mainly includes Italian and foreign government bonds, Italian and foreign corporate bonds and other listed fixed-income securities that have passed the SPPI test, amounting to €201,953,000. The bonds in the portfolio are all investment grade securities and therefore all allocated to Stage 1 for the purposes of determining the ECL (expected credit loss); the statement of financial position ECL component relating to these instruments amounts to a total of €172,000.
The item also includes a 9.5%[14] equity investment in Mangrovia Blockchain Solutions S.r.l., acquired in the first half of 2022 and recognised in the half-year financial statements at €556,000. As it is strategic, the Group has decided to designate this investment at fair value through other comprehensive income. This equity investment is allocated to Stage 3. Qualitative and quantitative measurements have confirmed the valuation of the equity investment at the amount recognised in the 2022 annual financial statements.

## *Financial assets measured at fair value through profit or loss*

| Financial assets measured at fair value through profit or loss | 30.06.2023 | 31.12.2022 | Change |
|---|---|---|---|
| *- Listed shares* | - | - | - |
| *- Debt securities held for trading* | - | - | - |
| *- Investments* | - | - | - |
| Total financial assets held for trading | - | - | - |
| - Investment property | - | - | - |
| - Listed debt securities held - regulated markets | - | - | - |
| - Time deposits | - | - | - |
| - Unlisted equity securities measured at fair value | - | - | - |
| Total financial assets measured at fair value | - | - | - |
| - Units in UCIs | 2,717 | 2,620 | 97 |
| Total other financial assets compulsorily measured at fair value | 2,717 | 2,620 | 97 |

[14] The equity investment decreased from 10% on 31 December 2022 to 9.5% as a result of the increase in the company's share capital subscribed by the majority shareholder.

| | | | |
|---|---|---|---|
| **Total** | **2,717** | **2,620** | **97** |

At 30 June 2023, the amount of €2,717,000 (€2,620,000 at 31 December 2022) is exclusively attributable to financial assets compulsorily measured at fair value, which exclusively comprises mutual fund units held by the Group.
There are no financial assets designated at fair value or financial assets held for trading in the portfolio.
This item shows a slight increase of €97,000, due exclusively to the recovery in the value of the UCI in the portfolio recorded during the half-year.

No derivative transactions were carried out during the year.

Other financial assets

| Other financial assets | 30.06.2023 | 31.12.2022 | Change |
|---|---|---|---|
| Receivables from agents and brokers | 5,054 | 3,795 | 1,259 |
| Other receivables | 96 | 40 | 56 |
| **Total** | **5,150** | **3,835** | **1,315** |

At 30 June 2023, miscellaneous receivables amounted to €3,461,000 (€3,835,000 at 31 December 2022), representing a decrease of €374,000.
Receivables from intermediaries increased by €1,259,000 at 30 June 2023, essentially due to the increase in premiums and the normal collection dynamics of policies underwritten.
The nature of the receivables, their amount and the collection of a large portion limit the Group's related credit risk.

## Other assets

| Other assets | 30.06.2023 | 31.12.2022 | Change |
|---|---|---|---|
| Non-current assets or disposal groups held for sale | - | - | - |
| Deferred tax assets | - | 7 | -7 |
| Current tax assets | 2,995 | 5,395 | -2,400 |
| Other assets | 2,428 | 13,647 | -11,219 |
| **Total** | **5,423** | **19,049** | **-13,626** |

Other assets refer to:

- receivables from the tax authorities for payments on account of €2,995,000, determined on the basis of the Company's result for the period. At 31 December 2022, receivables for tax payments on account were €5,395,000; there were no current IRES (corporate income tax) or IRAP (regional production tax) payables;
- other assets recognised during the half-year refer in particular to €2,213,000 in prepaid expenses (at 31 December 2022, the item, amounting to €13,647,000, consisted of €2,117,000 in prepaid expenses on costs for the year, €11,375,000 for insurance premium tax prepayments and €155,000 for other assets).

## Cash and cash equivalents

| Cash and cash equivalents | 30.06.2023 | 31.12.2022 | Change |
|---|---|---|---|
| Cash and cash equivalents | 4,800 | 4,652 | 148 |
| **Total** | **4,800** | **4,652** | **148** |

Cash and cash equivalents showed a balance of €4,800,000 at 30 June 2023 (€4,652,000 at 31 December 2022). This item consists exclusively of bank current accounts and cash.

# Liabilities

## Shareholders' equity

| Shareholders' equity | 30.06.2023 | 31.12.2022 | Change |
|---|---|---|---|
| Capital | 6,680 | 6,680 | - |
| Other equity instruments | - | - | - |
| Capital reserves | 170 | 170 | - |
| Earnings reserves and other equity reserves | 221,046 | 214,854 | 6,192 |
| (Own shares) | -7,803 | -1,247 | -6,556 |
| Valuation reserves | -9,335 | -10,154 | 819 |
| Profit (loss) for the year attributable to the Group | 6,255 | 6,193 | 62 |
| *Total shareholders' equity attributable to the Group* | *217,013* | *216,495* | *518* |
| Capital and reserves - non-controlling interests | - | - | - |
| Gains or losses recognised directly in equity | - | - | - |
| Profit (loss) for the year attributable to non-controlling interests | - | - | - |
| *Total shareholders' equity attributable to non-controlling interests* | - | - | - |
| **Total** | **217,013** | **216,495** | **518** |

At 30 June 2023, the subscribed and paid-up share capital was €6,680,000, consisting of 24,619,985 ordinary shares and 710,000 special shares convertible into ordinary shares, subject to the conditions laid down in Article 5.8 of the Articles of Association.
At 30 June 2023, the Group held 850,700 own shares amounting to €7,803,000 (approximately 3.46% of the share capital, consisting solely of ordinary shares). The Group did not sell any own shares during the year.
The "Valuation reserves" item, amounting to -€9,336,000, includes the costs of €4,160,000 incurred by REVO for the listing, the adjustment pursuant to IAS 19 of the severance indemnity provision of -€28,000 and the adjustment of €705,000 arising from the application of IFRS 2 relating to the portion of the fair value of the three-year incentive plan described below, as well as the €538,000 change in financial assets measured at fair value through other comprehensive income and relating to the IFRS 9 adjustments.

In the first half of 2022, the Company announced a plan to allot bonus ordinary shares, named the "2022-2024 Performance Share Plan" (the "Plan"), reserved for the Chief Executive Officer and employees of the Company who perform significant roles or functions and for which an action is justified that will strengthen their loyalty with a view to creating value.
The Plan was approved by the Company's Shareholders' Meeting of 4 April 2022.
The allotment of shares is subject to verification by the Board of Directors, for the year ending 31 December 2024, of a consolidated Solvency II Ratio higher than 130%, while the number of shares to which each beneficiary is entitled will depend on the number of rights allotted to each beneficiary, the level of performance targets achieved by the Company as defined in the Plan rules and the weighting attributed to individual targets.
Beneficiaries will be required to hold 50% of the shares received in each tranche for at least one year from the allotment date.

