

2022

FINANCIAL STATEMENTS



REVO



REVO Insurance S.p.A.

Registered office: Viale dell'Agricoltura 7, 37135 Verona
Operational headquarters: Via Mecenate 90, 20138 Milan

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 the Register of Insurance and Reinsurance Companies with IVASS, Section I, 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

Alfredo Michele Malguzzi

Statutory Auditors

Rosella Colleoni

Alessandro Copparoni

Alternate Auditors

Francesco Rossetti

Paola Mazzucchelli

GENERAL MANAGER

Alberto Minali

EXTERNAL AUDITOR

KPMG S.p.A.¹

¹ For external auditors' report, please refer to the Italian's document that has been audited (downloaded on www.revoinurance.com).

General information

These financial statements have been prepared pursuant to ISVAP Regulation No. 22 of 4 April 2008, as amended and supplemented by IVASS Order No. 53 of 6 December 2016, and have been drafted in accordance with the applicable provisions of law, according to the valuation criteria and accounting principles referred to below and corresponding to the accounting records that reflect the transactions carried out by REVO Insurance S.p.A. (hereinafter also “the Company” or “REVO Insurance”) as at 31 December 2022, supplemented by internal management documentation for any amounts not directly recorded in the accounts.

The financial statements consist of the:

- Statement of financial position;
- Income statement;
- Notes to the financial statements;
- Statement of cash flows.

The notes to the financial statements, in turn, comprise the following parts:

- A – Basis of valuation
- B – Information on the statement of financial position and the income statement
- C – Other information

In accordance with the provisions of Article 4 of the aforementioned ISVAP Regulation No. 22, the following financial statements are also accompanied by the following annexes to the notes:

- Annex 1 Statement of financial position - Non-life operations
- Annex 3 Table showing the breakdown of net profit for the year between the non-life and life classes
- Annex 4 Assets – Changes during the year in intangible assets (Item B) and land and buildings (Item C.I)
- Annex 5 Assets – Changes during the year in investments in Group companies and other investee companies: shares and quotas (Item C.II.1), bonds (Item C.II.2) and loans (Item C.II.3)
- Annex 6 Assets – Table containing information on investee companies
- Annex 7 Assets – Statement of changes in investments in Group companies and other investee companies: shares and quotas
- Annex 8 Assets – Breakdown based on the use of other financial investments: shares and quotas of companies, units of mutual funds, bonds and other fixed-income securities, units in mutual investments and miscellaneous financial investments (Items C.III.1, 2, 3, 5, 7)
- Annex 9 Assets – Changes during the year in other long-term financial investments: shares and units, units of mutual funds, bonds and other fixed-income securities, units in mutual investments and miscellaneous financial investments (Items C.III.1, 2, 3, 5, 7)
- Annex 13 Liabilities – Changes during the year in components of the premium reserve (Item C.I.1) and the claims reserve (Item C.I.2) of the non-life classes
- Annex 15 Liabilities – Changes during the year in provisions for risks and charges (Item E) and employee severance indemnities (Item G.VII)
- Annex 16 Detailed statement of assets and liabilities relating to Group companies and other investee companies
- Annex 17 Details of classes I, II, III and IV of “guarantees, commitments and other memorandum accounts”
- Annex 19 Summary information relating to the technical account of the non-life classes
- Annex 21 Investment income (Items II.2 and III.3)
- Annex 23 Capital and financial expenses (Items II.9 and III.5)
- Annex 25 Non-life insurance – Summary statement of technical accounts by individual class – Italian portfolio

- Annex 26 Summary schedule of the technical account summarising all the non-life classes – Italian portfolio
- Annex 30 Relations with Group companies and other investee companies
- Annex 31 Summary schedule of premiums written for direct business
- Annex 32 Schedule of expenses relating to employees, directors and statutory auditors.

Pursuant to Legislative Decree No. 209/2005, the following documents are also attached to the financial statements file:

- the Directors' Report on Operations;
- the Board of Statutory Auditors' Report;
- certification of the financial statements pursuant to Article 81-ter of Consob Regulation No.11971/1999 193;
- the External Auditor's Report.

Corporate information

REVO Insurance S.p.A. was created by the reverse merger between Elba Assicurazioni S.p.A. and the Parent Company, REVO S.p.A., in November 2022.

The Company operates exclusively in the non-life business, in Italy and abroad, under the freedom to provide services scheme², in the following areas of activity³, as defined in Article 2, paragraph 3 of the Italian Private Insurance Code (Legislative Decree 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 18. Assistance.

REVO Insurance has its registered office at Viale dell'Agricoltura 7, Verona and, as the Parent Company, is part of the REVO Insurance Group, entered in the Register of Insurance Groups under No. 059, and includes the subsidiary Revo Underwriting Sr.l., an insurance brokerage company, operational since July 2022.

At 31 December 2022, the Company held own shares (a total of 140,953 shares), amounting to 0.573% of the share capital, including only ordinary shares, and is listed on the Euronext STAR Milan market and therefore subject to the rules of the Euronext Milan Issuers' Regulation.

The financial statements have been audited by the External Auditor, KPMG S.p.A., engaged to audit the accounts for financial years 2017-2025.

In this file, the financial statements relating to the Company's statement of financial position and income statement data as at 31 December 2022 are compared with the data as at 31 December 2021 shown in the financial statements of Elba Assicurazioni S.p.A. Amounts are shown in thousands of euros, unless expressly specified.

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.



Report on Operations

Report on Operations

Market scenario

Macroeconomic scenario

2022 was marked by dramatic geopolitical events and the continuation of the Covid-19 pandemic in various areas of the globe. In a still fragile macroeconomic environment, the outbreak of war between Russia and Ukraine amplified the rise in commodity prices.

This trend, together with the effects of the fiscal expansion of 2020-2021, changed the paradigms of the financial market, particularly in relation to bond yields, with effects that are likely to persist for the next few years.

February saw the military invasion of Russian troops into Ukrainian territory. As well as its dramatic humanitarian consequences, the conflict had a particularly negative impact on trade flows and commodity prices, at a time when some of the global production chain “bottlenecks” caused by the pandemic seemed to be coming to an end. Further uncertainty was caused by the Chinese government's restriction on industrial and commercial activities in large areas of the country in an effort to curb another surge in Covid-19 cases.

Central banks have been faced with the difficulty of managing an economic scenario characterised by a rapid deterioration in current and forward-looking indicators and a particularly sharp and persistent rise in inflation. While the main activity of central bankers was controlling inflation in the second quarter, prompting expectations of a sharp rise in policy rates, towards the end of June the focus shifted to the risks of recession, due to overly restrictive financial conditions and potential energy rationing. The findings of early autumn price surveys moved the focus to the risk of inflation being too far beyond the central banks' targets and the threats to financial stability posed by the tightening of monetary policy within a particularly short time frame.

In a generally fragile environment, the European Central Bank acted initially with caution, partly in view of the fact that European inflation was being driven more by rising commodity and energy prices than by demand. From July onwards it implemented a number of hikes, bringing the deposit rate to 2% by year-end, with, in conclusion, further increases expected during 2023 as the bond purchase programmes are phased out.

In the period under review, the Federal Reserve progressively increased its key rate from March (eventually reaching 425 basis points overall at year-end), and began reducing the number of bonds held on its balance sheet in an effort to contain the monetary base and its impact on price dynamics.

The growth recorded in 2022 in the main areas of the planet was still remarkably positive, driven by the impetus of post-pandemic re-openings and incorporating only partially the impacts of the geopolitical picture described above.

The recessionary effects of the sudden normalisation of rates and the rise in commodity prices affected GDP in the second half of the year and the overall result for 2022. Specifically, Italy recorded growth of 0.2% in the first quarter compared with the previous quarter and 6.4% compared with the same period in 2021. In the second quarter, GDP continued to grow by 1.1% compared with the first quarter and by 5.0% compared with the previous year, while in the third and fourth quarters there were clear signs of a slowdown, with growth of 0.5% compared with June and 2.7% compared with the same period in 2021. Overall, growth is estimated at 3.8% for 2022, while forecasts for subsequent years indicate much lower GDP figures.

Inflation, which had been rising since mid-2021, accelerated strongly during the first half of the year, reaching record levels in both Europe and the United States. Energy and food were the main contributors, but core inflation also rose as the range of goods and services affected by higher prices continued to grow. This upward trend can also be seen in Italian inflation, which rose from +6.0% in the first quarter to +12.5% at the end of the year.

Insurance scenario

In a macroeconomic environment dominated by the war between Russia and Ukraine, higher commodity prices and double-digit inflation rates, ISTAT estimates have confirmed a positive performance by the Italian economy, with an increase in GDP of 2.7% in the third quarter, compared with the same period in 2021. GDP growth was given a substantial boost by the services sector, while the agricultural and industrial sectors contracted. In the services sector, life and non-life insurers recorded differing performance trends. In particular, new life production declined to its lowest level in eight years, while the non-life segment registered a general increase in premiums.

According to industry studies⁴, in the non-life sector, at the end of the third quarter of 2022, total premiums collected by insurance companies and Italian representative offices in the Italian direct portfolio amounted to €29.0 billion, up by 6.3% compared with the end of the same period in 2021, when premiums written totalled €27.2 billion and the sector recorded growth of 2.8%, driven by the post-pandemic recovery. The third quarter of 2022 produced the seventh consecutive positive interim increase, with premium income reaching €30 billion for the first time at the end of the first nine months of the year.

The increase in total non-life premiums was due in particular to growth in the non-motor sector, the Company's core market, which recorded its highest ever increase (+11.6%), compared with a slight decrease (-0.5%) in premiums in the motor sector.

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 (11.6%): the Accident and Sickness classes grew by 5.4% and 14.5% respectively, the Fire class by 7.1% and Other damage to property by 10.6%, while General liability grew by 12.1%.

The non-life business also recorded growth in the Credit class (+30%) and Suretyship (+9.6%). The National Recovery and Resilience Plan (NRRP)'s boost to the procurement sector has also helped to increase insurance premiums in the Suretyship sector, while the growth in Credit premiums was boosted by insurance companies being able to access a €2 billion fund, set up in 2020, which enabled insurers to continue providing cover to businesses experiencing cash flow crises due to the pandemic.

Moreover, in the future, a large majority of operators estimate that requests for insurance cover may increase in the SME segment, driven mainly by increased demand from the services sector, followed by manufacturing.

According to the study "Next Level for Insurance – SME segment" by Crif, the IIA (Italian Insurtech Association) and Nomisma, only 62% of Italian SMEs currently have insurance cover. The entire segment of Italian small and medium-sized enterprises, which includes 4.35 million companies and represents 99.3% of active businesses, playing a strategically important role in the socio-economic fabric of the country, is heavily under-insured: 1,653,000 of these enterprises (or 38% of the total, based on the sample analysed) have no insurance cover. SMEs have a low perception of the risks involved in business and therefore tend to underestimate the impact an event might have on their activities. In fact, as well as being an under-insured segment, there is a widespread tendency to purchase as little as possible: 71% of SMEs have taken out third-party liability cover, 64% have fire cover and 56% theft cover, and only 39% have directors' liability cover. To address this scenario, the response of insurance companies for the next 12 months will be to increase insurance advice, which will become increasingly strategic, to help businesses develop with a greater focus on risk.

With regard to the distribution channel, the main form of brokerage in terms of market share (73%) is still the agency network, which is particularly successful in the Suretyship, General liability, Motor liability, Marine hull and Other damage to property classes. This year, the banking channel topped the brokers' market share (8.7%) for the first time. This percentage reflects the entire volume of premiums that these intermediaries collect but hand over to companies via agencies. If the market share of these premiums were also taken into account, the percentage of agencies would fall to 49.9% and the percentage of the brokers themselves would rise to 31.8%.

According to the S&P Global Ratings Report ("Global Insurance Markets: Inflation Bites"), also in 2023, although inflation and competition in some segments (particularly motor liability and healthcare) are putting the profits of the world-wide insurance industry at risk, it will remain one of the highest-rated sectors at the global level. The decrease in purchasing power due to the increase in the cost of living may slow growth in premiums, while growth in premiums in the non-life

⁴ Monthly report issued by the industry association, ANIA

segment will be positively affected by the many mandatory types of cover and by the adjustment of premiums for the new levels of inflation.

Industry regulations

Some of the new legislation affecting the insurance sector in 2022 is described below:

- IVASS Regulation No. 50 of 3 May 2022: the regulation, which lays down provisions relating to the disclosure to IVASS of data and information on non-life premiums collected by companies through individual intermediaries and in the course of management activity, introduces an annual obligation, also for companies operating in the non-life business, to transmit information on insurance activities carried out in Italy in the non-life classes, by compiling the “Intermediaries” section of the document regulated by Article 28-sexies of IVASS Regulation No. 44/2019 for companies operating in the life classes.
- IVASS Order No. 121 of 7 June 2022: The regulation, published in Official Gazette No. 144 of 22 June 2022, amends and supplements ISVAP Regulation No. 7/2007, mainly concerning IFRS 17 (Insurance Contracts).
- The IVASS letter to the market of 3 January 2023 regarding “IAS/IFRS consolidated financial statements – Information on the transition to IFRS 17 referred to in Annex 4 of Regulation No. 7/2007, as amended by IVASS Order 121/2022”.
- The Joint Communication of the Bank of Italy, Consob and IVASS of 27 October 2022 on “IAS/IFRS financial statements at 31/12/2022 – Information on the transition to IFRS 17 and IFRS 9”.
- ESMA Public Statement No. 32-339-208 of 13 May 2022 regarding “Transparency on implementation of IFRS 17 Insurance Contracts” and relating to the information to be provided in the financial statements on the qualitative and quantitative impacts of the new IFRS 17 standard.

Main corporate events

2022 saw the creation of the REVO Insurance Group, and was marked by a number of significant corporate events.

The most significant events during the year were as follows:

- On 10 January 2022, the Supervisory Authority informed REVO S.p.A., pursuant to IVASS Regulation No. 2, of the establishment of the “Elba Assicurazioni” insurance group entered in the Register of Groups under No. 059;
- On 19 January 2022, REVO S.p.A. announced that the take-up of options in respect of shares offered with the right of withdrawal to holders of REVO shares who did not approve the amendments to the Articles of Association approved by the Extraordinary Shareholders’ Meeting of 4 August 2021, amounted to 259,076 shares. Of these, 45,390 are share options and 213,686 are shares requested under pre-emption rights. The offer closed with subscription for all the shares subject to withdrawal;
- Further to the notice issued on 26 January 2022 concerning the granting of allotment rights over 22,000,000 ordinary shares of REVO S.p.A., with an allotment ratio of four allotment rights for every ten ordinary shares held, on 2 February 2022, a total of 8,799,989 allotment rights were granted, for a total number of tradable outstanding rights of 11,599,989. These rights also include the rights already allotted during the Subscription Offer and during the conversion of Class B shares into ordinary shares;
- On 3 March 2022, pursuant to the Issuer’s Regulation of Euronext Growth Milan (formerly AIM Italia), REVO S.p.A., implementing the resolution adopted by the Ordinary Shareholders’ Meeting of 3 May 2021, launched a programme to purchase its own shares, which may be used by the Company to service potential external growth transactions, to be carried out through an exchange of shares, and incentive plans reserved for company employees;
- On 15 March 2022, Claudio Costamagna tendered his resignation from the position of Director and Chairman of REVO S.p.A. and of the subsidiary, Elba Assicurazioni S.p.A.;
- On 29 March 2022, the Supervisory Authority issued, by means of an order, an authorisation to extend the insurance and reinsurance activities to classes 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, 11. Aviation liability, 12. Marine liability (sea, lake and river and canal vessels) (carrier's liability only), 14. Credit and 16. Financial loss, as well as the extension of reinsurance to classes 1. Accident, 8. Fire and natural forces, 9. Other damage to property and 13. General liability, pursuant to Article 2, paragraph 3, of the Insurance Code;

- On 29 March 2022, the Board of Directors approved the "REVO 2022-2025 Business Plan: Towards the Future!", presented to the financial community and the press on 31 March 2022;
- On 4 April 2022, the Shareholders' Meeting of Elba Assicurazioni S.p.A. resolved to increase the number of members of the Board of Directors to seven and to appoint, as Directors, Antonia Boccadoro, Claudio Giraldi and Ezio Bassi;
- On 6 April 2022, the Board of Directors of REVO S.p.A. co-opted Antonia Boccadoro as a Director of the Company and appointed her as Chairman;
- On 23 April 2022, the Shareholders' Meeting of REVO S.p.A. approved the financial statements as at 31 December 2021 and resolved to appoint a member of the Board of Directors (Antonia Boccadoro) to reform the Board with respect to its original composition of seven members;
- On 3 May 2022, REVO Underwriting S.p.A. was established to provide insurance brokerage and advisory services. The Elba Assicurazioni Group therefore has 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 its risk capital;
- On 1 July 2022, the proprietary OverX platform was launched to facilitate recruitment, product structuring and brokerage processes;
- On 5 July 2022, IVASS announced that the Company was authorised to operate under the freedom to provide services scheme in the territory of the Member States of the European Community, including the States participating in the European Economic Area, presented at the time of prior notification;
- On 6 July 2022, MGA REVO Underwriting S.r.l. was registered with the Single Register of Insurance and Reinsurance Intermediaries (*Registro Unico degli Intermediari Assicurativi e Riassicurativi* or RUI) under registration number A000711224;
- On 27 July 2022, IVASS issued an order authorising the merger by incorporation of REVO into Elba Assicurazioni S.p.A., and on 29 July REVO lodged, pursuant to Article 2501-*septies* of the Italian Civil Code, both at the Company's registered office at Via Mecenate 90, 20138 Milan and on the company website, the corporate documents relating to the merger plan, also registering it in the Milan Companies Register;
- On 6 September 2022, the Shareholders' Meeting of REVO S.p.A. approved the merger by incorporation of the Spac, REVO S.p.A. ("REVO") into the subsidiary, Elba Assicurazioni S.p.A. ("Elba Assicurazioni"), and its listing on the Euronext STAR Milan segment of the Italian stock exchange (Borsa Italiana). The merger became effective on the listing date and the new entity resulting from the merger was named REVO Insurance S.p.A.;
- On 10 November 2022, the deed of merger by incorporation of REVO into Elba Assicurazioni was agreed, following which Elba Assicurazioni took the name REVO Insurance S.p.A. The effectiveness of the merger was subject to the following conditions: (i) the issue by Borsa Italiana S.p.A. of the order for the admission to listing of the ordinary shares and allotment rights of the Issuer on the Euronext Milan market; and (ii) the issue by Consob of the order authorising the publication of the prospectus for the admission to listing of the ordinary shares and allotment rights of the Issuer on the Euronext Milan market. It was also decided that the registered office would relocate to Viale dell'Agricoltura 7, Verona when the merger took effect.
- On 14 November 2022, Borsa Italiana S.p.A. ("Borsa Italiana"), by Order No. 8898, ordered the admission to listing on the Euronext Milan regulated market, organised and managed by Borsa Italiana ("Euronext Milan"), of the ordinary shares and allotment rights of the Company, which, following the merger by incorporation of REVO into Elba Assicurazioni, took the name REVO Insurance S.p.A., abbreviated to "REVO S.p.A.", with registered office at Viale dell'Agricoltura 7, Verona. The Company also submitted to Borsa Italiana an application for the admission of ordinary shares and allotment rights to trading on the STAR segment of Euronext Milan;
- On 15 November 2022, the Italian stock market regulator, "Consob" (*Commissione Nazionale per le Società e la Borsa*) authorised, with Communication No. 0494769/22, the publication of the registration document, and, with

Communication No. 0494770, the publication of the securities information document and summary note (jointly referred to as the “Prospectus”) for the admission to trading of the Issuer's ordinary shares and allotment rights on Euronext STAR Milan. Pursuant to the provisions of the deed of merger, when the listing was authorised, the merger also became effective. On 21 November 2022, the merger also resulted in a change in the name of Elba Assicurazioni to REVO Insurance S.p.A. and the relocation of the registered office to Verona;

- On 16 November 2022, Elba Assicurazioni S.p.A. and REVO S.p.A. filed with Consob the “Prospectus” for the admission to trading of the Issuer's ordinary shares and allotment rights on Euronext Star Milan. On the same date, Borsa Italiana S.p.A. (“Borsa Italiana”), as indicated in Notice No. 44128, ordered the commencement of trading of the ordinary shares and allotment rights of the Issuer on the STAR segment of the Euronext Milan regulated market;
- On 21 November 2022, trading began in the ordinary shares and stock allotment rights on the Euronext Milan regulated market, STAR segment (“Euronext STAR Milan”), organised and managed by Borsa Italiana S.p.A. (“Borsa Italiana”) of REVO Insurance S.p.A., resulting from the merger by incorporation of REVO S.p.A. into Elba Assicurazioni S.p.A. On the same date, 11,599,989 REVO allotment rights (ISIN code IT0005513103), regulated by the “REVO Insurance S.p.A. Allotment Rights” Regulation, were outstanding. (the “Allotment Rights”);
- On 30 November 2022, pursuant to the Regulation, holders of the Allotment Rights were allotted a maximum of up to 2,320,000 (two million three hundred and twenty thousand) total newly issued REVO conversion shares (the “Conversion Shares”), distributed among all holders of Allotment Rights, according to the allotment ratio of 1 (one) Conversion Share for every 5 (five) Allotment Rights held;
- On 6 December 2022, REVO's Articles of Association were amended to reflect the cancellation of the Allotment Rights and the issue of the new ordinary conversion shares allotted to the holders of Allotment Rights. Following the cancellation of the 11,599,989 REVO Allotment Rights outstanding and the resulting issue of 2,319,985 new ordinary conversion shares, the Company did not record any change in the original amount of share capital;
- At 31 December 2022, as a result of transactions in its own shares, REVO Insurance held a total of 140,953 treasury shares, amounting to 0.573% of the share capital.

General performance

Operating performance was characterised by the launch and implementation by the Company of the strategic plan presented to the financial community on 31 March 2022, which provides for the further development of the existing insurance business and the broadening of the offer, with the launch of new lines focused on specialty and parametric risks. The financial statements for the year ended 31 December 2022 show a pre-tax loss of €9,087,000. Due to taxes of - €1,805,000, profit amounted to €7,282,000.

This result was strongly affected by one-off costs incurred, *inter alia*, for the listing on Euronext STAR Milan, the merger and the implementation of the new IFRS 17 accounting standard (€2,864,000), the amortisation of goodwill recognised at the time of acquisition of Elba Assicurazioni S.p.A. (€8,904,000) and by market performance, which resulted, due to a general increase in interest rates, in capital losses on the valuation of investments of €9,224,000.

The summary income statement of REVO Insurance S.p.A. is provided below:

<i>(amounts in thousands of euro)</i>	REVO Insurance 31.12.2022	Elba Assicurazioni 31.12.2021
Net earned premiums	55,410	40,825
Other technical income	866	1,750
Claims-related expenses	-14,010	-5,901
Equalisation reserve	-92	0
Profit-sharing	-58	0
Operating expenses	-32,592	-12,799
Other technical expenses	-2,128	-3,548
Share of profit transferred from non-technical account	0	585

RESULT OF THE TECHNICAL ACCOUNT	7,396	20,912
Investment income	4,077	1,672
Capital and financial expenses	-10,307	-483
Share of profit transferred to technical account	0	-585
Other income	55	988
Other expenses	-10,752	-1,963
Extraordinary income	1,126	105
Extraordinary expenses	-682	-85
RESULT BEFORE TAX	-9,087	20,561
Taxes	-1,805	6,253
RESULT FOR THE PERIOD	-7,282	14,308

At the end of the year, adjusted operating profit was €13,350,000. This figure is subject to the following adjustments compared with the operating result:

- includes investment income and expenses, exclusively related to accrued coupons and issue and trading differences (and therefore, recoveries 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 costs relating to payment of the agency severance indemnity provision, which are typically non-recurring;
- excludes extraordinary costs incurred for one-off projects, including the merger, the translisting on Euronext STAR Milan and the introduction of the new IFRS 17 accounting standard;
- It excludes any costs for financial payables (not present at that date).

