Società Cattolica di Assicurazione S.p.A - Registered office at Lungadige Cangrande 16, Verona 37126

Certified email: cattolica.assicurazioni@pec.gruppocattolica.it - Share capital €685,043,940.00 fully paid up - Tax code and Verona Companies Register No. 00320160237 - VAT No. of the Cattolica Assicurazioni VAT Group 04596530230 - IVASS Companies Register No. 1.00012 - Representative of the Cattolica Assicurazioni VAT Group - Parent Company of the Cattolica Assicurazioni Group, registered in the IVASS Register of Insurance Groups under No. 019.

PRESS RELEASE - Results at 31 March 2021

STRONG GROWTH IN OPERATING PROFIT (€101 MN +82.6%) FURTHER IMPROVEMENT IN SOLVENCY RATIO (199%)

- **GROWTH IN TOTAL PREMIUM INCOME AT €1.3 BN (+16.2%), BOTH IN DIRECT NON-LIFE (+2.8%) AND LIFE (+27.2%) BUSINESS[1]**
- **IMPROVEMENT IN COMBINED RATIO (87.7%, -4.9 p.p.)**
- **MARKED INCREASE IN ADJUSTED PROFIT TO €48 MN (+160.8%)**
- **GROUP NET PROFIT AT €45 MN (+221.3%)**

Verona, 28 May 2021. The Board of Directors of Cattolica Assicurazioni met yesterday in Verona, chaired by Davide Croff, to approve the results at 31 March 2021.

Carlo Ferraresi, Chief Financial Officer of the Cattolica Assicurazioni Group, stated: "*In the first quarter of 2021 we confirmed the positive trend started last year, which closed with the best operating result ever. The figures for this quarter are also very solid and clearly improving, not only for contingent reasons, such as the persistence of a favourable trend in claims, but also thanks to continuous improvements with a decisive growth in the various business lines and a marked improvement of the life mix. The performance indicators are all positive, concretizing the work carried out by the Group and its distribution networks, both agency and banking, resulting from the strategic indications of focusing on income quality. Cattolica's fundamentals are increasingly solid and allow us to look forward to the rest of the year with confidence and to confirm the guidance given to the market, which sees an operating result between € 265 and € 290 million*".

The economic data and assets and liabilities of Lombarda Vita, which was sold on 12 April 2021 after the relevant authorisations were obtained, have been reclassified under the relevant "disposal" items pursuant to IFRS 5 for both 2020 and 2021. The data commented on here are like for like, without the contribution of Lombarda Vita, which is synthetically represented in net profit.

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[1] Changes calculated on a like-for-like basis.

Total premium income from direct and indirect business, Non-Life and Life,[2] grew by 16.2% to €1,277 million. Direct Non-Life business increased by 2.8% due to the Non-Motor. Life premium income also increased by 27.2%.

The **combined ratio** was 87.7%, improving by 4.9 p.p. compared with the ratio in 1Q2020, which was affected by the provision to cover the voucher for Motor customers[3]. **Operating profit**[4] grew strongly, by 82.6% to €101 million, taking **operating ROE**[5] to 9.2%.

Adjusted profit[6] grew strongly to €48 million in 1Q2021 (€18 million in 1Q2020). **Group net profit** [7] amounted to €45 million (€14 million in 1Q2020), a marked improvement on the previous year.

Non-Life business
Premium income from direct business increased by 2.8% to €496 million. The **Non-Motor segment** contributed €243 million to the result, with premium income up on the previous year (+6.3%). Premiums in the **Motor segment** amounted to €253 million, flat compared with 1Q2021 (down by 0.4%): various factors were involved in this change, including the sharp decline in premiums in March 2020, the effect on the average premium of the current competitive pressure in the market and initiatives for policyholders, including vouchers. The Motor TPL policy portfolio was down by approximately 17,000 policies in 1Q2021.
The **combined ratio**[8] was 87.7% (-4.9 p.p.), an excellent level that continues to benefit from the ongoing decrease in frequency due to lower vehicle circulation. The claims ratio for retained business was almost stable at 56.7% (+1.0 p.p.) and the expense ratio stood at 30.6% (+0.4 p.p.). The component of other technical items on premiums went from 6.7 to 0.4 p.p.: it should be recalled that last year the voucher had an effect of 4.9 p.p.

