



**CREDEMVITA**

**FINANCIAL STATEMENTS**  
**2023 HALF-YEAR**

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### 2023 HALF- YEAR FINANCIAL STATEMENTS

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Company: **CREDEMVITA**

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Subscribed share capital €	<u>221.600.070</u>	Paid up €	<u>221.600.070</u>
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Registered office in

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HALF-YEARLY REPORT  
AS AT 2023

(Figures in €/thousand)

**INCOME**

	As at 30 June of the present year	As at 30 June of the previous year	As at 31 December of the previous year
<b>I. NON-LIFE TECHNICAL ACCOUNT</b>			
<b>1. Premiums, net of reinsurance transfers</b>	1	57	113
<b>2. (+) Share of profit from investments transferred from the non-technical account (item III. 6)</b>	2	58	114
<b>3. Other technical income, net of reinsurance transfers</b>	3	59	115
<b>4. Charges for claims, net of recoveries and reinsurance transfers</b>	4	60	116
<b>5. Change in other technical reserves, net of reinsurance transfers</b>	5	61	117
<b>6. Reversals and participation in profits, net of reinsurance transfers</b>	6	62	118
<b>7. Management costs:</b>			
a) Acquisition expenses net of commissions and profit sharing received by reinsurers	7	63	119
b) Administration costs	8	64	120
Total	9	65	121
<b>8. Other technical charges, net of reinsurance transfers</b>	10	66	122
<b>9. Changes in equalisation reserves</b>	11	67	123
<b>10. Profit of the non-life technical account</b>	12	68	124
<b>II. LIFE TECHNICAL ACCOUNT</b>			
<b>1. Premiums for the year, net of reinsurance transfers</b>	13 752.566	69 611.338	125 1.015.078
<b>2. Income from investments</b>			
a) Income from investments	14 57.656	70 49.217	126 105.074
b) Write-backs on investments	15 7.760	71 4.201	127 519
c) Profit on investment disposals	16 5.598	72 15.364	128 25.365
Total	17 71.014	73 68.782	129 130.958
<b>3. Unrealised income and capital gains relating to investments benefiting policyholders who bear the risk and investments from pension fund management</b>	18 212.889	74 32.625	130 46.416
<b>4. Other technical income, net of reinsurance transfers</b>	19 6.337	75 9.199	131 14.436
<b>5. Charges for claims, net of reinsurance transfers</b>	20 636.852	76 401.213	132 775.838
<b>6. Change in mathematical reserves and other technical reserves, net of reinsurance transfers</b>			
a) Mathematical reserves, premium reserve for supplementary insurance and other technical reserves	21 165.390	77 145.746	133 177.605
b) Technical reserves where the investment risk is borne by policyholders and from pension fund management	22 116.607	78 -461.105	134 -502.596
Total	23 281.997	79 -315.359	135 -324.991
<b>7. Reversals and participation in profits, net of reinsurance transfers</b>	24	80	136
<b>8. Management costs</b>			
a) Acquisition expenses net of commissions and profit sharing received by reinsurers	25 6.590	81 6.261	137 12.856
b) Administration costs	26 5.631	82 5.528	138 9.797
Total	27 12.221	83 11.789	139 22.653

## STATEMENT

	As at 30 June of the present year	As at 30 June of the previous year	As at 31 December of the previous year
<b>9. Financial and borrowing costs</b>			
a) Investment management costs and interest expense	28 9.299 <sup>84</sup>	9.315 <sup>140</sup>	19.743
b) Value adjustments on investments	29 232.708 <sup>85</sup>	246.119 <sup>141</sup>	61.538
c) Losses on investment disposals	30 515 <sup>86</sup>	5.114 <sup>142</sup>	9.101
Total	31 242.522 <sup>87</sup>	260.548 <sup>143</sup>	90.382
<b>10. Unrealised financial and borrowing costs and capital losses relating to investments benefiting policyholders who bear the risk and to investments from pension fund management</b>	32 34.415 <sup>88</sup>	543.567 <sup>144</sup>	580.520
<b>11. Other technical charges, net of reinsurance transfers</b>	33 25.856 <sup>89</sup>	27.575 <sup>145</sup>	53.373
<b>12. (-) Share of profit from investments transferred to the non-technical account (item III.4)</b>	34	90	146 3.723
<b>13. Profit of the life technical account</b>	35 -191.057 <sup>91</sup>	-207.389 <sup>147</sup>	5.390
<b>III. NON-TECHNICAL ACCOUNT</b>			
<b>1. Profit of the non-life technical account (item I. 10)</b>	36	92	148
<b>2. Profit of the life technical account (item II. 13)</b>	37 -191.057 <sup>93</sup>	-207.389 <sup>149</sup>	5.390
<b>3. Income from investments of the non-life segment</b>			
a) Income from investments	38	94	150
b) Write-backs on investments	39	95	151
c) Profit on investment disposals	40	96	152
Total	41	97	153
<b>4. (+) Share of profit from investments transferred from the technical account of life segments (item II. 12)</b>	42	98	154 3.723
<b>5. Financial and borrowing costs of the non-life segments</b>			
a) Investment management costs and interest expense	43	99	155
b) Value adjustments on investments	44	100	156
c) Losses on investment disposals	45	101	157
Total	46	102	158
<b>6. (-) Share of profit from investments transferred to the technical account of non-life segments (item I.2)</b>	47	103	159
<b>7. Other income</b>	48 1.013 <sup>104</sup>	788 <sup>160</sup>	1.543
<b>8. Other charges</b>	49 3.482 <sup>105</sup>	3.369 <sup>161</sup>	7.326
<b>9. Profit/loss from ordinary operations</b>	50 -193.526 <sup>106</sup>	-209.970 <sup>162</sup>	3.330
<b>10. Extraordinary income</b>	51 7.986 <sup>107</sup>	6 <sup>163</sup>	108
<b>11. Extraordinary charges</b>	52 898 <sup>108</sup>	379 <sup>164</sup>	400
<b>12. Profit/loss from extraordinary operations</b>	53 7.088 <sup>109</sup>	-373 <sup>165</sup>	-292
<b>13. Profit/loss before tax</b>	54 -186.438 <sup>110</sup>	-210.343 <sup>166</sup>	3.038
<b>14. Tax on profit for the period</b>	55 -44.334 <sup>111</sup>	-50.232 <sup>167</sup>	1.218
<b>15. Net profit (loss) for the period</b>	56 -142.104 <sup>112</sup>	-160.111 <sup>168</sup>	1.820

