

A new paradigm: what we want to be

Focus on PMI

Growing demand

Fully-fledged offer

Leadership in
specialty lines



New technologies

Digitalization and simplification

Distribution-led growth

New parametric products

Human capital

Technological know-how

Distribution capabilities

REVO will be a brand new player, operating in Italy and with the ambition to expand abroad in the medium term

An attractive market niche

**> 1.5 BEUR
Market**

The size of the Italian specialty lines market is estimated to be greater than 1.5 BEUR¹

**~ 13%
ROE³**

ROE is generally higher in the specialty business than in traditional life and non-life insurance

Approximately 5 million SMEs to serve, of which only 62% have an active insurance coverage today.

Brexit has reduced Lloyds' operations in continental Europe, including Italy. One of REVO's goals is to capture some of the demand transitioning to the UK.



Parametric

A new disruptive proposal with a high expected growth rate

1 – Average Italian market 2019-2020 (excluding motor market)

2 – Source: Crif, IIA – Italian Insurtech Association and Nomisma

3 - FactSet March on ROE 2022E, specialty insurers included: Beazley, Hiscox, Lancashire, Berkley, Markel, Old Republic, Assurant, Palomar, Amerisafe

Key levers for value creation

Team

Excellent expertise across all aspects of the business
Many years of experience in large international insurance groups
Entrepreneurial spirit

Proprietary technology - OverX

Digital cloud platform with wide access to public and private data and information
Natively digital business with no legacy issues
Automation of the analysis process (A.I., sophisticated pricing tools, simplification)

Operational efficiency

Lower costs per unit of risk thanks to simple, digital and automated processes
Transparency of coverage with improved customer experience
Better level of service compared to the rest of the market

Distribution

Absence of proprietary physical distribution channels
MGAs, brokers, agents of third-party insurance companies
Direct connection to commercial platforms
Openness to innovative digital channels



A virtuous growth path

2021	2022	2023	2024	2025
Acquisition of Elba Assicurazioni	Launch of new LoBs, first parametric products, IT / data investments	Completion of OverX product range and launch of first bundled products (SL+parametric)	Further development of parametric business, blockchain and ecosystems	Leadership position serving SMEs and first provider of parametric solutions

By the end of 2022

Reverse merger of REVO in Elba Assicurazioni and listing on Euronext STAR Milan

Key principles of the IT strategy

Flexibility

Scalability

Openness

Data Centric

**Security and
Privacy by design**



Proprietary by REVO

OVERX

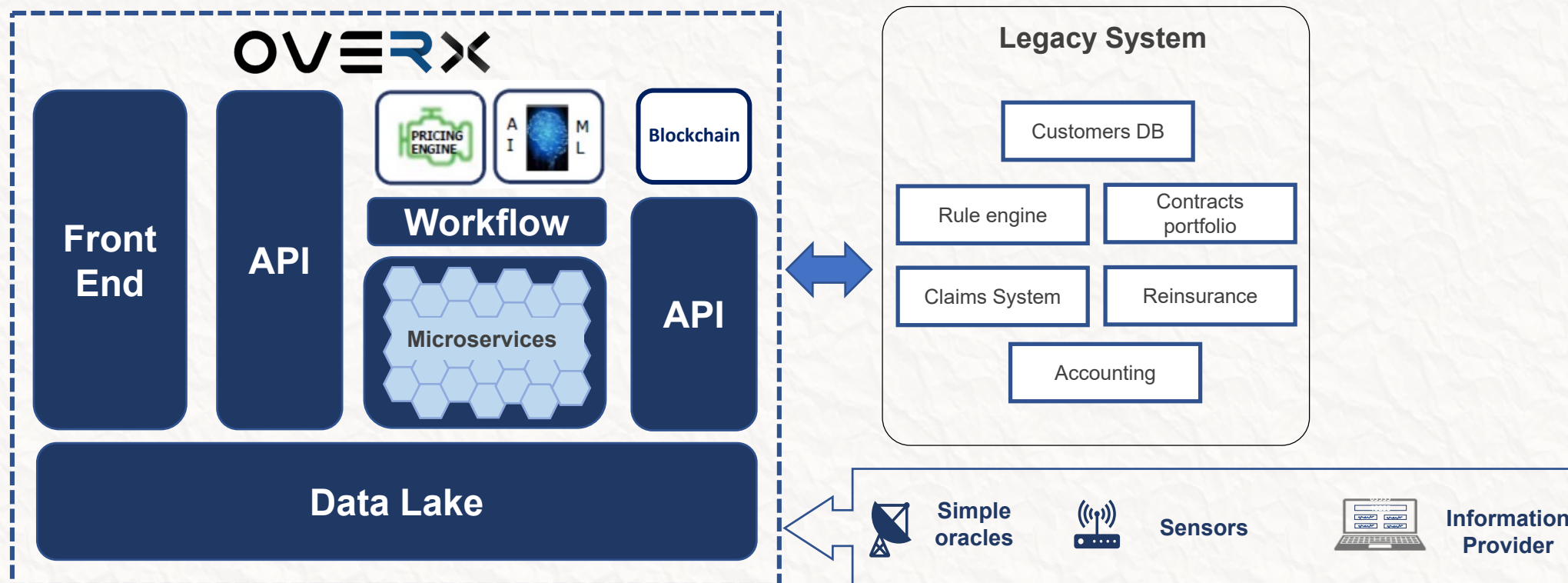
**High seniority of the IT
managerial front line
for monitoring key
factors and strategy
definition**

