ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021

Prepared according to IAS/IFRS

(This report has been translated into the English language from the original which was issued in Italian)

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1. GOVERNING BODIES AND OFFICERS AS OF DECEMBER 31, 2021

BOARD OF DIRECTORS

Chairman	Marco Pescarmona (1) (3) (5) (7)
Chief Executive Officer	Alessandro Fracassi (2) (3) (5)
Directors	Anna Maria Artoni (4)
	Fausto Boni
	Chiara Burberi (4)
	Matteo De Brabant
	Giulia Bianchi Frangipane (4)
	Klaus Gummerer (4) (6)
	Valeria Lattuada (4)
	Marco Zampetti

BOARD OF STATUTORY AUDITORS

Chairman	Stefano Gnocchi
Active Statutory Auditors	Paolo Burlando
	Francesca Masotti
Substitute Statutory Auditors	Filippo Colonna
	Barbara Premoli

INDEPENDENT AUDITORS	EY S.p.A.

COMMITTEES OF THE BOARD OF DIRECTORS

Audit and Risk Committee

Chairman	Chiara Burberi
	Giulia Bianchi Frangipane
	Marco Zampetti

Remuneration and Share Incentive Committee

Chairman	Anna Maria Artoni
	Valeria Lattuada
	Matteo De Brabant

Committee for Transactions with Related Parties

Chairman	Valeria Lattuada
	Anna Maria Artoni
	Klaus Gummerer

(1) The Chairman is the Company's legal representative.
(2) The Chief Executive Officer legally represents the Company, disjointly from the Chairman, within the limits of the delegated powers.
(3) Executive Director.
(4) Independent non-executive Director.
(5) Holds executive offices in some Group companies.
(6) Lead Independent Director.
(7) Executive Director in charge of overseeing the Internal Control System.

E-MARKET SDIR CERTIFIED

DIRECTOR'S REPORT ON OPERATIONS

FINANCIAL YEAR ENDED DECEMBER 31, 2021

2. DIRECTORS' REPORT ON OPERATIONS

2.1. Introduction

Gruppo MutuiOnline S.p.A. (the "**Company**" or the "**Issuer**") is the holding company of a group of firms (the "**Group**") with an important position in the Italian market for the online comparison, promotion and intermediation of products provided by financial institutions, e-commerce operators and utilities providers (main websites www.mutuionline.it, www.prestitionline.it, www.segugio.it, www.trovaprezzi.it and www.sostariffe.it) and in the Italian market for the provision of complex business process outsourcing services for the financial sector.

In the following sections, we illustrate the main aspects regarding the operations during the past financial year and the current economic and financial structure of the Group.

2.2. Organizational structure

As of December 31, 2020, the Issuer controls, also indirectly, the following companies:

- MutuiOnline S.p.A., Money360.it S.p.A, PrestitiOnline S.p.A., CercAssicurazioni.it S.r.l., Segugio.it S.r.l., 7Pixel S.r.l., Zoorate S.r.l., Klikkapromo S.r.l., Innovazione Finanziaria SIM S.p.A. e SOS Tariffe S.r.l.: companies operating in the market for the online comparison, promotion and intermediation of products provided by financial institutions, e-commerce operators and utilities providers to retail consumers; together they represent the "**Broking Division**" of the Group;

- Centro Istruttorie S.p.A., Centro Finanziamenti S.p.A., Quinservizi S.p.A., CESAM S.r.l., Centro Processi Assicurativi S.r.l., EuroServizi per i Notai S.r.l., MOL BPO S.r.l., Agenzia Italia S.p.A., 65Plus S.r.l., Eagle & Wise Service S.r.l., Eagle Agency S.r.l., Gruppo Lercari S.r.l. (and its subsidiaries) and Finprom S.r.l. (a company with registered office in Romania): companies operating in the Italian market for the provision of complex business process outsourcing services for the financial sector; together they represent the "**BPO** (i.e. Business Process Outsourcing) **Division**" of the Group;

- PP&E S.r.l.: offering real estate renting and support services to the other Italian subsidiaries of the Issuer.