# **CREDEMVITA S.p.A.**

Single-member company

Subject to management and coordination (pursuant to Art. 2497 bis of the Italian Civil Code)

by Credito Emiliano S.p.A.

Registered office in Reggio Emilia, Via Sani 1

Share capital € 221,600,070

Taxpayer's Code 01437550351

Register of Companies

at the Reggio Emilia Chamber of Commerce and taxpayer's code 01437550351

Economic and Administrative Index no. 185343 at the Reggio Emilia Chamber of Commerce

## **COMMENTS ON THE HALF- YEARLY REPORT AS AT 30 JUNE 2023**

## COMMENTS ON THE HALF-YEARLY REPORT AS AT 30 JUNE 2023

These comments have been drawn up in accordance with the matters envisaged by IVASS Provision no. 53 dated 6 December 2016, amending and supplementing Regulation no. 22 dated 4 April 2008.

The values referred to in this commentary, and those shown in the accounting statements, are expressed in thousands of euro.

### INFORMATION ON OPERATIONS

#### a. Company situation and overall business performance

##### a.1. Changes in legislation in this sector

The most significant regulations and provisions issued by IVASS during the year are listed below.

**IVASS - IVASS Provision no. 132 dated 6 June 2023.** IVASS Provision no. 132 dated 6 June 2023 containing amendments and additions to IVASS Regulation no. 18 of 15 March 2016 on the application rules for the determination of technical reserves;

**IVASS - IVASS Provision no. 131 dated 10 May 2023.** IVASS Provision no. 131/2023 containing amendments on sustainable finance to Regulations 24/2016, 38/2018, 40/2018 and 45/2020;

**IVASS - Provision no. 128 dated 20 February 2023.** Provision containing amendments and additions to IVASS Regulation no. 40/2018 on professional requirements and internet domains;

**IVASS - Provision no. 127 dated 14 February 2023.** Provision no. 127/2023 containing amendments and additions to IVASS Regulation no. 52 dated 30 August 2022 and ISVAP Regulation no. 38 dated 3 June 2013.

For full disclosure purposes, in addition to the Regulations and Provisions illustrated, the following should also be noted:

**IVASS - Letter to the market dated 16 March 2023.** Dormant policies. Request for information on the payment of policies to beneficiaries;

**IVASS - Letter to the market dated 1 March 2023.** Supervisory reporting - timing and operating methods for communicating information;

**IVASS - Letter to the market dated 3 January 2023.** Consolidated Financial Statements - Information on the transition to IFRS 17 pursuant to Annex 4 of Regulation no. 7/2007, amended by Provision 121/2022.

The most significant provisions issued by other Supervisory Authorities (in the case in question COVIP) are also listed.

**COVIP - Resolution dated 18 January 2023** - Determination of the amount, terms and methods of payment of the contribution due to COVIP by supplementary pension schemes in 2023, pursuant to Art. 1(65) of Law 266 of 23 December 2005

## **a.2. Evolution of Information Systems**

In the first half of the year, the main developments relating to the information systems of company governance concerned,

with reference to the strategic governance of IT and security:

- updating of the IT Risk Analysis Methodology;
- the conclusion of the 2023 report on the forward-looking IT Risk Analysis and relative presentation to the CCR and the March Board of Directors meeting;
- the monitoring of key outsourcer service levels;
- the launch of 2023 vulnerability tests on outsourcers other than Cedacri on the initiative of the Company and on Cedacri with the support of Credem;
- the start of the removal of IT architecture obsolescence in line with the Company's 2023 plan;
- the initiation and closure of an audit on the treasury system;
- the start-up and completion of periodic PSW change activities of all technical users used by the systems;
- the constant monitoring of IT incidents (in particular relating to the serious incident suffered in April by the supplier ROTOMAIL and reported in the CCR and BoD meetings in May/June).

With reference to the projects:

- the analysis of a specific Product Governance dashboard to strengthen and streamline the methods for monitoring the products being placed as required by the company Data Governance model;
- the assessment of systems and processes to make the Company's assistance to the networks and end customers more efficient;
- the start of the process for selecting a consultant for the Gap Analysis phase to identify the adjustments required by the European DORA (Digital Operational Resilience Act) regulations.

