



Financial Results FY2021

conference call

Rome, 24th March 2022

AGENDA

1. Remind on business model
2. Financial Results 2021
3. Some pictures Business model Pillars
4. Outlook 2022

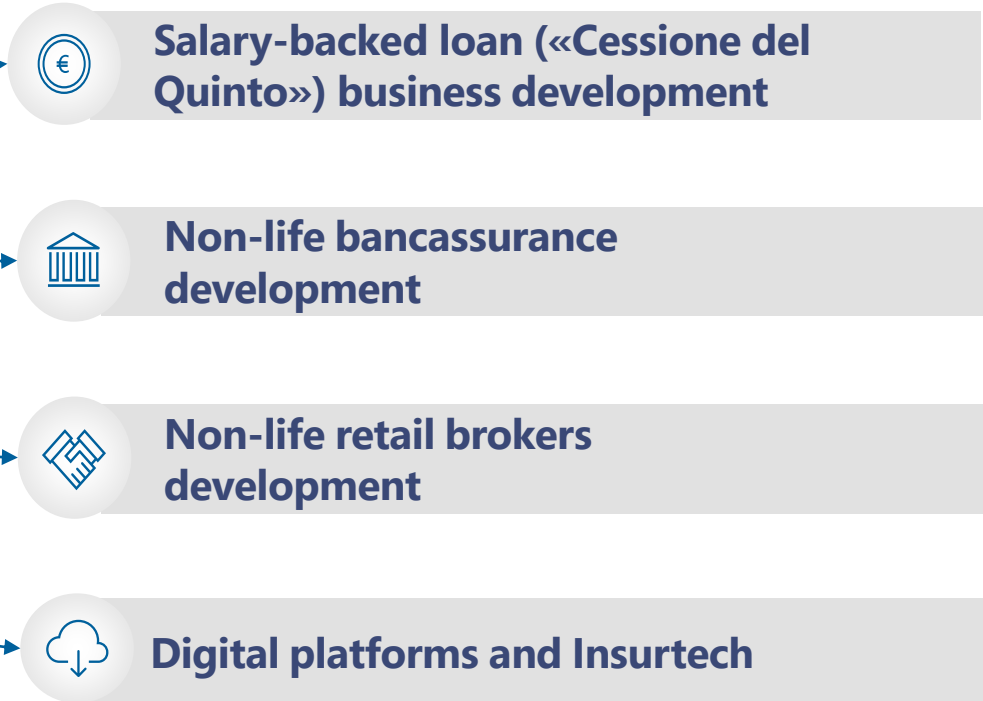
Remind on business model

Business Model

Mission

*Building an open and independent
B2B2C platform specialising in
people and property protection
business, by capitalising on every
opportunity provided by digital
technologies*

Strategic Pillars



A business model based on a multi-specialist approach and substained by a strong Governance model

Financial Results 2021

Still in line with the Plan's targets!

		ACTUAL 2020	TARGET 2021	ACTUAL 2021	
Gross written Premiums	(€/mln)	117,7	134	149,3	✓
Net income	(€/mln)	6,5	11	11,3	✓
Net income adj.	(€/mln)	7,6	11,3	11,5	✓
Shareholders' equity	(€/mln)	79,7	71,5	88,8	✓
ROE	(adj.) (%)	9,5	15,8	13	✓
Combined Ratio	(net of Reins.) (%)	70	71,5	81	✓
Solvency Ratio	(%)	177,2	~ 165-175	180,7	✓

ROE is not completely reached in FY2021, due to the increase of shareholders' equity (as effect of recovery assets incurred in FY2019 and not reported in Business Plan)

