



CREDEMVITA

FINANCIAL STATEMENTS

2021 HALF-YEAR

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2021 HALF- YEAR FINANCIAL STATEMENTS

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Company: **CREDEMVITA**

Subscribed share capital € 121.600.044 Paid up € 121.600.044

Registered office in _____

HALF-YEARLY REPORT
AS AT 2021

(Figures in €/thousand)

	As at 30 June of the present year	As at 30 June of the previous year	As at 31 December of the previous year
I. NON-LIFE TECHNICAL ACCOUNT			
1. Premiums, net of reinsurance transfers	1	57	113
2. (+) Share of profit from investments transferred from the non-technical account (item III. 6)	2	58	114
3. Other technical income, net of reinsurance transfers	3	59	115
4. Charges for claims, net of recoveries and reinsurance transfers	4	60	116
5. Change in other technical reserves, net of reinsurance transfers	5	61	117
6. Reversals and participation in profits, net of reinsurance transfers	6	62	118
7. Management costs:			
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
8. Other technical charges, net of reinsurance transfers	10	66	122
9. Changes in equalisation reserves	11	67	123
10. Profit of the non-life technical account	12	68	124
II. LIFE TECHNICAL ACCOUNT			
1. Premiums for the year, net of reinsurance transfers	13	641.214	447.368
2. Income from investments			
a) Income from investments	14	40.801	41.770
b) Write-backs on investments	15	4.344	296
c) Profit on investment disposals	16	24.377	60.587
Total	17	69.522	102.653
3. Unrealised income and capital gains relating to investments benefiting policyholders who bear the risk and investments from pension fund management	18	193.514	74.543
4. Other technical income, net of reinsurance transfers	19	29.346	7.181
5. Charges for claims, net of reinsurance transfers	20	368.943	360.541
6. Change in mathematical reserves and other technical reserves, net of reinsurance transfers			
a) Mathematical reserves, premium reserve for supplementary insurance and other technical reserves	21	56.560	108.015
b) Technical reserves where the investment risk is borne by policyholders and from pension fund management	22	388.957	-130.622
Total	23	445.517	-22.607
7. Reversals and participation in profits, net of reinsurance transfers	24	80	
8. Management costs			
a) Acquisition expenses net of commissions and profit sharing received by reinsurers	25	3.302	3.091
b) Administration costs	26	5.181	4.920
Total	27	8.483	8.011

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
9. Financial and borrowing costs			
a) Investment management costs and interest expense	28 9.282 ⁸⁴	7.536 ¹⁴⁰	16.536
b) Value adjustments on investments	29 16.602 ⁸⁵	45.920 ¹⁴¹	19.865
c) Losses on investment disposals	30 3.935 ⁸⁶	35.212 ¹⁴²	47.175
Total	31 29.819 ⁸⁷	88.668 ¹⁴³	83.576
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	32 31.903 ⁸⁸	177.038 ¹⁴⁴	131.195
11. Other technical charges, net of reinsurance transfers	33 26.925 ⁸⁹	25.043 ¹⁴⁵	50.631
12. (-) Share of profit from investments transferred to the non-technical account (item III.4)	34 3.604 ⁹⁰		8.154
13. Profit of the life technical account	35 18.402 ⁹¹	-4.949 ¹⁴⁷	49.226
III. NON-TECHNICAL ACCOUNT			
1. Profit of the non-life technical account (item I. 10)	36		148
2. Profit of the life technical account (item II. 13)	37 18.402 ⁹³	-4.949 ¹⁴⁹	49.226
3. Income from investments of the non-life segment			
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
4. (+) Share of profit from investments transferred from the technical account of life segments (item II. 12)	42 3.604 ⁹⁸		8.154
5. Financial and borrowing costs of the non-life segments			
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
6. (-) Share of profit from investments transferred to the technical account of non-life segments (item I.2)	47	103	159
7. Other income	48 636 ¹⁰⁴	562 ¹⁶⁰	1.006
8. Other charges	49 3.201 ¹⁰⁵	4.227 ¹⁶¹	9.090
9. Profit/loss from ordinary operations	50 19.441 ¹⁰⁶	-8.614 ¹⁶²	49.296
10. Extraordinary income	51 7 ¹⁰⁷	158 ¹⁶³	1.553
11. Extraordinary charges	52 291 ¹⁰⁸	336 ¹⁶⁴	1.330
12. Profit/loss from extraordinary operations	53 -284 ¹⁰⁹	-178 ¹⁶⁵	223
13. Profit/loss before tax	54 19.157 ¹¹⁰	-8.792 ¹⁶⁶	49.519
14. Tax on profit for the period	55 5.917 ¹¹¹	-1.869 ¹⁶⁷	15.531
15. Net profit (loss) for the period	56 13.240 ¹¹²	-6.923 ¹⁶⁸	33.988