The following table sets out the reconciliation of Group shareholders' equity:

| | Capital and reserves | Result for the period | Shareholders' equity |
|---|---|---|---|
| Balances of REVO Parent Company – Local GAAP | 211,143 | 1,486 | 212,629 |
| IAS/IFRS Parent Company adjustment | - | - | - |
| - 2022 IAS/IFRS adjustment | 6,735 | - | 6,735 |
| - FTA reserve at 1.1.2023 IFRS 17 | -1,013 | | -1,013 |
| - IFRS 17 adj. to the 2022-2023 result | 877 | -265 | 611 |
| - Own shares | -7,803 | - | -7,803 |
| - Valuation of securities portfolio under IFRS 9 | 538 | 398 | 936 |
| - Additional valuation reserves | - | 3,460 | 3,460 |
| - Amortisation of value of acquisition of Elba Ass. portfolio (formerly VoBA) | - | -1,291 | -1,291 |

| | | | |
|---|---|---|---|
| - Valuation of severance indemnity and agency severance indemnity provisions | -28 | -112 | -140 |
| - Property under IFRS 16 | - | -737 | -737 |
| - LTI | 705 | -705 | - |
| - Write-off of improvements to third-party assets | - | 255 | 255 |
| - Reclassification of Mangrovia write-down | - | | - |
| - Reversal of amortisation of calculated intangible value (CIV) of goodwill | - | 4,007 | 4,007 |
| - Tax effects related to the above consolidation adjustments | -396 | -309 | -705 |
| Balances of Parent Company – IAS/IFRS | 210,758 | 6,186 | 216,944 |
| Elimination of carrying amount of consolidated investments: | - | - | - |
| - Local GAAP results achieved by investee REVO Underwriting | - | 69 | 69 |
| Shareholders' equity and profit attributable to the Group | 210,758 | 6,255 | 217,013 |
| Shareholders' equity and profit attributable to non-controlling interests | - | - | - |
| **Shareholders' equity and consolidated profit** | **210,758** | **6,255** | **217,013** |

## Earnings per share

Basic earnings per share was calculated by dividing the net profit attributable to the Group by the weighted average number of ordinary shares outstanding during the period.

| ***(amounts in euro)*** | **30.06.2023** |
|---|---|
| Profit for the year | 6,255,555 |
| Weighted average no. of shares | 24,619,985 |
| **Average earnings per share** | **0.25** |

Diluted earnings per share reflects any dilutive effect of potential ordinary shares.

| ***(amounts in euro)*** | **30.06.2023** |
|---|---|
| Profit for the year | 6,255,555 |
| Weighted average no. of shares[15] | 29,305,985 |
| **Diluted earnings per share** | **0.21** |

## Dividends

No dividends were distributed during 2023.

## Provisions for risks and charges

| **Provisions for risks and charges** | **30.06.2023** | **31.12.2022** | **Change** |
|---|---|---|---|
| Provisions for risks and charges | 3,077 | 3,243 | -166 |
| **Total** | **3,077** | **3,243** | **-166** |

At 30 June 2023, the item includes provisions for future risks of €3,077,000 (€3,243,000 at 31 December 2022). In particular, these include €2,957,000 (€2,856,000 at 31 December 2022) for future risks deriving from potential terminations of agency relationships in place at 30 June 2023 (the end-of-service provision) and, in application of IAS 37, €120,000 for an insurance-related contingent liability related to the Suretyship class concerning a payment order, related to a counterfeit suretyship policy, for which, on a prudential basis, it was decided to set aside a portion of the amount in dispute.
In the first half of 2023, the provision of €200,000 recognised at 31 December 2022 was fully utilised due to the settlement of a non-insurance-related dispute.

[15] The weighted average number of outstanding shares is calculated by adding to the weighted average of outstanding ordinary shares the number of ordinary shares in the event of conversion of special shares at the established conversion rate.

The agents' end-of-service provision benefited from the review of mandate agreements with the new agencies, which began in 2022, in order to determine and maintain provisions in the financial statements for the part within the Company's remit not covered by an appropriate indemnity, and was affected by the utilisation of €17,000 to pay an agency that reached the end of its mandate during the half-year.

## Insurance liabilities

| Insurance liabilities | 30.06.2023 | 31.12.2022 | Change |
|---|---|---|---|
| Insurance contracts written classified as liabilities | 115,254 | 101,472 | -13,782 |
| Cessions to reinsurance classified as liabilities | - | - | - |
| **Total** | **115,254** | **101,472** | **-13,782** |

Liabilities relating to insurance contracts classified as liabilities, measured according to the simplified PAA method, are detailed below:

| Insurance contracts classified as liabilities | 30.06.2023 | 31.12.2022 |
|---|---|---|
| Liability for remaining coverage | 122,474 | 107,344 |
| *- o/w non-distinct investment component* | *39* | *34* |
| Loss component | 1 | - |
| Net flows attributable to the value paid for the acquisition of Elba Assicurazioni (formerly VoBA) | (7,754) | (9,046) |
| Total LRC | 114,721 | 98,298 |
| | - | |
| Liability for incurred claims (PVFCF) | 56,999 | 35,551 |
| Risk adjustment | 3,625 | 2,455 |
| Total LIC | 60,625 | 38,006 |
| | - | |
| Receivables from policyholders | (40,359) | (36,438) |
| Amounts to be recovered | (28,229) | (5,319) |
| Commissions for premiums in the process of collection | 8,496 | 6,925 |
| **Total** | **115,254** | **101,472** |

The liability for remaining coverage includes:

- the loss component of €1,000 for the Parametric Agro portfolio, which is not expected to result in loss recovery since reinsurance is not activated on these contracts;
- the value of business acquired which, following the business combination in November 2022, was allocated to reduce future risk liabilities by -€7,754,000 at 30 June 2023.

The liability for incurred claims includes the present value of future cash flows (PVFCF) of €56,999,000 and the risk adjustment for non-insurance risks of €3,625,000 (6.4% of the value of PVFCF)

## Financial liabilities

| Financial liabilities | 30.06.2023 | 31.12.2022 | Change |
|---|---|---|---|
| Financial liabilities measured at fair value through profit or loss | - | - | - |
| Financial liabilities held for trading | - | - | - |
| Financial liabilities designated at fair value | - | - | - |
| Financial liabilities measured at amortised cost | 14,433 | 14,448 | -15 |
| **Total** | **14,433** | **14,448** | **-15** |

At 30 June 2023, financial liabilities amounted to €14,433,000. This item includes, exclusively, lease liabilities pursuant to IFRS 16, and includes liabilities relating to the rental of:

- Via dell'Agricoltura 7, Verona;
- Via Monte Rosa 91, Milan;
- Via Cesarea 17, Genoa.

The amount also includes lease liabilities for company cars.

### Payables

| Payables | 30.06.2023 | 31.12.2022 | Change |
|---|---|---|---|
| Trade payables | 2,110 | 4,694 | (2,584) |
| Invoices to be received | 1,886 | 3,413 | (1,527) |
| Miscellaneous payables | 6,850 | 9,457 | (2,607) |
| Employee severance indemnity | 665 | 602 | 63 |
| **Total** | **11,511** | **18,166** | **-6,655** |

Payables amounted to €11,511,000 (€18,166,000 at 31 December 2022) and comprised:

- €2,110,000 of trade payables, the change in which at 31 December 2022 was determined from the payment of invoices, in the first three months of 2023, received in the final quarter of 2022 and related in particular to consultancy and implementations;
- €1,886,000 for the provision for invoices to be received (€3,413,000 at 31 December 2022);
- €6,850,000, mainly relating to €2,588,000 of payables for additional commissions and bonus commissions (€4,025 at 31 December 2022) and €4,006,000 relating to the portion still to be paid to the shareholders of Elba Assicurazioni following the acquisition of the Company by REVO S.p.A.