With reference to systems release and process optimisation developments:

- the development of new structured and automated Data Quality controls to support processes, in particular for the production of financial statements;
- the development of automatic systems for sending IFRS financial statement data to the Group's Consolidated Financial Statements;
- the further updating of the Business Glossary by the Data Owners and the start of the mapping of the Data Dictionary by the Data Managers for the design of the Company Information Assets;
- the activation of the Group's Data Platform (EDP) for a more advanced and shared management of the data present in the Company's Data Management systems;
- the development of other Business Intelligence dashboards to support the needs of company areas;
- the start of activities for the adaptation of Solvency II reporting to the new regulations (EIOPA 2020 Review);
- the revision of the Purchasing Process;
- the analysis for the evolution of the Treasury Management Process;
- the enhancement of the system relating to the actuarial calculation engine;
- the start of the implementation of a module (DSS) in the Finance Platform to allow a more structured and efficient governance of data for reporting purposes, integration with other systems/information providers, etc.;
- the activation of an Application Maintenance service for the management of the accounting platform and the launch of a study to extend it to other company systems.

With reference to personal equipment:

- the start of the disposal of local printers in the offices and rationalisation of multifunction printers;
- the supply of noise-excluding headsets to facilitate video calls in common areas.



[More] specifically, with regard to the evolutions of the Information Systems serving the Business, the following should be noted:

- Analysis and implementation of a procedure to adequately manage any customer requests regarding exemption pursuant to Law 197/22 ("2023 Budget Law")
- Creation and release for placement of three products with specific funding
- Analysis and implementation of interventions aimed at commercial actions in favour of customers on segment I Capital Light products
- Further interventions to optimise the procedures for the anonymisation of the personal data of the natural persons eligible under the GDPR
- Implementation of an intervention aimed at allowing customers to dematerialise and digitise the DUR (Single Reporting Document) and the consequent possibility of viewing it in the Reserved Area
- Implementation of interventions aimed at the transformation of the placement agent from Banca Euro into Credem Euromobiliare Private Banking and the consequent transfer of customers from Credem to the new entity.

### a.3. Sales performance

As at 30 June, Credemvita has issued a total of 17,319 new policies (of which one CPI contract) with 12,539 new subscriptions underlying CPI contracts; in the same period of the previous year, new contracts amounted to 10,104 (of which one CPI contracts) with 14,772 new subscriptions.

The details of the new contracts are provided below.

Segment	New contracts 30/06/2023	New contracts 30/06/2022
Segment I	15,938	8,241
Segment III	517	1,055
Segment V	0	0
Segment VI	864	808
<b>Total</b>	<b>17,319</b>	<b>10,104</b>

The insurance portfolio recorded an increase of 7.9%, rising from 137,631 contracts (of which 20 CPI contracts with 90,798 underlying subscriptions) as at 30 June 2022 to 148,477 contracts (including 23 CPI contracts with 96,908 underlying subscriptions) as at 30 June 2023.

Premiums collected by the Company, before reinsurance, amounted to € 754,536 thousand, up 22.6% compared to € 615,443 thousand premiums collected in the same period of the previous year.

The first half of the year was marked by an improvement in commercial results compared to the same period of the previous year thanks to the launch of new products linked to Specific Asset Funding; Revaluable products recorded an increase of 81.5% compared to a decrease in Unit-Linked products (-41.3%).

Gross collections were linked for € 565,460 thousand to segment I and V policies subject to revaluation, an increase compared to the previous year, characterised by gross collections of € 311,625 thousand; € 155,219 thousand refers to Linked products, exclusively related to Unit type policies, down against the previous year, characterised by gross collections of € 264,427 thousand. Policies for coverage in the event of death and credit protection policies recorded premiums of € 14,073 thousand, down by -20.0% compared to the prior year; the Pension Fund recorded

premiums collected of € 19,784 thousand, a fall of 9.3% against the first half of the previous year.

The income statement recorded a net loss for the period of € 142,111 thousand (€ - 160,111 thousand as at 30 June 2022), marking a recovery.

This recovery is mainly due to the following operating events:

- The net gain/loss balance which, despite being negative, showed a slight improvement YoY;
- Revenues deriving from the Segment III Unit linked policies, Separate and Owned Portfolios, TCM-CPI-CQP and Pension Fund portfolios higher than the previous year;
- An increased cost base compared to that of the first half of 2022.

The table below illustrates the main balance sheet and income statement items compared to figures as at 31 December and 30 June of the previous year. |

**Main balance sheet items (in €/thousand)**

	30/06/23	31/12/22	30/06/22	Change 06/23 12/22
<b>Assets</b>				
Intangible assets	11,540	11,985	12,295	-445
Investments in Group companies and other investees	0	0	0	0
Other financial investments	4,722,023	4,576,319	4,342,640	145,704
Investments benefitting policyholders	4,023,718	3,906,971	3,948,674	116,747
Technical reserves attributable to reinsurers	17,379	18,347	19,117	-968
Receivables, other asset items and accruals and deferrals	313,171	360,895	362,345	-47,724
<b>Total assets</b>	<b>9,087,831</b>	<b>8,874,517</b>	<b>8,685,071</b>	<b>213,314</b>
<b>Liabilities</b>				
Shareholders' equity	290,263	332,367	170,435	-42,104
Subordinated liabilities	106,162	106,075	105,987	87
Technical reserves	4,636,590	4,439,707	4,426,263	196,882
Technical reserves where the investment risk is borne by policyholders	4,023,411	3,906,804	3,948,294	116,607
Provisions for risks and charges	155	105	105	50
Payables, accruals and deferrals and other liabilities	31,249	89,459	33,987	-58,209
<b>Total liabilities and shareholders' equity</b>	<b>9,087,830</b>	<b>8,874,517</b>	<b>8,685,071</b>	<b>213,313</b>