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 € 121,600,160

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 2021

COMMENTS ON THE HALF-YEARLY REPORT AS AT 30 JUNE 2021

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 regulatory provisions and measures issued by IVASS during the first half of the year are listed below.

IVASS - Regulation no. 47 IVASS of 27 April 2021. IVASS Regulation concerning the provisions on recovery and financing plans;

IVASS - Provision no. 109 of 27 January 2021. Amendments to Regulation no. 7/2007 concerning the extension to 1 January 2023 of the temporary exemption from the application of IFRS 9;

IVASS - Provision no. 108 of 27 January 2021. Amendment and integration to Regulation no. 43 of 12 February 2019 relating to the implementation of the provisions on the temporary suspension of losses on short-term securities;

IVASS - Provision no. 107 of 12 January 2021. Amendment to ISVAP Regulation no. 14 of 18 February 2008 concerning the transfer of run-off portfolios;

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

IVASS - Letter to the market of 3 June 2021. EIOPA guidelines on security and governance of information and communication technology;

IVASS - Letter to the market of 20 April 2021. Reports relating to Systematic Life Communications (Comunicazioni sistematiche vita - CSVI) and Interest Rate Risk (IRR);

IVASS - Letter to the market of 24 February 2021. Supervisory reporting - timing and operating methods for communicating information;

IVASS - Letter to the Market of 1 February 2021. New information exchange protocol - conclusion of parallel operational recognition of "assets covering technical provisions" (COPRT);

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

COVIP - Resolution of 19 May 2021 - Statute schemes for contractual pension funds, Regulations of open pension funds and Regulations of individual pension plans, updated following the amendments and additions to Italian Legislative Decree

no. 252 of 5 December 2005 from Italian Legislative Decree no. 147, of 13 December 2018, implementing Directive (EU) 2016/2341;

COVIP - Resolution of 19 May 2021 - Regulations on procedures;

COVIP - Resolution dated 12 May 2021 - Determination of the amount, terms and methods of payment of the contribution due to Covip by supplementary pension schemes in 2021, pursuant to Art. 1 (65) of Law 266 of 23 December 2005;

COVIP - Circular of 2 March 2021, file no. 939/21 - Applications for authorisation to entrust core functions to subjects or units of the sponsoring undertaking pursuant to Art. 5-bis (3) of Italian Legislative Decree 252/2005;

COVIP - Resolution of 25 February 2021 - Changes to the Resolution issued on 22 December 2020 containing "Supervisory instructions on transparency";

COVIP - Resolution of 13 January 2021 - Supervisory instructions for companies that manage open pension funds, adopted pursuant to Art. 5-decies, paragraph 1, of Italian Legislative Decree no. 252 of 5 December 2005;

COVIP - Circular of 14 January 2021, prot. no. 160/21 - Statistical and supervisory reporting of supplementary pension schemes. New authentication method to the INFOSTAT-COVIP platform. Extension of activation deadlines.

a.2. Evolution of Information Systems:

In the first half of 2021, the main developments relating to the information systems of company governance regarded,

for the projects:

- the definition of Information Areas as a preliminary to the subsequent assignment of roles and responsibilities (Data Ownership), according to the model described in the Information Governance policy;
- the preparation of a new data environment integrated with the existing infrastructure (company DWH), dedicated to internal management reporting and to Credem Group companies;
- the completion of the analyses for the introduction of the IFRS 17/9 accounting standards and the start of the development and evolution of the new accounting platform to support the financial statements processes;
- the development of the actuarial calculation engine to support the operating processes for the assessment of risks, with a view to Solvency II, and preparatory to the developments deriving from the IFRS 17 accounting standards;
- the definition and implementation of the architecture supporting the evolution of the finance platform in line with the adjustments made to the organisational structure and strategic governance objectives (live position-keeping processes, ex-ante monitoring of investment limits and proxies);
- the continuation of the developments for the masking of the test environments and the adjustments required by the GDPR regulation.