### Other liabilities

| Other liabilities | 30.06.2023 | 31.12.2022 | Change |
|---|---|---|---|
| Liabilities of disposal groups held for sale | - | - | - |
| Deferred tax liabilities | 285 | 275 | 10 |
| Current tax liabilities | 20 | - | 20 |
| Other liabilities | 5,784 | 5,398 | 386 |
| Total | 6,090 | 5,673 | 416 |

Deferred tax liabilities of €285,000 (€275,000 at December 2022) refer to net deferred taxes deriving from temporary differences generated by the application of international accounting standards. Current tax liabilities of €20,000 refer to current taxes on the result of REVO Underwriting.
Other liabilities amounted to €5,784,000 and refer to:

- €2,642,000 in tax payables on insurance premiums;
- €557,000 in tax payables relating to withholdings and VAT;
- €2,585,000 in payables relating to employees.

# Information on the income statement

## Result of insurance services

### Insurance revenues deriving from insurance contracts written

| Insurance revenues deriving from insurance contracts written | 30.06.2023 | 30.06.2022 | Change |
|---|---|---|---|
| LFRC release | 65,255 | 26,873 | -38,382 |
| **Total** | **65,255** | **26,873** | **38,382** |

The following table provides a breakdown of insurance revenues deriving from insurance contracts written:

| Items | 30.06.2023 |
|---|---|
| Gross premiums written | 100,361 |
| LRC release for the period | 80,898 |
| LRC change due to premiums for the period | -99,286 |
| Earned premiums | 81,973 |
| Depreciation of value of acquired portfolio (formerly VoBA) | -1,291 |
| Non-distinct investment component | -122 |
| Earned premiums net of the value of the acquired portfolio (formerly VoBA) and investment component | 80,560 |
| Commissions | -18,568 |
| LRC release - part for commissions | -17,898 |
| Change in LRC due to commissions for the period | 21,161 |
| Commissions for the period | -15,305 |
| **Insurance revenues deriving from insurance contracts written** | **65,255** |

The item "Insurance revenues deriving from insurance contracts written" amounted to €65,255,000, comprising €80,560,000 in gross premiums earned (€39,667,000 at 30 June 2022) and €15,305,000 in commissions for the period (€13,749,000 at 30 June 2022).

There was a significant increase in gross premiums written (+78.6% compared with 30 June 2022), due to:

- the strengthening of the team with the recruitment of 26 staff, all in the underwriting area;
- the extension of the business lines following authorisation from IVASS to operate in new non-life classes at the end of the first quarter of 2022;
- the launch of new products on the market, partly due to the expansion into the new classes;
- the expansion of the distribution network, which at 30 June 2023 consisted of 118 multi-firm agents (116 at 31 December 2022) and 62 brokers (53 at 31 December 2022).

During the period there was an increase not only in Suretyship (+11% compared with 2022), which remained the main business class, but also a significant increase in the other classes, mainly due to the impetus provided by the expansion of the product range and the distribution network.

At the end of the year, the insurance portfolio was more diversified, with the Suretyship class representing 40.8% of total earned premiums (70.2% at 30 June 2022), due to greater exposure to the other portfolios, the percentage of which increased from 29.8% at 30 June 2022 to 59.2% at 30 June 2023.

For further comments on business performance in 2023, please see the relevant section of the Report on Operations.

## Costs of insurance services deriving from insurance contracts written

| Costs of insurance services deriving from insurance contracts written | 30.06.2023 | 30.06.2022 | Change |
|---|---|---|---|
| Costs of insurance services deriving from insurance contracts written | 46,704 | 18,371 | 28,333 |
| **Total** | **46,704** | **18,371** | **28,333** |

The following table provides a breakdown of costs of insurance services deriving from insurance contracts written:

| Items | 30.06.2023 | 30.06.2022 |
|---|---|---|
| Amounts paid | 38,251 | 4,938 |
| Change in LIC - PVFCF | 21,153 | 8,020 |
| Change in risk adjustment | 1,170 | 512 |
| Loss component | 1 | 207 |
| Non-distinct investment component | -117 | - |
| Amounts recovered | -11,061 | -3,408 |
| Amounts to be recovered | -22,911 | -4 |
| Insurance costs excluding operating expenses and other technical expenses | 26,486 | 10,265 |
| Expenses directly attributable to insurance contracts | 16,515 | 8,106 |

| | | |
|---|---|---|
| Balance of other technical expenses/income | 3,703 | - |
| **Insurance costs deriving from insurance contracts written** | **46,704** | **18,371** |

Costs of insurance services increased by a total of €28,333,000.
The amounts paid increased, mainly due to a Suretyship claim reported in late December 2022, adequately covered by the relevant active reserve, part of which had already been recovered by 30 June 2023.
In terms of the loss ratio[16], while the overall trend at 30 June 2023 was upwards, it was adequate with respect to development and diversification into other lines of business, standing at 31.2%[17], compared with 23.7% in 2022.
With regard to the largest claims[18], the following should be noted:

- four claims opened in 2023 relating to cover taken out in 2022 and 2023, with a total negative effect of €5,414,000 and €1,895 net of reinsurance (two claims totalling €925,000 on the Property portfolio and two claims totalling €970,000 on the MAT Specialty Lines portfolio);
- six claims opened in 2023 relating to cover taken out prior to 2022, with a total negative effect of €3,690,000 and €2,149 net of reinsurance (two claims totalling €508,000 relating to the Property portfolio, one claim of €301,000 relating to the General liability portfolio and three claims totalling €1,340,000 relating to the Bond portfolio);
- two claims opened in previous years, with an overall negative effect of €514,000 and €117,000 net of reinsurance, both relating to the Property portfolio.

The increase in the item was also due to the strengthening of the claims reserve at 30 June 2023, through the provision of greater IBNR totalling €5,853,000 compared with 30 June 2022, including reinsurance of €2,219,000. Of this increased provision, €3,656,000 (€1,736,000 ceded) related to the Hail LoB, for which expected claims were estimated in accordance with the projections of the business plan. Total IBNR at 30 June 2023 amounted to €8,002,000 (€2,149,000 at 30 June 2022), including €4,852,000 related to the Hail LoB[19] (€1,196,000 in 2022).

## Insurance revenues and costs deriving from cessions to reinsurance

| Insurance revenues from cessions to reinsurance | 30.06.2023 | 30.06.2022 | Change |
|---|---|---|---|
| Insurance revenues from cessions to reinsurance | 23,867 | 4,502 | 19,365 |
| **Total** | **23,867** | **4,502** | **19,365** |

| Costs of insurance services deriving from cessions to reinsurance | 30.06.2023 | 30.06.2022 | Change |
|---|---|---|---|
| Costs of insurance services deriving from cessions to reinsurance | 31,231 | 8,030 | 23,201 |
| **Total** | **31,231** | **8,030** | **23,201** |

The following tables provide a breakdown of the items at 30 June 2023:

| Insurance revenues from cessions to reinsurance | 30.06.2023 |
|---|---|
| Amounts paid ceded net of recoveries | 252 |
| Amounts recovered | 1,190 |
| Change in AIC | 10,069 |
| Change in risk adjustment | 569 |
| Reinsurers' share of commissions payable | 17,642 |
| Non-distinct investment component | -5,855 |
| **Total** | **23,867** |

| Insurance costs from cessions to reinsurance | 30.06.2023 |
|---|---|
| Premiums ceded to reinsurance | 40,294 |

[16] Profitability indicator calculated as the ratio of claims-related expenses gross of reinsurance to insurance revenues gross of commissions and the value of the acquired portfolio (formerly VoBA).
[17] The loss ratio is obtained by expressing claims for the period relating to direct and indirect business as a percentage of insurance revenues minus the share of commissions.
[18] With an impact net of reinsurance of more than €200,000.
[19] Amount equal to the value of the Hail LoB claims expected for the year, over premiums generated, calculated in accordance with the business plan projections

| | |
|---|---|
| AIC release | 14,173 |
| Change in AIC reserve for the period | -16,396 |
| Change in non-distinct investment component | -6,257 |
| Other technical income/expenses ceded | -583 |
| **Total** | **31,232** |

Costs of insurance services from cessions to reinsurance, which amounted to €31,231,000 (€8,030,000 at 30 June 2022) increased due to both new business and the new proportional, non-proportional and optional treaties entered into, primarily from the second half of 2022 and in 2023.