**Main income statement items (in €/thousand)**

	30/06/23	31/12/22	30/06/22	Change 06/23 06/22
Premiums for the period, net of reinsurance transfers	752,566	1,015,078	611,338	141,228
Income from investments	71,014	130,958	68,782	2,232
Income relating to investments benefiting policyholders	212,889	46,415	32,625	180,264
Technical income net of reinsurance	6,337	14,435	9,199	-2,862
Charges for claims, net of reinsurance	-636,852	-775,838	-401,213	-235,639
Change in reserves	-281,997	324,991	315,359	-597,356
Reversals and profit-sharing, net of reinsurance transfers	0	0	0	0
Management costs	-12,221	-22,652	-11,691	-432
Financial and borrowing costs	-242,522	-90,382	-260,548	18,026
Costs relating to investments benefiting policyholders	-34,415	-580,520	-543,567	509,152
Other technical charges, net of reinsurance	-25,856	-53,372	-27,673	1,719
(-) Share of profit from investments transferred to the non-technical account	0	-3,723	0	0
<b>Result of the technical account</b>	<b>-191,057</b>	<b>5,389</b>	<b>-207,389</b>	<b>16,332</b>
(+) Share of profit from investments transferred from the technical account	0	3,723	0	0
Other income and charges	-2,468	-5,800	-2,585	113
<b>Profit/loss from ordinary operations</b>	<b>-193,525</b>	<b>3,312</b>	<b>-209,974</b>	<b>16,445</b>
Extraordinary income and charges	7,088	-274	-369	7,461
<b>Profit before tax</b>	<b>-186,437</b>	<b>3,038</b>	<b>-210,343</b>	<b>23,906</b>
Income taxes for the year	44,334	-1,218	50,232	-5,898
<b>Net profit (loss) for the year</b>	<b>-142,103</b>	<b>1,820</b>	<b>-160,111</b>	<b>18,008</b>

**b. Evolution of the insurance portfolio**

Production recorded an increase compared to the same half of the previous year, concentrated primarily on segment I-V products, which account for 76.8% of total premiums; segment III generated premiums for 20.6% of the total; segment VI generated premiums for 2.6% of the total.

The Company's portfolio, with premiums collected during the period amounting to € 754,536 thousand, showed a growth trend overall with respect to 30 June 2022, as illustrated in the table below.

Gross premiums on Unit-Linked policies declined in absolute terms by € 109,208 thousand (-41%), while gross premiums on Guaranteed-rate policies rose significantly by € 253,835 thousand (+82%).

The premiums of products with temporary cover in case of death and credit protection policies fell by 20%; the Open-end Pension Fund fell by -9%.

**Summary of gross premiums in the first half of the year (in €/thousand)**

Products	30/06/23	30/06/22	% Change
Unit-Linked related to external funds	146,481	230,927	-37%
Guaranteed-rate policies	565,460	311,625	+82%
Unit-Linked related to internal funds	8,738	33,500	-74%
Life insurance	14,073	17,587	-20%
Pension Funds	19,784	21,804	-9%
<b>Total</b>	<b>754,536</b>	<b>615,443</b>	<b>+23%</b>

**c. Trend of claims in the main segments in which the company operates**

The breakdown of the amounts paid and the change in the reserve for amounts to be paid is illustrated in the table below (in €/thousand):

	30/06/23	30/06/22	Change
Segment I	70,507	65,657	4,850
Segment III	64,425	71,832	-7,407
<b>Total claims</b>	<b>134,932</b>	<b>137,489</b>	<b>-2,557</b>
Segment I	6,286	6,957	-671
Segment I (annuities)	121	94	27
Segment III	5,029	4,996	33
Segment V	0	0	0
Segment VI	5,303	4,042	1,261
<b>Total maturity</b>	<b>16,739</b>	<b>16,089</b>	<b>650</b>
Segment I	313,261	97,933	215,328
Segment III	123,866	111,283	12,583
Segment V	10,390	9,115	1,275
Segment VI	7,388	8,063	-675
<b>Total surrenders</b>	<b>454,905</b>	<b>226,394</b>	<b>228,511</b>
Segment I settlement expenses	40	36	4
Segment III settlement expenses	32	31	1
Segment V settlement expenses	1	1	0
Segment VI settlement expenses	4	5	-1
<b>Settlement expenses</b>	<b>77</b>	<b>73</b>	<b>4</b>
Segment I change in reserve for amounts to be paid	23,242	8,443	14,799
Segment III change in reserve for amounts to be paid	7,568	14,911	-7,343
Segment V change in reserve for amounts to be paid	0	0	0
Segment VI change in reserve for amounts to be paid	1,494	374	1,120
<b>Change in reserve for amounts to be paid</b>	<b>32,304</b>	<b>23,728</b>	<b>8,576</b>
<b>Claims attributable to reinsurers</b>	<b>-2,262</b>	<b>-2,437</b>	<b>175</b>
<b>Change in reserve for amounts to be paid by reinsurers</b>	<b>157</b>	<b>-123</b>	<b>280</b>
<b>Total Charges for claims</b>	<b>636,852</b>	<b>401,213</b>	<b>235,639</b>

As shown in the table below, surrenders were up significantly in Segment I, while those for Segment III-V and Segment VI remained basically the same.