It should be noted that Gruppo Lercari S.r.l. controls the following subsidiaries: Lercari S.r.l., Service Lercari S.r.l., San Filippo S.r.l., Global Care S.r.l., Lercari International Ltd (a company with registered office in UK), Forensic Experts S.r.l., and Lercari Motor S.r.l. (together, the "**Lercari Group**").

In addition, the Issuer owns 40% of the share capital of Generale Servizi Amministrativi S.r.l., 50% of the share capital of the joint venture PrestiPro S.r.l., 40% of the share capital of Generale Fiduciaria S.p.A., 40% of the share capital of LC Servizi S.r.l. and 50% of the share capital of Sircus Gandino S.r.l., through the subsidiary Gruppo Lercari S.r.l..

On February 1, 2021, following the registration of the merger act, the process of merging Segugio Servizi S.r.l., SOS Consulting S.r.l. and SOS Dev S.r.l. into SOS Tariffe S.r.l. was completed, with accounting effect from January 1, 2021.

On February 28, 2021, the Group acquired the remaining 50% stake of Agenzia Italia S.p.A. from Gruppo Finanziaria Internazionale, object of reciprocal put/call obligations, for a price of Euro 35,000 thousand, substantially in line with the estimated liability previously recorded in the financial statements. At the same time, the Group sold a 15.50% stake to the management of the subsidiary, which previously held a similar indirect shareholding. On such stake, the parties agreed on reciprocal put/call agreements with a maturity of 5 years, at terms and conditions similar those of the previous options.

On May 26, 2021 the Group acquired, through the subsidiary 7Pixel S.r.l., the remaining 60% stake of the share capital of Zoorate S.r.l., for a price of Euro 4,585 thousand, in line with the current liability previously recorded in the financial statements, in execution of the forward purchase agreement already in place between the parties. In addition, a deferred price component of Euro 1,052 thousand (whose condition occurred) is provided, and it will be paid by April 2022. The higher price paid with respect to the portion of net equity acquired was allocated, for Euro 4,587 thousand to the proprietary software (a platform that enables the provision of all services offered by the company, including the integration and recording of the flow of purchases from e-commerce platforms, and the management of opinions) and for Euro 746 thousand as goodwill. Further details are described in paragraph 6 of the notes to the financial statements.

On June 22, 2021 the Group acquired, through the subsidiary Cesam S.r.l., the remaining 24% stake of the share capital of Mikono S.r.l. for a price of Euro 3 thousand, in line with the estimated liability previously recorded in the financial statements due to the existence of reciprocal put/call options. On the same date, Cesam S.r.l. acquired from the Issuer a 51% stake of share capital of Mikono S.r.l., thus reaching 100% ownership of share capital of the entity.

On June 29, 2021, following the registration of the merger act, the process of merging JPL S.r.l., GSA S.r.l. and Centro Servizi Integrati S.r.l. into Gruppo Lercari S.r.l. was completed, with accounting effect from January 1, 2021.

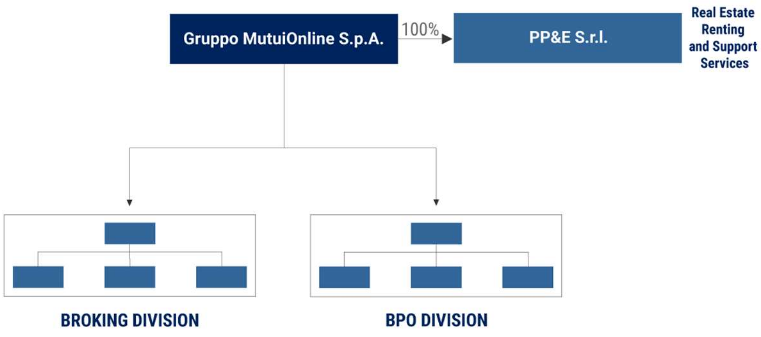
On July 20, 2021, as already agreed at the time of the acquisition of SOS Tariffe S.r.l., the Group sold 100% of the share capital of SOS Broker S.r.l. to the previous shareholders for a consideration equal to Euro 15 thousand.

On October 1, 2021, the process of demerging Fin.it S.r.l. was completed, through the assignment to Agenzia Italia S.p.A. of a business unit corresponding to 70% of the net assets and liabilities of Fin.it S.r.l., equivalent to its share of the company's equity. The net value of the transferred assets and liabilities is equal to Euro 276 thousand, in line with the value of the investment in Fin.it S.r.l..