## Investment result

### Income and expenses deriving from financial instruments measured at fair value through profit or loss

| Income and expenses deriving from financial instruments measured at fair value through profit or loss | 30.06.2023 | 30.06.2022 | Change |
|---|---|---|---|
| Income and expenses deriving from financial instruments measured at fair value through profit or loss | 106 | -403 | 509 |
| **Total** | **106** | **-403** | **509** |

Income and expenses deriving from financial instruments measured at fair value through profit or loss shows a positive balance of €106,000 due to valuation gains on instruments in the Group's portfolio.

### Income and expenses deriving from investments in subsidiaries, associates and joint ventures

The Group does not have any equity investments in subsidiaries, associates or joint ventures.

### Income and expenses deriving from other financial instruments and investment property

| Income deriving from other financial instruments and investment property | 30.06.2023 | 30.06.2022 | Change |
|---|---|---|---|
| Interest income net of discounts | 2,228 | 1,460 | 768 |
| Interest expense | -259 | -694 | -435 |
| Other income and expenses | - | - | - |
| Realised gains and losses | -160 | 184 | -344 |
| Valuation gains and losses | -84 | -20 | -64 |
| **Total** | **1,725** | **930** | **795** |

The item "Income deriving from other financial instruments and investment property" amounts to €1,725,000 and comprises interest income totalling €2,228,000, interest expense of €259,000 (including €189,000 in interest linked to leases and €70,000 in interest expense on loans), realised losses of €160,000 and valuation losses of €84,000.

## Other revenues and costs

| Other revenues and costs | 30.06.2023 | 30.06.2022 | Change |
|---|---|---|---|
| Other revenues | 38 | -1,040 | 1,078 |
| **Total** | **38** | **-1,040** | **1,078** |

At 30 June 2023, this item included €38,000 for revenues from the sale of tangible assets.

## Operating expenses

| Operating expenses | 30.06.2023 | 30.06.2022 | Change |
|---|---|---|---|
| Investment management expenses | 10 | 8 | 2 |

| | | | |
|---|---|---|---|
| Other administrative expenses | 3,004 | 2,522 | 482 |
| **Total** | **3,014** | **2,530** | **484** |

Other administrative expenses of €3,004,000 (€2,522,000 at 30 June 2022) represent the portion of the Company's management costs that are not attributable to insurance contracts. This value was determined by an analysis carried out on the basis of the nature of the cost and the cost centres and mainly consists of payroll costs of €1,657,000, one-off costs of €358,000 and consultancy costs and legal and notarial expenses of €398,000.

## Write-downs and write-backs of tangible and intangible assets

| Write-downs and write-backs of tangible and intangible assets | 30.06.2023 | 30.06.2022 | Change |
|---|---|---|---|
| Write-downs and write-backs of tangible assets | -945 | - | -945 |
| Write-downs and write-backs of intangible assets | 14 | - | 14 |
| **Total** | **-931** | **-** | **-931** |

Write-downs and write-backs of tangible and intangible assets include depreciation of tangible assets of €945,000 resulting from the adoption of IFRS 16 relating to leased assets, amortisation of intangible assets of €27,000 and write-backs of €41,000.

## Other operating income and expenses

| Other operating income and expenses | 30.06.2023 | 30.06.2022 | Change |
|---|---|---|---|
| Other operating expenses | -839 | - | -839 |
| Other operating income | 200 | - | 200 |
| **Total** | **-639** | **-** | **-639** |

Other operating income includes and relates entirely to the use of the €200,000 provision recognised at 31 December 2022 following the settlement of a non-insurance-related dispute.

Other operating expenses include €825,000 for the adjustment for the actuarial valuation of the agents' end-of-service provision, €7,000 for costs deriving from exchange rate differences on bank current accounts and €5,000 for contingent liabilities.

## Taxes

| Taxes | 30.06.2023 | 30.06.2022 | Change |
|---|---|---|---|
| Taxes | 1,969 | 1,746 | 223 |
| **Total** | **1,969** | **1,746** | **223** |

Taxes have been accounted for in accordance with current tax provisions on an accruals basis.

Prepaid taxes are duly adjusted taking into account the temporary differences between the recorded asset values and the corresponding values recognised for tax purposes.

The value at 30 June 2023 of €1,969,000 was up slightly compared with the same period of the previous year, but the tax rate (the ratio of the value of taxes to profit before taxes) rose from 68.6% in 2022 to 23.9% in 2023. The change in the tax rate was affected by several factors:

- current taxes: at 30 June 2022, the merger of REVO Spac into Elba Assicurazioni had not yet taken place, and the then parent company, REVO Spac, was making a tax loss and therefore had current taxes of zero. At 30 June 2023, moreover, the Company benefited from the deduction resulting from the Support for Economic Growth (ACE) scheme of €638,000 and the 2021 tax loss of REVO of €1,240,000;
- change in prepaid taxes: at 30 June 2023, prepaid taxes were reduced by the taxes for the REVO tax loss of €1,240,000;

- DTA/DTL on IFRS adjustments: at 30 June 2023, the adjustment of amortisation of statutory goodwill of €4,003,000 is present: this does not generate corresponding prepaid taxes as statutory goodwill is not relevant for tax purposes.

## Fair value measurement

Accounting standard IFRS 13 regulates the measurement of fair value and the related disclosure.
The breakdown of the measurement at fair value and the amount of financial investments and liabilities recorded in the financial statements is provided below.

| | 30.06.2023 | | 31.12.2022 | |
|---|---|---|---|---|
| **Carrying amounts and fair values** | **Carrying amount** | **Fair value** | **Carrying amount** | **Fair value** |
| Investment property | - | - | - | - |
| Investments in subsidiaries, associates and joint ventures | - | - | - | - |
| Financial assets measured at amortised cost | 4,008 | 4,008 | 4,016 | 4,016 |
| Financial assets measured at FV through OCI | 202,510 | 202,510 | 181,895 | 181,895 |
| Financial assets measured at FV through profit or loss | 2,717 | 2,717 | 2,620 | 2,620 |
| Cash and cash equivalents | - | - | - | - |
| **Total investments** | **209,236** | **209,236** | **188,531** | **188,531** |
| Financial liabilities measured at fair value through profit or loss | - | - | - | - |
| Financial liabilities measured at amortised cost | 14,433 | 14,433 | 14,448 | 14,448 |
| **Total financial liabilities** | **14,433** | **14,433** | **14,448** | **14,448** |

As can be seen from the table above, there are no financial investments or liabilities whose carrying amount differs from their fair value.