If we look at the ratio of claims to premiums, in comparison to the same period of the previous year the figure has deteriorated overall, due primarily to the performance of Segment III.

	30/06/23	30/06/22	Change
<b>Charges for claims:</b>			
Segment I	413,457	179,120	234,337
Segment III	200,920	203,053	-2,133
Segment V	10,391	9,116	1,275
Segment VI	14,189	12,484	1,705
<b>Total Charges for claims</b>	<b>638,957</b>	<b>403,773</b>	<b>235,184</b>
<b>Premiums for the year</b>			
Segment I	573,217	324,529	248,688
Segment III	155,219	264,427	-109,208
Segment V	6,316	4,683	1,633
Segment VI	19,784	21,804	-2,020
<b>Total Premiums for the year</b>	<b>754,536</b>	<b>615,443</b>	<b>139,093</b>
<b>Ratio of claims to premiums:</b>			
Segment I	72.13 %	55.19 %	
Segment III	129.44 %	76.79 %	
Segment V	164.52 %	194.66 %	
Segment VI	71.72 %	57.26 %	
<b>Ratio of claims to premiums</b>	<b>84.68 %</b>	<b>65.61 %</b>	

**d. Performance of insurance business carried out under the freedom to provide services and through secondary offices in EU countries or members of the European Economic Area and in third countries**

The Company does not have any business abroad.

**e. Fundamental aspects of the reinsurance policy with specific regard to changes in the most significant types of reinsurance adopted**

As of today, the company has only implemented techniques to mitigate the risk of death by purchasing reinsurance coverage, whose purpose is to help guarantee the technical balance, reduce the volatility of the economic results and contain the risk assumed by the company.

The aim of using the reinsurance service is to make the amount of capital at risk held by the Company for every policy holder as consistent as possible so that exceptional events relating to or claims by policy holders with significant insured amounts do not generate impacts as such to put the company's solvency at risk.

At the valuation date, the company has two "risk premium" reinsurance treaties in place with the company Münchener Ruck Italia S.p.A., and a reinsurance treaty with commercial premiums in place with the Reinsurance Company RGA.

Reinsurance treaties are renegotiated annually to make it possible to continuously structure the reinsurance coverage based on the Company's changed risk coverage needs.

**f. Research and development and the main new insurance products introduced into the market**

- During the first half of the year, the Company started the placement of new revaluable tariffs linked to specific asset funding and the new Credemvita III Separate Portfolio.
- The Company has also proposed a retention campaign through the granting of bonuses on revaluable and multi-segment contracts placed between June 2023 and November 2023.
- The Company also relied on an analysis of the strategic positioning of the offer with respect to the main competitors for the bancassurance channel and at the level of the entire market, with a view to understanding the points of strength and areas for improvement of the product catalogue, to incorporate market trends and innovation tips useful for future developments.

#### g. Fundamental aspects of the investment policy and returns achieved

As regards class “C”, the investment policy continued to favour Government bonds (72.2% of the portfolio against 74.2% as at 31/12/22), in particular Italian Government bonds represent the main component of the total portfolio. The corporate bond component and the mutual fund and SICAV component (13.9% of the portfolio compared to 16.8% at 31/12/21) remained stable. Essentially all of the corporate bonds in separate management portfolios have been issued by “investment grade” issuers and are highly liquidable.

As regards class “D”, the investment policy was consistent with the characteristics of Unit-Linked internal and external funds and with the regulation of the open-end pension fund “Credemprevidenza”.

The following table summarises the distribution of the investments belonging to class “C” of the Balance Sheet (amounts in €/thousand), compared to 31 December of the previous year:

Investment type	30/06/2023	%	31/12/2022	%	% Change
Government bonds	3,410,110	72.2%	3,394,564	74.2%	0.5%
Bonds	657,883	13.9%	411,186	9.0%	60.0%
Mutual funds and SICAVs	654,030	13.9%	768,989	16.8%	-14.9%
Premiums from options to be exercised	0	0.0%	1,580	0.0%	-100.0%
<b>Total</b>	<b>4,722,023</b>	<b>100.0%</b>	<b>4,576,319</b>	<b>100.0%</b>	<b>3.2%</b>

The difference between accounting values and spot market values as at 30 June is as follows (in €/thousand):

Investment type	Book value	Present value	Difference
Government bonds	3,410,110	3,058,324	-351,786
Bonds	657,883	644,722	-13,161
Mutual funds and SICAVs	654,030	663,453	9,423
Derivatives	0	0	0
<b>Total</b>	<b>4,722,023</b>	<b>4,366,499</b>	<b>-355,524</b>

The distribution of investments relating to Unit-Linked and PIP policies as at 30 June is shown below (amounts in €/thousand):

Investment type	30/06/2023	%	31/12/2022	%	% Change
Government bonds and bonds	75,752	2.1%	130,789	3.7%	-42.1%
Mutual funds and SICAVs	3,514,319	97.7%	3,367,764	95.9%	4.4%
Derivatives	0	0.0%	63	0.0%	-100.0%
Liquidity and other assets	6,133	0.2%	11,956	0.3%	-48.7%
<b>Total</b>	<b>3,596,204</b>	<b>100.0%</b>	<b>3,510,572</b>	<b>100.0%</b>	<b>2.4%</b>

These investments are recognised at market prices as at 30 June.