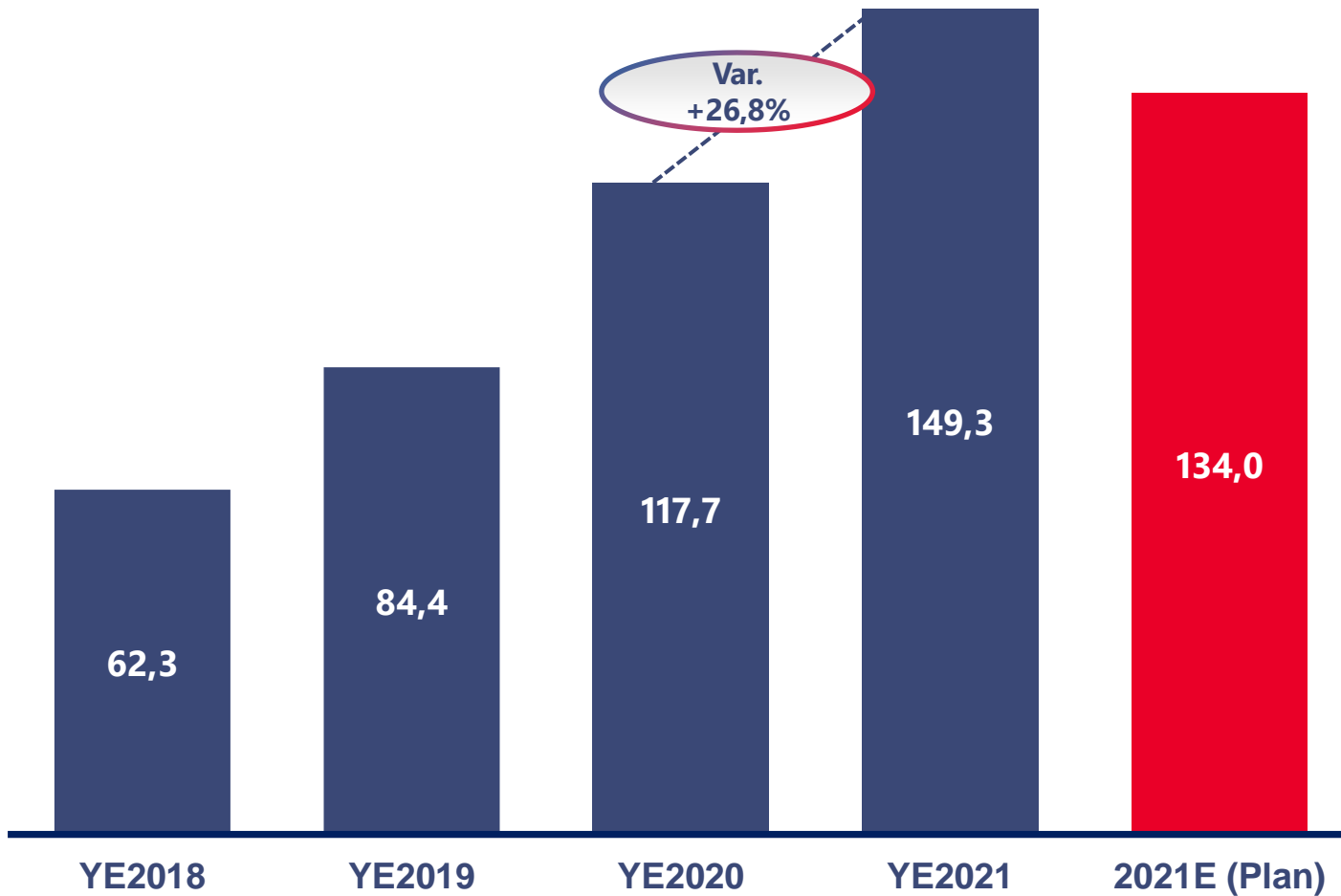
Reclassified income statement

(€/mln)

	BUSINESS PLAN 2021	ACTUAL 2021
Gross written Premiums	134	149,3
Gross margin	31,9	31,6
Ordinary expenses	(19,9)	(20,9)
Financial result	4,6	3,2
Profit before taxes	15,2	12,7
Taxes	(4,1)	(1,4)
Net income	11	11,3
Net income adj.	11,3	11,5

Gross written Premiums

(€/ mln)