With respect to the fair value hierarchy, it should be noted that the item "*Financial assets measured at fair value through other comprehensive income*" includes the equity investment in Mangrovia Blockchain Solutions S.r.l., allocated to Stage 3. Please refer to the "Investments" section of this file for details.
During the half-year, there were no purchases or sales on the equity investment, the qualitative and quantitative measurement of which confirmed the value recognised in the 2022 annual financial statements.
The remaining securities in the "Financial assets measured at fair value through other comprehensive income" item are all allocated to Stage 1.
The security under the "Financial assets measured at fair value through profit or loss" item is allocated to Stage 2.
The following table sets out the information presented above:

| | Level 1 | | Level 2 | | Level 3 | |
|---|---|---|---|---|---|---|
| **Breakdown by fair value levels** | **30/06/2023** | **31/12/2022** | **30/06/2023** | **31/12/2022** | **30/06/2023** | **31/12/2022** |
| Financial assets measured at fair value through OCI | 201,954 | 181,339 | - | - | 556 | 556 |
| Other financial assets compulsorily measured at fair value | - | - | 2,717 | 2,620 | - | - |
| **Total** | **201,954** | **181,339** | **2,717** | **2,620** | **556** | **556** |

# Other information

## Revenue or cost elements of exceptional size or impact

During the half-year, there were no revenue or cost elements of exceptional size or impact.

## Long-term incentives – LTI Plan

Overall, the shares allotted and accruing to service the Plan amount to approximately 602,000, with a total value of €4,674,000, of which €674,000 was recognised in the income statement in the first half of 2023.

## Contingent liabilities, purchase commitments, guarantees, pledged assets and collateral

At 30 June 2023, the Company did not record any contingent liabilities, purchase commitments or guarantees.
Although not reported in the statement of financial position, for some insurance contracts written, collateral guarantees were obtained (mainly pledges on life policies and bank guarantees) to be used, in the event of enforcement of the policy, to ensure the recovery of any sums paid to policyholders.

## Leases

*Rights of use*
The table below shows the carrying amount of right-of-use assets at the end of the first half-year for each class of underlying asset.

| Item | 30.06.2023 | 31.12.2022 |
|---|---|---|
| Property | 14,085 | 12,440 |
| Company cars | 261 | 246 |
| **Total** | **14,346** | **12,686** |

*Liabilities*
Lease liabilities at 30 June amounted to €14,433,000 and are recognised under financial liabilities measured at amortised cost in the statement of financial position.
The table below provides a breakdown of lease liabilities by maturity:

| Maturity | 30.06.2023 | 31.12.2022 |
|---|---|---|
| maturing within 1 year | - | 330 |
| 2-3 years | 266 | 300 |
| after 5 years | 14,167 | 13,905 |
| **Total** | **14,433** | **14,535** |

*Main costs deriving from lease agreements*

| Item | 30.06.2023 | 30.06.2022 |
|---|---|---|
| amortisation of rights of use | 945 | 187 |
| lease interest expense | 189 | 18 |
| **Total** | **1,174** | **205** |

The "amortisation of rights of use" item consists of €57,000 for leased company cars and €889,000 for properties, including the property at Via Monte Rosa 91, Milan, for which lease payments will start being paid from the second quarter of 2024.

## Information relating to staff

In the first half of 2023, the average Group headcount was 156 (17 executives, 139 employees and 5 contractors), with a total cost of €9,481,000. At 31 December 2022, the average headcount was 128 (18 executives, 107 employees and 4 contractors).

Milan, 8 August 2023

REVO Insurance S.p.A.
Chief Executive Officer
(Alberto Minali)

# Schedules attached to the notes to the financial statements

# Schedules attached to the half-year report

Changes in the carrying amount of cessions to reinsurance cessions due to elements underlying measurement

| Items/elements underlying measurement | Elements underlying the measurement of the carrying amount of cessions to reinsurance | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Present value of cash flows 30.06.2023 | Adjustment for non-financial risks 30.06.2023 | Contractual service margin 30.06.2023 | Total 30.06.2023 | Present value of cash flows 30.06.2022 | Adjustment for non-financial risks 30.06.2022 | Contractual service margin 30.06.2022 | Total 30.06.2022 |
| A. Initial carrying amount | - | - | - | - | - | - | - | - |
| 1. Cessions to reinsurance classified as assets | -6,875 | 1,027 | - | -5,848 | - | - | - | - |
| 2. Cessions to reinsurance classified as liabilities | -3,873 | - | - | -3,873 | - | - | - | - |
| 3. Net book value as at 1 January | -10,748 | 1,027 | - | -9,721 | -2,454 | 1,052 | - | - 1,402 |
| B. Changes in current services | - | - | - | - | - | - | - | - |
| 4. Total | - | - | - | - | - | - | - | - |
| C. Changes in future services | - | - | - | - | - | - | - | - |
| 6. Total | - | - | - | - | - | - | - | - |
| D. Changes in past services | - | 544 | - | 544 | - | - 25 | - | - 25 |
| 1. adjustments to the asset for incurred claims | - | 544 | - | 544 | - | - 25 | - | - 25 |
| E. Effects of changes in the risk of default on the part of reinsurers | - | - | - | - | - | - | - | - |
| F. Result of insurance services (B+C+D+E) | - | 544 | - | 544 | - | - 25 | - | - 25 |
| G. Financial revenues/costs | - | - | - | - | - | - | - | - |
| 3. Total | - | - | - | - | - | - | - | - |
| H. Total amount recorded in income statement and in OCI (F+G) | - | 544 | - | 544 | - | - 25 | - | -25 |
| I. Other changes | -37,252 | 25 | - | -37,227 | -25,491 | - | - | -25,491 |
| Increases | -47,163 | -151 | - | -47,314 | -30,712 | - | - | -30,712 |
| Other changes (+) | -47,163 | -151 | - | -47,314 | -30,712 | - | - | -30,712 |
| Decreases | 9,912 | 176 | - | 10,087 | 5,221 | - | - | 5,221 |
| Other changes (-) | 9,912 | 176 | - | 10,087 | 5,221 | - | - | 5,221 |
| L. Cash movements | - | - | - | - | - | - | - | - |
| 1. Premiums paid net of amounts not related to claims recov. from reins. | 5,520 | - | - | 5,520 | 4,902 | - | - | 4,902 |
| 2. Amounts recovered from reinsurers | 16,639 | - | - | 16,639 | 12,294 | - | - | 12,294 |
| 3. Total | 22,159 | - | - | 22,159 | 17,197 | - | - | 17,197 |
| M. Net carrying amount at 31 December (A.3+H+I+L.3) | -25,840 | 1,596 | - | -24,244 | -10,748 | 1,027 | - | -9,721 |
| N. Closing carrying amount | - | - | - | - | - | - | - | - |
| 1. Cessions to reinsurance classified as assets | -20,861 | 1,596 | - | -19,265 | -6,875 | 1,027 | - | -5,848 |
| 2. Cessions to reinsurance classified as liabilities | -4,979 | 0 | - | -4,979 | -3,873 | - | - | -3,873 |
| 3. Net carrying amount at 31 December | -25,840 | 1,596 | - | -24,244 | -10,748 | 1,027 | - | -9,721 |