The distribution of investments relating to the open-end pension fund “Credemprevidenza” is shown below (amounts in €/thousand):

Investment type	30/06/2023	%	31/12/2022	%	% Change
Government bonds and bonds	216,575	50.7%	195,655	49.4%	10.7%
Shares	166,911	39.0%	143,019	36.1%	16.7%
Mutual investment funds	36,150	8.5%	31,228	7.9%	15.8%
Liquidity and other assets/liabilities	7,878	1.8%	26,497	6.7%	-70.3%
<b>Total</b>	<b>427,514</b>	<b>100.0%</b>	<b>396,399</b>	<b>100.0%</b>	<b>7.8%</b>

These investments are recognised at market prices as at 30 June.

#### **h. Effects on the representation of the economic result if, under exceptional circumstances, different standards are adopted with respect to those used at the time of drafting the last set of financial statements.**

The company has not adopted different standards with respect to those used at the time of drafting the last set of financial statements.

#### **i. Illustration of the main equity and economic relations with Group companies and other investees. Indication of the number and par value of the own shares and those of the parent company held by the company**

The share capital subscribed and paid up at the reporting date amounts to € 121,600,044, divided into 23,565,900 shares with a nominal value of € 5.16 each. At present, the share capital is held in its entirety by Credito Emiliano S.p.A., which is therefore the direct parent company.

The Extraordinary Shareholders' Meeting on 23 June 2023 resolved to increase the share capital by € 100,000,026.00, i.e. from € 121,600,044.00 to € 221,600,070.00, through issue of no. 19,379,850.00 shares with a nominal value of € 5.16 each

Various transactions have been entered into with Credem Group companies on an arm's length basis: commercial agreements for the distribution of insurance products; current account agreements; agreements for the retrocession of management commission on UCITs; securities deposit and portfolio management agreements; planning and capital management activities; real estate leasing; payroll and salary services; various consulting and corporate secretary services; postal services; process analysis and internal audit consulting services; personnel secondment; compliance and risk management service; IT services and agreements regarding the use of the digital platforms of the Credem Group and support services in “Fund Selection” activities relating to multi-segment policies.

The Company does not control other companies and it has no equity investments in other companies.

The Company does not hold own shares either directly or through third parties or trust companies. During the period, it has not purchased or sold own shares either directly or through third parties or trust companies.

The following revenues generated by dealings with Group companies and investees pertain to the first half of the year: interest income on current accounts for € 327 thousand, recovery of expenses for seconded personnel for € 384 thousand; revenues from Credemassicurazioni S.p.A. were also accrued in the period for various services provided (administrative and accounting, organisational and governance, network support and marketing, general services and logistics control) for € 182 thousand.

The following costs relating to dealings with Group companies and investees pertain to the first half of the year: maintenance fees and commissions for € 29,804 thousand, management and delegation charges of € 153 thousand, bank charges of € 42 thousand, in addition to IT support and technological outsourcing services, rent payables and condominium expenses, mailing services, expenses for seconded personnel, other services including Credem services of security depositaries and financial intermediaries, Credem services relating to anti-money laundering, compliance and risk management controls, € 275 thousand for support services provided by Euromobiliare Advisory Sim S.p.A. (controlled by Credito Emiliano) for the use of group digital platforms and for selection and advisory activities relating to dedicated internal funds and concerning multi-segment policies.

For an illustration of the main equity relations with Group companies and other investees, please refer to point 1 of Part C - Notes to the Balance Sheet in this report.

#### **j. Significant events after the end the of interim period that might significantly affect the balance sheet and financial situation or the economic result**

The company constantly monitors the situation and any conditions involving a deterioration in the financial markets where these impact its solvency and will take any other strengthening actions needed to guarantee an adequate level of capitalisation, also under significant stress conditions. |

#### **k. General comments on business performance from the end of the half-year period and expected results for the current year**

In continuity with recent years, from the moment the health emergency emerged and with the start of the war in Ukraine, the Company continues to closely monitor the evolution of the situation and the consequent exceptional and extraordinary volatility of the markets, carefully observing the main operational, commercial, economic, financial and solvency indicators. Therefore, also for 2023, the rolling forecasting process that continuously reperforms the forecast expected for year-end continues to be used.

The data obtained and relating to the latest quarterly forecast available at the date of the transmission of this report (which take account of the final balances as at 30 June 2023) suggest that the year will close with premiums collected of around € 1,226,000 thousand (€ 1,020,878 thousand as at 31 December 2022) as defined as part of the forecast process approved by the Board of Directors.

From an economic perspective, a result in line with that recorded at the end of last year is expected as at 31 December 2023 in the event of repetition of the Anti-Crisis Decree.