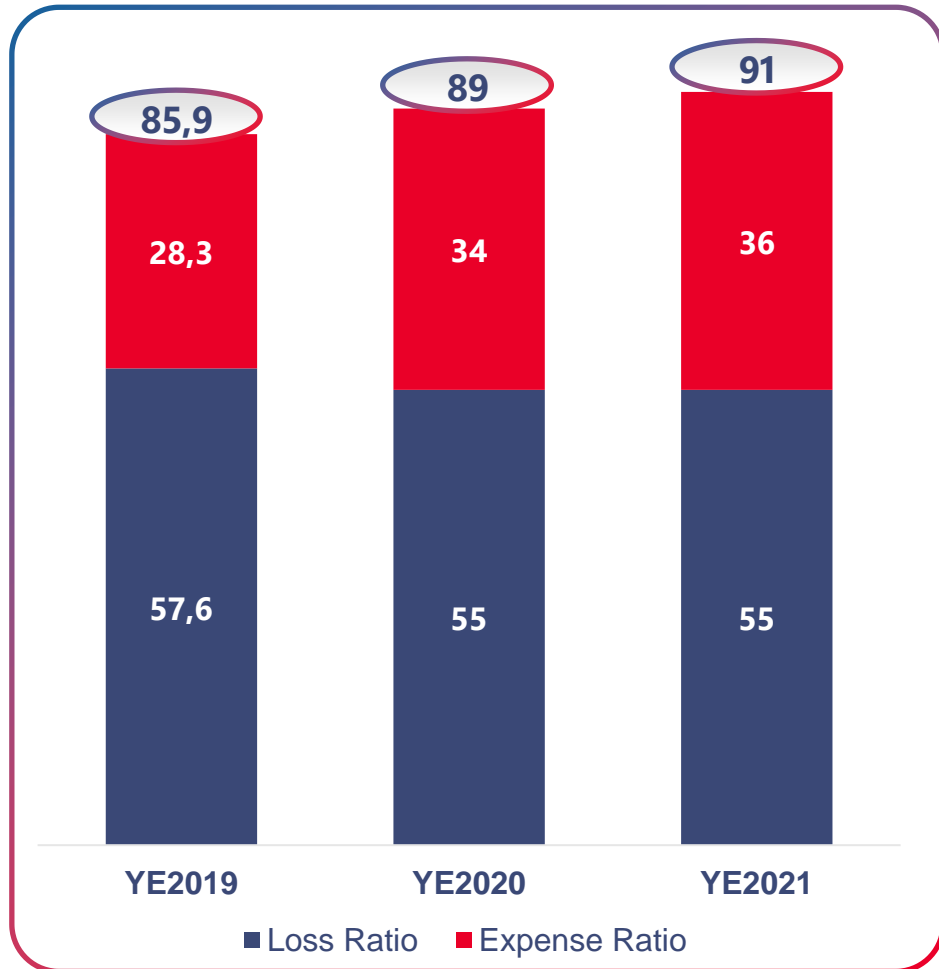


- ▶ **Increase in GWP (+26,8% YoY) and +11,4% above the Plan**
- ▶ **CQ business is the most relevant in terms of "turnover" also in FY2021**
- ▶ **GWP in Bancassurance reaches 27 million euro in FY2021 (from 0 euro in FY2018)**

Combined Ratio

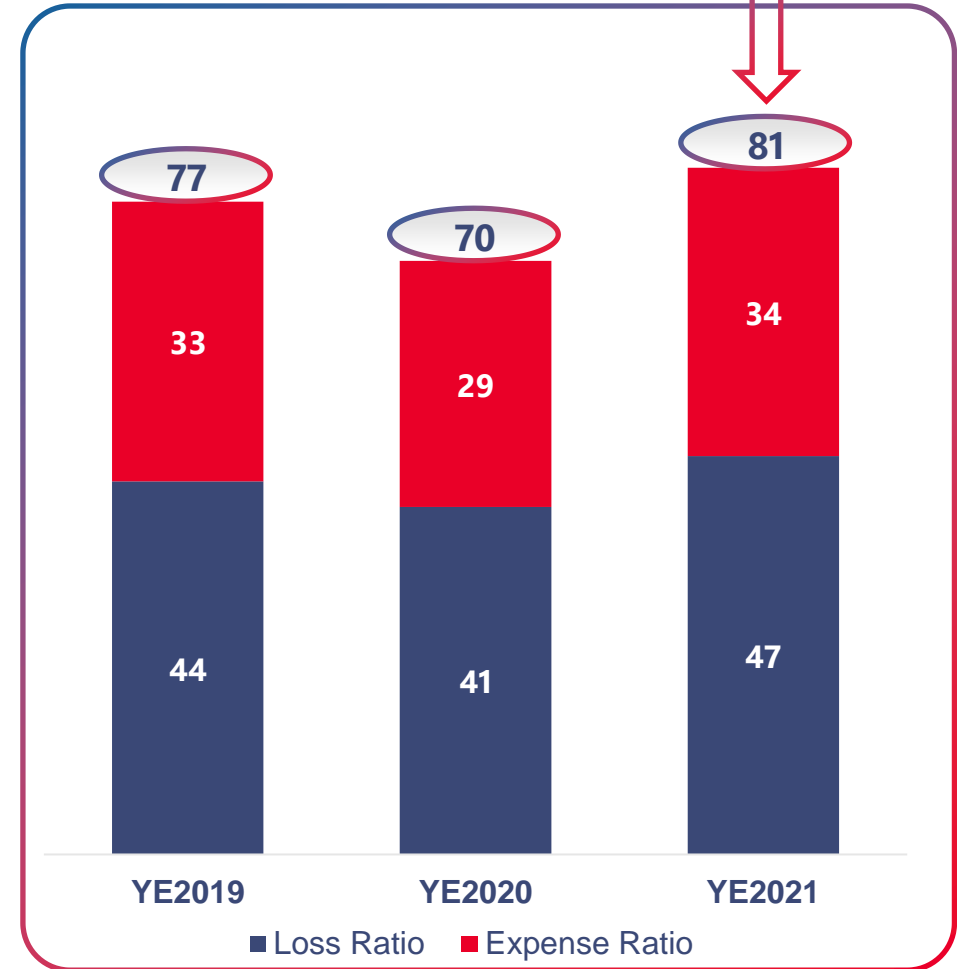
(%)