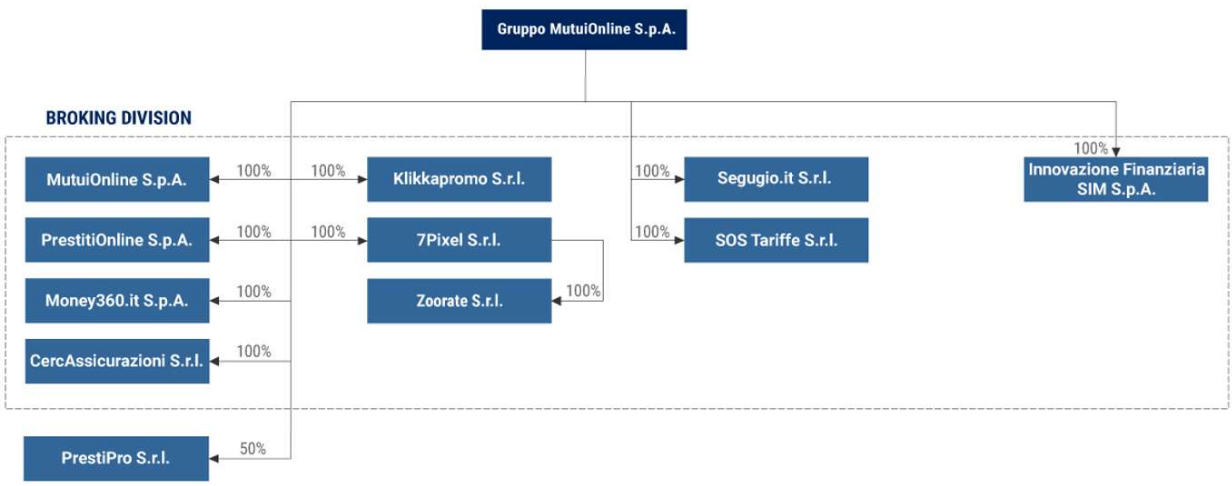
On October 5, 2021, following the registration of the merger act, the process of merging Mikono S.r.l. into Cesam S.r.l. was completed, with accounting effect from January 1, 2021.

On December 7, 2021, following the registration of the merger act, the process of merging Sircus S.r.l. into Service Lercari S.r.l. was completed, with accounting effect from January 1, 2021.

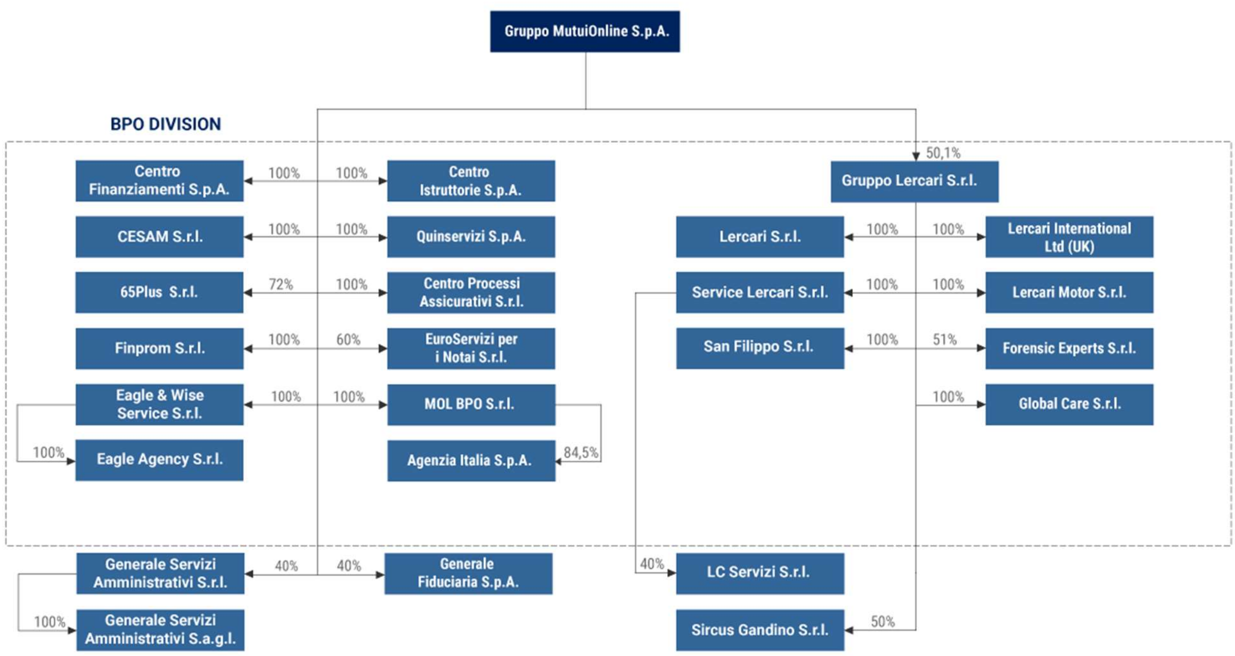
Therefore, the consolidation area as of December 31, 2021, presented by Division, is the following:



Broking Division:



BPO Division:



Broking Division

Our Broking Division operates in the Italian market for loan distribution as a credit intermediary, in the market for insurance distribution as a broker, in the market for the distribution of telecommunications and energy services, and in the market for the promotion of e-commerce operators. The activities carried out by our Broking Division are organized mainly into the following business lines, on the basis of the type of underlying product:

(a) **Mortgage Broking**: broking of mortgage loans mainly through remote channels (www.mutuionline.it website) and through a network of agents in the field (Money360 Network);

(b) **Consumer Loan Broking**: broking of consumer loans (prevalently personal loans) through remote channels (www.prestitionline.it website);

(c) **Insurance Broking**: broking of insurance products, mainly motor third party liability and other motor insurance products through remote channels (www.cercassicurazioni.it website);

(d) **E-Commerce Price Comparison**: comparison and promotion of e-commerce operators (www.trovaprezzi.it website);

(e) **Telco & Energy Comparison**: comparison and promotion of telecommunications and energy services (www.sostariffe.it website).

The activity of the Broking Division is also carried out under the "**Segugio.it**" brand (www.segugio.it website), which operates as a multibrand aggregator for insurance credit products, telecommunications and energy, mainly pushed by television and online advertising focused on insurance products. Each section of the website is however managed by the product companies of the Group and the related revenues are reported within the above mentioned business lines.

Besides, subsidiary Innovazione Finanziaria SIM S.p.A. - authorized to professionally perform placement services to the public without underwriting or warranties pursuant to article 1, comma 5, letter c-bis) of Legislative Decree no. 58 of February 24, 1998 - manages, by means of website www.fondionline.it, an on-line mutual fund supermarket.

BPO Division

Our BPO Division provides outsourcing services of core processes for banks, credit institutions, insurance companies and investment companies, with a high level of specialization in some reference verticals.

Our BPO services are structured along six separate business lines, on the basis of the type of services rendered and the type of underlying financial product:

(a) **Mortgage BPO**: provides remote loan sales and packaging and mortgage underwriting and closing services; this business line includes notary support services;

(b) **Real Estate Services BPO**: offers real estate appraisal services and technical real estate services for operators in the financial sector and debt collection;

(c) **Loans BPO**: provides application processing and portfolio management services for salary/pension guaranteed loans, and for business loans to companies, also assisted by a guarantee from the State;

(d) **Insurance BPO**: provides management and claim settlement outsourcing services, mainly for non-motor insurance;

(e) **Investment services BPO**: provides complete operational service solutions and technology platforms to investment and asset management companies;

(f) **Leasing/Rental BPO**: provides administrative outsourcing services for leasing and long-term rental operators.

2.3. Information about the profitability of the Group

In the following paragraph we describe the main factors affecting the results of the operations of the Group for the year ended December 31, 2021. The income statement and the cash flow data for the year ended December 31, 2021 are taken from the consolidated annual report prepared according to the international accounting standards approved by the European Union and are compared with the same data for the year ended December 31, 2020.

The following table shows the consolidated income statements of the Group for the years ended December 31, 2021 and 2020, together with the percentage weight of each item on the Group revenues.