Lastly, the overall structure of the securities portfolio is expected to vary in line with the premiums collected and claims paid, while its asset allocation is not expected to change significantly. |

#### **l. Amount of gross premiums written and of reinsurance premiums paid.**

The breakdown of gross premiums written by segment, with an indication of the reinsurance premiums paid and the amount of the gross premiums related to direct business, is summarised in the table below (amounts in €/thousand):



**Gross premiums written for direct business**

Segment	Gross premiums written	Gross premiums for direct business	Reinsurance premiums paid
Segment I	573,217	573,217	1
Segment III	155,219	155,219	0
Segment V	6,316	6,316	0
Segment VI	19,784	19,784	0
<b>Total</b>	<b>754,536</b>	<b>754,536</b>	<b>1</b>

**Reinsurance premiums paid**

Segment	30/06/23	30/06/22	Change
Segment I	1,970	4,105	-2,135
<b>Total</b>	<b>1,970</b>	<b>4,105</b>	<b>-2,135</b>

The Company does not have any indirect business.

**m. Change in the premium reserve in non-life segments**

The Company only operates in the life insurance sector.

**n. Claims paid and change in the claims reserve in non-life segments**

The Company only operates in the life insurance sector.

**o. Income and costs relating to investments**

The table below shows the income and the costs relating to investments (in €/thousand) compared with the figures for the same period of the previous year:

**Class C**

Item	30/06/23	30/06/22	Change
<i>Income from investments:</i>			
Income from investments	57,656	49,217	8,439
Write-backs on investments	7,760	4,201	3,559
Profit on investment disposals	5,598	15,364	-9,766
<b>Total income from investments</b>	<b>71,014</b>	<b>68,782</b>	<b>2,232</b>
<i>Financial and borrowing costs:</i>			
Investment management costs and interest expense	-9,299	-9,315	16
Value adjustments on investments	-232,708	-246,119	13,411
Losses on investment disposals	-515	-5,114	4,599
<b>Total financial and borrowing costs</b>	<b>-242,522</b>	<b>-260,548</b>	<b>18,026</b>

**Class D (Unit-Linked - Index-Linked and PIP)**

Item	30/06/23	30/06/22	Change
<i>Income from investments:</i>			
Income from investments	2,539	1,217	1,322

Gains on valuations	151,594	5,748	145,846
Profit on investment disposals	19,120	3,208	15,912
Income from allocation of shares	759	1,034	-275
<b>Total income from investments</b>	<b>174,012</b>	<b>11,207</b>	<b>162,805</b>
<i>Financial and borrowing costs:</i>			
Investment management costs and interest expense	-4,366	-4,155	-211
Losses on valuations	-13,589	-416,880	403,291
Losses on investment disposals	-3,094	-58,466	55,372
Commission on units			0
<b>Total financial and borrowing costs</b>	<b>-21,049</b>	<b>-479,501</b>	<b>458,452</b>

#### Class D (Pension Fund)

Item	30/06/23	30/06/22	Change
<i>Income from investments:</i>			
Income from investments	5,976	13,792	-7,816
Gains on valuations	32,035	7,379	24,656
Profit on investment disposals	866	247	619
<b>Total income from investments</b>	<b>38,877</b>	<b>21,418</b>	<b>17,459</b>
<i>Financial and borrowing costs:</i>			
Investment management costs and interest expense	-8,316	-2,297	-6,019
Losses on valuations	-4,679	-60,038	55,359
Losses on investment disposals	-370	-1,731	1,361
<b>Total financial and borrowing costs</b>	<b>-13,365</b>	<b>-64,066</b>	<b>50,701</b>

#### p. Extraordinary income and charges

The table below shows extraordinary income and charges (in €/thousand) compared with the figures for the same period of the previous year:

	30/06/23	30/06/22	Change
<i>Extraordinary income</i>			
Contingent assets	100	6	94
Profits on disposal of bonds and other long-term fixed-income securities	7,887	0	7,887
Income from disposal of durable goods	0	0	0
Other extraordinary income		0	0
<b>Total extraordinary income</b>	<b>7,987</b>	<b>6</b>	<b>7,981</b>
<i>Extraordinary charges</i>			<b>0</b>
Contingent liabilities	-8	-15	7
Losses on disposal of bonds and other long-term fixed-income securities	-468	-321	-147
Losses from disposal of durable goods	0	0	0
Other	-422	-43	-379
<b>Total extraordinary charges</b>	<b>-898</b>	<b>-379</b>	<b>-519</b>

**q. Illustration of the influence on the economic situation of transactions for significant amounts, regarding the transfer of securities from one segment (long-term or shorter-term) to the other, namely the early disposal of securities classified as long-term, of an exceptional and extraordinary nature**

No early disposals or transfers of securities to long-term securities were carried out during the period.

The following corporate securities classified as long-term were redeemed early.

Regulation 52 (and subsequent provision 127) relating to the Anti-Crisis Decree applied for the financial statements as at 31 December 2022 stipulates, in Art. 4(8) (and Art. 1(2b) of provision 127) that the company that has exercised the right for the purposes of preparation of the financial statements or half-yearly report, shall show the effects deriving from:

- a) any sale of securities during the half-year following the reporting date;
- b) the valuation of the securities at the next reporting date.