The table below summarises the data for the adjusted operating result as at 31 December 2022:

Adjusted operating profit	31.12.2022
Net premiums	55,410
Equalisation/profit-sharing reserve	-150
Claims-related expenses	-14,010
Operating expenses	-32,592
Other technical expenses	-2,128
Other technical income	866
Technical result	7,396
Costs of financial debt	0
Investment income/expenses	2,928
Listing and other one-off costs	2,864
Depreciation of tangible assets	134
Payment to agencies	29
Adjusted operating profit	13,350

For the sake of completeness, adjusted net profit as at 31 December 2022 is shown below, including the same adjustments made to the operating profit shown above and adjusted for the goodwill amortisation portion recorded during the year:

Adjusted net profit	31.12.2022
Net result	-7,282
Capital gain/loss on disposals	-66
Capital gain/loss on valuation	9,224
Listing and other one-off costs	2,864
Depreciation of tangible assets	134

Amortisation of goodwill	8,904
Tax adjustment	-3,746
Adjusted net profit	10,031

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

- A significant increase in gross premiums written (+69.5% compared with 31 December 2021), due to:
 - the strengthening of the teams with the recruitment of 35 staff, all on the underwriting team;
 - the extension of the business lines with receipt of authorisation from IVASS to operate in new non-life classes (as reported in the section entitled “Main corporate events”);
 - new product launches, details of which can be found in the dedicated paragraph entitled “Main new products launched on the market”;
 - the expansion of the distribution network, which is described in the following section (“Evolution of the insurance portfolio and the sales network”).
- A total loss ratio net of reinsurance at 31 December 2022 of 25.3% compared with 14.5% in 2021, with an increase in claims-related expenses of €8,109,000 (€14,010,000 at 31 December 2022 compared with €5,901,000 in 2021) mainly attributable to the increase in the claims reserve of €5,375,000 and in claims paid of €2,734,000.

At 31 December 2022, the new management strengthened the claims reserve, setting aside a greater IBNR of €1,190,000 compared with 2021, with €192,000 ceded to reinsurance.

In particular, it should be noted that the claims reserve increased due to ten large claims relating to cover taken out in the years prior to 2022, with a total negative impact of €2,281,000 net of reinsurance. Four large claims (amounting to more than €200,000) relate to policies taken out in 2022, with a net impact of €821,000, the effect of which has been reduced thanks to the activation of the new reinsurance policy.

- The technical balance for reinsurance of €9,572,000 (€5,358,000 at 31 December 2021), following the amendment and streamlining of reinsurance agreements, a slight reduction in the portion ceded in the existing quota share treaty, and the activation of non-proportional cover to better protect the technical result and the soundness of the Company.

The business development project, in 2022, entailed the following main costs:

- Higher costs of €9,021,000 incurred for employees compared with 2021, due to the recruitment plan implemented from December 2021 to strengthen the management team in view of implementation of the project. Specifically 35 new staff were recruited, all in the underwriting area;
- Higher costs of €2,864,000 relating to extraordinary components such as merger support activities, the translisting of REVO to the Euronext Growth Milan regulated market and the adoption of the new IFRS 17 accounting standard;
- Amortisation of new intangible assets totalling €10,432,000, relating in particular to the amortisation of goodwill, as shown above, of €8,904,000, with the remainder being amortisation for software expenses incurred during the year to modify the accounting system, also in view of the adoption of the new international accounting standard (IFRS 17) and the proprietary OverX platform;
- Acquisition costs, in the commissions and other direct and indirect business acquisition expenses component, amounted to €41,319,000, up by €24,679,000 on 31 December 2022, which is, however, consistent with the strong growth in premiums recorded in the period. Commissions received from reinsurers amounted to €26,197,000 (€18,732,000 at 31 December 2021), thanks to the growth of business volumes and the amendment of existing agreements.

Due to the above performance, the adjusted COR (combined operating ratio) gross of reinsurance was 82.6% (at 31 December 2021, equal to 61.7%) and amounted to 86.7% net of reinsurance (47.8% for Elba Assicurazioni at 31 December 2021).

The adjusted COR (combined operating ratio)⁵ was 82.6% gross of reinsurance (61.7% at 31 December 2021) and 86.7% net of reinsurance (47.8% at 31 December 2021).

The effects of the reinsurance policy on the COR are mainly caused by the amendment of the treaties, which entailed an extension of the business covered by reinsurance and, at the same time, a decrease in the percentage ceded under quota share treaties.

The financial result, which was negative by €6,230,000 (positive by €1,189,000 at 31 December 2021), reflected value adjustments to investments amounting to €9,224,000 at year-end. These adjustments reflected the sharp rise in policy rates, mainly due to expectations of restrictions by the central banks and the context of a general rise in inflation and uncertainty over military escalation in Ukraine. The negative effect of the capital losses on valuation was in any case partially offset by the increase in financial income, amounting to €4,077,000, a marked improvement compared with the same period in the previous year (€1,672,000), due to the implementation of a careful investment policy that aims both to seize the opportunities offered by the context of higher interest rates and to increase decorrelation from the performance of the financial markets, with a consequent decrease in overall volatility.

Evolution of the insurance portfolio and the sales network

Premiums written, gross of reinsurance and net of current year cancellations, totalled €131,388,000 in 2022, a significant increase compared with the €77,526,000 recorded at 31 December 2021 (an increase of 69.5%).

Direct and indirect premium income is reported in the following table by class:

Gross premiums	31.12.2022	%	31.12.2021	%	Change
1 Accident	973	0.7%	265	0.3%	267.3%
2 Sickness	15	0.0%	-	0.0%	-
5 Aviation hull	261	0.2%	-	0.0%	-
6 Marine hull (sea, lake and river and canal vessels)	2,205	1.7%	-	0.0%	-
7 Goods in transit	2,008	1.5%	-	0.0%	-
8 Fire and natural forces	14,730	11.2%	631	0.8%	2234.4%
9 Other damage to property	15,918	12.1%	12,231	15.8%	30.1%
11 Aviation liability	99	0.1%	-	0.0%	-
12 Marine liability (sea, lake and river and canal vessels)	70	0.1%	-	0.0%	-
13 General liability	20,977	16.0%	4,714	6.1%	345.0%
14 Credit	289	0.2%	-	0.0%	-
15 Suretyship	73,229	55.7%	59,674	77.0%	22.7%
16 Financial loss	602	0.5%	-	0.0%	-
18 Assistance	10	0.0%	11	0.0%	-6.5%
Total	131,388	100.0%	77,526	100.0%	69.5%

In this regard, it should be noted that during the period there was a significant increase not only in Suretyship (+22.7% compared with 2021), which remained the main business class, but also in other classes historically managed by the Company (Other damage to property, General liability and Fire), 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 55.7% impact on the total premiums of the Suretyship class (77.0% at 31 December 2021), due to greater exposure to other classes, the proportion of which increased from 23.0% at 31 December 2021 to 44.3% at 31 December 2022.

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

Geographical area	31.12.2022	31.12.2021	% incr.
North	91,811	40,089	129.0%

⁵ It should be noted that the calculation of the adjusted COR for 2021 did not take into account the cost deriving from payment of the agency severance indemnity, totalling €985,000, which was included in "Other acquisition costs". This cost was, in fact, offset by the use of the relevant provision, allocated in previous years and included in the non-technical account under "Other income". The effect on the result for the period was therefore nil.

Centre	25,118	16,434	52.8%
South and Islands	14,082	21,003	-33.0%
Abroad	377	-	-
Total	131,388	77,526	69.5%

In 2022, the Company continued to implement measures to increase the number of agency mandates and the number of free collaboration agreements with brokers, in order to develop both overall production and the productivity of individual intermediaries.

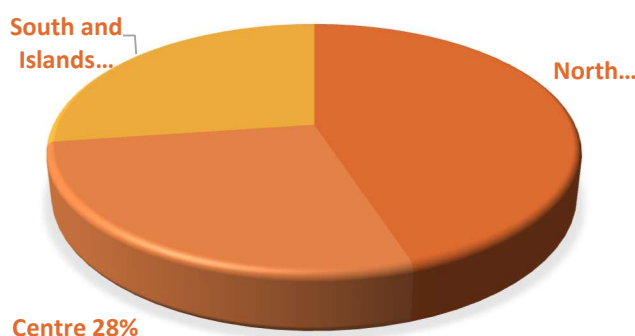
At 31 December 2022, the sales network consisted of 116 multi-firm agents (100 at 31 December 2021) and 53 brokers (16 at 31 December 2021).

During the 2022 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 assignment of 18 new agency mandates, 37 new free collaboration agreements with brokers and the withdrawal of 2 agency mandates, the results of which were not in line with expectations.

The distribution of agencies (including brokers) and the average premiums written at 31 December 2022 by geographical area are as follows:

GEOGRAPHICAL AREA	No. of agencies/brokers by geographical area	Overall premiums	Average premiums per Agency/Broker 2022	Average premiums per Agency/Broker 2021
North	76	91,811	1,208	978
Centre	47	25,118	534	483
South and Islands	46	14,082	306	512
Total	169	131,011	775	668

NO. AGENCIES/BROKERS BY GEOGRAPHICAL AREA



Claims

Claims-related expenses for direct and indirect business at 31 December 2022 amounted, respectively, to €20,395 gross of reinsurance (€9,969,000 at 31 December 2021) and €14,010,000 net of reinsurance (€5,901,000).

The following tables show the breakdown by item, both gross and net of reinsurance:

Gross claims-related expenses	31.12.2022	31.12.2021	Change
Change in claims reserve	11,755	3,317	254%
Amounts paid	16,170	13,845	17%
Change in recoveries	-7,530	-7,193	5%
Total	20,395	9,969	105%

Net claims-related expenses	31.12.2022	31.12.2021	Change
Change in claims reserve	7,849	2,059	281%
Amounts paid	9,947	7,453	33%
Change in recoveries	-3,786	-3,611	5%
Total	14,010	5,901	137%

The overall performance of net claims-related expenses at 31 December 2022, measured in terms of loss ratio, was, although it increased, appropriate for the development of production, standing at 25.3%, compared with 14.5% in 2021. In absolute terms, claims-related expenses increased by €8,109,000, mainly due to the effect of Class 9-Other damage to property (€3,506,000) and Class 13-General liability (€2,316,000). For Class 6-Marine hull and Class 7-Goods in transit, which were not present in the previous year, total net expenses of €842,000 were recorded.

The following tables show the breakdown by class, respectively gross and net of reinsurance:

	Gross claims-related expenses	31.12.2022	31.12.2021	Change
1	Accident	224	25	199
6	Marine hull (sea, lake and river and canal vessels)	891	-	891
7	Goods in transit	511	-	511
8	Fire and natural forces	1,568	213	1,355
9	Other damage to property	5,127	1,151	3,976
13	General liability	4,280	1,523	2,757
15	Suretyship	7,795	7,057	738
	Gross claims-related expenses	20,395	9,969	10,426

	Net claims-related expenses	31.12.2022	31.12.2021	Change
1	Accident	190	25	165
6	Marine hull (sea, lake and river and canal vessels)	540	-	540
7	Goods in transit	302	-	302
8	Fire and natural forces	843	93	750
9	Other damage to property	4,657	1,151	3,506
13	General liability	3,212	896	2,316
15	Suretyship	4,266	3,736	530
	Net claims-related expenses	14,010	5,901	8,109

The total claims ratio, gross of reinsurance, was 20.9%, compared with 14.3% at 31 December 2021. The claims ratio net of reinsurance was 25.3%, compared with 14.5% for the same period in 2021.

As shown above, the increase in claims-related expenses mainly reflects the increase in the change in the claims reserve of €5,789,000 and, to a lesser extent, higher claims paid of €2,494,000.

The claims reserve was strengthened by setting aside higher IBNR, net of reinsurance, of €998,000, resulting from a physiological trend of increased overall business. Taking into account the most significant claims, with an impact of more than €200,000, there was an increase in the claims reserve due to ten claims relating to cover taken out in previous years (two relating to Class 9-Other damage to property of €705,000, three relating to Class 13-General liability of €912,000 and five relating to Class 15-Suretyship of €665,000), with a total negative impact of €2,281,000 net of reinsurance, and four claims relating to policies taken out in 2022 with a net impact of €821,000 (one relating to Class 13-General liability of €314,000, one to Class 8-Fire of €171,000 and two relating to Class 6-Marine hull of €336,000).

Suretyship class

The technical performance in 2022, due to the Company's particular focus on customer retention and risk assessment during the underwriting phase, once again proved extremely profitable.

The ratio, gross of reinsurance, of claims paid and reserved, net of recoveries, to earned premiums, was 12.6% (13.1% at 31 December 2021), and 13.4% net of reinsurance, compared with 14.1% at 31 December 2021.

Net claims for the year increased by €530,000 compared with 31 December 2021, due to the increase in claims paid and reserved (€693,000) versus the positive change in recoveries (€163,000).

A large claim was reported, adequately covered by collateral, which had been constituted as usual in order to protect against this type of risk and which led to a reduction in the amount enforced.

Other classes

In the other non-life insurance classes, the ratio, gross of reinsurance, of claims paid and reserved net of recoveries (including an IBNR provision of €1,640,000, up from €450,000 in 2021) to earned premiums was 35.3% overall (18.6% at 31 December 2021).

Of the IBNR provisioned in the financial statements, €192,000 was ceded to reinsurance. The overall ratio of the other classes, net of reinsurance, was 41.4%, compared with 15.2% in 2021.

The increase in this ratio in 2022 was mainly due to the following trends:

- Other damage to property: in absolute values, gross claims for the year amounted to €5,127,000, an increase of €3,979,000 compared with the same period in 2021. In 2022, following the introduction of the new management team, IBNR totalling €760,000 was provisioned (€250,000 in 2021). Finally, mention should be made of the reporting and consequent reserving of two large claims, both relating to cover taken out in previous years, totalling €705,000 net of reinsurance, as well as the allocation of €386,000 to additional outgoing reserves calculated in accordance with IVASS Regulation No. 16. The ratio of claims to gross premiums was 34.7%, compared with 10.7% in 2021, while the loss ratio net of reinsurance was 36.6% compared with 11.7% in 2021. Not taking into account components not included in the 2021 numbers (IBNR increase and large claims), the net loss ratio would be 27.0%;
- General liability: in absolute values, the increase in gross claims for the year was €2,757,000, the result of IBNR provisions totalling €880,000 (€200,000 in 2021) and three significant claims with a total impact of €1,272,000 (€725,000 net of cession to reinsurance). A large late claim totalling €650,000 was also recorded (€500,000 net of reinsurance). The net loss ratio was 52.6%, compared with 23.8% in 2021. Without taking into account the IBNR components and significant claims, the loss ratio would have been 24.5%;
- Fire: during the year, an increase of €750,000 was recorded in net claims-related expenses, almost exclusively attributable to two claims for €314,000 net, with a consequent increase in the ratio of claims to net premiums (24.6%, compared with 18.8% in 2021). Without taking into account the claims presented above, the net loss ratio would have been 15.4%;
- Goods in transit and Marine hull: for these classes, the claims to premiums ratio gross of reinsurance was 62.4% (98.1% net of reinsurance, due to premiums ceded under non-proportional contracts). These classes were not present in 2021.

Acquisition expenses and general expenses

Total operating expenses at 31 December 2022 came to €58,789,000 gross of reinsurance and €32,592,000 net of reinsurance, an increase compared with the same period of 2021 and in line with the increase in business volume. A detailed summary schedule is provided below:

Operating expenses	31.12.2022	31.12.2021
a. Acquisition commissions	30,705	18,110
b. Other acquisition expenses	10,614	6,569
d. Collection commissions	60	60
e. Other administrative expenses	17,410	6,792
f. (-) Commissions and share of profits received from reinsurers	26,197	18,732
Operating expenses	32,592	12,799

The overall impact of acquisition expenses, including other acquisition expenses relating to payroll costs in the technical and commercial areas (€7,975,000, up by €4,460,000 compared with 2021) and directly attributable general expenses (€1,508,000), was 31.4% of premiums written, down slightly from 31.8% at 31 December 2021. The net impact, taking into account the fees received from reinsurers and premiums ceded, was 19.5%, compared with 13.0% in 2021.

Acquisition commissions as a percentage of gross premiums written were 23.4%, in line with the figures at 31 December 2021 (23.4%). Similarly, other acquisition expenses as a percentage of gross premiums written were 8.1% (8.5% at 31 December 2021).

Fees received from reinsurers as a percentage of premiums ceded were 48.7%, compared with 59.3% in 2021. The decrease mainly reflects the difference in the mix of the ceded portfolio: in 2022 there were more optional cessions as well as the activation of excess of loss and quota share cessions in classes other than Suretyship.

Other administrative expenses as a percentage of gross premiums written, mainly due to the cost of the remaining employees, general expenses not directly attributable and depreciation of tangible assets, amounted to 13.3% (8.8% at 31 December 2021). In this context, the following should be noted:

- the increase in payroll expenses due to the recruitment plan for the launch of the REVO development project (an increase of €4,018,000);
- listing and other one-off expenses of €2,864,000 and advisory expenses of €1,226,000, mainly relating to the adoption of the new IFRS 17 accounting standard;
- costs relating to rent on the new building in Verona, not applicable last year, of €180,000;
- additional costs for EDP (electronic data processing) services of €750,000;
- other expenses of €1,464,000, due to the increase in business and the workforce, as well as the various projects launched during the year (e.g. legal and notarial expenses, fees payable to Directors, Statutory Auditors and External Auditor, advertising and telephone expenses).

Overall, at 31 December 2022, total operating expenses as a percentage of gross premiums written were 44.7%, and 42.0% net of reinsurance (in the previous year these percentages were 40.7% and 27.9%, respectively), most of which arose from the increase in payroll expenses due to the implementation of the development plan and one-off expenses incurred for the listing, the merger and the Company's implementation of the new IFRS 17 accounting standard.

Foreign business

During the 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 following table sets out the breakdown of technical items relating to foreign business:

	31.12.2022
reserve	2,259
Change in premium reserve	1,002
Operating expenses	575
Total	682

Reinsurance policy

The Company's reinsurance policy in 2022 was based 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 and Fine art policies, for which quota share treaties were signed, and for Engineering policies, for which it was decided to maintain only excess of loss cover.

The following table sets out the breakdown of the technical reinsurance balance compared with the previous year:

Technical reinsurance account	31.12.2022	31.12.2021	Change
Premiums ceded	-53,823	-31,590	-22,233
Change in ceded premium reserve	11,835	2,868	8,967
Reinsurers' share of claims	6,223	6,392	-169
Reinsurers' share of change in recoveries	-3,744	-3,582	-162
Reinsurers' share of change in claims reserve	3,906	1,258	2,648
Commissions received from reinsurers	26,197	18,732	7,465
Technical income and expenses ceded	-166	563	-729
Total	-9,572	-5,358	-4,214

Premiums ceded increased as a result of both new production and the new proportional, non-proportional and optional treaties signed in 2022.

Earned premiums ceded to reinsurance increased, mainly due to the new reinsurance policy, which involved the signing of new quota share treaties, as well as a reduction in the percentage ceded of the Suretyship quota share treaty (from 50% in 2021 to 40% in 2022).

Ceded claims for the year also increased by a total of €2,318,000, due to the cession of the classes related to the new quota share treaties and three new claims ceded with excess of loss treaties for the Other damage to property and General liability classes, totalling €602,000.

Main new products launched on the market

In 2022, the product range was extended to include property, technological risks, corporate civil liability and accidents.

In particular, after obtaining authorisation from IVASS to operate in new regulatory classes, the Company further extended its insurance offering through:

- agricultural cover (policies to insure against adverse weather conditions resulting in shortfalls in crop yields (qualitative and/or quantitative)), both traditional and parametric. With regard to parametric insurance, the cover relates to various areas, including table grapes (to cover botrytis disease), the harvesting of pear trees (to cover damage caused by the marmorated stink bug), aquaculture (cover focused on rising temperatures and the associated change in the quality of marine waters) and fodder (to cover drought damage);
- parametric cover to protect business assets, in particular against the effects of rain, for those sectors more likely to be affected, such as spa and beach resorts, restaurants and event organisation companies;
- new liability cover for industrial and construction companies and miscellaneous risks, covering damage to third parties (death or personal injury), damage to property, employee accidents and damage due to defective products;
- new cover for professionals, designed to protect their assets against claims for compensation due to errors made as they conduct their business (professional indemnity or PI);
- new cover to protect the personal assets of company managers and to protect these companies' assets (directors' and officers' or D&O insurance);
- new hull insurance solutions for pleasure craft;
- new tailored insurance solutions in the area of "cyber risk" to cover expenses incurred by the policyholder and compensation for damages following cyber attacks, for data restoration, data theft and privacy breaches, and to cover other risks relating to the classes subject to authorisation by the Supervisory Authority in March 2022.

OverX

In June REVO Insurance S.p.A. also launched the new proprietary technological platform, OverX, a fundamental tool for the structuring and creation of new insurance products, capable of significantly simplifying underwriting processes (use of a common database) and distribution (flexibility and ease of connection to intermediaries).

OverX is a highly innovative information system concerning of flexibility, level of service, response times, efficiency, and the possibility of customizing products, allowing you to easily create the interface with the operating systems of the main intermediaries, guaranteeing a high level of integration with their systems. During 2022, the new specialty lines and parametric products were progressively implemented within the platform with the aim of simplifying the risk analysis processes (so-called underwriting) through the automated reading of communications with the intermediary, the collection and organization of the information necessary for risk assessment, also by external databases, as well as the preparation of insurance contracts.

OverX was developed and created in the Cloud environment, using the most modern technologies, such as Artificial Intelligence, application programming interface (API), advanced security systems, an innovative process automation system and a text recognition system, with a simple and efficient data structure, which facilitates the collection of information by intermediaries.

Investment policy guidelines and profitability achieved

In 2022, the Company's investment policy 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 24 November 2022. 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 2022, in particular, foreign government securities with high credit ratings were purchased, including from Germany, the Netherlands, France and Belgium. In the first half of the year, corporate bonds were purchased, mainly from foreign issuers with high ratings, and one open-ended alternative investment fund was subscribed to a limited extent. In the second half of the year, domestic 5-year government bonds of €8,545,000 were included in fixed assets, in accordance with statutory accounting principles, taking advantage of particularly favourable market conditions.

The asset portfolio has a particularly low duration of approximately 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.

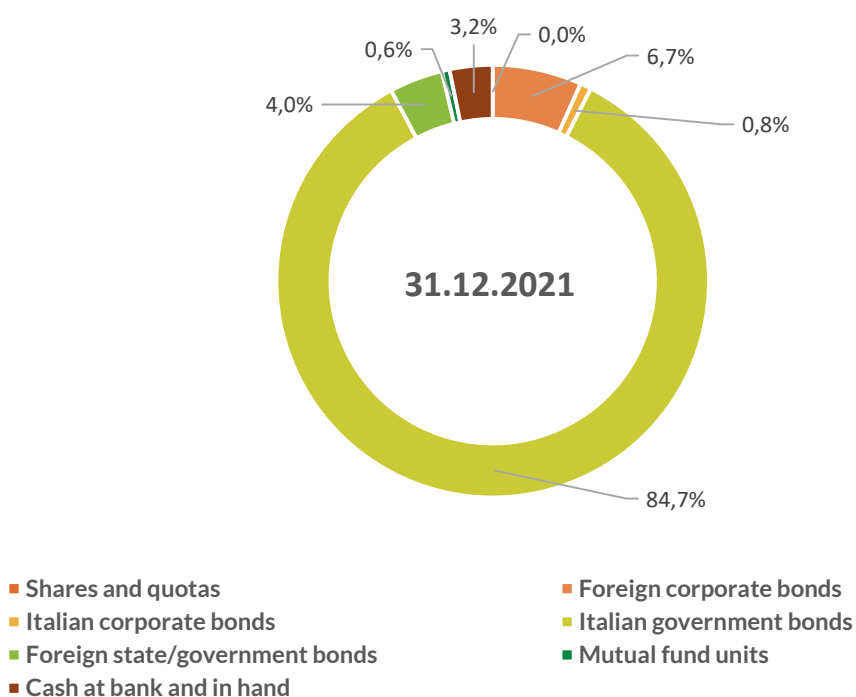
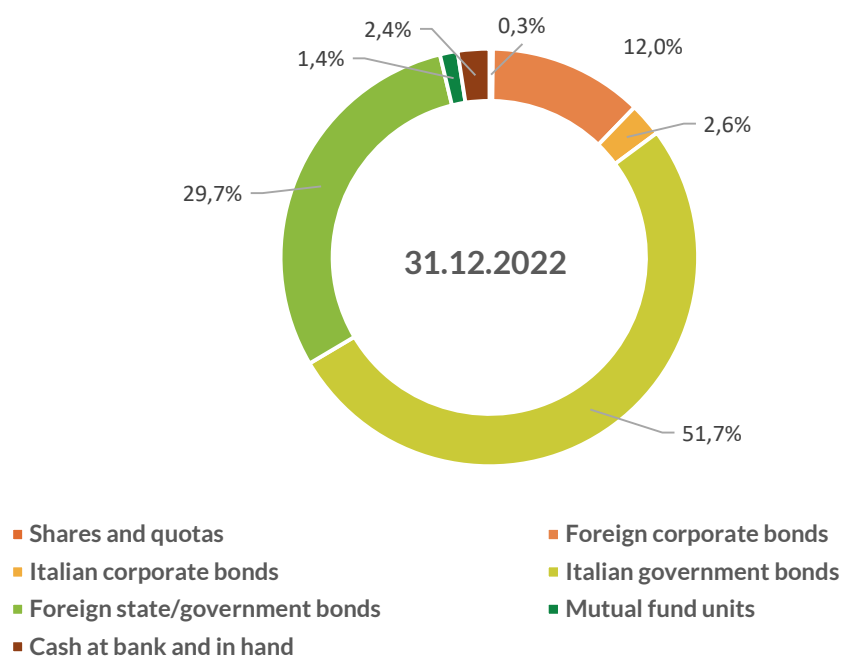
Total investments at 31 December 2022 amounted to €185,440,000 (€121,290,000 at 31 December 2021), including €182,114,000 in bonds and other listed fixed-rate securities (including 53.9% in Italian government securities, 31.0% in foreign government securities, 12.4% foreign other bonds and 2.7% Italian other bonds), in addition to €2,620,000 relating to units in bond mutual funds. Shares and quotas of companies included €556,000 for the equity investment in Mangrovia Blockchain Solutions S.r.l., which is not subject to significant influence on the part of REVO and is therefore not considered an associate, and €150,000 for the equity investment in the subsidiary, REVO Underwriting S.r.l.