For the evolution of safety:

- the preparation of the report for the assessment of IT risk;
- the consolidation of the Security Governance system, management and monitoring of IT incidents and monitoring of the outsourcers;
- the revision of the documentary frameworks pertaining to security (IT Strategic Plan, Regulations, Policies and Methodologies);
- the evolution of contractual attachments with outsourcers in line with EIOPA guidelines and the NIST (National Institute of Standards and Technology) framework on IT security.

For systems evolution:

- the on-going adjustment of the platform used to provide the data for the Solvency II Quarterly reporting and the automation of the Solvency II data feeds to the actuarial system;
- the updated release of various systems including the tool for segment III investments, the accounting system, the portfolio management system, the reinsurance system, the system for sending files to IVASS and the budget management system.

For process evolutions, developments and optimisations:

- the structuring of a standardised and optimised process for the loading of data on the DWH and the enrichment of the DWH with new tables useful for the calculation of reserves and technical balance.

For personal equipment:

- the activation of a specific audio system for in-presence meetings from the company facilities to remote locations;
- the completion of the mass replacement of smartphones where obsolete.

More specifically, with regard to developments of the Information Systems serving the Business, the following are of note:

- Progressive release of new functions as part of the HUBINS project. The releases already made in 2020 were enhanced with the main sales and after-sales functions, in particular the process of issuing class I, III and multi-segment policies as well as the partial and total redemption process.
- The system of Compagnia PassVita was strongly implemented to allow the issue and management of multi-segment policies i.e. life insurance policies that allow simultaneous investment in both a traditional segregated management scheme (class I) and in internal/external funds (class III). This implementation made it possible, in May, to release the following multi-segment products:
 - Credemvita Life Mix (60100)
 - Credemvita Life Mix Welcome (60101)
 - Credemvita Life Mix Evo (60102 - Standard, Advanced, Bonus profiles)
- In agreement with Credem Banca, a process was implemented that allows the pledge of life investment and savings policies in favour of the intermediary in compliance with current regulations.
- The Company has complied with the IVASS Regulation 45/2020 and IVASS Provision 97/2020 through the REGIDD project, carried out in agreement with Credem Banca, whose release took place in March 2021. |

a.3. Sales performance

As at 30 June 2021, Credemvita has issued a total of 8,990 new policies (of which one CPI contract) with 10,735 new subscriptions underlying CPI contracts; in the same period of the previous year, new contracts amounted to 6,532 (of which one CPI contracts) with 12,646 new subscriptions.

The details of the new contracts are provided below

Segment	New contracts 30/06/2021	New contracts 30/06/2020
Segment I	6,627	4,890
Segment III	1,546	1,073
Segment V	0	0
Segment VI	817	569
Total	8,990	6,532

The insurance portfolio recorded an increase of 4.0%, rising from 125,839 contracts (of which 20 CPI contracts with 91,481 underlying subscriptions) as at 30 June 2020, to 130,915 contracts (including 21 CPI contracts with 86,572 underlying subscriptions) as at 30 June 2021.

Premiums collected by the company, before reinsurance, amounted to € 644,129 thousand, up 42.9% compared to € 450,625 thousand premiums collected in the same period of the previous year.

The first half of the year was characterised by better sales results than the same period of the previous year, thanks to the increase in premiums collected from Unit Linked products which offset the decrease in income from products subject to revaluation.

Gross collections were € 644,129 thousand in the first half, € 220,889 thousand of which refers to segment I and V policies subject to revaluation, i.e. a decline compared to 2020, characterised by gross collections of € 250,272 thousand; € 392,535 thousand refers to Linked products, exclusively related to Unit type policies, which showed a strong increase against 2020 characterised by gross collections of € 169,905 thousand. Policies for coverage in the event of death and Credit protection policies recorded premiums of € 11,925 thousand, a 1% slight increase compared to 2020; the Pension Fund recorded premiums collected of € 18,780 thousand, a slight increase of 1% against the first half of 2020.

The income statement recorded a net profit for the period of € 13,240 thousand (€ - 6,923 thousand as at 30 June 2020), showing a significant increase.