Gross of Reinsurance



Combined effect of business mix and extra mortality linked to Covid

Net of Reinsurance

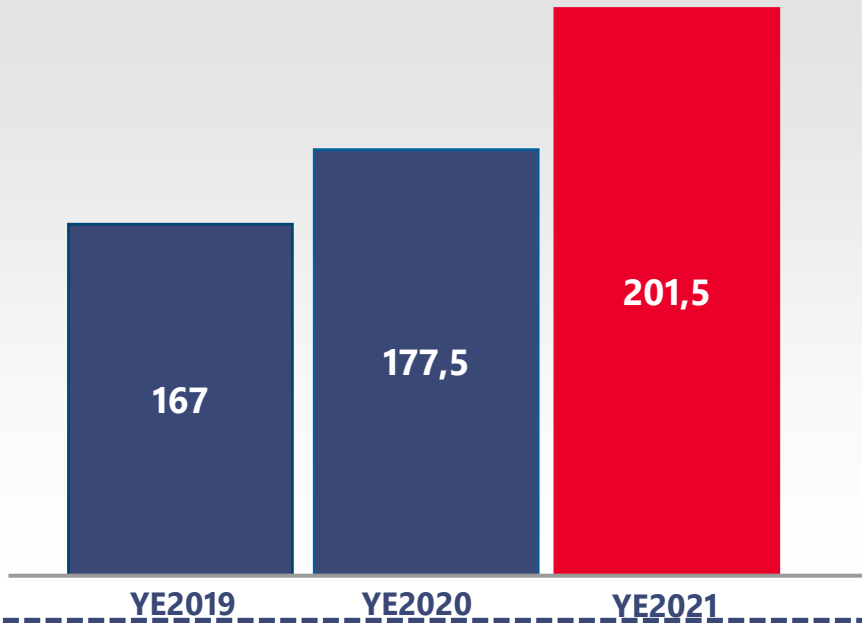


Investments

*Financial result
(€/mln)*

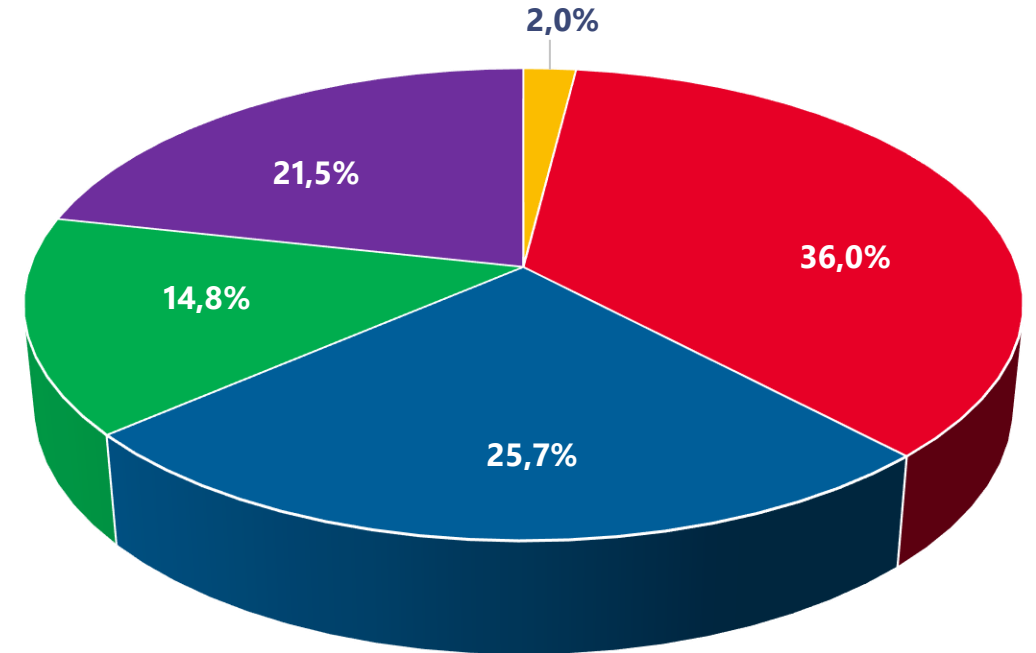


*Investments
(€/mln)*



*Very diversified asset allocation,
which generates further profits on
the Income Statement*