At 31 December 2022, cash and cash equivalents amounted to €4,445,000 (€4,007,000 at 31 December 2021).

The following table sets out the breakdown of investments compared with the previous year:

Investments by type	31.12.2022	31.12.2021
Shares and quotas	706	-
Foreign corporate bonds	22,579	8,357
Italian corporate bonds	4,924	1,044
Italian government bonds	98,226	106,144
Foreign state/government bonds	56,385	4,997

Mutual fund units	2,620	748
Cash at bank and in hand	4,445	4,007
Total investments (including cash and cash equivalents)	189,885	125,297



Remuneration policies and employee information

At 31 December 2022, the internal structure consisted of 151 employees, in addition to 6 external contractors and 1 intern (at 31 December 2021, there were 98 employees, plus 1 external contractor).

The substantial increase compared with 2021 (+53 resources) is mainly due to the recruitment of new staff to develop the Company's new business lines, authorised by IVASS at the end of March 2022, and the launch of the development project, with the simultaneous strengthening of staff structures and key functions.

The internal structure by area of expertise breaks down as follows:

	31.12.2022	31.12.2021
CEO/GM	1	1
Specialty Insurance Solutions	92	59
Operations	19	14
Finance Planning and Control	11	7
Legal & Corporate Affairs	10	7
Parametric Insurance Solutions	6	4
Risk Management	3	1
Human Resources and Organisation (HR)	3	2
Compliance	2	1
Staff	2	0
Actuarial	1	1
Internal Audit	1	1
Total	151	98

During the year, the training of employees continued in order to promote professional and managerial growth, with a particular focus on new hires.

In April 2022, the Smart Working tool was introduced and adopted through the signing of individual agreements with all company employees.

Last but not least, the Company decided to identify new headquarters in Milan, with collaborative workspaces and a strong sustainability footprint. These new operational headquarters were identified at Via Monterosa 91, Milan (entry is scheduled for April 2023).

Total labour costs, including the reimbursement of expenses (employees and contractors on project-based contracts) in 2022 were €15,746,000 (€6,726,000 in 2021). The substantial change compared with 2021 mainly reflects the increase in total remuneration due to the recruitment of a further 53 resources during 2022.

Remuneration policies

At the Shareholders' Meeting of 4 April 2022, the Company adopted a remuneration policy in accordance with the provisions of the legislation applicable to listed companies and in compliance with the specific provisions in this regard set out in IVASS Regulation No. 38.

The management remuneration system comprises the following main elements:

- an annual incentive system in formalised MbO form for the entire corporate population, which aims to increase their involvement in the achievement of annual corporate objectives;
- a long-term incentive system (2022-2024 Performance Share Plan) for the Chief Executive Officer/General Manager, key persons and additional beneficiaries;
- a welfare plan for the entire corporate population.

In particular, the remuneration system for top management, in addition to the Chief Executive Officer and employees of the Company who perform managerial roles or functions, consists of a fixed and a variable component, the latter with an annual component and a deferred long-term incentive plan, in line with best practice at national and international level.

MbO system

The annual variable component consists of the “MbO” system, which provides for the payment of a cash bonus, subject to the achievement of predetermined annual objectives - both quantitative (operating result and premium income) and qualitative - on a personalised basis that are commensurate with the specific role and activities performed by the individual beneficiary.

2022-2024 Performance Share Plan

On 4 April 2022, the Company’s Shareholders’ Meeting also approved a performance share plan called the “2022-2024 Performance Share Plan” (hereinafter, the “Plan”), the regulations of which were drawn up and approved by the Board of Directors on 26 May 2022.

The Plan is a valid tool for retaining and motivating individuals who play a key role in achieving the Company’s objectives, and for aligning the interests of key company resources with those of other stakeholders, with a view to long-term sustainable development.

Code of Ethics

Employees and contractors are required to scrupulously observe the rules of conduct established in the Code of Ethics adopted by REVO Insurance S.p.A. by resolution of the Board of Directors of 21 March 2022.

This document establishes the specific rules and procedures of conduct which, in line with principles of a commitment to fairness and consistency of approach, must be observed by employees and contractors in multiple relationships with policyholders, agents, suppliers, service providers and any other company or entity, whether public or private, that comes into contact with the Company.

No cases of non-compliance in this regard were reported or discovered during 2022.

Summary data for 2022

Further to the above, the summary figures are presented below, in thousands of euro, for the year ended 31 December 2022 compared with the previous year:

Assets	31.12.2022	31.12.2021
Intangible assets	89,093	2,339
Equity investments	706	-
Investments	184,734	121,290
Reinsurers’ share of technical provisions	68,216	51,742
Receivables	72,963	28,641
Other assets	4,936	4,351
Accruals and deferrals	2,669	2,431
Total assets	423,317	210,794

Shareholders’ equity and liabilities	31.12.2022	31.12.2021
Shareholders’ equity	209,896	73,670
Technical provisions	166,653	120,759
Provisions for risks and charges	2,923	3,607
Deposits received from reinsurers	1,600	1,251
Payables and other liabilities	42,245	11,507
Accruals and deferrals	-	-
Total liabilities and shareholders’ equity	423,317	210,794

Income statement	31.12.2022	31.12.2021
Gross premiums written	131,388	77,526

Premiums ceded to reinsurance	-53,823	-31,590
Change in gross amount of premium reserve	-33,990	-7,979
Change in reinsurers' share of premium reserve	11,835	2,868
Earned premiums	55,410	40,825
Share of profit from investments transferred from non-technical account	0	585
Other technical income	866	1,750
Claims-related expenses	14,010	5,901
Change in equalisation reserve	92	-
Reversals and profit-sharing	58	-
Operating expenses	32,592	12,799
Other technical expenses	2,128	3,548
<i>Result of the technical account</i>	<i>7,396</i>	<i>20,912</i>
Investment income	4,077	1,672
Capital and financial expenses	10,307	483
Share of profit from investments transferred to technical account	0	-585
Other income	55	988
Other expenses	10,752	1,963
Extraordinary income	1,126	105
Extraordinary expenses	682	85
<i>Result before tax</i>	<i>-9,087</i>	<i>20,561</i>
Taxes for the year	-1,805	6,253
Net result	-7,282	14,308

Solvency II – Solvency margin

Information on the Solvency II solvency margin recorded in the fourth quarter of 2022, based on the information available at the date, compared with the 2021 annual data, is provided below:

Information on the solvency margin - Solvency II	31.12.2022	31.12.2021
Solvency Capital Requirement	52,897	40,829
Eligible Own Funds to meet the SCR (Tier 1)	142,703	87,792
Solvency Ratio	269.8%	215%
Minimum capital requirement	14,652	10,521
MCR Coverage Ratio	974.0%	835%

The results obtained show the high level of Solvency II coverage available to the Company.

The Solvency II Ratio of 258.3% at 31 December 2022 benefited from the capital received from REVO S.p.A. following the merger and is in line with the solidity and risk appetite objectives contained in the Business Plan.

It should be noted that the Solvency II Ratio also takes into account the organisational provision of €8 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.

The Solvency Ratio will be subject to specific disclosure to the market and to the Supervisory Authority within the terms established by current legislation in the context of the publication of the Solvency and Financial Condition Report (SFCR).

Insurance risk management objectives and policy

Revo Insurance'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.

Since May 2022, the Risk Management function has been entrusted to Linda Tso, who, for those areas within her remit, has taken part in the activities planned for Solvency II reporting.

With regard to liquidity, underwriting and counterparty risks, ordinary monitoring activities continue to be overseen at all times, in order to continuously ensure the Company's ability to meet its commitments. Furthermore, with reference to the internal solvency objective established in Article 18 of IVASS Regulation No. 38/18, the current assessments have not brought to light any critical issues that require specific action.

The Company, also throughout 2022, 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 an high and constant capital solvency level.

The Company underwent an organisational enhancement during the year, following the merger in November 2022. 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 commitment to timely compliance with the reference provisions and regulations, to safeguard and protect the activity performed.

Based on the risk mapping, the highest-intensity risk to which REVO Insurance S.p.A. 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 assumptions 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 both 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, quota and excess of loss treaties were entered into for both Suretyship policies and policies for other classes, with the exception of Assistance and Fine art policies, for which specific quota share transfer treaties are in place, and Engineering policies, for which excess of loss cover is in place.

Market risk

REVO Insurance has a portfolio of assets mainly consisting 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 in the Italian Republic, which at 31 December 2022 amounted to 53.2% of the Group's overall portfolio (approximately 84.7% at 31 December 2021).

Credit risk

Counterparty risk arising from reinsurance contracts is managed through a careful process of selecting reinsurers that takes adequate account, *inter alia*, of a minimum rating level for both initial selection and maintenance of existing relationships.

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 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.

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 an update from its legal counsel concerning a payment order for approximately €250,000, relating to a counterfeit suretyship policy. As of 31 December 2022 the dispute is still ongoing, and as a precautionary measure it was decided to set aside a portion of the contested amount.

Eleven claims were instigated during 2022, of which three were admitted, two were settled and six dismissed. At the date of preparation of this Report (31 December 2022), there were no claims 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

Subsidiaries and controlled entities

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 31 December 2022, we report the following transactions between REVO Underwriting S.r.l. and REVO Insurance S.p.A.:

- costs for seconded staff of €28,000;

- revenues from commission income of €67,000;
- receivables for commission income of €107,000;
- payables for insured sums collected of €155,000;
- payables for seconded staff of €28,000.

Associates, companies under joint control and other related parties

The Related Party Transactions Procedure (the “RPT Procedure”), approved by the Issuer’s Board of Directors on 26 May 2022 after it obtained a favourable opinion from the independent directors in office on that date, is intended to: (i) regulate procedures for identifying related parties, defining procedures and timescales 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 these 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 timescales for the fulfilment of reporting obligations to the corporate bodies and to the market.

The Procedure is published in the “corporate-governance/corporate-documents/related party transactions” section of the REVO Insurance website (www.revoinsurance.com).

During the year, no transactions were settled down with companies subject to common control and other related parties.

It should be noted that, as at 31 December 2022, no natural person or legal entity holds, directly or indirectly, a number of shares such as to have a controlling stake in the Company. In view of this, REVO Insurance is not subject to the management and coordination of any entity or company.

Other significant events during the year

No other significant events occurred during the year, other than those reported in the initial introductory section.

Main significant events after year-end

No significant events occurred after year-end.

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 the 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, a rolling plan for 2023-2026, which confirms the scale of the projections announced in the 2022-2025 plan.

The current environment of macroeconomic and geopolitical uncertainty has not had a material 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 granted to underwriters when policies are written, with the possibility of adapting pricing to changing market conditions. Moreover, in 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 effects on operations.

From a financial perspective, the higher volatility than in the recent past continued in the second half, with average growth in policy rates and bond yields. In view of this, REVO has adopted an investment policy that focuses on greater diversification, significantly reducing the overall level of risk in the managed portfolio, partly thanks to the high level of liquidity available for investments. In the short and medium term, the Company expects to benefit from the higher yields offered by the market by maintaining overall low investment durations and pursuing its policy of diversification and decorrelation from the Italy risk.

It should also be noted that on 17 October, REVO applied to IVASS for authorisation to extend both its insurance and reinsurance activities to the Legal expenses class, which, if authorisation is obtained, will enable the further expansion of services offered to small and medium-sized enterprises.

Own shares held and changes in own shares

Regarding the disclosure requirements set forth in Article 2428, paragraphs 3(3) and (4) of the Italian Civil Code, the Company hereby informs you that:

- As at 31 December 2022, it holds a total of 140,953 own shares, equal to 0.573% of the share capital, consisting solely of ordinary shares;
- In 2022, it purchased a total of 140,953 own shares, amounting to around 0.573% of the share capital, consisting solely of ordinary shares;
- It did not dispose of any own shares in the first half of 2022.

The programme to purchase own shares implemented during the 2022 financial year, for €1,247,111 including fees, was launched in implementation of 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 to be carried out through an exchange of shares and for incentive plans reserved for the corporate population.

Relations with public authorities and other entities

Pursuant to the regulatory provisions on the transparency of relations with public authorities introduced by Law No. 124/2017, it should be noted that in 2022, REVO Insurance S.p.A. received payments of €48,000 relating to employee training costs. The companies have not received any further subsidies, contributions or economic benefits of any kind from public authorities or from other entities indicated in Article 1, paragraph 125 of the said law, with the exception of the above.

For the purposes of full disclosure, although these contributions are excluded from the transparency obligations established in the aforementioned legislation, it should be noted that the National Register of State Aid, publicly available in the section on transparency on the relevant website, publishes the aid measures and the relevant individual aid granted and recorded in the system by the granting authorities for the direct or indirect benefit of each of the Group companies.

Report on Corporate Governance and Ownership Structure pursuant to Art. 123-bis of Legislative Decree No. 58 of 24 February 1998

The information prescribed by Article 123-bis of Legislative Decree No. 58 of 24 February 1998 as amended is contained in the Report on Corporate Governance and Ownership Structure, approved by the Board of Directors and published

jointly with the Report on Operations. The Report on Corporate Governance and Ownership Structure is available on the Company's website (www.revoinsurance.com), in the "Corporate Governance/Corporate Documents" section.

Proposals to the Shareholders' Meeting

Dear Shareholders,

We trust that this provides a comprehensive picture of the management of corporate activities and the financial statements that we are presenting to you.

The management body is at your disposal to provide further information in this regard.

We therefore invite you:

- to approve the 2022 financial statements, consisting of the statement of financial position, income statement, statement of cash flows, notes to the financial statements and this Report on Operations;
- to resolve to cover the loss for the year, amounting to €7,282,329, as detailed in the following table:

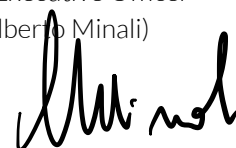
<i>amounts in euro</i>	
Loss for the year	7,282,329
of which:	
Other reserves	7,282,329

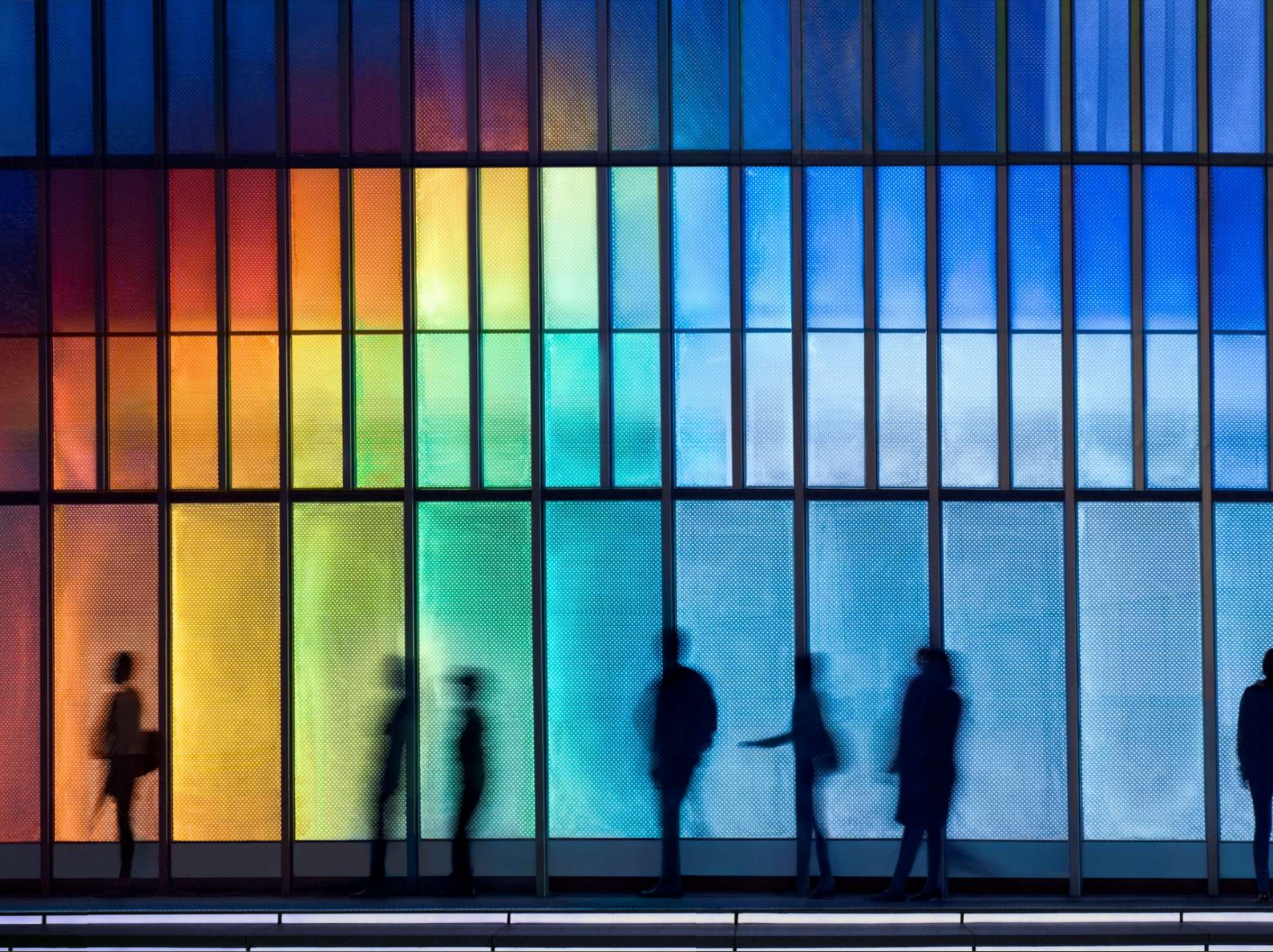
By approving and implementing our proposal, the Company's shareholders' equity will amount to a total of €209,896,150. The following table (in euro units) sets out, separately for each item of shareholders' equity, the changes determined by the proposed allocation of the loss for the year presented to shareholders:

<i>amount in euro</i>	31.12.2022	Capital increases	Allocation of result for the year	Other changes	Final amount
Share capital	6,680,000				6,680,000
Share premium reserve	170,000				170,000
Legal reserve	1,385,187				1,385,187
Other reserves	210,190,403		-7,282,329		202,908,074
Retained earnings/Losses carried forward	-				-
Net result for the year	-7,282,329		7,282,329		-
Negative reserve for own shares	-1,247,111				-1,247,111
Total	209,896,150	0	0	0	209,896,150
Dividends to be paid			-	-	-

Milan, 9th March 2023

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





Statement of financial position and Income statement

Statement of financial position and income statement

Statement of financial position

STATEMENT OF FINANCIAL POSITION ASSETS

		Values for the year	
A	RECEIVABLES FROM SHAREHOLDERS FOR SUBSCRIBED SHARE CAPITAL NOT PAID UP		1 0
	of which called capital	2 0	
B	INTANGIBLE ASSETS		
	1. Acquisition commissions to be amortised		
	a) life classes	3 0	
	b) non-life classes	4 0	5 0
	2. Other acquisition expenses		6 0
	3. Start-up and expansion costs		7 11,797
	4. Goodwill		8 80,134,229
	5. Other multi-year costs		9 8,947,280
			1 89,093,30 0 6
C	INVESTMENTS		
I	- Land and buildings		
	1. Property intended for company use	1 1 0	
	2. Property for third-party use	2 0	
	3. Other property	3 0	
	4. Other rights <i>in rem</i>	4 0	
	5. Assets under construction and advances	5 0	1 6 0
II	- Investments in Group companies and other investee companies		
	1. Shares and quotas of companies:		
	a) parent companies	17 0	
	b) subsidiaries	18 150,000	
	c) affiliates	19 0	
	d) associates	20 0	
	e) other	21 556,418	2 2 706,418
	2. Bonds issued by companies:		
	a) parent companies	23 0	
	b) subsidiaries	24 0	
	c) affiliates	25 0	
	d) associates	26 0	
	e) other	27 0	2 8 0
	3. Loans to companies:		
	a) parent companies	29 0	
	b) subsidiaries	30 0	
	c) affiliates	31 0	

		Values for the previous year	
			1 0
	2 0		
0			
0	5 0		
	6 0		
	7 0		
	8 0		
	9 2,338,544	10	2,338,544
	11 0		
	12 0		
	13 0		
	14 0		
	15 0	16 0	
0			
0			
0			
0			
0	22 0		
0			
0			
0			
0	28 0		
0			
0			
0			
0			
0	34 0	35 0	
to be carried forward			2,338,544

STATEMENT OF FINANCIAL POSITION

ASSETS

				Values for the year	
				carried forward	
					89,093,306
C. INVESTMENTS (continued)					
III - Other financial investments					
1. Shares and quotas					
a) Listed shares	36	0			
b) Unlisted shares	37	0			
c) Units	38	0	39	0	
2. Mutual fund units			40	2,619,761	
3. Bonds and other fixed-income securities					
a) listed	41	182,113,786			
b) unlisted	42	0			
c) convertible bonds	43	0	44	182,113,786	
4. Loans					
a) collateralised loans	45	0			
b) loans on policies	46	0			
c) other loans	47	0	48	0	
5. Units in mutual investments			49	0	
6. Deposits with credit institutions			50	0	
7. Miscellaneous financial investments			51	0	52 184,733,547
I					
V - Deposits with ceding companies				53 0	54 185,439,965
INVESTMENTS FOR THE BENEFIT OF LIFE INSURANCE POLICYHOLDERS WHO BEAR THE ASSOCIATED RISK AND INVESTMENTS ARISING FROM PENSION FUND MANAGEMENT					
D					
I - Investments relating to the performance of investment funds and market indices			55	0	
II - Investments arising from pension fund management			56	0	57 0
D-bis. REINSURERS' SHARE OF TECHNICAL PROVISIONS					
I - NON-LIFE CLASSES					
1. Premium reserve	58	52,932,479			
2. Claims reserve	59	15,282,839			
3. Profit-sharing and reversals reserve	60	0			
4. Other technical provisions	61	0	62	68,215,318	
II - LIFE CLASSES					
1. Mathematical reserves	63	0			
2. Supplementary insurance premium reserve	64	0			
3. Reserve for amounts payable	65	0			
4. Profit-sharing and reversals reserve	66	0			
5. Other technical provisions	67	0			

6. Technical provisions where the investment risk is borne by policyholders and reserves arising from pension fund management	68	0	69	0	70	68,215,318
	to be carried forward					342,748,589