	Years ended on				
(euro thousand)	**December 31, 2021**	**(a)**	**December 31, 2020**	**(a)**	**Change %**
Revenues	313,464	100.0%	259,386	100.0%	20.8%
of which					
Broking Division	*134,248*	*42.8%*	*111,053*	*42.8%*	*20.9%*
BPO Division	*179,216*	*57.2%*	*148,333*	*57.2%*	*20.8%*
Other income	5,082	1.6%	4,156	1.6%	22.3%
Capitalization of internal costs	4,853	1.5%	3,619	1.4%	34.1%
Services costs	(130,635)	-41.7%	(104,771)	-40.4%	24.7%
Personnel costs	(89,919)	-28.7%	(76,258)	-29.4%	17.9%
Other operating costs	(10,293)	-3.3%	(9,564)	-3.7%	7.6%
Depreciation and amortization	(20,787)	-6.6%	(13,473)	-5.2%	54.3%
Impairments of intangible assets	(2,801)	-0.9%	-	0.0%	N/A
Operating income	**68,964**	**22.0%**	**63,095**	**24.3%**	**9.3%**
Financial income	469	0.1%	358	0.1%	31.0%
Financial expenses	(2,379)	-0.8%	(2,855)	-1.1%	-16.7%
Income/(losses) from participations	(78)	0.0%	435	0.2%	N/A
Income/(losses) from financial assets/liabilities	(1,783)	-0.6%	(1,437)	-0.6%	24.1%
Net income before income tax expense	**65,193**	**20.8%**	**59,596**	**23.0%**	**9.4%**
Income tax expense	(47,354)	-15.1%	71,086	27.4%	N/A
Net income	**17,839**	**5.7%**	**130,682**	**50.4%**	**-86.3%**

(a) *% of total revenues*

Revenues in the year ended December 31, 2021, are Euro 313,464 thousand, 20.8% higher than in the previous year. Please refer to paragraph 2.3.1 for the evolution of revenues by Division and business line.

In the financial year ended December 31, 2021, services costs increase by 24.7% compared to the financial year ended December 31, 2020. The growth of such costs is mainly due to the entrance in the consolidation area of SOS Tariffe S.r.l., in December 2020, and to the increase of marketing costs within the Broking Division, asl well as to the entrance in the consolidation area of Lercari Group, in December 2020.

Personnel costs increase by 17.9% compared to the financial year ended December 31, 2020, mainly due to the increase of the number of human resources employed by the Group, following the growth of operating activities and the entrance of Lercari Group and SOS Tariffe S.r.l. in the consolidation area.

The following table provides information about the average headcount for the financial years ended December 31, 2021 and 2020:

	Years ended December 31, 2021	December 31, 2020
Managers	31	27
Supervisors	74	63
Employees	2,224	1,854
Average headcount	**2,329**	**1,944**
Headcount in Italy	1,870	1,533
Headcount in Romania	459	399
Headcount in Albania	134	12
Headcount in Germany	4	-

Other operating costs increase by 7.6%, compared to the financial year ended December 31, 2020.

Depreciation and amortization increase by 54.3% in the financial year ended December 31, 2021 compared to the previous financial year, mainly due to the higher values of software and trademarks recognized following the completion of the purchase price allocations related to the acquisitions of Lercari Group, SOS Tariffe S.r.l. and Zoorate S.r.l..

The item "Impairments of intangible assets" includes the impairment of goodwill related to the Centro Processi Assicurativi S.r.l. CGU (for which please refer to note 10 of the consolidated financial statement).

Financial costs for the financial year ended December 31, 2021, display a negative balance, mainly due to the interest expense on the outstanding loans in the period, equal to Euro 1,559 thousand, to the costs deriving from the evaluation of the liability related to the put/call option for the acquisition of the remaining 15.50% of Agenzia Italia S.p.A., equal to Euro 1,754 thousand, and to the dividends paid to third-party shareholders by Agenzia Italia S.p.A. for Euro 465 thousand.