This increase is mainly due to the following operating events:

- To the net gain/loss resulting from the valuation of securities;
- An increase in the amount of the revenues attributable to the core Segment III Unit Linked policies portfolio;
- An increase in income from the separate management portfolio and the owned portfolio;
- An increased cost base compared to that of the first half of 2020;

The table below illustrates the main balance sheet and income statement items compared to figures as at 31 December 2020 and 30 June 2020. |

Main balance sheet items (in € /thousand)

	30/06/21	31/12/20	30/06/20	Change 06/21 12/20
Assets				
Intangible assets	10,356	9,533	8,924	823
Investments in Group companies and other investees	0	0	0	0
Other financial investments	4,266,252	4,186,457	4,018,243	79,795
Investments benefitting policyholders	4,090,115	3,700,834	3,320,142	389,281
Technical reserves attributable to reinsurers	17,429	17,298	17,569	131
Receivables, other asset items and accruals and deferrals	351,034	363,645	379,971	-12,611
Total assets	8,735,186	8,277,767	7,744,849	457,419
Liabilities				
Shareholders' equity	310,904	297,664	256,752	13,240
Subordinated liabilities	105,812	105,725	105,000	87
Technical reserves	4,169,528	4,079,751	4,024,572	89,777
Technical reserves where the investment risk is borne by policyholders	4,089,741	3,700,784	3,320,003	388,957
Provisions for risks and charges	133	133	337	0
Payables, accruals and deferrals and other liabilities	59,068	93,710	38,185	-34,642
Total liabilities and shareholders' equity	8,735,186	8,277,767	7,744,849	457,419

Main income statement items (in € /thousand)

	30/06/21	31/12/20	30/06/20	Chg. 06/21 06/20
Premiums for the period, net of reinsurance transfers	641,214	987,515	447,368	193,846
Income from investments	69,522	175,554	102,654	-33,132
Income relating to investments benefitting policyholders	193,514	253,896	74,543	118,971
Technical income net of reinsurance	29,346	14,564	7,181	22,165
Charges for claims, net of reinsurance	-368,943	-652,272	-360,541	-8,402
Change in reserves	-445,517	-441,095	22,607	-468,124
Reversals and profit-sharing, net of reinsurance transfers	0	0	0	0
Management costs	-8,483	-15,380	-8,011	-472
Financial and borrowing costs	-29,819	-83,576	-88,668	58,849
Costs relating to investments benefitting policyholders	-31,903	-131,195	-177,038	145,135
Other technical charges, net of reinsurance	-26,925	-50,631	-25,044	-1,881
(-) Share of profit from investments transferred to the non-technical account	-3,604	-8,154	0	-3,604
Result of the technical account	18,402	49,226	-4,949	23,351
(+) Share of profit from investments transferred from the technical account	3,604	8,154	0	3,604
Other income and charges	-2,564	-8,083	-3,665	1,101
Profit/loss from ordinary operations	19,442	49,297	-8,614	28,056
Extraordinary income and charges	-285	222	-178	-107

Profit before tax	19,157	49,519	-8,792	27,949
Income taxes for the year	-5,917	-15,531	1,869	-7,786
Net profit (loss) for the year	13,240	33,988	-6,923	20,163

b. Evolution of the insurance portfolio

Production recorded a strong increase compared to the same half of 2020, concentrated primarily on segment III products that account for 60.9% of total premiums; segment I-V generated premiums for 36.1% of the total; segment VI generated premiums for 2.9% of the total.

The company's portfolio, with premiums collected during the period amounting to € 644,129 thousand, showed a growth trend overall with respect to 30 June 2020, as illustrated in the table below.

Gross premiums on guaranteed-rate policies declined in absolute terms by € 29,382 thousand (-12%), while gross premiums on unit-linked policies rose significantly by € 222,629 thousand (+131%).

The premiums of products with temporary cover in case of death and credit protection policies showed a 1% slight increase; the Open-end Pension Fund rose by 1%.