			Values for the previous year			
carried forward					2,338,544	
0						
0						
0			39	0		
			40	747,727		
120,542,173						
0						
0			44	120,542,173		
0						
0						
0			48	0		
			49	0		
			50	0		
			51	0	52	121,289,900
					53	0
					54	121,289,900
			55	0		
			56	0	57	0
			58	40,365,562		
			59	11,376,535		
			60	0		
			61	0	62	51,742,097
			63	0		
			64	0		
			65	0		
			66	0		

67	0		
68	0	69	0
	to be carried forward		51,742,097
			175,370,541

STATEMENT OF FINANCIAL POSITION

ASSETS

		Values for the year	
	carried forward		342,748,589
E.	RECEIVABLES		
I	- Receivables, arising from direct insurance operations, in respect of:		
	1. Policyholders		
	a) for premiums for the year	71	36,438,488
	b) for premiums for previous years	72	0
		73	36,438,488
	2. Insurance intermediaries	74	3,911,863
	3. Company current accounts	75	0
	4. Policyholders and third parties for amounts to be recovered	76	5,316,336
		77	45,666,686
II	- Receivables, arising from reinsurance operations, in respect of:		
	1. Insurance and reinsurance companies	78	968,807
	2. Reinsurance intermediaries	79	0
		80	968,807
III	- Other receivables	81	26,327,719
		82	72,963,212
F.	OTHER ASSETS		
I	- Tangible assets and stocks:		
	1. Furniture, office machinery and internal means of transport	83	454,365.5
	2. Movable property entered in public registers	84	10,300.0
	3. Plant and equipment	85	10,801.2
	4. Miscellaneous stocks and goods	86	0
		87	475,467
II	- Cash and cash equivalents		
	1. Bank and postal current account deposits	88	4,443,782
	2. Cheques and cash balances	89	669
		90	4,444,451
IV	- Other assets		
	1. Reinsurance transition accounts	92	0
	2. Miscellaneous assets	93	15,596
		94	15,596
		95	4,935,514
G	ACCRUALS AND DEFERRALS		
	1. For interest	96	551,998

2. For rent	97	0	
3. Other accruals and deferrals	98	2,117,260	99 2,669,259
TOTAL ASSETS			100 423,316,574

Values for the previous year			
carried forward			175,370,541
7,971,712			
0	73	7,971,712	
	74	4,855,030	
	75	0	
	76	3,701,641	77 16,528,383
	78	86,962	
	79	0	80 86,962
			81 12,025,837 82 28,641,183
	83	242,991.3	
	84	86,225.0	
	85	14,625.6	
	86	0	87 343,842
	88	4,006,416	
	89	629	90 4,007,045
	92	0	
	93	0	94 0 95 4,350,887

	96	174,419		
	97	0		
	98	2,256,724	99	2,431,143
TOTAL ASSETS			100	210,793,753

STATEMENT OF FINANCIAL POSITION
LIABILITIES AND SHAREHOLDERS' EQUITY

					Values for the year	
A	NET LIABILITIES					
I	- Subscribed share capital or equivalent provision				101	6,680,000
II	- Share premium reserve				102	170,000
III	- Revaluation reserves				103	0
IV	- Legal reserve				104	1,385,187
V	- Statutory reserves				105	0
VI	- Reserves for parent company shares				400	0
VII	- Other reserves				107	210,190,403
VIII	- Retained earnings (losses carried forward)				108	0.0
IX	- Profit (loss) for the year				109	-7,282,329
X	- Negative reserve for own shares				401	-1,247,111
					110	209,896,150
B.	SUBORDINATED LIABILITIES					
					111	0
C.	TECHNICAL PROVISIONS					
I	- NON-LIFE CLASSES					
	1. Premium reserve	112	128,495,832			
	2. Claims reserve	113	38,007,331			
	3. Profit-sharing and reversals reserve	114	57,909			
	4. Other technical provisions	115	0			
	5. Equalisation reserves	116	91,731	117	166,652,803	
II	- LIFE CLASSES					
	1. Mathematical reserves	118	0			
	2. Supplementary insurance premium reserve	119	0			
	3. Reserve for amounts payable	120	0			
	4. Profit-sharing and reversals reserve	121	0			
	5. Other technical provisions	122	0	123	0	124 166,652,803
D	TECHNICAL PROVISIONS WHERE THE INVESTMENT RISK IS BORNE					

BY POLICYHOLDERS AND RESERVES ARISING FROM PENSION FUND MANAGEMENT			
I	- Reserves relating to contracts whose performance is connected to investment funds and market indices	125	0
II	- Reserves arising from pension fund management	126	0
		127	0
			376,548,953

to be
carried
forward

Values for the previous year

	101	6,680,000	
	102	170,000	
	103	0	
	104	1,385,187	
	105	0	
	400	0	
	107	51,126,451	
	108	0.0	
	109	14,308,088	
	401	0	110
			73,669,726
			111
			0
112	94,505,755		
113	26,252,609		
114	0		
115	0		
116	0	117	120,758,364
118	0		
119	0		
120	0		
121	0		
122	0	123	0
		124	120,758,364

	125	0	
	126	0	127 0
to be carried forward			194,428,090

STATEMENT OF FINANCIAL POSITION
LIABILITIES AND SHAREHOLDERS' EQUITY

		Values for the year	
	carried forward		376,548,953
E. PROVISIONS FOR RISKS AND CHARGES			
1. Provisions for retirement benefits and similar obligations	128	2,603,386	
2. Provisions for taxes	129	0	
3. Other provisions	130	320,000	131 2,923,386
F. DEPOSITS RECEIVED FROM REINSURERS			132 1,599,677
G. PAYABLES AND OTHER LIABILITIES			
I - Payables, arising from direct insurance operations, to:			
1. Insurance intermediaries	133	0	
2. Company current accounts	134	0	
3. Policyholders for security deposits and premiums	135	0	
4. Guarantee funds for policyholders	136	0	137 0
II - Payables, arising from reinsurance operations, in respect of:			
1. Insurance and reinsurance companies	138	11,716,878	
2. Reinsurance intermediaries	139	0	140 11,716,878
III - Bonds			141 0
IV - Payables to banks and financial institutions			142 0
V - Collateralised payables			143 0
VI - Misc. loans and other financial debts			144 0
VII - Employee severance indemnity			145 579,155
VIII - Other payables			
1. For taxes payable by policyholders	146	1,578,791	
2. Misc. tax charges	147	741,467	
3. To social security and pension institutions	148	519,268	
4. Miscellaneous payables	149	17,764,834	150 20,604,360

IX	- Other liabilities						
	1. Reinsurance transition accounts	151	0				
	2. Commissions for premiums in the process of collection	152	6,925,489				
	3. Misc. liabilities	153	2,418,677	154	9,344,166	155	42,244,558
			to be carried forward				
							423,316,574

Values for the previous year			
carried forward			194,428,090
	128	3,606,540	
	129	0	
	130	0	131 3,606,540
			132 1,251,518
	133	0	
	134	0	
	135	0	
	136	0	137 0
	138	2,639,306	
139	0	140 2,639,306	
	141	0	
	142	0	
	143	0	
	144	0	
	145	454,322	
146	1,133,158.3		
147	1,321,163		

148	353,838		
149	3,867,979	150	6,676,139
151	0		
152	1,733,926		
153	3,913	154	1,737,839
	to be carried forward		11,507,606
			210,793,753

STATEMENT OF FINANCIAL POSITION
LIABILITIES AND SHAREHOLDERS' EQUITY

		Values for the year	
	carried forward		423,316,574
H. ACCRUALS AND DEFERRALS			
1. For interest		156 0	
2. For rent		157 0	
3. Other accruals and deferrals		158 0	159 0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			160 423,316,574

Values for the previous year		
carried forward		210,793,753
	156	0
	157	0
	158	0
	159	0
	160	210,793,753

The undersigned declares that these financial statements comply with the truth and with the scriptures

The legal representatives of the Company (*)

Alberto Minali - Chief executive officer



(**)

(**)

(**)

Auditors

Alfredo Michele Malguzzi - Chairman

Rosella Colleoni

Alessandro Copparoni

Space reserved for the certificate from the Registry
Office
of companies about the storage.

- (*) For foreign companies, the signature must be affixed by the general representative for Italy.
(**) Indicate the office held by the signatory.

Income statement

I. TECHNICAL ACCOUNT OF THE NON-LIFE CLASSES					
1.	EARNED PREMIUMS, NET OF REINSURANCE				
a)	Gross premiums written	1	131,388,093		
b)	(-) Premiums ceded to reinsurance	2	53,822,910		
c)	Change in gross amount of premium reserve	3	33,990,077		
d)	Change in reinsurers' share of premium reserve	4	11,834,672	5	55,409,777
2.	(+) SHARE OF PROFIT FROM INVESTMENTS TRANSFERRED FROM NON-TECHNICAL ACCOUNT (ITEM III. 6)			6	
3.	OTHER TECHNICAL INCOME, NET OF REINSURANCE			7	866,058
4.	CLAIMS-RELATED EXPENSES, NET OF RECOVERIES AND REINSURANCE				
a)	Amounts paid				
aa)	Gross amount	8	16,170,285		
bb)	(-) reinsurers' share	9	6,223,088	10	9,947,197
b)	Change in recoveries net of reinsurers' share				
aa)	Gross amount	11	7,529,800		
bb)	(-) reinsurers' share	12	3,743,814	13	3,785,986
c)	Change in claims reserve				
aa)	Gross amount	14	11,754,723		
bb)	(-) reinsurers' share	15	3,906,304	16	7,848,419
17					14,009,630
5.	CHANGE IN OTHER TECHNICAL PROVISIONS, NET OF REINSURANCE			18	
6.	REVERSALS AND PROFIT-SHARING, NET OF REINSURANCE			19	57,909
7.	OPERATING EXPENSES:				
a)	Acquisition commissions	20	30,704,992		
b)	Other acquisition expenses	21	10,613,642		
c)	Change in commissions and other acquisition expenses to be amortised	22			
d)	Collection commissions	23	60,000		
e)	Other administrative expenses	24	17,410,324		
f)	(-) Commissions and share of profits received from reinsurers	25	26,197,039	26	32,591,918
8.	OTHER TECHNICAL EXPENSES, NET OF REINSURANCE			27	2,128,203
9.	CHANGE IN EQUALISATION RESERVES			28	91,731
10.	RESULT OF THE TECHNICAL ACCOUNT OF THE NON-LIFE CLASSES (Item III. 1)			29	7,396,444

Values for the previous year

CONTO ECONOMICO

Valori dell'esercizio

II. CONTO TECNICO DEI RAMI VITA			
1. PREMI DELL'ESERCIZIO, AL NETTO DELLE CESSIONI IN RIASSICURAZIONE:			
a) Premi lordi contabilizzati	30		
b) (-) premi ceduti in riassicurazione	31		32
2. PROVENTI DA INVESTIMENTI:			
a) Proventi derivanti da azioni e quote	33		
(di cui: provenienti da imprese del gruppo e da altre partecipate	34)	
b) Proventi derivanti da altri investimenti:			
aa) da terreni e fabbricati	35		
bb) da altri investimenti	36	37	
(di cui: provenienti da imprese del gruppo	38)	
c) Riprese di rettifiche di valore sugli investimenti	39		
d) Profitti sul realizzo di investimenti	40		
(di cui: provenienti da imprese del gruppo e da altre partecipate	41)	42
3. PROVENTI E PLUSVALENZE NON REALIZZATE RELATIVI A INVESTIMENTI A BENEFICIO DI ASSICURATI I QUALI NE SOPPORTANO IL RISCHIO E A INVESTIMENTI DERIVANTI DALLA GESTIONE DEI FONDI PENSIONE			43
4. ALTRI PROVENTI TECNICI, AL NETTO DELLE CESSIONI IN RIASSICURAZIONE			44
5. ONERI RELATIVI AI SINISTRI, AL NETTO DELLE CESSIONI IN RIASSICURAZIONE:			
a) Somme pagate			
aa) Importo lordo	45		
bb) (-) Quote a carico dei riassicuratori	46	47	
b) Variazione della riserva per somme da pagare			
aa) Importo lordo	48		
bb) (-) Quote a carico dei riassicuratori	49	50	51
6. VARIAZIONE DELLE RISERVE MATEMATICHE E DELLE ALTRE RISERVE TECNICHE, AL NETTO DELLE CESSIONI IN RIASSICURAZIONE			
a) Riserve matematiche:			
aa) Importo lordo	52		
bb) (-) Quote a carico dei riassicuratori	53	54	
b) Riserva premi delle assicurazioni complementari:			
aa) Importo lordo	55		
bb) (-) Quote a carico dei riassicuratori	56	57	
c) Altre riserve tecniche			
aa) Importo lordo	58		
bb) (-) Quote a carico dei riassicuratori	59	60	
d) Riserve tecniche allorché il rischio dell'investimento è sopportato dagli assicurati e derivanti dalla gestione dei fondi pensione			
aa) Importo lordo	61		
bb) (-) Quote a carico dei riassicuratori	62	63	64

Valori dell'esercizio precedente		
	140	
	141	142
	143	
(di cui: provenienti da imprese del gruppo e da altre partecipate	144)
145		
146	147	
(di cui: provenienti da imprese del gruppo	148)
	149	
	150	
(di cui: provenienti da imprese del gruppo e da altre partecipate	151) 152
		153
		154
155		
156	157	
158		
159	160	161
162		
163	164	
165		
166	167	
168		
169	170	
171		
172	173	174

INCOME STATEMENT

Values for the year

7.	REVERSALS AND PROFIT-SHARING, NET OF REINSURANCE			65	0
8.	OPERATING EXPENSES:				
	a) Acquisition commissions	66	0		
	b) Other acquisition expenses	67	0		
	c) Change in commissions and other acquisition expenses to be amortised	68	0		
	d) Collection commissions	69	0		
	e) Other administrative expenses	70	0		
	f) (-) Commissions and share of profits received from reinsurers	71	0	72	0
9.	CAPITAL AND FINANCIAL EXPENSES:				
	a) Investment management expenses and interest expenses	73	0		
	b) Value adjustments on investments	74	0		
	c) Losses on investment disposals	75	0	76	0
10.	CAPITAL AND FINANCIAL EXPENSES AND UNREALISED CAPITAL LOSSES RELATING TO INVESTMENTS FOR THE BENEFIT OF POLICYHOLDERS WHO BEAR THE ASSOCIATED RISK AND INVESTMENTS ARISING FROM PENSION FUND MANAGEMENT			77	0
11.	OTHER TECHNICAL EXPENSES, NET OF REINSURANCE			78	0
12.	(-) SHARE OF PROFIT FROM INVESTMENTS TRANSFERRED TO NON-TECHNICAL ACCOUNT (Item III. 4)			79	0
13.	RESULT OF THE TECHNICAL ACCOUNT OF THE LIFE CLASSES (Item III. 2)			80	0
	III. NON-TECHNICAL ACCOUNT				
1.	RESULT OF THE TECHNICAL ACCOUNT OF THE NON-LIFE CLASSES (Item I. 10)			81	7,396,444
2.	RESULT OF THE TECHNICAL ACCOUNT OF THE LIFE CLASSES (Item II. 13)			82	0
3.	INVESTMENT INCOME IN THE NON-LIFE CLASSES:				
	a) Income from shares and quotas	83	2,561		
			(of which from Group companies and other investee companies	84	0)
	b) Income from other investments:				
	aa) from land and buildings	85	0		
	bb) from other investments	86	3,374,315	87	3,374,315
			(of which: from Group companies	88	0)
	c) Write-backs of value adjustments on investments	89	0		
	d) Gains on investment disposals	90	700,049		

(of which from Group companies and other investee companies	91	0)	92	4,076,925
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Values for the previous year

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4.	(+) SHARE OF PROFIT FROM INVESTMENTS TRANSFERRED FROM THE TECHNICAL ACCOUNT OF THE LIFE CLASSES (Item II. 12)	93
5.	CAPITAL AND FINANCIAL EXPENSES OF THE NON-LIFE CLASSES:	
	a) Investment management expenses and interest expenses	94 449,175
	b) Value adjustments on investments	95 9,223,607
	c) Losses on investment disposals	96 634,555
		97 10,307,337
6.	(-) SHARE OF PROFIT FROM INVESTMENTS TRANSFERRED TO THE TECHNICAL ACCOUNT OF THE NON-LIFE CLASSES (Item I. 2)	98
7.	OTHER INCOME	99 54,561
8.	OTHER EXPENSES	100 10,751,864
9.	RESULT FROM ORDINARY OPERATIONS	101 -9,531,271
10.	EXTRAORDINARY INCOME	102 1,126,066
11.	EXTRAORDINARY EXPENSES	103 682,117
12.	RESULT FROM EXTRAORDINARY OPERATIONS	104 443,949
13.	RESULT BEFORE TAX	105 -9,087,322
14.	INCOME TAX FOR THE YEAR	106 -1,804,993
15.	PROFIT (LOSS) FOR THE YEAR	107 -7,282,329

		203	0
	204	73,989	
	205	292,953	
	206	116,253	
		207	483,195
		208	584,972
		209	988,028
		210	1,962,963
		211	20,540,617
		212	104,902
		213	84,380
		214	20,522
		215	20,561,139
		216	6,253,051
		217	14,308,088

The undersigned declares that these financial statements comply with the truth and with the scriptures

The legal representatives of the Company

Alberto Minali - Chief executive officer



(**)

(**)

(**)

Auditors

Alfredo Michele Malguzzi - Chairman

Rosella Colleoni

Alessandro Copparoni

Space reserved for the certificate from the Registry
Office
of companies about the storage.

- (*) For foreign companies, the signature must be affixed by the general representative for Italy.
(**) Indicate the office held by the signatory.



Notes to the financial statements

Notes to the financial statements

General part

REVO Insurance S.p.A. is a newly incorporated insurance stock 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 merger by incorporation 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.

These financial statements have been prepared in accordance with the general principles provided in Article 2423-bis of the Italian Civil Code, as laid down by Legislative Decree No. 209/2005, as well as ISVAP Regulation No. 22 of 4 April 2008, as amended and supplemented by IVASS Order No. 53 of 6 December 2016; the other provisions of the Italian Civil Code and the circulars and other orders issued by IVASS have also been complied with; lastly, account has been taken of the accounting principles issued by the Italian accounting standards organisation, OIC.

They have been prepared on a going concern basis, with the agreement of the Board of Statutory Auditors for the cases provided for by law. They have also been prepared according to the accounting standards applied in the previous year, by Elba Assicurazioni S.p.A., which was merged with REVO on 30 November 2022, to ensure the comparability of the data.

The aforementioned accounting principles and valuation criteria are also based on the general criteria of prudence and accrual, in order to give a true and fair view of the financial position, cash flows and results of operations.

It should be noted that the right provided for by IVASS Regulation No. 52 of 30 August 2022 concerning the implementation of provisions on the temporary suspension of capital losses on short-term securities, pursuant to Legislative Decree No. 73 of 21 June 2022, was not applied by the Company at 31 December 2022.

The statement of financial position and income statement schedules comply with the models provided for by ISVAP Regulation No. 22 of 4 April 2008, as amended and supplemented by IVASS Order No. 53 of 6 December 2016, and contain amounts denominated in euros rounded up or down to the nearest unit. The sum of the differences from rounding has been recognised in items F.IV) Other assets or G.IX) Other liabilities for the statement of financial position, or items III.11) Extraordinary expenses or III.10) Extraordinary income for the income statement.

Pursuant to Article 4 of the aforementioned ISVAP Regulation No. 22, all amounts presented in these notes are expressed in thousands of euro, unless otherwise indicated.

These financial statements for the year ended 31 December 2022 have been audited by the External Auditor, KPMG. S.p.A.

The reference valuation criteria are set out below.

Part A – Valuation criteria

REVO Insurance S.p.A. was created by the reverse merger by incorporation of REVO S.p.A. and Elba Assicurazioni S.p.A. on 21 November 2022.

For the purposes of comparability of the data set out in the tables and annexes to these financial statements, data from the 2021 financial year of Elba Assicurazioni S.p.A. are also presented.

Assets

Intangible assets

Set-up costs and other multi-year directly attributable costs are recognised in the statement of financial position at purchase cost and are amortised, with the consent of the Board of Statutory Auditors, over five years on a straight-line basis according to their expected useful lives; for incremental expenses on third-party assets, the amortisation rate is 15%. For costs incurred during the year, the annual percentage is reduced by half.

Goodwill acquired for consideration is recorded under assets at cost, as it is included in the consideration paid for the acquisition, and is amortised on the basis of useful life for a period not exceeding ten years. The account also includes intangible assets under construction and advances paid for the acquisition of intangible assets, although they cannot be amortised.

Investments

There are no land or buildings.

Investments in Group companies and other investee companies

Investments in Group companies and other investee companies mainly consist of long-term investments such as controlling interests and investments in other companies. These equity investments are recognised at purchase or subscription cost or at a value lower than cost in cases where the investee companies have incurred impairment losses based on qualitative and quantitative data.

Other long-term financial investments

Securities that are long-term investments and therefore intended to remain in the Company's portfolio are recognised at purchase cost, calculated according to the weighted average cost method. This cost is adjusted by the positive or negative difference between the purchase cost and the redemption value of the security, amortised on a *pro-rata* basis in the period between the purchase date and the maturity date. Securities denominated in foreign currencies are measured at the exchange rate prevailing at period-end.

For securities traded on regulated markets, the market value, used as the first indicator of impairment, is determined on the basis of the arithmetic average of the prices recorded in the last reference month; for unlisted securities, the prices of similar securities are used as a reference.

The original cost of previously impaired securities is restored when the reasons for the reduction in the realisable value no longer apply.

Other short-term financial investments

These securities are valued at the lower of cost and market value.

Cost is determined using the weighted average cost method, adjusted by the difference between the issue cost and the redemption value of the security, amortised on a *pro-rata* basis in the period between the purchase date and the maturity date. Securities denominated in foreign currencies are measured at the exchange rate prevailing at period-end.

For securities traded on regulated markets, the market value is determined on the basis of the arithmetic average of the prices recorded in December on the reference stock exchange. For unlisted securities, the quotation of similar securities is used as a reference.

The original cost of previously impaired securities is restored when the reasons for the reduction in the realisable value no longer apply.

Regarding this category of securities, it should be noted that the right provided for by IVASS Regulation No. 52 of 30 August 2022 concerning the implementation of provisions on the temporary suspension of capital losses on short-term securities, was not applied by the Company at 31 December 2022.

Reinsurers' share of technical provisions

The reinsurers' share of technical provisions is determined on the basis of the gross amounts of technical provisions for direct business, in accordance with reinsurance contractual agreements.

In particular, with regard to the reinsurers' share of the premium reserve, the same criterion used to calculate the premium reserve recognised in liabilities is applied. Please refer to this note for the analysis of valuation criteria.

Receivables

Receivables are recognised in the financial statements at their estimated realisable value, or at their nominal value, and are adjusted by the provision for doubtful accounts to reflect the risk of non-collection.

Other assets

Tangible assets

These are recognised at purchase cost, including ancillary costs, and are shown net of accumulated depreciation.

They are depreciated according to the rates below, which are considered appropriate to represent the remaining useful life of the assets, in line with the Ministerial Decree of 1988.

The depreciation rates used are as follows:

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

For purchases made in 2022, the relevant rate was reduced by 50%.

Ordinary maintenance and repair costs are expensed in the year in which they are incurred.

Cash and cash equivalents

These are stated at nominal value.

Accruals and deferrals

These are determined on an accrual basis, whether under assets or liabilities.

Liabilities

Shareholders' equity

The share capital and the organisational start-up provision, fully paid up, and other reserves are recognised at nominal value.

Technical provisions

Technical provisions are determined on the basis of the provisions contained in ISVAP Regulation No. 16 of 4 March 2008 and ISVAP Regulation No. 22 of 4 April 2008, as amended by IVASS Order No. 53 of 6 December 2016.

The general rules lay down the principle whereby the amount of provisions must always be sufficient to enable companies to meet, as far as is reasonably foreseeable, their commitments under insurance contracts.

Premium reserve

The unearned premiums reserve is calculated on a *pro-rata temporis* basis according to taxable premiums written, minus acquisition commissions and other directly attributable acquisition expenses.

For the Suretyship class, the unearned premiums reserve is supplemented in accordance with the provisions of Articles 13 and 14 of ISVAP Regulation No. 16 of 4 March 2008 and Annex No. 15 to ISVAP Regulation No. 22 of 4 April 2008, as amended by IVASS Order No. 53 of 6 December 2016.