The "Income tax expense" item, mainly includes the current taxes related to the financial year 2021 for Euro 11,248 thousand, the utilization of the period of the deferred tax assets related to the higher value of assets revaluated during 2020, for Euro 7,690 thousand, and the write down of deferred tax assets on trademarks (amounting to Euro 28,801 thousand) following the non-extension of the time period over which they are considered recoverable. In this regard, it should be noted that 18 years is considered an adequate period within which to assess the recoverability of deferred tax assets.

With reference to the release of deferred tax assets related to the higher value of trademarks, it should be noted that the Art. 1 comma 622 of the law "Legge di Bilancio 2022", modified the Art. 110 of the Law Decree n. 104/2020, converted in the Law n. 126/2020, which allowed the revaluation of tangible and intangible assets, by providing the increase to 50 years of the tax deductibility period of the higher value recognized for trademarks (compared to an initial tax deductibility period of 18 years). In light of this regulatory change, the management, in line with the assessment made last year, confirms that it considers the value of deferred tax assets recoverable over a time period not exceeding 18 years (in the case of trademarks). The confirmation of the approach adopted in the financial statement as of December 31, 2020 led to the write downof deferred tax assets recoverable after this time period.

It should be noted that the "Income tax expense" item, as of December 31, 2020, mainly included the net tax benefit deriving from the revaluations of software and trademarks for Euro 85,130 thousand.

2.3.1. Revenues

The table below provides a breakdown of our revenues by Division and business line, for the years ended December 31, 2021 and 2020.

	Years ended on				
(euro thousand)	**December 31, 2021**	**(a)**	**December 31, 2020**	**(a)**	**Change %**
Mortgage Broking	54,015	17.2%	47,777	18.4%	13.1%
Consumer Loan Broking	9,064	2.9%	4,579	1.8%	97.9%
Insurance Broking	24,482	7.8%	20,394	7.9%	20.0%
E-Commerce Price Comparison	34,057	10.9%	34,475	13.3%	-1.2%
Telco & Energy Comparison	10,692	3.4%	3,235	1.2%	230.5%
Other revenues of Broking Division	1,938	0.6%	593	0.2%	226.8%
Total revenues of the Broking Division	**134,248**	**42.8%**	**111,053**	**42.8%**	**20.9%**
Mortgage BPO	54,160	17.3%	55,248	21.3%	-2.0%
Real Estate Services BPO	20,894	6.7%	18,274	7.0%	14.3%
Loans BPO	25,206	8.0%	25,015	9.6%	0.8%
Insurance BPO	31,214	10.0%	7,622	2.9%	309.5%
Investment Services BPO	10,351	3.3%	9,267	3.6%	11.7%
Leasing/Rental BPO	35,811	11.4%	31,992	12.3%	11.9%
Other revenues of BPO Division	1,580	0.5%	915	0.4%	72.7%
Total revenues of the BPO Division	**179,216**	**57.2%**	**148,333**	**57.2%**	**20.8%**
Total revenues	**313,464**	**100.0%**	**259,386**	**100.0%**	**20.8%**

(a) *Percentage of total revenues.*

Broking Division

In the financial year ended December 31, 2021, revenues of the Broking Division increase by 20.9%, passing from Euro 111,053 thousand in the financial year ended December 31, 2020 to Euro 134,248 thousand in the financial year ended December 31, 2021.

Mortgage Broking

Mortgage Broking revenues go from Euro 47,777 thousand in 2020 to Euro 54,015 thousand in 2021 (+13.1%) due to an increase of brokered mortgage flows compared to the previous financial year.

Consumer Loan Broking

Consumer Loan Broking revenues go from Euro 4,579thousand in the year ended December 31, 2020 to Euro 9,064 thousand in the year ended December 31, 2021, increasing by 97.9% compared to the previous financial year, as a result of the increase of the brokered volumes, mainly attributable to some improvements put in place in 2021, and to a strong increase of marketing costs.

Insurance Broking

Insurance Broking revenues grow from Euro 20,394 thousand in the financial year ended December 31, 2020 to Euro 24,482 thousand in the financial year ended December 31, 2021 (+20.0%), as a result of the increase of the number of policies brokered.

E-Commerce Price Comparison

E-Commerce Price Comparison revenues go from Euro 34,475 thousand in the financial year ended December 31, 2020 to Euro 34,057 thousand in the financial year ended December 31, 2021 (-1,2%). The slight drop, if compared to the previous year, is due to an exeptionnel performance during the first spring lockdown.