**Few and selected
medium-sized
strategic technology
partners**

**Highly specialized
internal resources
to oversee the
main activities**

**Extreme attention to
cyber security
issues**

OVERX architecture: built to enhance data



OverX is a competitive tool that helps REVO to gain market share quickly, also configuring itself as a management software for small intermediaries and a simplified interface for large brokers

First player in the parametric solutions market

Automatic compensation

Simple contractual conditions

Certainty of liquidation

Extensive use of data

High scalability

Low costs and transparency

Synergies with specialty lines



Why now and not before?

Data and information

Technology

Distribution models

Culture

**Absence of legacy issues from a
technological and commercial
point of view as a key success
factor**

OVERXX

Oracles, products and risk management



**Simple
oracles**



**Scientific
models**



Sensors



Software

2022

Weather

Business Interruption

Agro

2023

Weather

Business Interruption

Agro

Cat

Mobility

Cyber

Risk management

Predictive approach to reduce risk concentration

Optimization of the portfolio mix, also according to specialty exposures

Flexibility means omnichannel distribution

**Centrality of digital
platforms, marketplaces and
affinities**

**Partnerships with
non-insurance players**

**Broker and agents for
identification of opportunities**

Traditional brokers / agents
that can access OverX

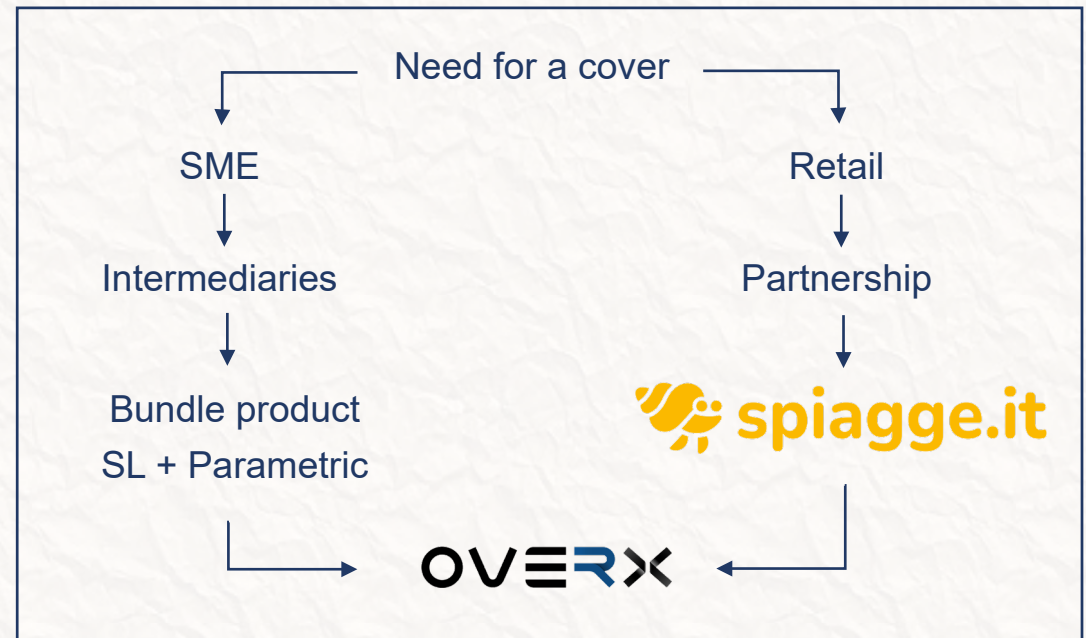
Digital broker / platform
with API connection
to the OverX back-end