For the other classes, the unearned premiums reserve is supplemented in accordance with the provisions of Articles 15 and 16 of ISVAP Regulation No. 16 of 4 March 2008 and Annex No. 15 to ISVAP Regulation No. 22 of 4 April 2008, as amended by IVASS Order No. 53 of 6 December 2016.

The reserve for outstanding risks is valued on the basis of the empirical method established by ISVAP Regulation No. 22 of 4 April 2008, which uses as its reference the loss ratio of generation for the current year appropriately assessed in a forward-looking manner. The amount of this reserve is equal to the amount by which the expenses relating to indemnities and expenses arising from current insurance contracts exceed the unearned premiums reserve.

Claims reserve

The claims reserve is determined, in accordance with the provisions of ISVAP Regulation No. 16 of 4 March 2008 and Annex No. 15 to ISVAP Regulation No. 22 of 4 April 2008, as amended by IVASS Order No. 53 of 6 December 2016, on the basis of an analytical estimate of the individual cases based on a prudent and objective assessment of the documentation received regarding claims that occurred in the year or in previous years and were not yet paid, by estimating the provision for late claims on the basis of an analysis of the information available.

The total amount set aside is deemed appropriate to meet the future payment of claims, direct expenses and settlement expenses.

Profit-sharing and reversals reserve

Pursuant to Annex 15 of ISVAP Regulation No. 22, the profit-sharing and reversals reserve includes the amounts payable to policyholders or beneficiaries of contracts for technical profit-sharing and reversals, provided that such amounts have not already been allocated to policyholders.

Equalisation reserves

Pursuant to Annex 15 of ISVAP Regulation No. 22, companies carrying on insurance activities in the non-life classes create equalisation reserves in accordance with the law; these reserves include all amounts set aside to smooth out fluctuations in the claims rate in future years or to cover particular risks.

Provision for risks and charges

This item does not have an asset adjustment function and includes provisions for risks and charges intended to cover losses and payables of a specific nature, the existence of which is certain or probable, but the amount or date of occurrence of which is uncertain at year-end.

Payables and other liabilities

Payables and other liabilities are measured at their nominal value, which corresponds to their estimated settlement value. The severance indemnity is calculated in accordance with applicable laws and employment contracts.

Current and deferred taxation

Current and deferred taxes are recognised in accordance with current tax legislation. The amount deriving from the calculation of deferred tax assets is considered in its entirety in relation to future taxable income borne by the Company, taking into account the budget and the business plan approved by the Board of Directors.

Income statement

Earned premiums net of reinsurance

Gross premiums written include premiums acquired in Italy or abroad under the freedom to provide services scheme and are recognised, pursuant to Article 45 of Legislative Decree No. 173/1997 and ISVAP Regulation No. 22 of 4 April 2008, as amended and supplemented by IVASS Order No. 53 of 6 December 2016, at the time of their accrual, regardless of the date on which they are actually collected and net of taxes payable by policyholders and cancellations due to technical reversals relating to securities issued during the year.

Accrual is ensured by the establishment of the premium reserve.

Premiums ceded to reinsurance include amounts due to reinsurers in accordance with the reinsurance treaties entered into.

Claims-related expenses

This item includes gross amounts paid by way of compensation and the associated expenses.

It also includes:

- the reinsurers' share of claims paid on the basis of contractual agreements;
- changes in recoveries net of the reinsurers' share;
- changes in the claims reserve, both gross and net of the reinsurers' share.

Operating expenses

This item includes:

- acquisition commissions understood as fees for the acquisition and renewal, including the automatic renewal, of contracts and production premiums commensurate with the achievement of productivity targets;
- other acquisition expenses, understood as directly and indirectly attributable costs;
- collection commissions;
- other administrative expenses, understood for the portion not attributable to expenses relating to acquisition, claims settlement and investments expenses incurred for the management of reinsurance relationships, payroll expenses and depreciation of movable property;
- commissions and shares of profits received from reinsurers.

Other technical expenses

This item includes, *inter alia*, write-downs due to the non-collectibility of receivables from policyholders for premiums for the year and for previous years, as well as the technical cancellations of receivables from policyholders for premiums for previous years, and the reversal of commissions relating to premiums ceded to reinsurance and cancelled.

Share of profit from investments transferred to the technical account of the non-life classes

Pursuant to Article 22 of ISVAP Regulation No. 22 of 4 April 2008, as amended and supplemented by IVASS Order No. 53 of 6 December 2016, this item includes a portion of the profits from investments to be transferred to the technical account. This portion is calculated according to the methods indicated in Article 22, paragraph 1(b) and (c) of the above Regulation, in relation to the amount of the initial and final mandatory technical provisions net of reinsurance for the year and the amount of initial and final shareholders' equity.

Other income

This item includes non-technical income from ordinary operations related to activities other than those classified as investments.

Other expenses

This item includes non-technical expenses from ordinary operations, including amortisation amounts for intangible assets other than acquisition commissions and other acquisition expenses.

Taxes

This item includes taxes set aside on an accrual basis according to the best estimate of taxable income, pursuant to current tax legislation, taking into account applicable exemptions and non-deductible costs.

OIC accounting standard No. 25, which describes the tax treatment of income taxes, requires deferred and prepaid taxes to be recognised in the financial statements on the total amount of the temporary differences between the value of assets and liabilities determined according to statutory criteria and the corresponding tax value.

Deferred tax assets and benefits associated with any tax losses are recognised in the accounts to the extent that there is a reasonable certainty of taxable income against which the deductible temporary differences and carryforward losses can be used.

Deferred tax liabilities are not recognised when there is little chance that the relevant payable will arise.

Part B – Information on the statement of financial position and the income statement

Assets

Intangible assets

B. Intangible assets	31/12/2022	31/12/2021	Change
3. Start-up and expansion costs	12	-	12
4. Goodwill	80,134	-	80,134
5. Other multi-year costs	8,947	2,339	6,608
Intangible assets	89,093	2,339	86,754

Intangible assets totalled €89,093,000 (€2,339,000 at 31 December 2021), net of amortisation for the year.

The increase compared with the previous year mainly reflected the recognition, with the consent of the Board of Statutory Auditors, of the goodwill from the acquisition, in November 2021, of Elba Assicurazioni S.p.A. by REVO S.p.A., which was subsequently the subject of a reverse merger in November 2022.

Other multi-year costs include multi-year costs incurred for the preparation and implementation of software relating to company information systems of €7,692,000 (€1,995,000 at 31 December 2021), incremental expenses on third-party assets of €1,202,000 incurred to adapt the offices at the headquarters at Via Mecenate and Via Monte Rosa in Milan (€302,000 at 31 December 2021), advance payments on intangible assets of €42,000 (€42,000 at 31 December 2021) and trademarks, patents and similar rights of €11,000.

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 in view of the introduction of the new IFRS 17 accounting standard and the development of the OverX platform, designed to streamline and facilitate underwriting processes.

No indicators for potential write-downs were found.

For details of movements during the year, please see Annex 4 to these notes.

Investments

C. Investments	31/12/2022	31/12/2021	Change
II. Investments in Group companies and other investee companies	706	-	706
III. Other financial investments	184,734	121,290	63,444
Investments	185,440	121,290	64,150

Financial investments in Group companies and other investee companies amounted to €706,000 and included the equity investment in subsidiary REVO Underwriting S.r.l. (the Group's MGA) of €150,000 and the strategic stake in Mangrovia Blockchain Solutions S.r.l. of €556,000. Following qualitative and quantitative assessments, management decided to write down 50% of the equity investment in Mangrovia.

Changes in Item C.II during the year are shown in Annex 5 to these notes.

The breakdown of other financial investments is set out below:

III. Other financial investments	31/12/2022	31/12/2021	Change
2. Mutual fund units	2,620	748	1,872
3. Bonds and other fixed-income securities	182,114	120,542	61,572
Other financial investments	184,734	121,290	63,444

Other financial investments amounted to €184,734,000, compared with €121,290,000 at 31 December 2021, and consisted of €182,114,000 in bonds and other listed fixed-income securities (made up of 12.4% foreign corporate bonds, 53.9% Italian government bonds, 31.0% foreign government bonds and 2.7% Italian corporate bonds) and €2,620,000 in mutual fund units.

During the year, a portion of the Italian 5-year government bonds, amounting to €8,545,000, was recognised in “fixed” assets.

For details of the situation in terms of financial investments and the comparison with market value, see Annexes 8 and 9 to these notes.

The current value shown in the above annexes corresponds to the value of the arithmetic average recorded in December 2022.

Value adjustments of €9,224,000 were recognised in current assets.

A comparison between the value shown in these financial statements and the corresponding market value at 31 December 2022 shows latent capital losses of €119,000, attributable entirely to the fixed segment (latent capital gains at 31 December 2021 of €1,063,000).

No derivative transactions were carried out during the year and there were no transfers to the “current” segment.

Reinsurers’ share of technical provisions

D-bis	Reinsurers’ share of technical provisions	31/12/2022	31/12/2021	Change
I.	Non-life reserves	68,216	51,742	16,474
	Reinsurers’ share of technical provisions	68,216	51,742	16,474

Reinsurers’ share of technical provisions totalled €68,216, compared with €51,742,000 at 31 December 2021.

The breakdown of the change in reinsurers’ share of reserves is set out below:

I. Non-life reserves	31/12/2022	31/12/2021	Change
1. Premium reserve	52,933	40,366	12,567
2. Claims reserve	15,283	11,376	3,907
Non-life reserves	68,216	51,742	16,474

The changes mainly reflect the growth in the Company’s insurance business and the change in the reinsurance treaties entered into on the basis of the reinsurance policy adopted by the Company and previously described in the Report on Operations.

Receivables

E.	Receivables	31/12/2022	31/12/2021	Change
I.	Receivables arising from direct insurance operations	45,666	16,528	29,138
II.	Receivables arising from reinsurance operations	969	87	882
III.	Other receivables	26,328	12,026	14,302
	Receivables	72,963	28,641	44,322

The breakdown of receivables arising from direct insurance operations is as follows:

I. Receivables arising from direct insurance operations	31/12/2022	31/12/2021	Change
1. Policyholders	36,438	7,972	28,466
2. Insurance intermediaries	3,912	4,855	- 943
4. Policyholders and third parties for amounts to be recovered	5,316	3,701	1,615
Receivables arising from direct insurance operations	45,666	16,528	29,138

Receivables from policyholders at 31 December 2021, amounting to €8,827,000, gross of the provision for doubtful accounts, were collected during 2022 in the amount of €7,145,000, with €1,353,000 cancelled, and were still in arrears by

€329,000 at 31 December 2022. The latter were fully written down by the relative provision for doubtful accounts. Receivables from policyholders at 31 December 2022, amounting to €36,438,000, reflected the marked growth in the insurance portfolio during the year and, in particular, the performance of policies written, mainly concentrated in December, a period in which there are many renewals in the specialty lines.

Receivables from intermediaries totalled €3,912,000 (€4,855,000 at 31 December 2021) and mainly consisted of remittances relating to December 2022, almost all of which were collected in early 2023. Their gross amount of €4,211,000 was reduced by the provision for doubtful accounts for agents and brokers of €299,000.

Policyholders and third party amounts to be recovered totalled €5,316,000 (€3,701,000 at 31 December 2021), comprising claims which are in the process of being recovered. The increase mainly relates to three claims in the Suretyship class that were settled during the year, for which the relevant receivable for amounts to be recovered, totalling €2,096,000, was recorded.

Receivables relating to reinsurance relationships totalled €969,000 (€87,000 at 31 December 2021).

The breakdown of "Other receivables" item follows:

III. Other receivables	31/12/2022	31/12/2021	Change
Deferred tax receivables	5,306	2,961	2,345
IRES - IRAP advance payment	5,394	-	5,394
Advance tax on premiums	11,375	8,964	2,411
Escrow account	4,016	-	4,016
Other receivables	237	101	136
Other receivables	26,328	12,026	14,302

Other receivables of €26,328,000 (€12,026,000 at 31 December 2021) refer to:

- receivables from the tax authorities for prepaid taxes of €5,306,000 (€2,961,000 as at 31 December 2021). The increase is due to both the increase in the business and the productivity premium compared with the previous year, and to the new deferred tax assets in relation to the tax loss of REVO S.p.A. generated during 2021;
- receivables for advance tax on premiums of €11,375,000 (€8,964,000 at 31 December 2021), the performance of which correlates to the strong growth in the Company's premiums in 2022 compared with 2021;
- receivables from the tax authorities for tax payments on account of €5,394,000, determined on the basis of the Company's result for the period. It should be noted that there weren't current IRES and IRAP tax payables at 31 December 2021;
- escrow accounts set up following the acquisition of Elba Assicurazioni S.p.A. (€4,016,000) and, lastly, other receivables of €237,000 (€101,000 at 31 December 2021). In the absence of tax disputes, 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.

The nature of the receivables, their amount and the collection of a large portion of them limit the Company's related credit risk.

The following table summarises the temporary differences that resulted in the recognition of prepaid taxes:

		31.12.2022	
Prepaid taxes		Temporary differences	Tax effect
IRES	Multi-year commissions	9,398	2,255
IRES	Change in net claims reserve	6,545	1,571
IRES	Costs deferred by one year only	756	181
IRES	Non-deductible portion of receivables write-downs	299	72
IRES	Productivity premium	1,620	389
IRES	REVO 2021 tax loss	5,171	1,241
IRES	Difference on valuation of ELBA securities due to merger	- 878	-211
IRES	Total deferred tax assets - IRES	22,910	5,499

IRAP	Non-deductible portion of receivables write-downs	413	28
IRAP	Difference on valuation of ELBA securities due to merger	- 878	- 60
IRAP	Total deferred tax assets - IRAP	- 465	-32
	Adjustment for prepaid taxes in previous years		-161
	Total deferred tax assets: IRES and IRAP	22,445	5,306

The temporary differences that generated the prepaid taxes, set out in the table above, are the same as those recorded in previous years, with the exception of the REVO tax loss and the difference on the valuation of ELBA securities.

Due to the reverse merger between REVO and ELBA, which had retroactive effect as of 1 January 2022, the latter's financial investments were revalued at market value on that date, generating a positive difference of €878,000 (higher values arising from the allocation of the merger deficit).

This resulted in a mismatch between the carrying amount and the tax value of the securities. To avoid any difference between accounting and tax values, the Company has opted to apply the IRES and IRAP substitute tax, achieving tax recognition of the higher values recognised in the financial statements. To all intents and purposes, therefore, this is a substitute tax payable which can be paid using the tax return for fiscal year 2022.

With regard to the tax loss reported in the above table, please note that on 19 May 2022 the Company submitted an application to the Italian Revenue Agency specifically requesting the lifting of limits on the carry over of tax losses envisaged in Article 172, paragraph 7, of Presidential Decree No. 917 of 22 December 1986 ("TUIR"), in relation to the reverse merger for the incorporation of the parent company, Revo S.p.A., into Elba Assicurazioni S.p.A.

On 28 November 2022, the Italian Revenue Agency issued a favourable opinion.

Other assets

F.	Other assets	31/12/2022	31/12/2021	Change
I.	Tangible assets and stocks	475	344	131
II.	Cash and cash equivalents	4,445	4,007	438
IV.	Other assets	16	-	16
Total		4,936	4,351	585

This item amounts to a total of €4,936,000 (€4,351,000 as at 31 December 2021) and consists of €454,000 for office furniture and machinery, €11,000 for plant and equipment, €10,000 for movable property entered in the public register - net of relevant accumulated depreciation, and cash and cash equivalents of €4,445,000 (€4,007,000 at 31 December 2021).

The Company has not identified any indicators of potential impairment with regard to these items.

Accrued income and prepaid expenses

G.	Accruals and deferrals	31/12/2022	31/12/2021	Change
1.	For interest	552	174	378
2.	For rent	-	-	-
3.	Other accruals and deferrals	2,117	2,257	- 140
	Accruals and deferrals	2,669	2,431	238

The total amount of accrued income and prepaid expenses is €2,669,000 (€2,431,000 at 31 December 2021).

The item consists of accrued interest income on investments in securities totalling €552,000 and prepaid expenses of €2,117,000 for the portion of invoices received relating to the following year, including €1,556,000 relating to the service agreement for the structuring with Mangrovia Blockchain Solutions S.r.l., exclusively, of the IT and digital solutions owned by REVO, based on blockchain technology, to be used in the implementation of a platform for parametric insurance products.

Liabilities

Shareholders' equity

A.	Shareholders' equity	31/12/2022	31/12/2021	Change
I.	Subscribed share capital or equivalent provision	6,680	6,680	-
II.	Share premium reserve	170	170	-
IV.	Legal reserve	1,385	1,385	-
VII.	Other reserves	210,191	51,127	159,064
IX.	Profit (loss) for the year	-7,282	14,308	-21,590
X.	Negative reserve for own shares	-1,247	-	-1,247
Shareholders' equity		209,896	73,670	136,226

Shareholders' equity stood at €209,896,000 at 31 December 2022. At 31 December 2021, shareholders' equity amounted to €73,670,000. The change recorded was mainly due to the extraordinary reverse merger operation between REVO S.p.A. and Elba Assicurazioni S.p.A., which took place on 21 November 2022.

Changes in the individual items of shareholders' equity over the last three years are summarised in the following table:

	Share capital	Legal reserve	Issue premium reserve	Reserve for the purchase of own shares	Other reserves	Dividends	Retained earnings (losses carried forward)	Profit (loss) for the year	Total
Balance at 31/12/2019	6,680	1,385	170		27,483			12,645	48,363
Allocation of profit for the year					12,645			-12,645	
Dividend payment									
Result for the year 2021									
Balance at 31/12/2020	6,680	1,385	170		40,128			13,003	61,366
Allocation of profit for the year					10,999	2,004		-13,003	
Dividend payment									
Result for the year 2021					40,128			13,003	61,366
Balance at 31/12/2021	6,680	1,385	170		51,127			14,308	73,670
Allocation of profit for the year					14,308			-14,308	
Increase in assets due to merger					144,755				144,755
Purchase of own shares				-1,247					-1,247
Result for the year 2022								-7,282	-7,282
Balance at 31/12/2022	6,680	1,385	170	-1,247	210,190			-7,282	209,896

The following table sets out the composition of shareholders' equity according to the availability and distributability of each of its constituent items:

	31/12/2022	Possible use ⁽¹⁾	Available amount	Utilisations in the last three years	
				To cover losses	Other reasons
Share capital	6,680				
Legal reserve	1,385	B			
Issue premium reserve	170	A, B, C			
Reserve for the purchase of own shares*	-1,247	B, C			
Other reserves	210,190	A, B, C	200,690		
Total	217,178		200,690		
-Non-distributable portion	98,593				
-Remaining distributable portion	111,598				

⁽¹⁾ A: for capital increase

B: to cover losses

C: for distribution to shareholders

* distributable only in the event of disposal or cancellation of own shares

Subordinated liabilities

The Company had not issued any subordinated liabilities at 31 December 2022.

Technical provisions

C. Technical provisions	31/12/2022	31/12/2021	Change
I. Non-life classes			
1. Premium reserve	128,496	94,505	33,991
2. Claims reserve	38,008	26,253	11,755
3. Profit-sharing and reversals reserve	58	-	58
5. Equalisation reserves	91	-	91
I. Non-life classes	166,653	120,758	45,895

For information on the methods for determining technical provisions, please also see Part A – Valuation criteria, of these financial statements.

The changes during the year in the premium reserve and the claims reserve are shown in Annex 13 to these notes.

The following table sets out the details of the premium reserve by class:

Premium reserve	31.12.2022	31.12.2021	Change
1 Accident	657	113	544
2 Sickness	7	-	7
5 Aviation hull	66	-	66
6 Marine hull (sea, lake and river and canal vessels)	859	-	859
7 Goods in transit	1,110	-	1,110
8 Fire and natural forces	8,935	401	8,534
9 Other damage to property	11,356	10,195	1,161
11 Aviation liability	24	-	24
12 Marine liability (sea, lake and river and canal vessels)	22	-	22
13 General liability	12,577	2,789	9,788
14 Credit	82	-	82
15 Suretyship	92,574	81,003	11,571
16 Financial loss	222	-	222
18 Assistance	5	4	1

Premium reserve	128,496	94,505	33,991
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The premium reserve amounted to €128,496,000 (€94,505,000 at 31 December 2021). The increase mainly reflected the development of the business during the year, partly due to the authorisation received from the Supervisory Authority to operate in the new classes from March 2022.

Additional reserves for earthquakes and hail totalling €642,000 were also set aside in 2022. These did not exist at the end of 2021.

The premium reserve was calculated on a *pro-rata temporis* basis and reflects the provision envisaged in ISVAP Regulation No. 16/2008, as detailed below:

	Additional reserves	31.12.2022	31.12.2021	Change
8	Fire and natural forces	256	-	256
9	Other damage to property	386	-	386
15	Suretyship	30,025	27,120	2,905
	Additional reserves	30,667	27,120	3,547

The reserve for outstanding risks, connected to the technical performance and intended to cover the portion of risk arising in the period after year-end, is calculated on the basis of the empirical method established by ISVAP Regulation No. 22 of 4 April 2008 as described in Part A – Valuation criteria in these notes and is, as in previous years, zero.

The claims reserve also includes the reserve for claims reported late (IBNR), amounting to €1,640,000, created to cover claims incurred but not reported at the end of the year.

The amount provisioned was also determined on the basis of the historical values recorded in previous years by means of numerical and average cost projections for each reporting class.

The following table sets out the breakdown of the claims reserve by class.

	Claims reserve	31.12.2022	31.12.2021	Change
1	Accident	82	29	53
6	Marine hull (sea, lake and river and canal vessels)	888	-	888
7	Goods in transit	503	-	503
8	Fire and natural forces	1,366	101	1,265
9	Other damage to property	4,304	1,905	2,399
13	General liability	6,679	2,530	4,149
15	Suretyship	24,186	21,688	2,498
	Claims reserve	38,008	26,253	11,754

It should be noted that the profit-sharing and reversals reserve relates entirely to the amount of the share of profits on contracts for the marine and aviation lines, which typically include a profit-sharing element.

In accordance with ISVAP Regulation No. 22, the Company has also calculated equalisation reserves in classes 8 (Fire and natural forces) and 9 (Other damage to property) for a total amount of €91,000.

Below is the breakdown by class of the equalisation reserves:

	Equalisation reserve	31.12.2022	31.12.2021	Change
8	Fire and natural forces	44	-	44
9	Other damage to property	47	-	47
	Total	91	-	91

Provision for risks and charges

E. Provision for risks and charges	31/12/2022	31/12/2021	Change
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1. Provisions for retirement benefits and similar obligations	2,603	3,607	-	1,004
3. Other provisions	320	-	-	320
Provisions for risks and charges	2,923	3,607	-	684

This item totals €2,923,000. It is made up of €2,603,000 for the agency severance indemnity provision (€3,607,000 at 31 December 2021) and €320,000 for other provisions for risks arising from potential disputes both related and unrelated to insurance.

The agency severance indemnity provision, as well as benefiting from the review of the mandate agreements with the new agencies following the change of ownership, was also specifically analysed during 2022, in order to determine and maintain in the financial statements the portion pertaining to the Company, which is not covered by appropriate compensation. As a result of this assessment, part of the provision was released which, according to market practice, will be covered by the relevant compensation should the agent terminate its mandate.

Deposits received from reinsurers

F. Deposits received from reinsurers	31/12/2022	31/12/2021	Change
Deposits received from reinsurers	1,600	1,251	349
Deposits received from reinsurers	1,600	1,251	349

The item, which amounts to €1,600,000, includes deposits received from reinsurers determined on the basis of current reinsurance treaties.

Payables and other liabilities

G. Payables and other liabilities	31/12/2022	31/12/2021	Change
II. Payables arising from reinsurance operations	11,717	2,639	9,078
VII. Employee severance indemnity	579	454	125
VIII. Other payables	20,604	6,676	13,928
IX. Other liabilities	9,345	1,738	7,607
Payables and other liabilities	42,245	11,507	30,737

Payables arising from reinsurance operations amounted to €11,717,000 (€2,639,000 at 31 December 2021) and reflected the new agreements entered into on the basis of the reinsurance policy described in the Report on Operations in these financial statements, as well as the increase in volume of business generated.