Life business
In the Life segment, **premium income from direct business** rose sharply, with premiums of €777 million (+27.2%). In addition, there was a significant increase in unit-linked products in the business mix, which accounted for 41% of the total.
The with-profits component of new Life policies with a minimum guaranteed rate of zero drove a further gradual decline in the Group's average

[2] This figure includes the insurance premiums and investment contracts of the Life classes as defined in IFRS 4.
[3] The Cattolica Group gave its customers the option of using one twelfth of the Motor Vehicle Liability premium for the renewal or purchase of new Non-Life cover.
[4] See the Glossary
[5] Operating RoE is calculated as the operating result, less the cost of employees, taxes and minority interests, over the Group's average shareholders' equity (excluding the AFS reserve).
[6] Defined as the measure of Group profit minus the amortisation of the VOBA (value of business acquired, net of the related tax effects and for the Group's share) and goodwill impairment, which are relevant to the Group's profit but do not affect the Solvency position.
[7] Net of the minority-interest share.
[8] Combined ratio for retained business: 1-(Technical balance/net premiums), inclusive of the other technical items.

guaranteed minimum reserves at 0.59% (-1 bps compared with FY2020). In addition, the new traditional policies written are characterised by low capital absorption overall due to their limited risk profile.

Financial management and financial position

Investment income[9] was €96 million (€71 million in 1Q2020), with a decrease in the ordinary Non-Life component (-14.6%).
Investments amounted to €24,511 million. The **gross technical provisions of the Non-Life classes** amounted to €3,397 million (€3,496 million in FY2020) and the **Life provisions**, including financial liabilities in investment contracts, amounted to €19,067 million, down compared with FY2020 (€19,123 million) mainly due to the performance of the shadow accounting provision correlated with the trend in the valuation of the securities portfolio.

The figures at 31 March 2021 indicate continuing capital solidity, with **consolidated shareholders' equity** of €2,665 million, up compared with FY2020.

The Group's **Solvency II ratio** at 31 March 2021 was 199%. The ratio is calculated according to the Standard Formula using the Group Specific Parameters (GSPs) authorised by the supervisory authority. The ratio made a further recovery compared with FY2020 (187%). This indicator was calculated with Lombarda Vita still included in the Solvency Capital Requirement, but excluding from own funds the amount of the subordinated loan of €80 million subscribed by UBI, which will likely be repaid during 2021.

Distribution network

At 31 March 2021, the agency network consisted of 1,348 agencies and there were 5,566 bank branches distributing the Group's products.

The Covid-19 emergency

To address the health and economic crisis caused by the pandemic, business continuity and workforce protection were ensured through the immediate adoption of smart working for all Group employees. The tools prepared during 2020 (remote payments, Motor and Life remote sales, Motor vouchers) remained available to cover and protect customers, and the flexibility measures for Motor TPL also continued during the first half of 2021.
With regard to the implications for the Group's business, the following macro-trends were recorded in 2020 and the first few months of 2021:

- There was a dramatic drop in new business during the generalised lockdown (the 2020 period from about mid-March to early May), in the Non-Life business and especially in the Life business. When traffic circulation and economic activities resumed, a process of returning to normal took place that was faster in the agency channel and less immediate in the bancassurance channel. In the last eight weeks of the year, when a second lockdown was imposed, there was another slowdown in the Motor business, although the impact was less than half

[9] Financial assets, excluding investments whose risk is borne by the policyholders, before tax.

that of the first lockdown and there was no disruption to Non-Motor and Life trends. The 2021, new business levels monitored until the end of April do not seem to have been materially affected by the ongoing partial lockdown.

- Alongside the new business performance, Life surrenders also dropped sharply during spring 2020 (more than -75%), before rising again in the following period, although they did not reach pre-lockdown levels (-20%); in the last part of 2020 there was another material decline in volume, around -50% compared with the first eight weeks of the year. In 2021, the trend of growth resumed, although the average number of weekly surrenders in April remained below the level of the pre-Covid period and the recovery period in 2020.
- Due to the prolonged hard lockdown in early 2020, there was a decrease in reported claims throughout the year involving almost all classes except for Miscellaneous Financial Loss, particularly the Motor classes, where in some weeks during lockdown claims dropped by approximately 80%. At the end of 2020 there were approximately 22% fewer claims reported in the Non-Life classes than in the previous year, including a drop of 29% in Motor TPL alone. In 2021, affected by only a partial lockdown, the same declines in total Non-Life classes have not been seen, while the decrease has continued in Motor TPL due to the restrictions on vehicle circulation (-31.6% in the 19th week compared with the same period of 2019, which was the last year not affected by Covid).
- In 2020, no particularly significant claims emerged as a result of the pandemic in either the Non-Life or Life businesses. The only class affected was Miscellaneous Financial Loss, due to business interruptions and income reimbursement.