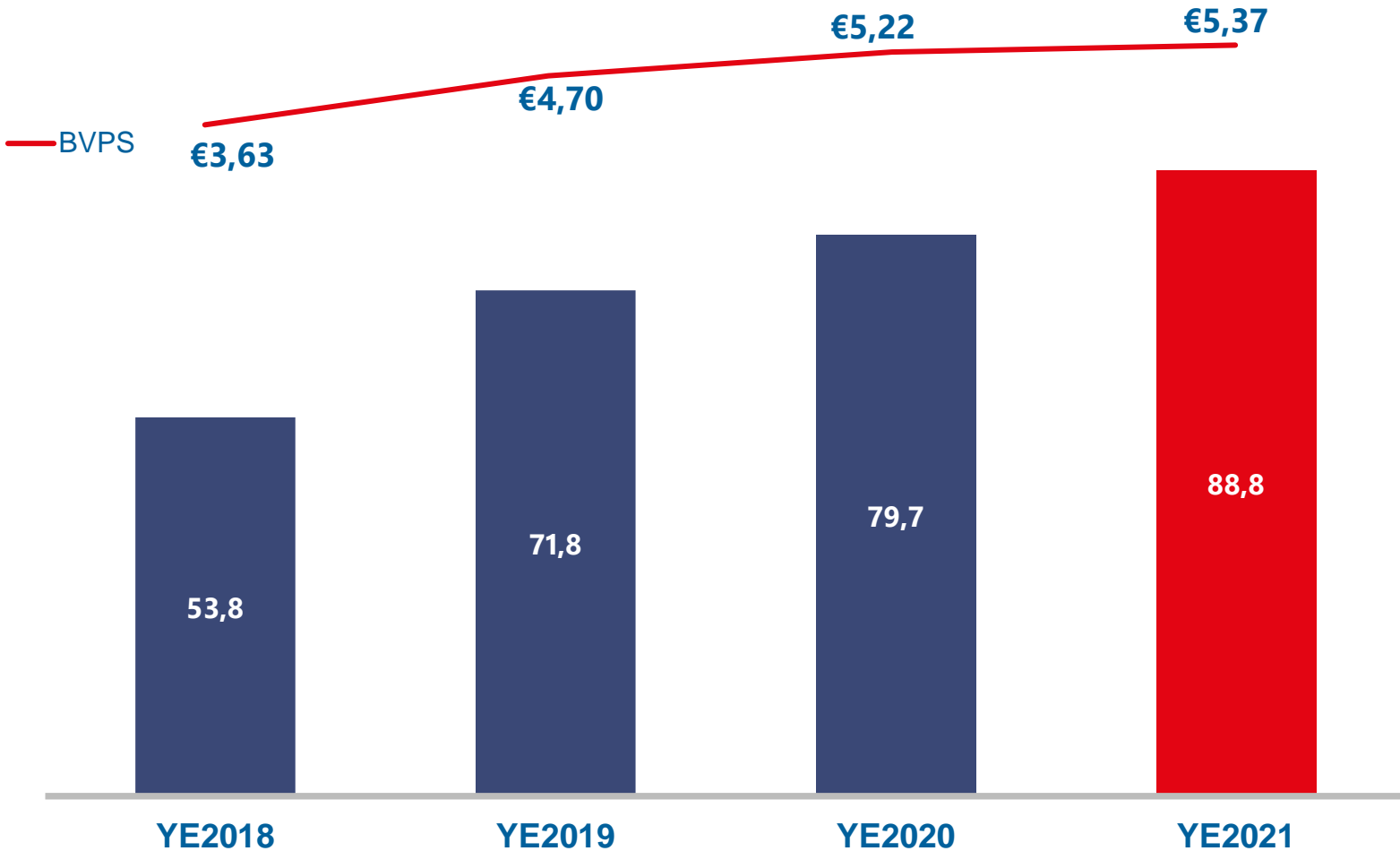
Asset allocation



- Equity
- Funds
- Govies ITA
- Govies not ITA
- Corporate bond