With regard to point a)

During the first half of 2023, the Company carried out the following transactions:

Type of Transaction	Description of the Security	ISIN Code	Nominal value as at 31/12/2022	Nominal value as at 30/06/2023	Gain/loss realised
Total Sale	AMUNDI NAS-100 EUR HE	LU1681038599	51,000	0	175,050
Total Sale	INVESCO NASDAQ 100 EUR HDG	IE00BYVTMS52	35,000	0	243,625
Partial Sale	SPECIALIST-M&G EUROPEAN L-CE	IE00B13MQJ09	294,252	276,452	-103,855

The transactions are attributable to the possibility of exploiting a favourable market situation for total sales and a reduction in the position for partial sales.

With regard to point b)

According to the provisions of Title II, Art. 4(7)(c) of the Regulation (and art. 5(4)), the company, as at the valuation date of 31 December 2022, had suspended a capital loss for € 273,076,007.

At the valuation of 30 June 2023, the portfolio subject to the Anti-Crisis Decree generated a capital loss from valuation, recognised in the financial statements, for € 227,227,744.

**r. Illustration of the results recorded in the half year for transactions in derivative financial instruments, with reference to the various product categories and with an indication of the transactions completed and those still underway.**

The results achieved during the year for derivative financial instruments transactions are broken down by Class.

Class C	Income from sale	Loss on sale	Losses/Recoveries in financial statements	Latent gains/losses
<b>CLOSED TRANSACTIONS:</b>				
Futures on currency		-30		
Options on futures	321	-23		
Options on indexes				
<b>Total</b>	<b>321</b>	<b>53</b>		

Class D	Income from sale	Loss on sale	Losses/Recoveries in financial statements	Latent gains/losses
<b>CLOSED TRANSACTIONS:</b>				
Options on indexes		-109		
<b>Total</b>		<b>-109</b>		

All transactions in derivative financial instruments were carried out for efficient management purposes.

#### Other income statement items

The item “Other technical income” consists of the following:

“Other technical income”	30/06/23	30/06/22	Change
Retrocessions on commission for subscriptions of Mutual funds and SICAVs	296	923	-627
Other Unit-Linked policy management commissions	3,083	5,995	-2,912
Other Pension fund management commissions relating to internal funds	2,503	2,266	237
Overperformance commissions relating to Unit-Linked policies	447	0	447
Income for withdrawal rights	2	3	-1
Other technical income	6	12	-6
<b>Total</b>	<b>6,337</b>	<b>9,199</b>	<b>-2,862</b>

The “Retrocessions on commission for subscriptions of Mutual funds and SICAVs”, relating to Unit-Linked policies related to external funds, were recognised to policy holders, in accordance with the law and contractual conditions.

The item “Other technical charges” consists of the following:

“Other technical charges”	30/06/23	30/06/22	Change
Bank charges for portfolio management	297	286	11
Cancellation of backdated premiums from previous years	50	206	-156
Retrocessions on commission paid to policyholders	437	997	-560
Maintenance commissions	25,071	25,973	-902
Other charges	1	113	-112
Interest on payables due to reinsurance companies	0	0	0
<b>Total</b>	<b>25,856</b>	<b>27,575</b>	<b>-1,719</b>

#### s. Information relating to exemption from the obligation to prepare consolidated financial statements pursuant to Articles 96 and 97 of the Decree and Article 21 of ISVAP Regulation no. 7 dated 13 July 2007

As the circumstance set forth in Articles 19 and 20 (title III) of ISVAP Regulation no. 7 of 13 July 2007, which refer to Articles 95 and 96 of Legislative Decree no. 209 of 7 September 2005, does not exist, Credemvita S.p.A. is not required to prepare annual consolidated financial statements or a consolidated half-yearly report.

The Company has no equity investments and it does not directly or indirectly control other companies.

#### t. Indication of any advances on dividends paid or resolved upon

No advances on dividends have been resolved upon.

## Relations with shareholders

The Company is controlled by a sole shareholder, Credito Emiliano S.p.A. Therefore, the Company is subject to management and coordination pursuant to Art. 2497 of the Italian Civil Code by Credito Emiliano S.p.A.

As indicated previously, as at 30 June, the fully paid-up share capital amounted to € 121,600,044.

It should be noted that, on 23 June 2023, the Extraordinary Shareholders' Meeting in order to:

- support the further growth of the Company and the development of the related business with a drive towards new innovative products that are more consistent with the needs of policyholders and potential customers (e.g. multi-segment and revaluable policies);
- achieve even more reassuring levels of capitalisation and solidity than the current ones;
- be able to face, with suitable safety margins, any future situations of volatility and tension in the markets and the macroeconomic context that may further arise, making the Company even more resilient to risk factors such as rates, spreads and surrenders.

It resolved to increase the share capital by € 100,000,026.00 and, therefore, from € 121,600,044.00 to € 221,600,070.00, through the issue of 19,379,850.00 shares with a nominal value of € 5.16 each. Also pursuant to Solvency II regulations, the aforementioned amount has such characteristics that it can be considered, as soon as it is paid by the Shareholder, as an element of the Tier 1 Basic Own Funds.

The share capital increase was completed with the filing with the Register of Companies of the updated Articles of Association and with the issuance of new shares following the authorisation through Provision ref. no. 0175819/23 of 20 July 2023, through which the Supervisory Authority approved the amendments to the Company's Articles of Association.

Reggio Emilia, 02 August 2023

The General Manager

Ms Rossella Manfredi