Income statement by business segment

| | Items/business segments | Non-life operations 30/06/2023 | Non-life operations 30/06/2022 | Life operations 30/06/2023 | Life operations 30/06/2022 | Cross-sectoral eliminations 30/06/2023 | Cross-sectoral eliminations 30/06/2022 | Total 30/06/2023 | Total 30/06/2022 |
|---|---|---|---|---|---|---|---|---|---|
| 1 | Insurance revenues deriving from insurance contracts written | 65,255 | 26,873 | - | - | - | - | 65,255 | 26,873 |
| 2 | Costs of insurance services deriving from ins. contracts written | -46,704 | -18,371 | - | - | - | - | - 46,704 | - 18,371 |
| 3 | Insurance revenues deriving from cessions to reinsurance | 23,867 | 4,502 | - | - | - | - | 23,867 | 4,502 |
| 4 | Costs of insurance services deriving from cessions to reinsurance | -31,232 | -8,030 | - | - | - | - | - 31,232 | - 8,030 |
| 5 | Result of insurance services | 11,187 | 4,975 | - | - | - | - | 11,187 | 4,975 |
| 6 | Income/expenses from financial assets and liabilities measured at FVPL | 106 | - 403 | - | - | - | - | 106 | - 403 |
| 7 | Income/expenses from investments in subsidiaries, associates and joint ventures | - | - | - | - | - | - | - | - |
| 8 | Income/expenses from other financial assets and liabilities and from investment property | 1,724 | 930 | - | - | - | - | 1,724 | 930 |
| 9 | Investment result | 1,830 | 527 | - | - | - | - | 1,830 | 527 |
| 10 | Financial costs/revenues relating to ins. contracts written | -296 | 1,105 | - | - | - | - | - 296 | 1,105 |
| 11 | Financial revenues/costs relating to cessions to reinsurance | 48 | -492 | - | - | - | - | 48 | - 492 |
| 12 | Net financial result | -248 | 613 | - | - | - | - | - 248 | 613 |
| 13 | Other revenues/costs | 39 | -1,041 | - | - | - | - | 39 | - 1,041 |
| 14 | Operating expenses: | -3,014 | -2,530 | - | - | - | - | - 3,014 | - 2,530 |
| 15 | Other operating income/expenses | -1,569 | - | - | - | - | - | - 1,569 | - |
| | Profit (loss) for the year before tax | 8,224 | 2,544 | - | - | - | - | 8,224 | 2,544 |

Statement of financial position by business segment

| Items/business segments | | Non-life operations | | Life operations | | Cross-sectoral eliminations | | Total | |
|---|---|---|---|---|---|---|---|---|---|
| | | 30/06/2023 | 31/12/2022 | 30/06/2023 | 31/12/2022 | 30/06/2023 | 31/12/2022 | 30/06/2023 | 31/12/2022 |
| 1 | INTANGIBLE ASSETS | 83,969 | 83,071 | - | - | - | - | 83,969 | 83,071 |
| 2 | TANGIBLE ASSETS | 14,770 | 14,448 | - | - | - | - | 14,770 | 14,448 |
| 3 | INSURANCE ASSETS | 44,029 | 45,805 | - | - | - | - | 44,029 | 45,805 |
| 3.1 | Insurance contracts written classified as assets | - | - | - | - | - | - | - | - |
| 3.2 | Cessions to reinsurance classified as assets | 44,029 | 45,805 | - | - | - | - | 44,029 | 45,805 |
| 4 | INVESTMENTS | 209,235 | 188,530 | - | - | - | - | 209,235 | 188,530 |
| 4.1 | Investment property | - | - | - | - | - | - | - | - |
| 4.2 | Investments in associates and joint ventures | - | - | - | - | - | - | | - |
| 4.3 | Financial assets measured at amortised cost | 4,009 | 4,016 | - | - | - | - | 4,009 | 4,016 |
| 4.4 | Financial assets measured at fair value through OCI | 202,510 | 181,895 | - | - | - | - | 202,510 | 181,895 |
| 4.5 | Financial assets measured at fair value through profit or loss | 2,717 | 2,620 | - | - | - | - | 2,717 | 2,620 |
| 5 | OTHER FINANCIAL ASSETS | 5,150 | 3,835 | - | - | - | - | 5,150 | 3,835 |
| 6 | OTHER ASSETS | 5,422 | 19,049 | - | - | - | - | 6,422 | 19,049 |
| 7 | CASH AND CASH EQUIVALENTS | 4,800 | 4,652 | - | - | - | - | 4,800 | 4,652 |
| TOTAL ASSETS | | 367,377 | 359,391 | - | - | - | - | 367,377 | 359,391 |
| 1 | SHAREHOLDERS' EQUITY | 217,013 | 216,494 | - | - | - | - | 217,013 | 216,494 |
| 2 | PROVISIONS FOR RISKS AND CHARGES | 3,077 | 3,243 | - | - | - | - | 3,077 | 3,243 |
| 3 | INSURANCE LIABILITIES | 115,254 | 101,365 | - | - | - | - | 115,254 | 101,365 |
| 3.1 | Insurance contracts written classified as liabilities | 115,254 | 101,365 | - | - | - | - | 115,254 | 101,365 |
| 3.2 | Cessions to reinsurance classified as liabilities | - | - | - | - | - | - | - | - |
| 4 | FINANCIAL LIABILITIES | 14,433 | 14,448 | - | - | - | - | 14,433 | 14,448 |
| 4.1 | Financial liabilities measured at FVPL | - | - | - | - | - | - | - | - |
| 4.2 | Financial liabilities measured at amortised cost | 14,433 | 14,448 | - | - | - | - | 14,433 | 14,448 |
| 5 | PAYABLES | 11,510 | 18,166 | - | - | - | - | 11,510 | 18,166 |
| 6 | OTHER LIABILITIES | 6,090 | 5,673 | - | - | - | - | 6,090 | 5,673 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | | 367,377 | 359,391 | - | - | - | - | 367,377 | 359,391 |

Equity investments: information on investment relationships

| Progressive Company* | Name | Country of registered office | Country of operational headquarters (1) | Activity (2) | Relationship type (3) | % Direct investment | % 100% interest (4) | % Availability of votes at the ordinary shareholders' meeting (5) | Line order by insertion | Delete |
|---|---|---|---|---|---|---|---|---|---|---|
| | Joint venture | | | | | | | | | |

| Name | Country of registered office | Country of operational headquarters (1) | Activity (2) | Relationship type (3) | % Direct investment | % 100% interest (4) | % Availability of votes at the ordinary shareholders' meeting (5) | Line order by insertion | Delete |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |
| Associates | | | | | | | | | |
| | | | | | | | | | |
| Subsidiaries | | | | | | | | | |
| 1 \| Revo Underwriting S.r.l. / Revo Underwriting S.r.l. | ITALY | ITALY | 11 | A | 1 | 1.00 | 1 | 10 | |

Financial liabilities measured at amortised cost: composition by type and percentage and fair value hierarchy

| Items/Values | 30.06.2023 | | | | | | 31.12.2022 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Carrying amount | Comp. % | L1 | L2 | L3 | Total fair value | Carrying amount | Comp. % | L1 | L2 | L3 | Total fair value |
| Participating financial instruments | - | 0% | - | - | - | - | - | 0% | - | - | - | - |
| Subordinated liabilities | - | 0% | - | - | - | - | - | 0% | - | - | - | - |
| Debt securities issued | - | 0% | - | - | - | - | - | 0% | - | - | - | - |
| Other loans obtained | 14,433 | 100% | - | - | - | - | 14,448 | 100% | - | - | - | - |
| - from banks | - | 0% | x | x | x | x | - | 0% | x | x | x | x |
| - from customers | 14,433 | 100% | x | x | x | x | 14,448 | 100% | x | x | x | x |
| Total | 14,433 | 100% | | | | | 14,448 | 100% | | | | |