Summary of gross premiums in the first half of 2021 (in €/thousand)

Products	30/06/21	30/06/20	% Change
Unit-Linked related to external funds	342,624	136,431	+151%
Guaranteed-rate policies	220,889	250,272	-12%
Unit-Linked related to internal funds	49,911	33,474	+49%
Death cover	11,925	11,810	+1%
Pension Funds	18,780	18,638	+1%
Total	644,129	450,625	+43%

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):

	30/06/21	30/06/20	Change
<i>Claims:</i>			
Segment I	69,070	56,688	12,382
Segment III	33,838	33,252	586
Total claims	102,908	89,940	12,968
<i>Maturity:</i>			0
Segment I	10,604	10,558	46
Segment III	4,706	4,558	148
Segment V	0	155	-155
Segment VI	3,588	2,941	647
Total maturity	18,898	18,212	686
<i>Surrenders:</i>			0
Segment I	86,784	79,984	6,800
Segment III	112,856	134,297	-21,441
Segment V	9,272	8,671	601
Segment VI	7,800	6,089	1,711
Total surrenders	216,712	229,041	-12,329
Annuity (Segment I)	75	65	10
Settlement expenses	86	54	32
Change in reserve for amounts to be paid	33,323	25,194	8,129
Claims attributable to reinsurers	-2,822	-1,777	-1,045
Change in reserve for amounts to be paid by reinsurers	-237	-188	-49
Total Charges for claims	368,943	360,541	8,402

As shown in the table below, the charges relating to claims net of reinsurance fell in Segment III and increased in Segment I-V and Segment VI; overall they rose from € 360,542 thousand at 30 June 2020 to € 368,943 thousand at 30 June 2021 (+2.3%). If we look at the ratio of claims to premiums, in comparison to the same period of the previous year, there was a clear improvement in the ratio due to a strong increase in premiums and claims, which remained in line with the previous year.

	30/06/21	30/06/20	Change
Segment I	175,420	153,117	22,303
Segment III	172,942	189,562	-16,620
Segment V	9,272	8,671	601
Segment VI	11,309	9,192	2,117
Total Charges for claims	368,943	360,542	8,401
Ratio of claims to premiums:			
Segment I	78.89%	61.54%	
Segment III	44.06%	111.57%	
Segment V	123.09%	86.72%	
Segment VI	60.22%	49.32%	
Ratio of claims to premiums	57.54%	80.59%	

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 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 focused on developing the product range, focusing in particular on multi-segment products, innovative in the Company's catalogue. Together with the comparison with the sales networks, the activity made use of external market trend analysis and benchmarking of the characteristics of the products offered by the main competitors.

With the Credemvita Life Mix range, the Company issued three tariffs diversified by the characteristics of potential customers and distribution network: Credemvita Life Mix, Credemvita Life Mix Welcome and Credemvita Life Mix EVO. With a view to completing the range, the Company has started the study of an additional Multi-segment form intended for the Private customers.

In the area of protection, the Company also started to study new temporary tariffs in the event of death, specific by type of customer, that are more innovative in terms of structure as well as revised in price in order to pursue greater value for the customer.

g. Fundamental aspects of the investment policy and returns achieved

As regards class "C", the investment policy continued to favour Government bonds (77.7% of the portfolio against 73.7% as at 31 December 2020), in particular Italian Government bonds represent 42.9% of the total portfolio. The corporate bond component (8.2% of the portfolio compared to 11.2% at 31/12/20) and the mutual fund and SICAV component (14.1% of the portfolio compared to 15.2% at 31/12/20) decreased. 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 2020:

Investment type	30/06/2021	%	31/12/2020	%	% Change
Government bonds	3,312,934	77.7%	3,084,275	73.7%	7.4%
Bonds	351,342	8.2%	466,991	11.2%	-24.8%
Mutual funds and SICAVs	600,299	14.1%	634,859	15.2%	-5.4%
Premiums from options to be exercised	1,677	0.0%	332	0.0%	405.1%
Total	4,266,252	100.0%	4,186,457	100.0%	1.9%

The difference between accounting values and spot market values as at 30 June 2021 is as follows (in €/thousand):

Investment type	Book value	Present value	Difference
Government bonds	3,312,934	3,495,291	182,357
Bonds	351,342	365,202	13,860
Mutual funds and SICAVs	600,299	604,631	4,332
Derivatives	1,677	2,079	402
Total	4,266,252	4,467,203	200,951

The distribution of investments relating to Unit-Linked policies as at 30 June 2021 is shown below (amounts in €/thousand):

Investment type	30/06/2021	%	31/12/2020	%	% Change
Government bonds and bonds	32,074	0.9%	48,732	1.5%	-34.2%
Mutual funds and SICAVs	3,627,164	98.0%	3,259,451	97.7%	11.3%
Derivatives	46	0.0%	298	0.0%	-84.6%
Liquidity and other assets	43,225	1.2%	28,297	0.8%	52.8%
Total	3,702,509	100.0%	3,336,778	100.0%	11.0%

These investments are recognised at market prices as at 30 June 2021. At said date, the income generated by these investments, including income and losses from trading and the valuation of bonds with respect to their book value, was € 146,524 thousand.