The following table sets out the breakdown of the “Other payables” item:

VIII. Other payables	31/12/2022	31/12/2021	Change
1. For taxes payable by policyholders	1,579	1,133	446
2. Misc. tax charges	741	1,321	-
3. To social security and pension institutions	519	354	165
4. Miscellaneous payables	17,765	3,868	13,897
Other payables	20,604	6,676	13,928

The following table sets out the breakdown of the “miscellaneous payables” item:

4. Miscellaneous payables	31/12/2022	31/12/2021	Change
1. Trade payables	4,694	506	4,188
2. Payables for invoices to be received	2,322	693	1,629
3. Payables to intermediaries for commission bonuses (<i>rappel</i>) and additional commissions	4,025	1,747	2,278
4. Payables to employees	2,534	757	1,777

6. Other miscellaneous payables	4,190	165	4,025
Miscellaneous payables	17,765	3,868	13,897

The increase in trade payables reflects the higher expenses incurred due to the launch of the REVO project, a significant portion of which was concentrated in the last quarter. Payables for invoices to be received also increased due to contracts entered into for activities carried out in 2022, for which the relevant invoices have not yet been received.

The increase in payables to intermediaries for commission bonuses and additional commissions, amounting to €4,025,000, is closely linked to the strong growth in production, the increase in the business lines and the technical performance underlying the determination of this item.

Payables to employees, amounting to €2,534,000, reflect greater payables relating to the retention policies introduced by the Company to its employees (MbO), as well as provisions for unused leave and 13th/14th month pay. The increase was due to the new retention plan and the significant increase in the corporate population.

Miscellaneous payables include €4,006,000 for the portion still owing to the shareholders of Elba Assicurazioni following the acquisition of the Company by REVO S.p.A. An escrow account was opened to secure this debt, which is presented in the item "Other receivables" in these financial statements. In the absence of tax disputes, 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.

The breakdown of other liabilities is set out in the following table:

IX. Other liabilities	31/12/2022	31/12/2021	Change
2. Commissions for premiums in the process of collection	6,926	1,734	5,192
3. Misc. liabilities	2,419	4	2,415
Miscellaneous payables	9,345	1,738	7,607

Commissions for premiums in the process of collection reflect the significant growth in the insurance portfolio during the year and, in particular, the performance of policies written and verified, which was heavily concentrated in December due to the seasonal nature of the specialty lines market.

Miscellaneous liabilities include €1,360,000 relating to pending premium collections and €1,059,000 relating to invoices to be received.

Accrued expenses and deferred income

The accrued expenses and deferred income item was zero at 31 December 2022.

Assets and liabilities relating to Group companies and other investee companies

The breakdown of assets and liabilities relating to companies in the REVO Insurance Group is set out in the following table and in Annex 16 to these notes.

	REVO Underwriting	
	ASSETS	LIABILITIES
Equity investments in Group companies	150	
Receivables from intermediaries	155	
Miscellaneous receivables	28	
Payables to intermediaries		107
Total	333	107

Guarantees, commitments and other memorandum accounts

As shown in Annex 17 to the notes, at 31 December 2022 the memorandum accounts totalled €186,066,000 (€121,403,000 at 31 December 2021) and refer to:

- security deposits of €81,000;
- the depositing of own securities with third parties of €185,981,000 (€182,114,000 with Mediobanca, €2,620,000 with Quintet Private Bank (Europe) S.A. and €1,247,000 with Unicredit Banca), stated at their carrying amount net of capital losses and other guarantees received of €4,000.

There is no information to report on contingent liabilities not shown in the statement of financial position pursuant to Article 2427, paragraph 1(9) of the Italian Civil Code.

Although not reported in the memorandum accounts, for some insurance contracts written by the Company, 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.

Income statement

Technical account of the non-life classes

Earned premiums net of reinsurance (item I.1)

Item I.1	31.12.2022	31.12.2021	Change
a. Gross premiums written	131,388	77,526	53,862
b. (-) Premiums ceded to reinsurance	53,823	31,590	22,233
c. (-) Change in premium reserve	33,990	7,979	26,011
d. Change in ceded premium reserve	11,835	2,868	8,967
Total	55,410	40,825	14,585

The Company's gross premiums written relate to the Italian and foreign portfolio (under the freedom to provide services scheme) for direct and indirect business, as set out in the following table:

	31.12.2022	
Gross premiums written	Italy	Abroad
Direct	128,808	2,204
Indirect	321	56
Gross premiums written	129,129	2,259

There was a significant increase in retained gross premiums written (+68.9% compared with 31 December 2021), due to:

- the strengthening of the underwriting teams, with 35 new hires;
- the extension of the business lines following authorisation from IVASS to operate in new classes (as reported in the section entitled "Main corporate events");
- new product launches, details of which can be found in the dedicated paragraph entitled "Main new products launched on the market";
- the expansion of the distribution network, details of which are set out in the following section ("Evolution of the insurance portfolio and the sales network");
- adoption of the new proprietary IT platform, OverX.

During the period there was a significant increase not only in Suretyship (+22.7% compared with 2021), which remained the main class during the year, but also in other classes historically managed by the Company (Other damage to property, General liability and Fire), mainly due to the impetus provided by the expansion of the product range and the new intermediation agreements signed in 2022.

At the end of the year, the insurance portfolio was more diversified, with an impact on total premiums in the Suretyship class of 55.7% (77.0% at 31 December 2021), due to the shift towards the other classes, the percentage of which increased from 23.0% at 31 December 2021 to 44.3% at 31 December 2022.

For further comments on the performance of production in 2022, please see the relevant section of the Report on Operations.

The following tables set out the breakdown of earned premiums by class, with risks underwritten and risks ceded shown separately:

Risks underwritten	Gross premiums	Chge in reserve	Earned premiums 2022	Earned premiums 2021	Change
1 Accident	973	- 544	429	241	188
2 Sickness	15	- 7	8	-	8
5 Aviation hull	261	- 66	195	-	195

6	Marine hull	2,205	-	859	1,347	-	1,347
7	Goods in transit	2,008	-	1,110	898	-	898
8	Fire and natural forces	14,730	-	8,535	6,195	544	5,651
9	Other damage to property	15,918	-	1,160	14,759	10,736	4,023
11	Aviation liability	99	-	24	76	-	76
12	Marine liability	70	-	22	48	-	48
13	General liability	20,977	-	9,788	11,189	4,127	7,062
14	Credit	289	-	82	207	-	207
15	Suretyship	73,229	-	11,573	61,656	53,888	7,768
16	Financial loss	602	-	222	381	-	381
18	Assistance	10	-	0	10	11	-
Total		131,388	-	33,990	97,398	69,547	27,851

Risks ceded		Premiums ceded	Chge in premium reserve ceded	Earned premiums ceded 2022	Earned premiums ceded 2021	Change	
1	Accident	386	-	218	169	20	149
2	Sickness	9	-	3	6	-	6
5	Aviation hull	228	-	45	183	-	183
6	Marine hull	883	-	343	540	-	540
7	Goods in transit	1,326	-	479	847	-	847
8	Fire and natural forces	6,053	-	3,283	2,769	49	2,720
9	Other damage to property	2,106	-	87	2,019	932	1,087
11	Aviation liability	258	-	18	240	-	240
12	Marine liability	28	-	9	19	-	19
13	General liability	9,999	-	4,920	5,079	358	4,721
14	Credit	-	-	-	-	-	-
15	Suretyship	32,059	-	2,267	29,792	27,356	2,436
16	Financial loss	481	-	164	317	-	317
18	Assistance	7	-	2	9	7	2
Total		53,823	-	11,835	41,988	28,722	13,266

Transfer of share of profit from investments (Item I.2)

Item I.2	31.12.2022	31.12.2021	Change	
Share of profit from investments transferred from non-technical account	-	585	-	585
Share of profit transferred from non-technical account	-	585	-	585

The share of profit from investments transferred from the non-technical account is calculated in accordance with paragraph 1 of Article 22 of ISVAP Regulation No. 22.

Since the Company did not recognise any profits from investments at 31 December 2022, the transfer of profit to the technical account is zero.

Other technical income, net of reinsurance (Item I.3)

Other technical income, net of reinsurance (Item I.3)					
Item I.3	31.12.2022	31.12.2021	Change		
Other technical income, net of reinsurance	866	1,750	-	884	
Total	866	1,750	-	884	

This item includes:

- cancellation of commissions on premiums in arrears at the end of the previous year of €270,000 (€497,000 at 31 December 2021);

- cancellation of reinsurance premiums ceded in arrears at the end of the previous year of €596,000 (€1,252,000 at 31 December 2021).

Claims-related expenses, net of reinsurers' share (Item I.4)

Item I.4	31.12.2022	31.12.2021	Change
Amounts paid	16,170	13,845	2,325
(-) Amounts paid ceded	6,223	6,392	-169
Change in recoveries	7,530	7,193	337
Change in recoveries ceded	3,744	3,582	162
Change in the claims reserve	11,755	3,317	8,438
(-) Change in the claims reserve ceded	3,906	1,258	2,648
Claims-related expenses	14,010	5,901	8,109

Claims-related expenses at 31 December 2022 amounted to €20,395,000 gross of reinsurance (€9,969,000 at 31 December 2021) and €14,010,000 net of reinsurance (€5,901,000 at 31 December 2021).

Claims-related expenses increased by €8,109,000, mainly reflecting the increase in the change in the claims reserve of €5,789,000 and, to a lesser extent, higher claims paid of €2,494,000.

At 31 December 2022, the new management supplemented the claims reserve, setting aside a greater IBNR of €1,190,000 compared with 2021, with €192,000 ceded to reinsurance.

In particular, there was an increase in the claims reserve due to ten claims relating to cover taken out in previous years (two relating to Class 9-Other damage to property of €705,000, three relating to Class 13-General liability of €912,000 and five relating to Class 15-Suretyship of €665,000), with a total negative impact of €2,282,000 net of reinsurance, and four claims relating to policies taken out in 2022 with a net impact of €821,000 (one relating to Class 13-General liability of €314,000, one to Class 8-Fire of €171,000 and two relating to Class 6-Marine hull of €336,000).

In summary, gross amounts paid include:

Gross amounts paid	31.12.2022	31.12.2021	Change
Indemnities and direct expenses - current year	7,123	6,945	178
Settlement expenses - current year	399	229	170
Total paid - current year	7,522	7,174	348
Indemnities and direct expenses - previous years	8,235	6,485	1,750
Settlement expenses - previous years	413	186	227
Total paid - previous years	8,648	6,671	1,977
Gross amounts paid	16,170	27,690	4,651

As can be seen from the table above, there was a significant increase in indemnities and expenses paid and relating to previous years, mainly attributable to the Suretyship class. In 2021, three claims relating to previous years of more than €500,000 each were settled, totalling €1,714,000. Meanwhile, in 2022, five claims relating to previous years of more than €500,000 each were settled, totalling €3,805,000.

However, the increase in indemnities and expenses paid for previous years in the Suretyship class was offset by the increase in recoveries and sums to be recovered relating to previous years, minimising the impact on the income statement.

The following tables set out the breakdown by class of claims-related expenses, showing gross amounts and reinsurers' share separately:

Gross claims-related expenses	31.12.2022	31.12.2021	Change
1 Accident	224	25	199
6 Marine hull (sea, lake and river and canal vessels)	891	-	891
7 Goods in transit	511	-	511
8 Fire and natural forces	1,568	213	1,355
9 Other damage to property	5,127	1,151	3,976

13	General liability	4,280	1,523	2,757
15	Suretyship	7,795	7,057	738
Gross claims-related expenses		20,395	9,969	10,426

Claims-related expenses ceded		31.12.2022	31.12.2021	Change
1	Accident	34	-	34
6	Marine hull (sea, lake and river and canal vessels)	351	-	351
7	Goods in transit	209	-	209
8	Fire and natural forces	725	120	605
9	Other damage to property	470	-	470
13	General liability	1,068	627	441
15	Suretyship	3,529	3,321	208
Claims-related expenses ceded		6,386	4,068	2,318

The total claims ratio, gross of reinsurance, was 20.9%, compared with 14.3% at 31 December 2021. The claims ratio net of reinsurance was 25.3%, compared with 14.5% for the same period in 2021.

The claims reserve was supplemented by setting aside a greater IBNR, net of reinsurance, of €998,000.

The technical performance of the Suretyship class was once again extremely profitable in 2022. The ratio, gross of reinsurance, of claims paid and reserved, net of recoveries, to earned premiums, was 12.6% (13.1% at 31 December 2021), and 13.4% net of reinsurance (14.1% at 31 December 2021).

Net claims for the year increased by €530,000 compared with 31 December 2021, due to the increase in claims paid and reserved (€693,000) versus the positive change in recoveries (€163,000).

In the other insurance classes, the ratio, gross of reinsurance, of claims paid and reserved net of recoveries (including an IBNR provision of €1,640,000, up from €450,000 in 2021) to earned premiums was 35.3% overall (18.6% at 31 December 2021).

The overall ratio of the other classes, net of reinsurance, was 41.4%, compared with 15.2% in 2021.

The increase in this ratio in 2022 was mainly due to the following trends:

- Other damage to property: the ratio of claims to gross premiums was 34.7%, compared with 10.7% in 2021. In absolute values, gross claims for the year amounted to €5,127,000, an increase of €3,976,000 compared with the same period in 2021. In 2022, following the introduction of the new management team, which adopted a more conservative reserving policy, IBNR totalling €760,000 was provisioned (€250,000 in 2021). Finally, mention should be made of the reporting and consequent reserving of two large claims, both relating to cover taken out in previous years, totalling €705,000 net of reinsurance, as well as the allocation of €386,000 to additional outgoing reserves calculated in accordance with IVASS Regulation No. 16. The loss ratio net of reinsurance was 36.6%, compared with 11.7% in 2021. Not taking into account components not included in the 2021 numbers (IBNR increase and large claims), the net loss ratio would be 27.0%;
- General liability: in absolute values, the increase in gross claims for the year was €2,757,000, the result of IBNR provisions totalling €880,000 (€200,000 in 2021) and three significant claims with a total impact of €1,272,000 (€725,000 net of cession to reinsurance). A large late claim relating to contracts taken out before 2022, totalling €650,000 was also recorded (€500,000 net of reinsurance). The net loss ratio was 52.6%, compared with 23.8% in 2021. As a result of these trends, the ratio of claims to net premiums was 32.5%;
- Fire: during the year, an increase of €749,000 was recorded in net claims-related expenses, almost exclusively attributable to two claims for €314,000 net, with a consequent increase in the ratio of claims to net premiums (24.6%, compared with 18.8% in 2021);
- Goods in transit and Marine hull: for these classes, the claims to premiums ratio gross of reinsurance was 62.4% (98.1% net of reinsurance, due to premiums ceded under non-proportional contracts). These classes were not present in 2021.

Reversals and profit-sharing, net of reinsurance (Item I.6)

Item I.6	31.12.2022	31.12.2021	Change
Reversals and profit-sharing, net of reinsurance	58	-	58
Reversals and profit-sharing, net of reinsurance	58	-	58

It should be noted that this item relates entirely to the profit-sharing reserve set aside at year-end on the basis of existing contractual agreements.

The following table sets out the breakdown by class:

Reversals and profit-sharing, net of reinsurance	31.12.2022	31.12.2021	Change
5 Aviation hull	44	-	44
7 Goods in transit	7	-	7
13 General liability	7	-	7
Reversals and profit-sharing, net of reinsurance	58	-	58

Operating expenses (Item I.7)

Operating expenses	31.12.2022	31.12.2021	Change
a. Acquisition commissions	30,705	18,110	12,595
b. Other acquisition expenses	10,614	6,569	4,045
d. Collection commissions	60	60	0
e. Other administrative expenses	17,410	6,792	10,618
f. (-) Commissions and share of profits received from reinsurers	26,197	18,732	7,465
Operating expenses	32,592	12,799	19,793

Total operating expenses gross of commissions received from reinsurers was €58,789,000 (€31,531,000 at 31 December 2021) and breaks down as follows:

- acquisition commissions of €30,705,000, the increase in which compared with 31 December 2021 is in line with the strong growth in the business (commissions as a percentage of gross premiums written was 23.4% in 2022, as in 2021);
- other acquisition expenses of €10,614,000, including indirectly attributable expenses of €9,483,000 and other directly attributable costs relating to the acquisition of insurance contracts of €1,131. The increase was essentially due to the higher cost of staff assigned to underwrite risk (35 new underwriters) of €4,460, partially offset by the decrease in agency liquidation costs (€29,000 at 31 December 2022 compared with €948,000 in 2021);
- collection commissions of €60,000 relating to payroll expenses incurred in managing the collection of insurance contracts;
- other administrative expenses of €17,410,000, the increase in which relates in particular to the increase in payroll expenses due to the hiring plan for the launch of the development project (an increase of €4,018,000), listing costs and other one-off expenses of €2,864,000, consultancy costs of €1,226,000, mainly related to the adoption of the new IFRS 17 accounting standard, rental costs in Verona (which did not exist in the previous year) of €180,000, additional costs for EDP (electronic data processing) services of €750,000 and other expenses of €1,464,000, due to the increase in the business and the workforce, as well as the various projects launched during the year (e.g. legal and notarial expenses, fees for Directors, Statutory Auditors and External Auditor, advertising, telephone expenses, etc.).

For details of one-off costs related to the Company's stock market listing, please see the section entitled "Revenue or cost items of exceptional size or impact" in these financial statements.

Information on the average number of employees and the costs incurred for employees and their distribution between the respective allocation items is provided in Annex 32 to these notes.

Other technical expenses, net of reinsurance (Item I.8)

Item I.8	31.12.2022	31.12.2021	Change
Other technical expenses, net of reinsurance	2,128	3,548	-1,420
Total	2,128	3,548	-1,420

This item includes:

- premiums cancelled during the year, which were in arrears by €1,296,000 at the end of the previous year;
- reinsurance commissions cancelled during the year and the relevant premiums in arrears for the previous year of €272,000;
- reinstatement premiums on XL treaties relating to reserved claims of €490,000;
- an allocation to the provision for doubtful accounts of €70,000.

Equalisation reserves (Item I.9)

Item I.9	31.12.2022	31.12.2021	Change
Change in the equalisation reserve	92	-	92
Total	92	-	92

This item includes the provision made during the year on the basis of Articles 40 *et seq.* of ISVAP Regulation No. 16 of 4 March 2008 and amounts to €44,000 for Class 8 - Fire and natural forces and €48,000 for Class 9 - Other damage to property.

Development of class technical items

The summary schedule of technical accounts for each class is contained in Annex 25 to these notes, while Annex 26 includes the summary schedule of the technical account summarising all of the non-life classes in the Italian portfolio.

Annex 31 provides details of gross premiums written acquired under the freedom to provide services scheme.

For the drafting of Annex 25, common entries have been allocated to each individual class as follows:

- for the portion of profit on investment transferred from the non-technical account, the criterion for allocating to the individual class was obtained in accordance with the calculation recommendations in ISVAP Regulation No. 22 of 4 April 2008, as described above;
- the other common entries have been allocated to the individual classes on the basis of the amount of premiums.

With regard to the result of the technical account and the performance for the year, please see the Report on Operations in this financial statements file.

Non-technical account

Investment income

Item III.3	Investment income	31.12.2022	31.12.2021	Change
a.	Income from shares and quotas	3	0	3
b.	Income from other investments	3,374	1,145	2,229
c.	Write-backs of value adjustments on investments	0	2	-2
d.	Gains on investment disposals	700	525	175
	Investment income	4,077	1,672	2,405

The breakdown of investment income is provided in Annex 21 to these notes.

The investment income amount of €3,374 thousand mainly includes interest of €2,981,000 accrued on government bonds and of €301,000 on listed bonds. The prudent approach to investments, limited duration and diversification in terms of asset classes and issuers has preserved the Company's income and financial strength, despite the current fragile economic environment of rising interest rates and inflation.

Gains on disposals of €700,000 include €490,000 of gains on government bonds, €190,000 of gains on UCIs and €20,000 from disposals of shares.

Capital and financial expenses

Item III.3	Capital and financial expenses	31.12.2022	31.12.2021	Change
a.	Investment management expenses and interest expense	449	74	375
b.	Value adjustments on investments	9224	293	8,931
c.	Losses on investment disposals	634	116	518
	Capital and financial expenses	10,307	483	9,824

The breakdown of investment income is provided in Annex 23 to these notes.

Investment management expenses of €449,000 mainly include indirectly attributable expenses of €171,000, securities custody expenses of €112,000 and negative issue discounts of €77,000.

The value adjustments of €9,224,000 included 6,257,000 for government bonds and 2,586,000 for listed bonds, with the remaining €381,000 for units of UCIs.

Losses on investment disposals of €634,000 included €261,000 on government securities, €355,000 on units of UCIs and €18,000 on shares.

Other income

Item III.7	Other income	31.12.2022	31.12.2021	Change
	Other income	55	988	-934
	Other income	55	988	-934

The item includes reimbursements of €28,000 for employees seconded to the subsidiary REVO Underwriting s.r.l and drawings of €25,000 for the use of the agents provision, with the remaining €1,000 being for drawings from other sources.

Other expenses

Item III.8	Other expenses	31.12.2022	31.12.2021	Change
	Other expenses	10,752	1,963	8,789
	Other expenses	10,752	1,963	8,789

Other expenses of €10,752,000 include, in particular:

- goodwill amortisation of €8,904,000, recognised in intangible assets following the acquisition of Elba Assicurazioni S.p.A., which was then merged by reverse incorporation into REVO S.p.A (an item that did not exist in 2021);
- amortisation of other intangible assets of €1,528,000, relating in particular to the introduction of the new SAP accounting management system and the OverX platform, designed to simplify the underwriting processes;
- the provision for risks and charges of €320,000, due to other provisions, as mentioned in the relevant liabilities section of these notes (please see this section for more information).

Extraordinary income

Item III.10	Extraordinary income	31.12.2022	31.12.2021	Change
	Extraordinary income	1,126	105	1,021
	Extraordinary income	1,126	105	1,021

In particular, this item includes:

- €962,000 relating to adjustment of the agency severance indemnity provision for the new agency agreements, which provide for the activation of the compensation clause for successor agents, as per market practice;
- €64,000 increase in the income tax provision;
- €61,000 of foreign exchange gains;
- €16,000 for adjustment of the provision for write-downs in respect of intermediaries;
- €23,000 of miscellaneous contingent assets.

Extraordinary expenses

Item III.11	Extraordinary expenses	31.12.2022	31.12.2021	Change
	Extraordinary expenses	682	85	597
	Extraordinary expenses	682	85	597

The item includes, *inter alia*, an adjustment of €556,000 in the value of the strategic equity investment in Mangrovia Blockchain Solutions S.r.l., due to a delay in the work of some projects of the investee company and third-party activities beyond the time scales stipulated in the agreement signed with REVO, as well as €64,000 for negative differences on the income tax provision and €42,000 for foreign exchange losses.

Taxes

Item III.14	Income tax for the year	31.12.2022	31.12.2021	Change
	Income tax	810	6,506	-5,696
	Change in deferred tax assets	-2,615	-253	-2,362
	Extraordinary expenses	-1,805	6,253	-8,058

The balance for the item consists of current taxes of €810,000 (comprising €132,000 in IRES (corporate income tax) and €679,000 in IRAP (regional production tax)) and a change in prepaid taxes of -€2,615,000.