Shareholders' Equity

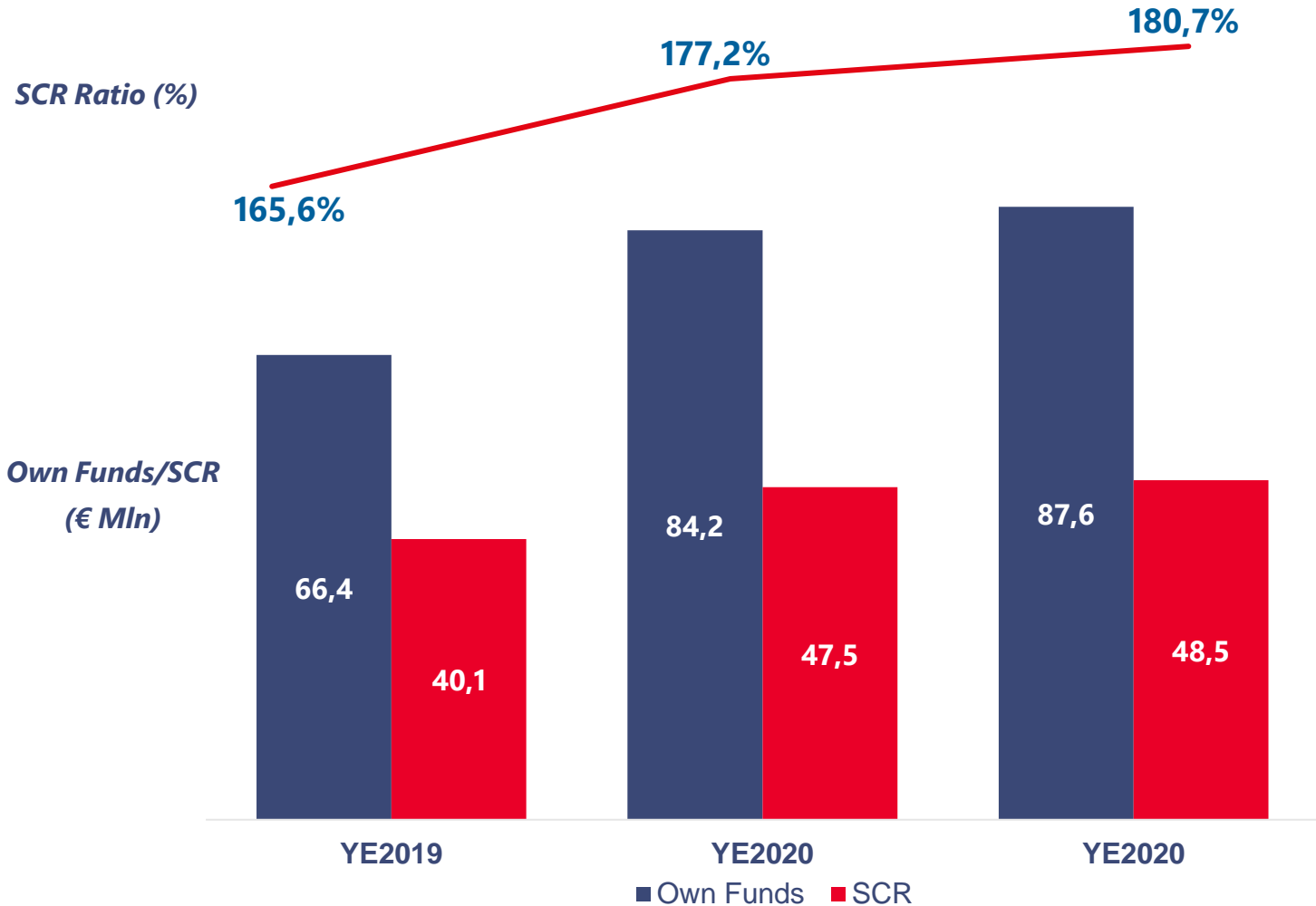
The equity structure benefits from a wide reinvestment of the net income