With reference to the 4 sub-funds of the internal “Futura” PIP funds, the book value of the financial instrument categories compared with the previous year is reported below.

Investment type	30/06/2021	%	31/12/2020	%	% Change
Government bonds and bonds	2,545	23.9%	1,779	20.2%	43.1%
Mutual investment funds	7,527	70.7%	6607	75.0%	13.9%
Liquidity and other assets/liabilities	577	5.4%	419	4.8%	37.7%
Total	10,649	100.0%	8805	100.0%	20.9%

These investments are recognised at market prices as at 30 June 2021. At said date, the income generated by these investments, including income and losses from trading and the valuation of bonds with respect to their book value, was € 508 thousand.

The distribution of investments relating to the open-end pension fund "Credemprevidenza" as at 30 June 2021 is shown below (amounts in €/thousand):

Investment type	30/06/2021	%	31/12/2020	%	% Change
Government bonds and bonds	188,145	49.9%	183,243	51.6%	2.7%
Shares	148,909	39.5%	144,918	40.8%	2.8%
Mutual investment funds	36,548	9.7%	15,442	4.3%	136.7%
Liquidity and other assets/liabilities	3,353	0.9%	11,647	3.3%	-71.2%
Total	376,955	100.0%	355,250	100.0%	6.1%

These investments are recognised at market prices as at 30 June 2021. At said date, the income generated by these investments, including income and losses from trading and the valuation of bonds with respect to their book value, was € 14,877 thousand.

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 subscribed and paid up share capital 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.

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 € 3 thousand, recovery of expenses for seconded personnel for € 279 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 referred to the first half: maintenance fees and commissions for € 19,586 thousand, management and delegation charges of € 133 thousand, interest expense on current account credit balances for € 364 thousand, bank charges of € 55 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 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 which 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 and expected results for the current year

From the moment the first signs of the health emergency emerged, the company started 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. In line with the previous year, in which a monthly rolling forecasting process was activated that continuously revised the forecast expected for the end of the year, also for 2021 this process continued to be carried out, although on a quarterly basis.

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 2021) suggest that the year will close with premiums collected of around € 1,158,000 thousand (€ 992,558 thousand as at 31 December 2020) as defined as part of the forecast process approved by the Board of Directors.

On the economic front, a decreased profit is forecast as at 31 December 2021, compared to the one recorded at the end of the previous year, due mainly to the negative gain/loss balance and the reversal of the positive trend registered at the end of the previous year.

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	225,281	225,281	-2,915
Segment III	392,536	392,536	
Segment V	7,532	7,532	
Segment VI	18,780	18,780	
Total	644,129	644,129	-2,915

Reinsurance premiums paid

Segment	30/06/21	30/06/20	Change
Segment I	2,915	3,257	-342
Total	2,915	3,257	-342

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	30/06/21	30/06/20	Change
<i>Income from investments:</i>			
Income from investments	40,801	41,770	-969
Write-backs on investments	4,344	296	4,048
Profit on investment disposals	24,377	60,587	-36,210
Total income from investments	69,522	102,653	-33,131
<i>Financial and borrowing costs:</i>			
Investment management costs and interest expense	-9,282	-7,536	-1,746
Value adjustments on investments	-16,602	-45,920	29,318
Losses on investment disposals	-3,935	-35,212	31,277
Total financial and borrowing costs	-29,819	-88,668	58,849

Class D (Unit-Linked and Index-Linked)

Item	30/06/21	30/06/20	Change
<i>Income from investments:</i>			
Income from investments	840	1,258	-418
Gains on valuations	148,488	42,975	105,513
Profit on investment disposals	14,089	12,883	1,206
Income from allocation of shares	935	683	252
Total income from investments	164,352	57,799	106,553
<i>Financial and borrowing costs:</i>			
Investment management costs and interest expense	4,632	3,649	983
Losses on valuations	6,743	83,132	-76,448
Losses on investment disposals	6,744	62,789	-56,277
Commission on units	0	1,593	-1,593
Total financial and borrowing costs	18,119	151,163	-133,335