Intangible assets: composition of assets

| Assets/values | Total 30.06.2023 | | Total 31.12.2022 | |
|---|---|---|---|---|
| | Definite duration | Indefinite duration | Definite duration | Indefinite duration |
| A.1 Goodwill | X | 74,323 | X | 74,323 |
| A.1.1 attributable to the Group | X | 74,323 | X | 74,323 |
| A.1.2 attributable to non-controlling interests | X | - | X | - |
| A.2 Other intangible assets | 9,646 | | 8,748 | |
| o/w software | - | | - | |
| A.2.1 Assets measured at cost: | 9,646 | | 8,748 | |
| a) Internally generated intangible assets | - | | - | |
| b) Other assets | 9,646 | | 8,748 | |
| A.2.2 Assets measured at restated value: | - | | - | |
| a) Internally generated intangible assets | - | | - | |
| b) Other assets | - | | - | |
| **Total** | **9,646** | **74,323** | **8,748** | **74,323** |

Tangible assets: composition of assets

| Assets/values | Assets for own use | | | | | |
|---|---|---|---|---|---|---|
| | At cost | | At restated value | | Inventories pursuant to IAS 2 | |
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| 1. Own assets | 425 | 475 | - | - | - | - |
| a) land | - | - | - | - | - | - |
| b) buildings | - | - | - | - | - | - |
| c) office furniture and machinery | 416 | 454 | - | - | - | - |
| d) plant and equipment | - | - | - | - | - | - |
| f) other assets | 8 | 21 | - | - | - | - |
| 2. Rights of use acquired through leasing | 14,346 | 13,973 | - | - | - | - |
| a) land | - | - | - | - | - | - |
| b) buildings | 14,085 | 13,726 | - | - | - | - |
| c) office furniture and machinery | - | - | - | - | - | - |
| d) plant and equipment | - | - | - | - | - | - |
| f) other assets | 261 | 246 | - | - | - | - |
| Total | 14,770 | 14,448 | - | - | - | - |

Financial assets measured at amortised cost: composition by type and credit risk stage

| | Carrying amount 30.06.2023 | | | | Carrying amount 31.12.2022 | | | |
|---|---|---|---|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Impaired purchased or originated | Stage 1 | Stage 2 | Stage 3 | Impaired purchased or originated |
| Government securities | - | - | - | - | - | - | - | - |
| Other debt securities | - | - | - | - | - | - | - | - |
| Loans and receivables: | 4,009 | - | - | - | 4,016 | - | - | - |
| a) from banks | - | - | - | - | - | - | - | - |
| b) from customers | 4,009 | - | - | - | 4,016 | - | - | - |
| - mortgage loans | - | - | - | - | - | - | - | - |
| - loans on policies | - | - | - | - | - | - | - | - |
| - other loans and receivables | 4,009 | - | - | - | 4,016 | - | - | - |
| Total 30.06.2023 | 4,009 | - | - | - | | | | |
| Total 31.12.2022 | | | | | 4,016 | - | - | - |

Financial assets measured at fair value through OCI: composition by type and percentage

| | 30.06.2023 | | 31.12.2022 | |
|---|---|---|---|---|
| | Carrying amount | Comp. % | Carrying amount | Comp. % |
| Equity securities | 556 | 0% | 556 | 0% |
| a) listed | - | 0% | - | 0% |
| b) unlisted | 556 | 0% | 556 | 0% |
| Debt securities | 201,953 | 100% | 181,339 | 100% |
| Government securities | 170,967 | 84% | 181.3339 | 100% |
| a) listed | 170,967 | 84% | 181,339 | 100% |
| b) unlisted | | 0% | - | 0% |
| Other debt securities | 30,986 | 15% | | 0% |
| a) listed | 30,986 | 15% | | 0% |
| b) unlisted | - | 0% | - | 0% |
| Other financial instruments | - | 0% | - | 0% |
| Total | 202,510 | 100% | 181,895 | 100% |

Breakdown of other comprehensive income

| Items | 30.06.2023 | 30.06.2022 |
|---|---|---|
| 1 Profit (loss) for the year | 6,255 | 798 |
| 2. Other income not reclassified to profit or loss | | |
| 2.1 Share of valuation reserves for investments measured using the equity method | - | - |
| 2.2 Valuation reserve for intangible assets | - | - |
| 2.3 Valuation reserve for tangible assets | - | - |
| 2.4 Financial revenues or costs relating to insurance contracts written | - | - |
| 2.5 Income and expenses relating to non-current assets or disposal groups held for sale | - | - |
| 2.6 Actuarial gains and losses and adjustments relating to defined benefit plans | 1,158 | 146 |
| 2.7 Gains or losses on equity securities designated at FVOCI | (556) | - |
| a) change in fair value | (556) | - |
| b) transfers to other components of shareholders' equity | - | - |
| 2.8 Reserve deriving from changes in own creditworthiness for financial liabilities designated at FVOCI | - | - |
| a) change in fair value | - | - |
| b) transfers to other components of shareholders' equity | - | - |
| 2.9 Other changes: | (4,160) | (4,160) |
| a) change in fair value (hedged instrument) | - | - |
| b) change in fair value (hedging instrument) | - | - |
| c) other changes in fair value | (4,160) | - |
| 2.10 Income taxes on other income not reclassified to profit or loss | - | - |
| 3. Other income reclassified to profit or loss | | |
| 3.1 Reserve for foreign exchange differences: | - | - |
| a) changes in value | - | - |
| b) reclassification to profit or loss | - | - |
| c) other changes | - | - |
| 3.2 Gains/losses on financial assets (other than equity securities) measured at FVOCI: | (8,592) | (4,982) |
| a) changes in fair value | (8,592) | (4,982) |
| b) reclassification to profit or loss | - | - |
| adjustments for credit risk | - | - |
| gains/losses on disposals | - | - |
| c) other changes | - | - |
| 3.9 Other elements: | - | - |
| a) changes in fair value | - | - |
| b) reclassification to profit or loss | - | - |
| c) other changes | - | - |
| 3.10 Income taxes relating to other income reclassified to profit or loss | 2,814 | 1,536 |
| 4. TOTAL OTHER COMPREHENSIVE INCOME (Sum of items 2.1 to 3.10) | -9,335 | -7,460 |
| 5. TOTAL CONSOLIDATED COMPREHENSIVE INCOME (items 1 + 4) | -3,080 | -6,662 |
| o/w: attributable to the parent company | -3,080 | -6,662 |
| o/w: attributable to non-controlling interests | - | - |

Financial assets measured at fair value through profit or loss: composition by type and percentage

| Items/Values | Financial assets held for trading | | | | Financial assets designated at fair value | | | | Financial assets compulsorily measured at fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 30.06.2023 | | 31.12.2022 | | 30.06.2023 | | 31.12.2022 | | 30.06.2023 | | 31.12.2022 | |
| | Carrying amount | Comp. % | Carrying amount | Comp. % | Carrying amount | Comp. % | Carrying amount | Comp. % | Carrying amount | Comp. % | Carrying amount | Comp. % |
| Equity securities | - | - | - | - | - | - | - | - | - | 0% | - | 0% |
| a) listed | - | - | - | - | - | - | - | - | - | 0% | - | 0% |
| b) unlisted | - | - | - | - | - | - | - | - | - | 0% | - | 0% |
| Own shares | - | - | - | - | - | - | - | - | - | 0% | - | 0% |
| Own financial liabilities | - | - | - | - | - | - | - | - | - | 0% | - | 0% |
| Debt securities | - | - | - | - | - | - | - | - | - | 0% | - | 0% |
| a) listed | - | - | - | - | - | - | - | - | - | 0% | - | 0% |
| b) unlisted | - | - | - | - | - | - | - | - | - | 0% | - | 0% |
| Units of UCIs | - | - | - | - | - | - | - | - | 2,717 | 100% | 2,620 | 100% |
| Non-hedging derivatives | - | - | - | - | - | - | - | - | - | 0% | - | 0% |
| Hedging derivatives | - | - | - | - | - | - | - | - | - | 0% | - | 0% |
| Other financial instruments | - | - | - | - | - | - | - | - | - | 0% | - | 0% |
| Total | - | - | - | - | - | - | - | - | 2,717 | 100% | 2,620 | 100% |