Business outlook

On 28 January, the Cattolica BoD provided an operating result forecast for the current year of between €265 million and €290 million. To date, no elements have been identified that would result in this guidance being updated, partly in view of current developments in the pandemic scenario, with the easing of restrictions on travel and economic activities and taking changes in the financial markets into account.

However, certain potential risks that would reduce this result should they materialise have to be considered, including:

- a greater increase in Motor claims frequency in the next few months than assumed in the forecast, due to an accelerated recovery in vehicle circulation after the lifting of all restrictions, combined with changes in behaviour around the use of private means of transport.
- a worse economic performance than expected, entailing a decrease in premium income and a further drop in investment yields, particularly for the bond component, as a result of the continuation of expansionary monetary policies, with an impact in terms of a reduced contribution from technical margins and financial income.

The net profit performance will also depend on other factors, such as any write-downs.

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It should be noted that on 18 May 2021, the Board of Directors of Cattolica Assicurazioni, on the basis of the prior opinion of the Appointments and Remuneration Committee, appointed Stefano Gentili as a member of the Control and Risk Committee. Stefano Gentili has taken over from Laura Santori, who resigned from the said Committee in line with the approach, promoted by the Chairman of the Management Control Committee and after extensive board discussion, aimed at avoiding overlapping with the role of member of the Management Control Committee.

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Pursuant to paragraph 2 of Article 154-*bis* of the Consolidated Law on Finance, Financial Reporting Officer Atanasio Pantarrotas declares that the accounting information contained in this press release matches the company documents, books and financial records.

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The Company advises that it has prepared the Cattolica Group's Consolidated Financial Report at 31 March 2021 in accordance with IAS 34 (Interim Financial Statements). This approach is related to the capital increase, approved by the Company's Board of Directors on 4 August 2020, in exercise of the mandate granted pursuant to Article 2443 of the Civil Code by the Extraordinary Shareholders' Meeting of 27 June 2020, and the related obligations.
The Report, including the independent auditors' report, will be available to the public from the Company's registered office, its website, www.cattolica.it, and the eMarket STORAGE facility authorised by Consob, managed by Spafid Connect S.p.a. and accessible from the site www.emarketstorage.com, in the manner and according to the terms set out in applicable laws and regulations.
Pursuant to Article 82-ter of the Regulation for Issuers, please be advised that the amendment of information items relating to additional periodic financial information, as already defined and communicated to the public by press release on 14 November 2017, is understood as limited exclusively to the communication of data relating to 31 March 2021, as was the case on 30 September based on the previous timetable.

The results at 31 March 2021 will be presented to the financial community at 09:30 hours today, 28 May 2021, in a conference call (with Italian, English and original audio). The numbers to be called are: + 39 02 805 88 11 from Italy, +

44 1 212818003 from the United Kingdom and +1 718 7058794 from the United States. Journalists may follow the event by calling +39 02 805 88 27 (listen-only mode). The results presentation will be available in the Investor Relations section of the homepage of the website at www.cattolica.it.

SOCIETÁ CATTOLICA DI ASSICURAZIONE

***Cattolica Assicurazioni** is one of the main players in the Italian insurance industry and has been listed on the Milan Stock Exchange since November 2000. With around 3.5 million customers who rely on the insurance solutions and products it distributes, the Group generates total premium income of €5.7 billion (2020). At the Group level, Cattolica has 1,348 agencies throughout Italy, covering both large cities and smaller towns, and a network of 1,839 agents. For further information: www.cattolica.it/profilo-societario*

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Glossary

Operating result: the operating result does not include the more volatile components (realised gains, write-downs and other one-off items). In detail, the Non-Life operating result is defined as the sum of the technical balance, net of reinsurance, ordinary financial revenues and other non-technical net charges (depreciation, amortisation, impairment of insurance receivables, etc.). The operating result does not include realised and unrealised gains and losses, impairment of other assets, the cost of financial debt (subordinated debt), amortisation of the value of business acquired (VOBA), voluntary redundancy incentives, staff severance indemnity and other one-off items. The Life operating result is defined in a similar way, with the difference that all financial income contributing to the return of securities pertaining to separate accounts and those classified as class D is considered part of the operating result.