Direct underwriting through
OverX

Website signalling from external
partner

OVERX

We do what we say



Specialty lines: our vision

Become the reference Specialty insurer in the Italian SME and professionals market



Underwriting strategy
and high-calibre skills



An innovative
distribution model



A solution-oriented
approach

Our new product plan

Business development in the following LoBs: **Financial Line, Agro, Event and Liability**)

Launch of products dedicated to **Property** and **Business Interruption**. Identification of niches such as **Fine Art** to consolidate the growth process



Strengthening and improvement of Elba's core business (**Bonds** and **Engineering**)

Growth driven by new products for companies in the following LoBs: **Accident, Pollution and Mortgage Solutions** for **Financial Institutions**

Offer of products & solutions dedicated to the **Aviation** and **Marine business**

An innovative distribution model



Distribution
agreements with
**global and large
brokers**

More than 40 direct
partnerships, removing
excess intermediation



MGA supporting the
Agents Network and the
development of **niche
Business**

A new MGA REVO and
partnership with 5-10
MGAs strongly focused
on the specialty market



Network of **Agents**
specialized in
Specialty Business

Consolidation of Elba's
current agents network
and scouting for new
specialized agencies



Direct link to new
distribution
platforms

Flexibility of OverX as an
enabler for connecting to
new digital platforms

Growth potential of the REVO project resulting from expansion of the distribution network

The assumptions underlying the plan

Macroeconomic outlook

Inclusion of 2022 inflation growth, with gradual stabilization over the period 2023-2025

Gradual decline in 2022 GDP compared to estimates at the end of 2021

Non-inclusion of the possible positive effects resulting from the activation of the PNRR

Technical dynamics

Maintaining the profitability of Elba and further growth of the bond business

Estimate of specialty lines GWP using a bottom-up approach based on the indications of each LoB manager

Loss ratio by product for each LoB

Solvency, Dividends, Investments

Maintaining an excellent level of capital solidity over the plan period

Potential dividend distribution starting from 2023

IT investments greater than 15 million euros

Aiming to expand to 200 HCs by 2025

Full focus on achieving the 2025 targets

Main KPIs of the plan	2021	2025	
GWP	77.5 MEUR	~ 300 MEUR	Increase of premiums and diversification
<i>Of which bond</i>	<i>59.7 MEUR</i>	<i>~ 80 MEUR</i>	Further growth in the most profitable bond LoB
Reinsurance	QS	Sophistication	Maintaining a high overall technical profitability
Loss ratio ¹	-	~ 45%	Significant increase in the operating result
Operating result ²	20.9 MEUR	~ 3 times	Optimization and improvement of conditions already in progress

Key targets	2025
Operating ROE ³	> 18%
Solvency II ratio	180% – 200%
Dividend	From net profit 2023

The execution of this plan does not require additional capital

1 - Overall loss ratio calculated on earned premiums net of reinsurance

2 - Adjusted operating result net of amortization of the Value of Business Acquired (VoBA), cost of the Long-Term Incentive plan and any other extraordinary items

3 - Operating result net of amortization of the Value of Business Acquired (VoBA) and cost of the Long-Term Incentive plan / average net equity for the year

Investments and rating: markets decorrelation

Investments

Exposure to investments compliant with ESG-criteria

Reduction of Italy country risk over the plan period and diversification towards other countries

No structural exposure to equity (limited to short periods of time) and limited duration

Increase in the weight of the corporate bond component

Rating

First rating upgrade (from BBB to BBB +) following the acquisition of Elba Assicurazioni

Possible improvement also thanks to further portfolio and business diversification over the plan period

The REVO share makes it possible to offer the investor a strong decorrelation from the performance of the financial markets

Value will be generated mainly by the technical performance of the business and not by the financial result of the portfolio