CAGR_(BVPS) : 13,9%

SCR Ratio – Net Insurance Group

*SCR Ratio level higher than
~ 165%-175%
(estimated in the Business Plan)*



- ▶ *Solvency position widely above regulatory minimum;*
- ▶ *Flexible capital structure which showed always its strong resilience and low volatility;*
- ▶ *SCR Ratio still above Plan's estimates, such to pay a dividend on 2021 Results equal to € 0,1711 per share*

Some pictures Business model Pillars

Salary backed – loan (CQ business)

- ▶ Strong **leadership** position with a **market share steadily above 25%** in terms of loan contracts insured⁽¹⁾; in 2021 NET is the 1st Insurer in CQ business (Salary segment) and overall the 2nd Insurer in CQ business (Salary and Pension overall)
- ▶ **High standards of quality service and specialization**, recognized from all our Partners
- ▶ **Good level of profitability on CQ business**, thanks to sophisticated underwriting and scoring system criteria
- ▶ **Pricing activities** during 2021 (on Credit Class and Life Class) in order to strengthen technical profitability
- ▶ **Very diversified composition** on CQ business; good profitability despite of Covid event (mortality and unemployment risk)
- ▶ Very **high standing level of all Reinsurers in CQ** business (2/3 of business is ceded to Reinsurers)

- ▶ **Launched agreements** with Banca Popolare Valconca, Banca Capasso (owned by IBL Banca), Banca di Piacenza, Figenpa and, at the beginning of 2022, Cassa di Risparmio di Volterra
- ▶ **Bancassurance** is the third business of the Company in terms of premiums (27 million in FY2021)
- ▶ **Launched new insurance products** dedicated to Protection of SMEs (leasing and cyber risk) and Persons (sport activities and **Long Term care** insurance Coverage)

Bancassurance

Distribution area



Protection solutions

The figure displays four protection solutions, each with an icon and a description:

- CPI** (Mortgages, Loans, business) - Icon: Euro symbol on a stack of coins.
- Protection Households** (Multirisk, Home, Health, Accident, PET) - Icon: Family of three inside a house.
- Protection Long Term Care** (lack of self-sufficiency on old age) - Icon: Elderly person in a wheelchair inside a house.
- Protection Business** (Enterprise multirisk, Agricultural risk, Leasing) - Icon: Office building with a red exclamation mark.

Protection solutions dedicated to Person, Households and SMEs cover the entire national territory.
Above no. 850 «points of sale» where NET's products are placed

Digital and Broker channel

Digital

- ▶ **Digital is the channel underlying the entire value proposition of NET**
- ▶ Digital is an enable factor of the entire smart working mechanism
- ▶ Signed **important agreement with TIM and Enel X**, such enlarging the customer list of NET (with Enel launched a product for a device IoT)
- ▶ Rich and “full digital” product catalogue: **PET insurance coverage**, Device insurance coverage and **new policies** dedicated to People (“mobility green” and dental) and SMEs (cyber risk)

Broker retail

- ▶ It's a **complementary channel to bancassurance** in the insurance offer, with an appreciable contribution in terms of premiums and technical results
- ▶ **Defined agreements and placement products** in a very targeted way
- ▶ **New insurance solutions** on Dental, Health product, and CAT risks
- ▶ Business increased in **niche markets risks (suretyship)**