The following table, pursuant to Italian accounting standards (OIC No. 25), sets out the reconciliation between the tax rate and the effective rate:

Effect of increases or (decreases) compared with the ordinary rate		31/12/2022
IRES		
a	Result before tax	-9,087
a'	IRES rate	24%
	Expected IRES for the current year	-2,181
Expected tax increase		
	Multi-year commissions	10,049
	Change in net claims reserve	5,886
	Allocation to productivity premium	1,620
	Amortisation of goodwill	8,904
	Other increases	1,115
b	Total increase	27,574

c	Total expected tax increase	6,618
	Expected tax decrease	
	Multi-year commissions	8,455
	Change in net claims reserve	2,180
	Other decreases	749
d	Total decrease	11,383
e	Total expected tax decrease	2,733
	Tax losses	5,678
	ACE (Support for Economic Growth scheme)	871
	Total other decreases	6,550
	Total other expected tax decreases	1,572
$f = a + b + d$	IRES taxable base	548
$g = f \times a'$	IRES for the current year	132
$h = g / a$	Effective IRES rate	-1.45%
	IRAP	
i	Technical result	7,396
i'	IRAP rate	6.82%
	Expected IRAP for the current year	504
	Expected tax increase	
	Non-deductible payroll costs	2,097
	Other administrative expenses	1,741
	other increases	157
l	Total increase	3,994
m	Total expected tax increase	272
	Expected tax decrease	
	Deduction for certain employees (employee tax wedge)	
	Amortisation of intangible operating assets	1,375
	Other decreases	63
n	Total decrease	1,438
o	Total expected tax decrease	98
$p = i + l + n$	IRAP tax base	9,953
$q = p \times i'$	IRAP for the current year	679
$r = q / i$	Effective IRAP rate	9.18%
	Summary	
a	Result before tax	-9,087
$s = g + q$	IRES and IRAP for the current year	810
$t = s / a$	Total tax rate for the year (current IRES + IRAP)	-8.92%
$u = a' + i'$	theoretical rate (IRES + IRAP)	30.82%
v	Prepaid taxes 2022	-5,577

v'	Prepaid taxes 2021	2,961
v'' (v-v')	Balance of prepaid taxes for temporary differences	-2,616
y=s+v''	Taxes for the year including prepaid tax effect)	-1,805
z=y/a	Effective tax rate for the year (including previous prepaid tax effect)	19.87%

For details of prepaid taxes, please see the section on assets relating to the receivables item in these notes.

Information on the income statement

As already described in the Report on Operations, the net loss for the year ended 31 December 2022 was €9,087,000, net of IRES and IRAP taxes of €810,000 and the positive balance of deferred taxes of €2,616,000, resulting in a loss for the year of €7,282,000.

For details of relations with Group companies, a breakdown of premiums in the Italian and foreign portfolios and a summary of costs relating to employees, directors and statutory auditors, please see Annexes 30, 31 and 32 respectively to these notes.

Part C - Other information

Revenue or cost elements of exceptional size or impact

In accordance with Article 2427, paragraph 13 of the Italian Civil Code, as a result of the reverse merger of Elba Assicurazioni S.p.A. and the listing on the Euronext market of the Milan Stock Exchange, exceptional costs of €2,864,000 were incurred during the year.

Agreements not reflected in the statement of financial position

Pursuant to Article 2427, paragraph 22-ter of the Italian Civil Code, there are no agreements that are not reflected in the statement of financial position or that could significantly influence the Company's financial position or results of operations.

Management and coordination activity

REVO Insurance S.p.A. prepares the consolidated financial statements pursuant to Article 154-ter of Legislative Decree No. 58/1998 (TUF) and ISVAP Regulation No. 7 of 13 July 2007, as subsequently amended and supplemented, in accordance with the IAS/IFRS international accounting standards issued by the IASB and endorsed by the European Union. A copy of the consolidated financial statements at 31 December 2022 of REVO Insurance is available on the Company website (www.revoinsurance.com).

The Company manages and coordinates the subsidiary REVO Underwriting S.r.l. and is also the parent company of the REVO Insurance Group, entered in the Register of Insurance Groups under No. 59.

Information relating to employees, directors and statutory auditors

Annex 32 to these notes shows the average headcount during the year and its breakdown by category.

In 2022 the average Company headcount was 128 (18 executives, 107 employees and 4 contractors), with a total cost of €13,418,000. In the previous year, the average headcount was 86 (10 executives, 74 employees and 2 contractors), with a total cost of €6,519,000.

At 31 December 2022, the Company's Board of Directors consisted of a chairman, a chief executive officer and five directors. The remuneration payable for 2022 amounts to €512,000 (€445,000 at 31 December 2021).

The Company's Board of Statutory Auditors consists of a chairman and five standing auditors; the fees payable for 2022 amount to €132,000 (€102,000 at 31 December 2021).

Fees for auditing and services other than auditing

The following table, pursuant to Article 149 of the Issuers' Regulation, sets out the fees accrued during the year for services provided by the External Auditor and entities in its network (the amounts shown do not include expenses, Consob contributions and VAT):

Type of service	Company	Remuneration
Statutory audit	KPMG S.p.A.	194
Solvency II review	KPMG S.p.A.	65
Certification services	KPMG S.p.A.	18
Activities related to the listing:		
- Limited audit	KPMG S.p.A.	23
- Comfort	KPMG S.p.A.	230
- Audit	KPMG S.p.A.	87
- Certification services	KPMG S.p.A.	5
- Other services	KPMG S.p.A.	90
		712

Statement of cash flows

The Company's statement of cash flows at 31 December 2022 is set out below:

	2022	2021
A. Cash flows from operating activities		
Results of operations for the period	-7,282	14,308
Change in technical provisions	29,420	7,172
Change in payables from security deposits	0	0
Change in severance indemnity	125	106
Change in provisions for risks and charges	-684	-59
Change in reinsurance deposits	349	-167
Change in payables from reinsurance operations	9,078	194
Change in other liabilities	7,607	-805
Change in receivables	-44,322	5,135
Change in accrued income and prepaid expenses	-238	-2,148
Change in miscellaneous payables	13,928	1,994
Change in other assets	-16	0
Cash flow from operating activities (A)	7,965	25,729
B. Cash flows from investment activities		
Change in intangible assets	-86,754	80
Change in financial investments	-64,150	-29,566
Change in tangible assets and stocks	-131	153
Cash flow from investment activities (B)	-151,035	-29,333
C. Cash flows from financing activities		
Third-party assets	0	0
Change in payables to banks	0	0
Own capital	143,508	-2,004
Paid capital increase	0	0
Increase in equity reserves due to merger	143,508	0
Dividends paid	0	-2,004
Flow from financing activity (C)	143,508	-2,004
Change in cash and cash equivalents (A + B + C)	438	-5,608
Cash and cash equivalents		
Bank current accounts and cash at 31/12/N	4,445	4,007
Bank current accounts and cash at 31/12/N-1	4,007	9,615
Change during the period	438	-5,608

Milan, 9th March 2023

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





Annexes to the notes

Annexes to the notes

 Notes to the financial statements -
Annex 1

 Company REVO INSURANCE S.p.A.

STATEMENT OF FINANCIAL POSITION – NON-LIFE OPERATIONS ASSETS

		Values for the year	
RECEIVABLES FROM SHAREHOLDERS FOR SUBSCRIBED SHARE CAPITAL NOT PAID UP			
A.		1	0
	of which called capital	2	0
B. INTANGIBLE ASSETS			
	1. Acquisition commissions to be amortised		
	a) life classes	3	0
	b) non-life classes	4	0
	2. Other acquisition expenses	6	0
	3. Start-up and expansion costs	7	12
	4. Goodwill	8	80,134
	5. Other multi-year costs	9	8,947
		10	89,093
C. INVESTMENTS			
	I - Land and buildings		
	1. Property intended for company use	11	0
	2. Property for third-party use	12	0
	3. Other property	13	0
	4. Other rights <i>in rem</i>	14	0
	5. Assets under construction and advances	15	0
		16	0
	II - Investments in Group companies and other investee companies		
	1. Shares and quotas of companies:		
	a) parent companies	17	0
	b) subsidiaries	18	150
	c) affiliates	19	0
	d) associates	20	0
	e) other	21	556
		22	706
	2. Bonds issued by companies:		
	a) parent companies	23	0
	b) subsidiaries	24	0
	c) affiliates	25	0
	d) associates	26	0
	e) other	27	0
		28	0
	3. Loans to companies:		
	a) parent companies	29	0
	b) subsidiaries	30	0
	c) affiliates	31	0
	d) associates	32	0
	e) other	33	0
		34	0
		35	706,418

	to be carried forward		89,093
--	-----------------------------	--	--------

Values for the previous year

			1	0
	2	0		
0				
0	5	0		
	6	0		
	7	0		
	8	0		
	9	2,339	10	2,339
	11	0		
	12	0		
	13	0		
	14	0		
	15	0	16	0
0				
0				
0				
0				
0	22	0		
0				
0				
0				
0	28	0		
0				
0				
0				
0				
0	34	0	35	0
	to be carried forward			2,339

STATEMENT OF FINANCIAL POSITION – NON-LIFE OPERATIONS

ASSETS

Values for the year

			carried forward			89,093
C. INVESTMENTS (continued)						
III - Other financial investments						
1. Shares and quotas						
a) Listed shares	36	0				
b) Unlisted shares	37	0				
c) Units	38	0	39	0		
2. Mutual fund units			40	2,620		
3. Bonds and other fixed-income securities						
a) listed	41	182,114				
b) unlisted	42	0				
c) convertible bonds	43	0	44	182,114		
4. Loans						
a) collateralised loans	45	0				
b) loans on policies	46	0				
c) other loans	47	0	48	0		
5. Units in mutual investments			49	0		
6. Deposits with credit institutions			50	0		
7. Miscellaneous financial investments			51	0	52	184,734
I						
V - Deposits with ceding companies					53	0
					54	185,440
INVESTMENTS FOR THE BENEFIT OF LIFE INSURANCE POLICYHOLDERS WHO BEAR THE ASSOCIATED RISK AND INVESTMENTS ARISING FROM PENSION FUND MANAGEMENT						
I - Investments relating to the performance of investment funds and market indices					55	0
II - Investments arising from pension fund management					56	0
					57	0
D-bis. REINSURERS' SHARE OF TECHNICAL PROVISIONS						
I - NON-LIFE CLASSES						
1. Premium reserve			58	52,933		
2. Claims reserve			59	15,283		
3. Profit-sharing and reversals reserve			60	0		
4. Other technical provisions			61	0	62	68,216
II - LIFE CLASSES						
1. Mathematical reserves			63	0		
2. Supplementary insurance premium reserve			64	0		
3. Reserve for amounts payable			65	0		
4. Profit-sharing and reversals reserve			66	0		
5. Other technical provisions			67	0		
6. Technical provisions where the investment risk is borne by policyholders and reserves arising from						

pension fund management	68	0	69	0	70	68,216
		to be carried forward				342,749

		Values for the previous year	
carried forward			2,339
0			
0			
0	39	0	
	40	748	
120,542			
0			
0	44	120,542	
0			
0			
0	48	0	
	49	0	
	50	0	
	51	0	
		52	121,290
		53	0
		54	121,290
		55	0
		56	0
		57	0
	58	40,366	
	59	11,377	
	60	0	
	61	0	
		62	51,743
	63	0	
	64	0	
	65	0	
	66	0	
	67	0	

68	0	69	0	70	51,743
to be carried forward					175,372

STATEMENT OF FINANCIAL POSITION – NON-LIFE OPERATIONS

ASSETS

						Values for the year	
						carried forward	342,749
E.	RECEIVABLES						
I	- Receivables, arising from direct insurance operations, in respect of:						
	1. Policyholders						
	a) for premiums for the year	71	36,438				
	b) for premiums for previous years	72	0	73	36,438		
	2. Insurance intermediaries					74	3,912
	3. Company current accounts					75	0
	4. Policyholders and third parties for amounts to be recovered					76	5,316
				77	45,666		
II	- Receivables, arising from reinsurance operations, in respect of:						
	1. Insurance and reinsurance companies					78	969
	2. Reinsurance intermediaries					79	0
				80	969		
III	- Other receivables					81	26,328
				82	72,963		
F.	OTHER ASSETS						
I	- Tangible assets and stocks:						
	1. Furniture, office machinery and internal means of transport					83	454
	2. Movable property entered in public registers					84	10
	3. Plant and equipment					85	11
	4. Miscellaneous stocks and goods					86	0
				87	475		
II	- Cash and cash equivalents						
	1. Bank and postal current account deposits					88	4,444
	2. Cheques and cash balances					89	1
				90	4,445		
IV	- Other assets						
	1. Reinsurance transition accounts					92	0
	2. Miscellaneous assets					93	16
				94	16	95	4,936
G.	ACCRUALS AND DEFERRALS						
	1. For interest					96	552
	2. For rent					97	0
	3. Other accruals and deferrals					98	2,117
				99	2,669		

TOTAL ASSETS		100	423,317
--------------	--	-----	---------

Values for the previous year

carried forward			175,372
7,972			
0	73	7,972	
	74	4,855	
	75	0	
	76	3,702	77 16,529
	78	87	
	79	0	80 87
			81 12,026
			82 28,642
	83	243	
	84	86	
	85	15	
	86	0	87 344
	88	4,006	
	89	1	90 4,007
	92	0	
	93	0	94 0
			95 4,351
			96 174
			97 0

	98	2,257	99	2,431
TOTAL ASSETS			100	210,796

STATEMENT OF FINANCIAL POSITION – NON-LIFE OPERATIONS

LIABILITIES AND SHAREHOLDERS' EQUITY

					Values for the year	
A. NET LIABILITIES						
I	- Subscribed share capital or equivalent provision		101	6,680		
II	- Share premium reserve		102	170		
III	- Revaluation reserves		103	0		
IV	- Legal reserve		104	1,385		
V	- Statutory reserves		105	0		
VI	- Reserves for parent company shares		400	0		
VII	- Other reserves		107	210,190		
VIII	- Retained earnings (losses carried forward)		108	0		
IX	- Profit (loss) for the year		109	-7,282		
X	- Negative reserve for own shares		401	-1,247	110	209,896
B. SUBORDINATED LIABILITIES						
					111	0
C. TECHNICAL PROVISIONS						
I - NON-LIFE CLASSES						
	1. Premium reserve	112	128,496			
	2. Claims reserve	113	38,008			
	3. Profit-sharing and reversals reserve	114	58			
	4. Other technical provisions	115	0			
	5. Equalisation reserves	116	91	117	166,653	
II - LIFE CLASSES						
	1. Mathematical reserves	118	0			
	2. Supplementary insurance premium reserve	119	0			
	3. Reserve for amounts payable	120	0			
	4. Profit-sharing and reversals reserve	121	0			
	5. Other technical provisions	122	0	123	0	124 166,653
D. TECHNICAL PROVISIONS WHERE THE INVESTMENT RISK IS BORNE BY POLICYHOLDERS AND RESERVES ARISING FROM PENSION FUND MANAGEMENT						
I	- Reserves relating to contracts whose performance is connected to					

II	investment funds and market indices - Reserves arising from pension fund management	to be carried forward	125	0	
			126	0	127 0
					376,549

Values for the previous year

		101	6,680		
		102	170		
		103	0		
		104	1,385		
		105	0		
		400	0		
		107	51,126		
		108	0		
		109	14,310		
		401	0	110	73,671
				111	0
	112	94,506			
	113	26,253			
	114	0			
	115	0			
	116	0	117	120,759	
	118	0			
	119	0			
	120	0			
	121	0			
	122	0	123	0	124 120,759

	125	0	
	126	0	127 0
to be carried forward			194,430

STATEMENT OF FINANCIAL POSITION – NON-LIFE OPERATIONS

LIABILITIES AND SHAREHOLDERS' EQUITY

		Values for the year	
	carried forward		376,549
E. PROVISIONS FOR RISKS AND CHARGES			
1. Provisions for retirement benefits and similar obligations	128	2,603	
2. Provisions for taxes	129	0	
3. Other provisions	130	320	131 2,923
F. DEPOSITS RECEIVED FROM REINSURERS			132 1,600
G. PAYABLES AND OTHER LIABILITIES			
I - Payables, arising from direct insurance operations, to:			
1. Insurance intermediaries	133	0	
2. Company current accounts	134	0	
3. Policyholders for security deposits and premiums	135	0	
4. Guarantee funds for policyholders	136	0	137 0
II - Payables, arising from reinsurance operations, in respect of:			
1. Insurance and reinsurance companies	138	11,717	
2. Reinsurance intermediaries	139	0	140 11,717
III - Bonds			141 0
IV - Payables to banks and financial institutions			142 0
V - Collateralised payables			143 0
VI - Misc. loans and other financial debts			144 0
VII - Employee severance indemnity			145 579
VIII - Other payables			
1. For taxes payable by policyholders	146	1,579	
2. Misc. tax charges	147	741	
3. To social security and pension institutions	148	519	
4. Miscellaneous payables	149	17,765	150 20,604
IX - Other liabilities			
1. Reinsurance transition accounts	151	0	

2. Commissions for premiums in the process of collection	152	6,926		
3. Misc. liabilities	153	2,419	154 9,345	155 42,245
		to be carried forward		423,317

Values for the previous year			
carried forward			194,430
	128	3,607	
	129	0	
	130	0	131 3,607
			132 1,252
133	0		
134	0		
135	0		
136	0	137 0	
138	2,639		
139	0	140 2,639	
		141 0	
		142 0	
		143 0	
		144 0	
		145 454	
146	1,133		
147	1,321		
148	354		
149	3,868	150 6,676	
151	0		

152	1,734		
153	4	154	1,738
	to be carried forward		11,508
			210,796

STATEMENT OF FINANCIAL POSITION – NON-LIFE OPERATIONS

LIABILITIES AND SHAREHOLDERS' EQUITY

		Values for the year	
	carried forward		423,317
H. ACCRUALS AND DEFERRALS			
1. For interest		156 0	
2. For rent		157 0	
3. Other accruals and deferrals		158 0	159 0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			160 423,317

Values for the previous year		
carried forward		210,796
	156 0	
	157 0	
	158 0	159 0
		160 210,796

Notes to the financial
statements - Annex 3

 Company REVO Insurance S.p.A.

 Year 2022

Table showing the breakdown of the net result for the year between the non-life and life classes

		Non-life operations	Life operations	Total
Result of the technical account.....		1 7,396	21	41 7,396
Investment income.....	+	2 4,077		42 4,077
Capital and financial expenses.....	-	3 10,307		43 10,307
Share of profit from investments transferred to the technical account of the life classes.....	+		24	44
Share of profit from investments transferred to the technical account of the non-life classes.....	-	5 0		45 0
Interim operating result.....		6 1,166	26	46 1,166
Other income.....	+	7 54	27	47 55
Other expenses.....	-	8 10,752	28	48 10,752
Extraordinary income.....	+	9 1,126	29	49 1,126
Extraordinary expenses.....	-	10 682	30	50 682
Result before tax.....		11 -9,088	31	51 -9,087
Income tax for the year.....	-	12 -1,806	32	52 -1,805
Net result for the year		13 -7,282	33	53 -7,282

Notes to the financial statements -
Annex 4

Year 2022

Company REVO Insurance S.p.A.

Assets – Changes during the year in intangible assets (Item B) and land and buildings (Item C.I)

		Intangible assets B	Land and buildings C.I
Gross opening balances	+	1 7,721	31
Increases during the year	+	2 97,079	32
for: purchases or increases		3 97,053	33
write-backs		4 0	34
write-ups		5 0	35
other changes		6 26	36
Decreases during the year	-	7	37
for: sales or decreases		8	38
lasting write-downs		9	39
other changes		10	40
Gross final balances (a)		11 104,800	41
Depreciation and amortisation:			
Opening balances	+	12 5,383	42
Increases during the year	+	13 10,324	43
for: depreciation and amortisation for the year		14 10,319	44
other changes		15 5	45
Decreases during the year	-	16	46
for: reductions for disposals		17	47
other changes		18	48
Final balances depreciation and amortisation			
(b).....		19 15,707	49
Carrying amount (a - b)		20 89,093	50
Current value			51
Total write-ups		22	52
Total write-downs		23	53

Notes to the
financial statements
- Annex 5

 Company REVO Insurance S.p.A.

 Year 2022

Assets - Changes in investments in group companies and other investee companies: shares and quotas (item C.II.1), bonds (item C.II.2) and loans (item C.II.3)

		Shares and quotas C.II.1	Bonds C.II.2	Loans C.II.3
Opening balances.....	+	001	021	041
Increases during the year:	+	002 1,263	022	042
for: purchases, subscriptions or disbursements -		003 1,263	023	043
write-backs.....		004	024	044
write-ups.....		005		
other changes.....		006	026	046
Decreases during the year:	-	007 556	027	047
for: sales or reimbursements.....		008	028	048
write-downs.....		009 556	029	049
other changes.....		010	030	050
Carrying amount.....		011 706	031	051
Current value		012 706	032	052
Total write-ups.....		013		
Total write-downs.....		014 556	034	054

Item C.II.2 includes:

Listed bonds.....	06 1
Unlisted bonds.....	06 2
Carrying amount.....	06 3
of which convertible bonds.....	06 4

REVO Insurance
Company S.p.A. _____

Year 2022 _____

Assets - Table containing information on investee companies (*)

Ord. no. (**)	Type (1)	Listed or not listed (2)	Business activity (3)	Name and registered office	Currency	Share capital		Shareholders' equity (***) (4)	Profit or loss for the last financial year (***) (4)	Equity investment held (5)		
						Amount (4)	Number of shares			Direct %	Indirect %	Total %
1	b = Subsidiaries	NL	9	REVO Underwriting Srl - Via Mecenate 90 - Milan	Euro	150,000		128,157	21,843	100.00	0.00	100.00
2	e = Other	NL	9	Mangrovia Blockchain Solutions - C.so Venezia 54 - Milan	Euro	11,111				10.00	0.00	10.00

(*) Group companies and other companies in which a direct investment is held must be listed, including through a trust company or intermediary

(***) Only to be filled in for
subsidiaries and associates

(**) Order number must be greater than 0

1) Type

- a = Parent companies
- b = Subsidiaries
- c = Affiliates
- d = Associates
- e = Other

(2) Indicate L for securities traded
in regulated markets
and NL for others

(3) Business activities

- 1 = Insurance company
- 2 = Finance company
- 3 = Credit institution
- 4 = Real estate company
- 5 = Trust company
- 6 = Investment fund management or distribution company
- 7 = Consortium
- 8 = Industrial enterprise
- 9 = Other company or entity

(4) Amounts in original currency

(5) Indicate the total equity investment held

Notes to the financial
statements - Annex 07

Company REVO Insurance S.p.A.

Year 2022

Assets - Statement of changes in investments in Group companies and other investee companies:

shares and quotas

Order no. (1)	Type (2)		Name (3)	Increases during the year		Decreases during the year			Carrying amount (4)			Cost value	Current value	ISIN code	
				For purchases		Other	For sales		Other	Show if valued using the equity method (types b and d only)	Quantity				Value
				Quantity	Value	increases	Quantity	Value	decreases						
1	b = Subsidiaries	D	REVO Underwriting Srl		1,112,837				556,418			556,418	1,112,837	556,418	
2	e = Other	D	Mangrovia Blockchain Solutions			150,000							150,000	150,000	

(1) Must correspond to that indicated in Annex 6

(2) Type

- a = Parent companies
- b = Subsidiaries
- c = Affiliates
- d = Associates
- e = Other

(3) Indicate:

- D for investments assigned to non-life operations (Item C.II.1)
- V for investments assigned to life operations (Item C.II.1)
- V1 for investments assigned to life operations (Item D.I.)
- V2 for investments assigned to life operations (Item D.2)
- The same order number must be assigned to the equity investment, even if it is split

(4) Show with (*) if valued using the equity method (types b and d only)

Company REVO Insurance S.p.A.

Year 2022

Assets - Breakdown on the basis of the use of other financial investments: shares and quotas of companies, units of mutual funds, bonds and other fixed-income securities, units in mutual investments and miscellaneous financial investments (Items C.III.1, 2, 3, 5, 7)

I - Non-life operations

		Long-term portfolio		Short-term portfolio		Total	
		Carrying amount	Current value	Carrying amount	Current value	Carrying amount	Current value
1. Shares and quotas of companies:		1	21	41	61	81	101
a) listed shares		2	22	42	62	82	102
b) unlisted shares		3	23	43	63	83	103
(c) quotas		4	24	44	64	84	104
2. Mutual fund units		5	0	25	0	45	2,620
				65	2,620	85	2,620
3. Bonds and other fixed-income securities		6	8,545	26	8,488	46	173,569
a1) listed government securities		7	8,545	27	8,488	47	146,066
				67	145,171	87	154,611
a2) other listed securities		8	0	28	0	48	27,503
				68	27,128	88	27,503
b1) unlisted government securities		9		29		49	
b2) other unlisted securities		10		30		50	
				70		90	
c) convertible bonds		11		31		51	
				71		91	
5. Units in mutual investments		12		32		52	
				72		92	
7. Miscellaneous financial investments		13		33		53	
				73		93	

II - Life operations

		Long-term portfolio		Short-term portfolio		Total	
		Carrying amount	Current value	Carrying amount	Current value	Carrying amount	Current value
1. Shares and quotas of companies:		121	141	161	181	201	221
a) listed shares		122	142	162	182	202	222
b) unlisted shares		123	143	163	183	203	223
(c) quotas		124	144	164	184	204	224
2. Mutual fund units		125	145	165	185	205	225
3. Bonds and other fixed-income securities		126	146	166	186	206	226
a1) listed government securities		127	147	167	187	207	227
a2) other listed securities		128	148	168	188	208	228
b1) unlisted government securities		129	149	169	189	209	229
b2) other unlisted securities		130	150	170	190	210	230
c) convertible bonds		131	151	171	191	211	231
5. Units in mutual investments		132	152	172	192	212	232
7. Miscellaneous financial investments		133	153	173	193	213	233

Company REVO Insurance S.p.A.