Telco & Energy Comparison

Telco & Energy Comparison revenues go from Euro 3,235 thousand in the financial year ended December 31, 2020 to Euro 10,692 thousand in the financial year ended December 31, 2021 (+230.5%). The increase is attributable to the full contribution of SOS Tariffe S.r.l., whose results are consolidated since December 1, 2020.

BPO Division

Revenues of the BPO Division increase, going from Euro 148,333 thousand in the financial year 2020 to Euro 179,216 thousand in the financial year 2021 (+20.8%).

Mortgage BPO

Mortgage BPO revenues go from Euro 55,248 thousand in the financial year ended December 31, 2020 to Euro 54,160 thousand in the financial year ended December 31, 2021 (-2.0%). Such result is mainly due to the drop of activity volumes for paranotary services.

Real Estate Services BPO

Real Estate Services BPO revenues go from Euro 18,274 thousand in the financial year ended December 31, 2020 to Euro 20,894 thousand in the financial year ended December 31, 2021 (+14.3%). The increase is mainly due to the services related to the "Ecobonus 110%", linked to interventions of energy efficiency in buildings.

Loans BPO

Loans BPO revenues go from Euro 25,015 thousand in the financial year ended December 31, 2020 to Euro 25,206 thousand in the financial year ended December 31, 2021 (+0,8%).

Insurance BPO

Insurance BPO revenues go from Euro 7,622 thousand in the financial year ended December 31, 2020 to Euro 31,214 thousand in the financial year ended December 31, 2021 (+309.5%). Such increase is attributable to the full contribution of the Lercari Group, whose results are consolidated since December 1, 2020.

Investment Services BPO

Investment Services BPO revenues go from Euro 9,267 thousand in the financial year ended December 31, 2020 to Euro 10,351 thousand in the financial year ended December 31, 2021 (+11.7%), thanks to the growth of service volumes, both at organic level, and through the acquisition of a new contract.

Leasing/Rental BPO

Leasing/Rental BPO revenues go from Euro 31,992 thousand in the financial year ended December 31, 2020 to Euro 35.811 thousand in the financial year ended December 31, 2021 (+11.9%), partially due to the positive contribution of the car stamp duty management.

2.3.2. Operating income (EBIT)

Operating income (EBIT) increases from Euro 63,095 thousand in the financial year ended December 31, 2020 to Euro 68,964 thousand in the financial year ended December 31, 2021 (+9.3%) as detailed in the following table.

	Years ended on				
(euro thousand)	**December 31, 2021**	**(a)**	**December 31, 2020**	**(a)**	**Change %**
Operating income	68,964	22.0%	63,095	24.3%	9.3%
of which					
Broking Division	*44,197*	*32.9%*	*41,864*	*37.7%*	*5.6%*
BPO Division	*24,767*	*13.8%*	*21,231*	*14.3%*	*16.7%*

(a) *Percentage of total revenues, if appropriate by Division (operating margin).*

The operating income margin in the financial year ended December 31, 2021 is 22.0% of revenues, slightly down if compared to 24.3% of the financial year ended December 31, 2020.

Such result is the combined effect of the decreased operating income margin of the Broking Division, going from 37.7% in 2020 to 32.9% in 2021, and the decreased operating income margin of the BPO Division, going from 14.3% in 2020 to 13.8% in 2021.

The decrease of the margin of the Broking Division is mainly attributable to the amortization of the higher values of the software and trademark assets following the acquisition of SOS Tariffe S.r.l.. The operating margin of Broking Division includes in 2021 amortization costs for Euro 3,782 thousand related to the allocation of the price paid to the values of the software and the trademark for the acquisition of SOS Tariffe S.r.l., and to the allocation of the price paid to the value of the software for the acquisition of Zoorate S.r.l. (Euro 429 thousand in the same period of the previous year).