Other relevant results during 2021



AM Best affirmed Long-Term Issuer Credit Rating of “bbb-” (Good) of Net Insurance



Nielsen Sports agency certified NET’s **brand awareness**, which now is known by **24%** of Italian population thanks to the sponsorship with FIGC and AIA



NET received the certification “**great place to work**” and “**smart working award 2021**”



NET obtained the **certification ISO/IEC 27001:2013**, which certified quality and security level of data






Outlook 2022

Outlook 2022

-  The **resilience of NET** is also showing strong also during the new war scenario currently in progress
-  NET will aim to grow its market share on **CQ business**, thanks also to its digital and agile approach towards all Partners, such to simplify all underwriting and selection risk process. The objective is to keep good profitability
-  In the **bancassurance** segment, NET will continue to expand distribution network, signing new agreements and developing distribution with those players whose partnerships were already subscribed
-  **Broker channel**, in continuity with 2021, will maintain its complementary role to bancassurance, aiming to create a wider and vertical offer
-  Accelerate process of enhancing the offer of a full **digital** product catalog thanks to the support of digital tools and platforms
-  Another relevant point will be to support the **growth of the Company** with a commitment to **sustainability**

The new Business Plan

-  **The new Business Plan 2022-2025 will be developed and presented to update hypothesis and review targets**
-  **A Tier 1 strategic advisor will support Net Insurance in the preparation of the new Business Plan**
-  **The new Business Plan will be presented within June 2022**

Disclaimer

This Presentation (the "Presentation" or also the "Document") has been prepared by Net Insurance S.p.A. (the "Company", and if together with all its subsidiaries, the "Group"), solely for a presentation aim.

The Presentation does not constitute an offer or an invitation to subscribe or purchase securities in the United States, Australia, Canada or Japan or in any other jurisdiction where such an offer or solicitation would require the approval of local authorities or otherwise be unlawful (the "Other Countries").

The provision of this Document and all its information may be subject to restrictions in certain jurisdictions. Neither the Document nor any part of it or copy could be published, sent, transmitted or distributed, directly or indirectly in the United States, Australia, Canada or Japan. Every failure to this restriction might result in breach of the rules on the subject of local financial regulations. The distribution of the content of this Document in other jurisdictions could be limited by law and people in possession of this Document are required to inform themselves about these restrictions and to comply with them.

Please note that this Document and any part of it or its distribution can not form the basis and can not be relied on it in relation to a possible investment decision, as the Presentation and the information contained herein have been prepared purely for information purposes and they have no purpose or constitute in any way investment advice.

All data, opinions contained herein have been provided at the date of drafting of this Document and are subject to verification, completion and updates without prior notice; at this purpose, the Company doesn't undertake any obligation to provide updates or to send appropriate communications, preventive or subsequent, in the event that such updates occur or if such changes and additions become necessary and/or appropriate.

The Presentation does not intend to be all-encompassing.

The declarations contained herein have not been verified independently. No representation or warranty, either express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness, correctness or reliability of the information contained herein. Neither the Company, nor any of its representatives shall accept any liability whatsoever (whether in negligence or otherwise), arising in any way in relation to such information and/or in relation to any loss arising from its use or otherwise arising in connection with this Presentation. The acceptance of this Document and the participation in its presentation imply and presuppose the acceptance of the terms to this disclaimer by the recipient.

This Presentation could include certain forward looking statements, projections, objectives and estimates reflecting the current views of the management of the Company with respect to future events. Forward looking statements, projections, objectives, estimates and forecasts are generally identifiable by the use of the words "may", "will", "should", "plan", "expect", "anticipate", "estimate", "believe", "intend", "project", "goal", or "target" or the negative of these words or other variations on these words or comparable terminology. These forward looking statements, objectives and estimates could include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, plans, target and future developments in the markets where the Company participates or is seeking to participate.

Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements as a prediction of actual results. The Group's ability to achieve its projected objectives and/or results is dependent on many factors which are outside management's control. Actual results may differ materially from (and be more negative than) those projected or implied in the forward looking statements. Such forward looking information involves risks and uncertainties that could significantly affect expected results and is based on certain key assumptions, which, as reported before, have not been verified independently.

Thanks for your kind attention!

Contacts IR



+39 06 893261



investor.relations@netinsurance.it