Year 2022

Assets - Changes during the year in other long-term financial investments: shares and quotas of companies, units of mutual funds, bonds and other fixed-income securities, units in mutual investments and miscellaneous financial investments (Items C.III.1, 2, 3, 5, 7)

		Shares and quotas C.III.1	Mutual fund units C.III.2	Bonds and other fixed-income securities C.III.3	Units in mutual investments C.III.5	Miscellaneous financial investments C.III.7
Opening balances.....	+	001	021	041	081	101
Increases during the year.....	+	002	022	042 8,545	082	102
for: purchases.....		003	023	043 8,545	083	103
write-backs.....		004	024	044	084	104
transfers from short-term portfolio.....		005	025	045	085	105
other changes.....		006	026	046	086	106
Decreases during the year.....	-	007	027	047	087	107
for: sales.....		008	028	048	088	108
write-downs.....		009	029	049	089	109
transfers to short-term portfolio.....		010	030	050	090	110
other changes.....		011	031	051	091	111
Carrying amount.....		012	032	052 8,545	092	112
Current value.....		013	033	053 8,488	093	113

Notes to the financial statements - Annex 10

Year 2022

Company REVO INSURANCE S.p.A.

Assets - Changes during the year in loans and deposits with credit institutions (Items C.III.4, 6)

		Loans	Deposits with credit institutions
		C.III.4	C.III.6
Opening balances.....	+	001	021
Increases during the year:	+	002	022
for: disbursements.....		003	
write-backs.....		004	
other changes.....		005	
Decreases during the year:	-	006	026
for:			
reimbursements.....		007	
write-			
downs.....		008	
other changes.....		009	
Carrying amount		010	030

Notes to the financial statements -
Annex 13

Company REVO Insurance S.p.A. Year 2022

Liabilities - Changes during the year in the components of the premium reserve (Item C.I.1) and the claims reserve (Item C.I.2) of the non-life classes

Type	Year	Previous year	Change
Premium reserve:			
Reserve for unearned premiums	1 128,496	11 94,506	21 33,990
Reserve for unexpired risks	2	12	22
Carrying amount	3 128,496	13 94,506	23 33,990
Claims reserve:			
Reserve for compensation and direct expenditure	4 35,830	14 25,421	24 10,409
Reserve for settlement expenses	5 538	15 382	25 156
Reserve for claims incurred but not reported	6 1,640	16 450	26 1,190
Carrying amount	7 38,008	17 26,253	27 11,755

Notes to the financial
statements - Annex 15

Company REVO Insurance S.p.A.

Year 2022

Liabilities - Changes during the year in provisions for risks and charges (Item E) and employee severance indemnities (Item G.VII)

		Provisions for retirement benefits and similar obligations	Provisions for taxes	Other provisions	Employee severance payment subordinato
Opening balances	+	1 3,607	11	21 0	31 454
Provisions for the year	+	2 0	12	22 320	32 142
Other increases	+	3	13	23	33 35
Use during the year	-	4 42	14	24 0	34 52
Other decreases	-	5 962	15	25	35
Carrying amount		6 2,603	16	26 320	36 579

Company REVO INSURANCE S.p.A.

Year 2022

Detailed statement of assets and liabilities relating to Group companies and other investee companies

I: Assets

	Parent companies	Subsidiaries	Affiliates	Associates	Other	Total
Shares and quotas	001	002 150	003	004	005 556.418	006 706
Bonds	007	008	009	010	011	012
Loans	013	014	015	016	017	018
Units in mutual investments	019	020	021	022	023	024
Deposits with credit institutions	025	026	027	028	029	030
Miscellaneous financial investments	031	032	033	034	035	036
Deposits with ceding companies	037	038	039	040	041	042
Investments related to services connected to investment funds and market indices	043	044	045	046	047	048
Investments arising from pension fund management	049	050	051	052	053	054
Receivables arising from direct insurance operations	055	056 155	057	058	059	060 155
Receivables arising from reinsurance operations	061	062	063	064	065	066
Other receivables	067	068 28	069	070	071	072 28
Bank and postal current account deposits	073	074	075	076	077	078
Miscellaneous assets	079	080	081	082	083	084
Total	085	086 333	087	088	089 556	090 889
of which subordinated activities	091	092	093	094	095	096

Detailed statement of assets and liabilities relating to Group companies and other investee companies

II: Liabilities

	Parent companies	Subsidiaries	Affiliates	Associates	Other	Total
Subordinated liabilities	097	098	099	100	101	102
Deposits received from reinsurers	103	104	105	106	107	108
Payables arising from direct insurance operations.....	109	110	111	112	113	114
Payables arising from reinsurance operations.....	115	116	117	118	119	120
Payables to banks and financial institutions	121	122	123	124	125	126
Collateralised payables	127	128	129	130	131	132
Other loans and other financial debts	133	134	135	136	137	138
Miscellaneous payables	139	140	141	142	143	144
Miscellaneous liabilities	145	146	147	148	149	150
Total	151	152	153	154	155	156

Company REVO Insurance S.p.A.

Year 2022

Disclosure on "guarantees, commitments and other memorandum accounts"

	Year	Previous year
I. Guarantees given:		
a) guarantees and endorsements given in the interest of parent companies, subsidiaries and affiliates.....	1 31	
b) guarantees and endorsements given in the interest of associates and other investee companies.....	2 32	
c) guarantees and endorsements given in the interest of third parties.....	3 33	
d) other personal guarantees given in the interest of parent companies, subsidiaries and affiliates	4 34	
e) other personal guarantees given in the interest of associates and other investee companies.....	5 35	
f) other personal guarantees given in the interest of third parties	6 0 36 37	
g) collateral for bonds of parent companies, subsidiaries and affiliates.....	7 37	
h) collateral for bonds of associates and other investee companies.....	8 38	
i) collateral for bonds of third parties	9 39	
l) guarantees given for bonds of the company	10 40	
m) assets held as deposits for the purpose of inward reinsurance.....	11 41	
Total	12 0 42 37	
II. Guarantees received:		
a) from group companies, associates and other investee companies.....	13 43	
b) from third parties.....	14 81 44 76	
Total	15 81 45 76	
III. Guarantees given by third parties in the interest of the company:		
a) by group companies, associates and other investee companies.....	16 46	
b) by third parties.....	17 4 47	
Total	18 4 48	
IV. Commitments:		
a) purchase commitments with resale obligation.....	19 49	
b) sale commitments with repurchase obligation.....	20 50	
c) other commitments.....	21 51	
Total	22 52	
V. Assets attributable to pension funds managed in the name and on behalf of third parties	23 53	
VI. Securities held with third parties	24 185,981 54 121,581	
Total	25 185,981 55 121,581	

Company REVO Insurance S.p.A.

Year 2022

Summary information relating to the technical account of the non-life classes

	Premiums written	Earned premiums	Gross claims expense	Operating expenses	Reinsurance balance
Direct insurance:					
Accident and Sickness (Classes 1 and 2)	1 989	2 437	3 224	4 276	5 17
Motor vehicle liability (Class 10)	6 0	7 0	8 0	9 0	10 0
Land vehicles (Class 3)	11 0	12 0	13 0	14 0	15 0
Marine, aviation and transport insurance (Classes 4, 5, 6, 7 11 and 12)	16 3,780	17 2,003	18 1,402	19 1,178	20 -860
Fire and other damage to property (Classes 8 and 9)	21 30,531	22 20,925	23 6,694	24 12,912	25 -1,391
General liability (Class 13)	26 19,943	27 10,644	28 4,280	29 6,410	30 -1,029
Credit and Suretyship (Classes 14 and 15)	31 73,229	32 61,656	33 7,795	34 37,206	35 -6,057
Miscellaneous financial loss (Class 16)	36 326	37 239	38 0	39 111	40 -242
Legal expenses (Class 17)	41 0	42 0	43 0	44 0	45 0
Assistance (Class 18)	46 10	47 10	48 0	49 5	50 -9
Total direct insurance	51 128,808	52 95,914	53 20,395	54 58,098	55 -9,571
Indirect insurance	56 321	57 227	58 0	59 116	60 0
Total Italian portfolio	61 129,129	62 96,141	63 20,395	64 58,214	65 -9,571
Foreign portfolio	66 2,259	67 1,257	68 0	69 575	70 0
Grand total	71 131,388	72 97,398	73 20,395	74 58,789	75 -9,571

Company REVO Insurance S.p.A.

Year 2022

Investment income (Items II.2 and III.3)

	Non-life operations	Life operations	Total
Income from shares and quotas:			
Dividends and other income from shares and quotas of group companies and investee companies.....	1 0	41	81 0
Dividends and other income from shares and quotas of other companies	2 3	42	82 3
Total	3 3	43	83 3
Income from investments in land and buildings	4 0	44	84 0
Income from other investments:			
Income from bonds of group companies and investee companies	5	45	85
Interest on loans to group companies and investee companies.....	6	46	86
Income from mutual fund units	7 0	47	87 0
Income from bonds and other fixed-income securities	8 3,359	48	88 3,359
Interest on loans	9 0	49	89 0
Income from units in mutual investments	10 0	50	90 0
Interest on deposits with credit institutions	11 15	51	91 15
Income from miscellaneous financial investments	12 0	52	92 0
Interest on deposits with ceding companies	13 0	53	93 0
Total	14 3,374	54	94 3,374
Write-backs of value adjustments on investments relating to:			
Land and buildings	15	55	95
Shares and quotas of group companies and investee companies.....	16	56	96
Bonds issued by group companies and investee companies.....	17	57	97
Other shares and quotas	18	58	98
Other bonds	19 0	59	99 0
Other financial investments	20	60	100
Total	21 0	61	101 0
Gains on investment disposals:			
Capital gains arising from the disposal of land and buildings	22 0	62	102
Profits on shares and quotas of group companies and investee companies.....	23 0	63	103
Profits on bonds issued by group companies and investee companies.....	24 0	64	104
Profits on other shares and quotas	25 522	65	105 522
Profits on other bonds	26 178	66	106 178
Profits on other financial investments	27 0	67	107 0
Total	28 700	68	108 700
GRAND TOTAL	29 4,074	69	109 4,074

Company REVO Insurance S.p.A.

Year 2022

Capital and financial expenses (Items II.9 and III.5)

	Non-life operations	Life operations	Total
Investment operating expenses and other expenses			
Expenses relating to shares and quotas	1	31	61
Expenses relating to investments in land and buildings	2	32	62
Expenses relating to bonds	3 433	33	63 433
Expenses relating to mutual fund units	4	34	64
Expenses relating to units in mutual investments	5	35	65
Expenses related to miscellaneous financial investments	6	36	66
Interest on deposits received from reinsurers	7 16	37	67 16
Total	8 449	38	68 449
Value adjustments on investments relating to:			
Land and buildings	9 0	39	69 0
Shares and quotas of group companies and investee companies	10 0	40	70 0
Bonds issued by group companies and investee companies	11 0	41	71 0
Other shares and quotas	12 380	42	72 380
Other bonds	13 8,844	43	73 8,844
Other financial investments	14 0	44	74 0
Total	15 9,224	45	75 9,224
Losses on investment disposals			
Capital losses arising from the disposal of land and buildings	16 0	46	76
Losses on shares and quotas	17 374	47	77 374
Losses on bonds	18 260	48	78 260
Losses on other financial investments	19 0	49	79
Total	20 634	50	80 634
GRAND TOTAL	21 10,307	51	81 10,307

Company REVO Insurance S.p.A.

Year 2022

Non-life insurance - Summary schedule of technical accounts for each class - Italian portfolio

		Branch code 01	Branch code 02	Branch code 03	Branch code 04	Branch code 05	Branch code 06
		Accident	Sickness	Land vehicles	Railway rolling stock	Aviation hull	Marine hull
		(name)	(name)	(name)	(name)	(name)	(name)
Direct business gross of reinsurance							
Premiums written.....	+	1 973	1 16	1 0	1 0	1 261	1 1,387
Change in premium reserve (+ or -).....	-	2 544	2 7	2 0	2 0	2 66	2 568
Claims-related expenses.....	-	3 224	3 0	3 0	3 0	3 0	3 891
Change in other technical provisions (+ or -).....	-	4 0	4 0	4 0	4 0	4 44	4 0
Balance of other technical items (+ or -).....	+	5 -8	5 0	5 0	5 0	5 0	5 0
Operating expenses.....	-	6 270	6 6	6 0	6 0	6 76	6 382
Technical balance of direct business (+ or -)		7 -73	7 3	7 0	7 0	7 75	7 -454
Result of outward reinsurance (+ or -).....B		8 16	8 1	8 0	8 0	8 -145	8 -37
Net result of indirect business (+ or -).....C		9 0	9 0	9 0	9 0	9 0	9 0
Change in equalisation reserves (+ or -).....D		10 0	10 0	10 0	10 0	10 0	10 0
Share of profit from investments transferred from non-technical account.....E		11 0	11 0	11 0	11 0	11 0	11 0
Result of the technical account (+ or -)		12 -57	12 4	12 0	12 0	12 -70	12 -491

		Branch code 07	Branch code 08	Branch code 09	Branch code 10	Branch code 11	Branch code 12
		Goods in transit	Fire and natural forces	Other damage to property	Motor vehicle liability	Aviation liability	Marine liability
		(name)	(name)	(name)	(name)	(name)	(name)
Direct business gross of reinsurance							
Premiums written.....	+	1 1,963	1 14,628	1 15,903	1 0	1 99	1 70
Change in premium reserve (+ or -).....	-	2 1,098	2 8,452	2 1,154	2 0	2 24	2 21
Claims-related expenses.....	-	3 510	3 1,568	3 5,127	3 0	3 0	3 0
Change in other technical provisions (+ or -).....	-	4 7	4 0	4 0	4 0	4 0	4 0
Balance of other technical items (+ or -).....	+	5 0	5 -34	5 -54	5 0	5 0	5 0
Operating expenses.....	-	6 662	6 4,814	6 8,097	6 0	6 30	6 29
Technical balance of direct business (+ or -)		7 -314	7 -240	7 1,471	7 0	7 45	7 20
Result of outward reinsurance (+ or -).....B		8 -442	8 364	8 -1,754	8 0	8 -223	8 -12
Net result of indirect business (+ or -).....C		9 0	9 0	9 3	9 0	9 0	9 0
Change in equalisation reserves (+ or -).....D		10 0	10 44	10 48	10 0	10 0	10 0
Share of profit from investments transferred from non-technical account.....E		11 0	11 0	11 0	11 0	11 0	11 0
Result of the technical account (+ or -)		12 -756	12 80	12 -328	12 0	12 -178	12 8

		Branch code 13	Branch code 14	Branch code 15	Branch code 16	Branch code 17	Branch code 18
		General liability (name)	Credit (name)	Suretyship (name)	Financial loss (name)	Legal expenses (name)	Assistance (name)
Direct business gross of reinsurance							
Premiums written.....	+	1 19,943	1 0	1 73,229	1 326	1 0	1 10
Change in premium reserve (+ or -).....	-	2 9,300	2 0	2 11,573	2 87	2 0	2 0
Claims-related expenses.....	-	3 4,280	3 0	3 7,795	3 0	3 0	3 0
Change in other technical provisions (+ or -).....	-	4 7	4 0	4 0	4 0	4 0	4 0
Balance of other technical items (+ or -).....	+	5 -40	5 0	5 -960	5 0	5 0	5 0
Operating expenses.....	-	6 6,410	6 0	6 37,206	6 111	6 0	6 5
Technical balance of direct business (+ or -)		7 -94	7 0	7 15,695	7 128	7 0	7 5
Result of outward reinsurance (+ or -).....B		8 -1,030	8 0	8 -6,058	8 -242	8 0	8 -9
Net result of indirect business (+ or -).....C		9 3	9 105	9 0	9 0	9 0	9 0
Change in equalisation reserves (+ or -).....D		10 0	10 0	10 0	10 0	10 0	10 0
Share of profit from investments transferred from non-technical account.....E		11 0	11 0	11 0	11 0	11 0	11 0
Result of the technical account (+ or -) (A + B + C - D + E)		12 -1,121	12 105	12 9,637	12 -114	12 0	12 -4

Company Elba Assicurazioni S.p.A.

Year 2022

Summary schedule of the technical account summarising all the non-life classes – Italian portfolio

Italian portfolio

		Direct insurance risks		Indirect insurance risks		Retained risks	
		Direct risks	Risks ceded	Risks underwritten	Risks retroceded	Total	
		1	2	3	4	5= 1 -2 + 3 - 4	
Premiums written.....	+	1 128,808	11 53,823	21 321	31	41	75,306
Change in premium reserve (+ or -).....	-	2 32,894	12 11,835	22 94	32	42	21,153
Claims-related expenses.....	-	3 20,395	13 6,386	23 0	33	43	14,009
Change in other technical provisions (+ or -).....	-	4 58	14	24 0	34	44	58
Balance of other technical items (+ or -).....	+	5 -1,096	15 166	25 0	35	45	-1,262
Operating expenses.....	-	6 58,098	16 26,197	26 116	36	46	32,017
Technical balance (+ or -).....		7 16,267	17 9,571	27 111	37	47	6,807
Change in equalisation reserves (+ or -).....	-	92		0		48	92
Share of profit from investments transferred from non-technical account.....	+	9 0		29 0		49	0
Result of technical account (+ or -).....		10 16,175	20 9,571	30 111	40	50	6,715

Notes to the financial statements - Annex 29

Company REVO INSURANCE S.p.A. 2022

Section I: Non-life insurance

		Total classes
Direct business gross of reinsurance		
Premiums written	+	1 2,259
Change in premium reserve (+ or -)	-	2 1,002
Claims-related expenses	-	3
Change in other technical reserves (+ or -)	-	4
Balance of other technical items (+ or -)	+	5
Operating expenses	-	6 575
Technical balance of direct business (+ or -) A		7 682
Result of outward reinsurance (+ or -) B		8
Net result from indirect business (+ or -) C		9
Change in equalisation reserves (+ or -) D		10
Share of profit from investments transferred from non-technical account E		11
Result of the technical account (+ or -) (A + B + C- D + E)		12 682

Section II: Life insurance

		Total classes
Direct business gross of reinsurance		
Premiums written	+	1
Claims-related expenses	-	2
Change in mathematical reserves and other technical reserves (+ or -)	-	3
Balance of other technical items (+ or -)	+	4
Operating expenses	-	5
Profit on investment net of portion transferred to the non-technical account (1)	+	6
Balance of direct business gross of reinsurance (+ or -) A		7
Result of outward reinsurance (+ or -) B		8
Net result from indirect business (+ or -) C		9
Result of the technical account (+ or -) (A + B + C)		10

(1) The algebraic sum of items relating to the foreign portfolio included in Items II.2, II.3, II.9, II.10 and II.12 of the income statement

Company REVO Insurance S.p.A.

Year 2022

Relations with Group companies and other investee companies

	Parent companies	Subsidiaries	Affiliates	Associates	Other	Total
Investment income						
Income from land and buildings	001	002	003	004	005	006
Dividends and other income from shares and quotas	007	008	009	010	011	012
Income on bonds	013	014	015	016	017	018
Interest on loans	019	020	021	022	023	024
Income on other financial investments	025	026	027	028	029	030
Interest on deposits with ceding undertakings	031	032	033	034	035	036
Total	037	038	039	040	041	042
Unrealised income and capital gains on investments for the benefit of policyholders who bear the associated risk and investments arising from pension fund management						
	043	044	045	046	047	048
Other income						
Interest on receivables	049	050	051	052	053	054
Recoveries of administrative expenses and charges	055	056	28	057	058	059
Other income and recoveries	061	062	063	064	065	066
Total	067	068	28	069	070	071
Gains on investment disposals (*)	073	074	075	076	077	078
Extraordinary income	079	080	081	082	083	084
GRAND TOTAL	085	086	28	087	088	089
						090
						28

Relations with Group companies and other investee companies

II: Expenses

	Parent companies	Subsidiaries	Associates	Affiliates	Other	Total
Investment management expenses and interest expense						
Expenses related to investments	091	092	093	094	095	096
Interest on subordinated liabilities	097	098	099	100	101	102
Interest on deposits received from reinsurers	103	104	105	106	107	108
Interest on payables arising from direct insurance operations	109	110	111	112	113	114
Interest on payables arising from reinsurance operations	115	116	117	118	119	120
Interest on payables to banks and financial institutions	121	122	123	124	125	126
Interest on collateralised payables	127	128	129	130	131	132
Interest on other payables	133	134	135	136	137	138
Losses on receivables	139	140	141	142	143	144
Administrative charges and expenses for third parties	145	146	147	148	149	150
Miscellaneous expenses	151	152	153	154	155	156
Total	157	158	159	160	161	162
Unrealised expenses and capital losses on investments for the benefit of policyholders who bear the associated risk and arising from pension fund management						
	163	164	165	166	167	168
Losses on investment disposals (*)	169	170	171	172	173	174
Extraordinary expenses	175	176	177	178	179	180
GRAND TOTAL	181	182	183	184	185	186

(*) With reference to the counterparty in the transaction

Company REVO Insurance S.p.A.

Year 2022

Summary schedule of premiums written for direct business

	Non-life operations		Life operations		Total	
	Establishment	FPS	Establishment	FPS	Establishment	FPS
Premiums written:						
in Italy.....	1 128,808	5 0	11	15	21 128,808	25 0
in other States of the European Union.....	2	6 1,603	12	16	22	26 1,603
in third countries.....	3	7 601	13	17	23	27 601
Total.....	4 128,808	8 2,204	14	18	24 128,808	28 2,204

Company Elba Assicurazioni S.p.A.

 Year 2022

Schedule of expenses relating to employees, directors and statutory auditors

I: Payroll expenses

	Non-life operations	Life operations	Total
Employment expenses:			
Italian portfolio:			
- Salaries	1 10,472	31	61 10,472
- Social security contributions	2 2,378	32	62 2,378
- Provision for severance indemnity and similar obligations.....	3 1,046	33	63 1,046
- Miscellaneous expenses for staff	4 1,143	34	64 1,143
Total	5 15,039	35	65 15,039
Foreign portfolio:			
- Salaries	6	36	66
- Social security contributions	7	37	67
- Miscellaneous expenses for staff	8	38	68
Total	9	39	69
Overall total	10 15,039	40	70 15,039
Self-employment expenses:			
Italian portfolio	11 5,086	41	71 5,086
Foreign portfolio	12	42	72
Total.....	13 5,086	43	73 5,086
Total expenses for work performed.....	14 20,125	44	74 20,125

II: Description of expensed items

	Non-life operations	Life operations	Total
Investment operating expenses	15	45	75
Claims-related expenses	16 1,973	46	76 1,973
Other acquisition expenses	17 9,957	47	77 9,957
Other administrative expenses	18 8,057	48	78 8,057
Administrative charges and expenses for third parties	19	49	79
Total	20	50	80
	21 19,987	51	81 19,987

III: Average number of employees during the year

	Number
Executives	91 18
Office workers.....	92 107
Salaried workers.....	93
Other	94
Total	95 125

IV: Directors and statutory auditors

	Number	Fees payable
Directors	96 7	98 512
Statutory Auditors	97 3	99 132

The undersigned declares that these financial statements comply with the truth and with the scriptures

The legal representatives of the Company (*)

Alberto Minali - Chief executive officer



(**)

(**)

(**)

Auditors

Alfredo Michele Malguzzi - Chairman

Rosella Colleoni

Alessandro Copparoni

Space reserved for the certificate from the Registry
Office
of companies about the storage.

- (*) For foreign companies, the signature must be affixed by the general representative for Italy.
(**) Indicate the office held by the signatory.

Certification of the consolidated financial statements pursuant to Article 81-ter of Consob Regulation 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 declare, 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 consolidated financial statements during financial year 2022.
2. We also certify that:
 - The consolidated financial statements as at 31 December 2022:
 - 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 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 description of the main risks and uncertainties to which they are exposed.

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



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