Insurance revenues and costs deriving from insurance contracts written – Composition

| Items/bases of aggregation | Base A1 30.06.23 | Base A2 30.06.23 | Base A5 30.06.23 | Total 30.06.23 | Base A1 30.06.22 | Base A2 30.06.22 | Base A5 30.06.22 | Total 30.06.22 |
|---|---|---|---|---|---|---|---|---|
| A. Insurance revenues deriving from insurance contracts written measured on the basis of GMM and VFA | | | | | | | | |
| A.1 Amounts related to changes in assets for remaining coverage | - | - | - | - | - | - | - | - |
| A.2 Costs of acquiring recovered insurance contracts | - | - | - | - | - | - | - | - |
| A.3 Total insurance revenues deriving from ins. contracts written measured on the basis of the GMM or VFA | - | - | - | - | - | - | - | - |
| A.4 Total insurance revenues deriving from ins. contracts written measured on the basis of the PAA | | | | -65,255 | | | | - |
| - Life segment | X | X | X | - | X | X | X | - |
| - Non-Life segment – Motor | X | X | X | 122 | X | X | X | - |
| - Non-Life segment – Non-Motor | X | X | X | 65,133 | X | X | X | - |
| A.5 Total insurance revenues deriving from insurance contracts written | - | - | - | -65,255 | - | - | - | - |
| B. Costs of insurance services deriving from insurance contracts written – GMM or VFA | | | | | | | | |
| B.6 Total costs of insurance services deriving from ins. contracts written – GMM or VFA | - | - | - | - | - | - | - | - |
| B.7 Total costs of insurance services deriving from ins. contracts written measured on the basis of the PAA | | | | 46,704 | | | | - |
| - Life segment | X | X | X | - | X | X | X | - |
| - Non-Life segment – Motor | X | X | X | -96 | X | X | X | - |
| - Non-Life segment – Non-Motor | X | X | X | -46,608 | X | X | X | - |
| C. Total net costs/revenues deriving from insurance contracts written (A.5+B.6+B.7) | - | - | - | -18,647 | - | - | - | - |

Insurance costs and revenues deriving from cessions to reinsurance – Composition

| Items/bases of aggregation | Basis of aggregation 1 30.06.2023 | Basis of aggregation 2 30.06.2023 | Total 30.06.2023 | Basis of aggregation 1 30.06.2022 | Basis of aggregation 2 30.06.2022 | Total 30.06.2022 |
|---|---|---|---|---|---|---|
| A. Allocation of premiums paid relating to cessions to reinsurance measured on the basis of the GMM | - | - | - | - | - | - |
| A.1 Amounts related to changes in assets for remaining coverage | | | | | | |
| 1. Amount of claims and other recoverable costs expected | - | - | - | - | - | - |
| 2. Changes in the adjustment for non-financial risks | - | - | - | - | - | - |
| 3. Contractual service margin recorded in profit or loss for services received | - | - | - | - | - | - |
| 4. Other amounts | - | -281 | -281 | - | -454 | -454 |
| 5. Total | - | -281 | -281 | - | -454 | -454 |
| A.2 Other costs directly attributable to cessions to reinsurance | - | - | - | - | - | - |
| A.3 Allocation of premiums paid relating to cessions to reinsurance measured on the basis of the PAA | - | -30,951 | -30,951 | - | -33,513 | -33,513 |
| B. Total costs deriving from cessions to reinsurance (A.1+A.2+A.3) | - | -31,232 | -31,232 | - | -33,967 | -33,967 |
| C. Effects of changes in the risk of default on the part of reinsurers | - | - | - | - | - | - |
| D. Amount of claims and other expenses recovered | - | 1,442 | 1,442 | - | 2,479 | 2,479 |
| E. Change in the asset for incurred claims | - | 10,638 | 10,638 | - | 3,545 | 3,545 |
| F. Other recoveries | - | 11,787 | 11,787 | - | 18,186 | 18,186 |
| G. Total net costs/revenues deriving from cessions to reinsurance (B+C+D+E+F) | - | -7,364 | -7,364 | - | -9,757 | -9,757 |

Breakdown of costs for insurance services and other services

| Aggregation costs/bases | Base A1 – with DPF 30.06.23 | Base A2 – without DPF 30.06.23 | Base A1 + Base A2 30.06.23 | Base A3 30.06.23 | Base A4 30.06.23 | Base A3 + Base A4 30.06.23 | Other 30.06.23 | Base A1 – with DPF 30.06.22 | Base A2 – without DPF 30.06.22 | Base A1 + Base A2 30.06.22 | Base A3 30.06.22 | Base A4 30.06.22 | Base A3 + Base A4 30.06.22 | Other 30.06.22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Costs allocated to the acquis. of ins. contracts, | - | - | - | -11 | -2,447 | -2,459 | X | - | - | - | - | - | - | X |
| Other directly attributable costs | - | - | - | -63 | -13,544 | -13,608 | X | - | - | - | - | - | - | X |
| Investment management expenses | X | X | - | X | X | - | -80 | X | X | - | X | X | - | - |
| Other costs | X | X | - | X | X | - | -3,002 | X | X | - | X | X | - | - |
| Total | X | X | - | X | X | --16,066 | -3,082 | X | X | - | X | X | - | - |

# Certification of the condensed consolidated financial statements pursuant to Article 81-*ter* of Consob Regulation No. 11971/1999 193

1. The undersigned, Alberto Minali, in his capacity as Chief Executive Officer, and Jacopo Tanaglia, in his capacity as Financial Reporting Officer of REVO Insurance S.p.A., hereby attest to, also taking account of Article 154-*bis*, paragraphs 3 and 4, of Legislative Decree No. 58 of 24 February 1998:
   - the adequacy in relation to the characteristics of the Company; and
   - the effective application of administrative and accounting procedures for the preparation of the condensed consolidated half-year financial statements during the first half-year of 2023.

2. We also certify that:
   - The condensed consolidated half-year financial statements as at 30 June 2023:
     - have been prepared in compliance with the international accounting standards recognised by the European Community pursuant to (EC) Regulation 1606/2002 of the European Parliament and of the Council of 19 July 2002, as well as applicable laws and regulations;
     - correspond to the accounting books and records;
     - are suitable to provide a true and fair representation of the financial position, cash flows and results of operations of the issuer and all the companies included within the scope of consolidation.
   - the interim report on operations includes a reliable analysis of the performance and operating results, as well as the situation, of the issuer and all the companies within the scope of consolidation, as well as a

Mr Jacopo Tanaglia
Financial Reporting Officer
REVO Insurance S.p.A.

Mr Alberto Minali
Chief Executive Officer
REVO Insurance S.p.A.