Class D (PIP)

Item	30/06/21	30/06/20	Change
<i>Income from investments:</i>			
Income from investments	44	29	15
Gains on valuations	613	76	537
Profit on investment disposals	0	1	-1
Total income from investments	657	106	551
<i>Financial and borrowing costs:</i>			
Investment management costs and interest expense	86	56	30
Losses on valuations	70	347	-284
Losses on investment disposals	1	7	-7
Total financial and borrowing costs	157	410	-261

Class D (Pension Fund)

Item	30/06/21	30/06/20	Change
<i>Income from investments:</i>			
Income from investments	4,339	6,006	-1,667
Gains on valuations	2,950	3,353	-403
Profit on investment disposals	21,215	7,279	13,936
Total income from investments	28,504	16,638	11,866
<i>Financial and borrowing costs:</i>			
Investment management costs and interest expense	6,164	1,901	4,263
Losses on valuations	6,694	16,212	-9,518
Losses on investment disposals	769	7,352	-6,583
Total financial and borrowing costs	13,627	25,465	-11,838

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:

	30/06/21	30/06/20	Change
<i>Extraordinary income</i>			
Contingent assets	7	42	-35
Profits on disposal of bonds and other long-term fixed-income securities	0	106	-106
Income from disposal of durable goods	0	0	0
Other extraordinary income	0	10	-10
<i>Total extraordinary income</i>	7	158	-151
<i>Extraordinary charges</i>			0
Contingent liabilities	-11	-14	3
Losses on disposal of bonds and other long-term fixed-income securities	-279	-282	3
Losses from disposal of durable goods	0	0	0
Other	-1	-41	40
<i>Total extraordinary charges</i>	-291	-337	46

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 durable securities were carried out during the period.

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

ISIN Code	Description	Nominal value repaid	Profits from repayment	Losses from repayment
XS1404902535	ISPIM 4.25 05/05/26	7,500	0	-20
CH0236733827	UBS 4.75 02/12/26	8,000	0	-259
Total		15,500	0	-279

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
CLOSED TRANSACTIONS:				
Options on indexes	1,493			
Total	1,493			

Class D	Income from sale	Loss on sale	Losses/Recoveries in financial statements	Latent gains/losses
CLOSED TRANSACTIONS:				
Options on futures	132	-141		
Options on indexes	57	-91		
Total	189	-232	0	-60

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

Other income statement items

“Other technical income” amounted to € 29.346 thousand and breaks down as follows:

“Other technical income”	30/06/21	30/06/20	Change
Retrocessions on commission for subscriptions of Mutual funds and SICAVs	816	607	209
Other Unit-Linked policy management commissions relating to external funds	21,659	1,051	20,608
Other Unit-Linked policy management commissions relating to internal funds	3,874	3,687	187
Other Pension fund management commissions relating to internal funds	2,163	1,816	347
Overperformance commissions relating to Unit-Linked policies	824	-1	825
Income for withdrawal rights	0	4	-4
Other technical income	10	17	-7
Total	29,346	7,181	22,165

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

“Other technical charges” amounted to € 26,925 thousand and broke down as follows:

“Other technical charges”	30/06/21	30/06/20	Change
Bank charges for portfolio management	133	167	-34
Cancellation of backdated premiums from previous years	178	31	147
Retrocessions on commission paid to policyholders	862	607	255
Maintenance commissions	25,494	23,987	1,507
Other charges	250	243	7
Interest on payables due to reinsurance companies	8	9	-1
Total	26,925	25,044	1,881

As shown in the table above, technical charges remained essentially flat YoY, the growth in bank charges is in contrast with the decrease in retrocessions on commission paid to policyholders and maintenance commissions: this decrease is related to the negative trend in Segment III premiums collected.

Deferred tax assets for the period amounted to € 1,869 thousand.

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 SpA. Therefore, the company is subject to management and coordination pursuant to art. 2497 of the Italian Civil Code by Credito Emiliano SpA.

As indicated previously, as at 30 June 2021, the fully paid-up Share Capital amounted to € 121,600,044.

Reggio Emilia, 02 August 2021

The General Manager

Mr Francesco Germini