Cattolica Group - INTERIM CONSOLIDATED REPORT ON OPERATIONS at 31 March 2021

(prepared in accordance with international accounting standards)

Reclassified statement of financial position (amounts in millions)	31.03.2021	31.12.2020	*Mandatory schedule items (*)*
Assets			
Real estate and securities investments	1.174	1.176	*4.1 + 2.1*
Equity investments in subsidiaries, associates and joint ventures	167	174	*4.2*
Loans and receivables	1.199	1.194	*4.4*
Investments held to maturity	99	184	*4.3*
Available-for-sale financial assets	17.018	17.147	*4.5*
Financial assets at fair value through profit or loss	4.402	4.221	*4.6*
Cash and cash equivalents	452	360	*7*
Investments	**24.511**	**24.456**	
Intangible assets	689	705	*1*
Reinsurers' share of technical provisions	575	580	*3*
Other assets net of other liabilities	634	830	*(**)*
of which assets of disposal groups held for sale	*9.115*	*9.363*	
of which liabilities of disposal groups held for sale	*-8.882*	*-9.132*	
ASSETS	**26.409**	**26.571**	
Shareholders' equity and liabilities			
Group capital and reserves	2.140	2.104	
Group result	45	36	*1.1.9*
Shareholders' equity attributable to the Group	**2.185**	**2.140**	*1.1*
Shareholders' equity attributable to minority interests	480	473	*1.2*
Consolidated shareholders' equity	**2.665**	**2.613**	*1*
Premium provision	882	892	
Claims provision	2.515	2.604	
Non-Life gross technical provisions	**3.397**	**3.496**	*3*
Life gross technical provisions	**18.783**	**18.771**	*3*
Other Non-Life gross technical provisions	3	3	*3*
Other Life gross technical provisions	380	425	*3*
Financial liabilities	1.181	1.263	*4*
of which deposits to policyholders	*284*	*352*	
SHAREHOLDERS' EQUITY AND LIABILITIES	**26.409**	**26.571**	

Reclassified income statement (amounts in millions)	31.03.2021	31.03.2020	*Mandatory scheme items (*)*
Revenues and income			
Net premiums	1.232	1.040	*1.1*
Commission income	0	1	*1.2*
Income and expenses from financial instruments at fair value through profit or loss	85	-331	*1.3*
Financial income from Class D	*79*	*-328*	
Income from equity investments in subsidiaries, associates and joint ventures	2	2	*1.4*
Income from other financial instruments and investment property	183	164	*1.5*
of which change in other financial liabilities	*0*	*0*	
Other revenues	34	22	*1.6*
Total revenues and income	**1.536**	**898**	
Costs and expenses			
Net claims-related expenses	-1.106	-517	*2.1*
Commission expense	-1	-1	*2.2*
Expenses from equity investments in subsidiaries, associates and joint ventures	0	-1	*2.3*
Expenses from other financial instruments and investment property	-81	-80	*2.4*
Operating expenses	-197	-189	*2.5*
Commissions and other acquisition expenses	*-128*	*-128*	
Investment management expenses	*-13*	*-12*	
Other administrative expenses	*-56*	*-49*	
Other costs	-71	-85	*2.6*
Total costs and expenses	**-1.456**	**-873**	
Result for the period before taxes	**80**	**25**	
Taxes	-31	-16	*3*
Result for the period after taxes	**49**	**9**	
Result of discontinued operations	**6**	**11**	*4*
CONSOLIDATED RESULT FOR THE PERIOD	**55**	**20**	
Result attributable to minority interests	10	6	
RESULT ATTRIBUTABLE TO THE GROUP	**45**	**14**	

(*) The items in the consolidated financial statements pursuant to ISVAP Regulation No. 7 of 13 July 2007 are shown.

(**) Other receivables, other assets and other tangible assets (statement of financial position asset items = 5 + 6 + 2.2) net of provisions, payables and other liabilities (statement of financial position liability items = 2 + 5 + 6).