The decrease of the margin of the BPO Division is attributable to the amortization of the higher values of the software and trademark assets following the acquisition of Lercari Group and to the impairment loss of the goodwill related to the Centro Processi Assicurativi CGU (for which please refer to note 10 of the consolidated financial statement). The operating margin of BPO Division includes amortization costs for Euro 7,996 thousand related to the higher values of intangible assets (mainly software) emerged following the acquisitions of Lercari Group, Agenzia Italia S.p.A. and Eagle & Wise Service S.r.l. (Euro 4,701 thousand in the same period of the previous year).

2.3.3. EBITDA

EBITDA is calculated as net income before income tax expense, net financial income/(expenses), and depreciation and amortization.

The following table presents a reconciliation between net income and EBITDA for the financial years ended December 31, 2021 and 2020:

	Years ended on			
(euro thousand)	**December 31, 2021**	**December 31, 2020**	**Change**	**%**
Net income	17,839	130,682	(112,843)	-86.3%
Income tax expense	47,354	(71,086)	118,440	N/A
Income/(losses) from financial assets/liabilities	1,783	1,437	346	24.1%
Income/(losses) from participations	78	(435)	513	N/A
Financial expenses	2,379	2,855	(476)	-16.7%
Financial income	(469)	(358)	(111)	31.0%
Impairments of intangible assets	2,801	-	2,801	N/A
Depreciation and amortization	20,787	13,473	7,314	54.3%
EBITDA	**92,552**	**76,568**	**15,984**	**20.9%**

EBITDA increases in the financial year ended December 31, 2021, passing from Euro 76,568 thousand in 2020 to Euro 92,552 thousand in 2021 (+20.9%).

The table below provides a breakdown of EBITDA by Division, for the years ended December 31, 2021 and 2020:

	Years ended on				
(euro thousand)	**December 31, 2021**	**(a)**	**December 31, 2020**	**(a)**	**Change %**
EBITDA	92,552	29.5%	76,568	29.5%	20.9%
of which					
Broking Division	*50,743*	*37.8%*	*44,974*	*40.5%*	*12.8%*
BPO Division	*41,809*	*23.3%*	*31,594*	*21.3%*	*32.3%*

(a) Percentage of total revenues, if appropriate by Division (EBITDA margin).

EBITDA in the financial year ended December 31, 2021 is 29.5% of revenues, in line compared to 29.5% in the financial year ended December 31, 2020.

2.3.4. Net income

Net income decreases in the financial year ended December 31, 2021, passing from Euro 130,682 thousand in 2020 to Euro 17,839 thousand in 2021 (-86.3%). Such trend is due to the change of income taxes of the period, whose balance in the financial year 2021 is negatively affected by the release of deferred tax assets related to the revaluation of trademarks described above, while in the financial year 2020 it included the tax benefit deriving from the revaluation of software and trademarks made during 2020.

2.4. Information about the financial resources of the Group

The following table presents the net financial position as of December 31, 2021 and 2020, prepared according to ESMA orientation 32-382-1138 of March 4, 2021 and to the guidance Consob n. 5/21 of April 29, 2021:

	As of			
(euro thousand)	**December 31, 2021**	**December 31, 2020**	**Change**	**%**
A. Cash and bank current accounts	165,857	122,371	43,486	35.5%
B. Cash equivalents	-	-	-	N/A
C. Other current financial assets	1,510	4,944	(3,434)	-69.5%
D. Liquidity (A) + (B) + (C)	**167,367**	**127,315**	**40,052**	**31.5%**
E. Current financial liabilities	(9,163)	(44,679)	35,516	-79.5%
F. Current portion of non-current financial liabilities	(16,048)	(34,643)	18,595	-53.7%
G. Current indebtedness (E) + (F)	**(25,211)**	**(79,322)**	**54,111**	**-68.2%**
H. Net current financial position (D) + (G)	**142,156**	**47,993**	**94,163**	**196.2%**
I. Non-current financial liabilities	(195,935)	(120,417)	(75,518)	62.7%
J. Bonds issued	-	-	-	N/A
K. Trade and other non-current payables	-	-	-	N/A
L. Non-current indebtedness (I) + (J) + (K)	**(195,935)**	**(120,417)**	**(75,518)**	**62.7%**
M. Net financial position (H) + (L)	**(53,779)**	**(72,424)**	**18,645**	**-25.7%**

The net financial position as of December 31, 2021 shows a negative cash balance of Euro 53,779 thousand, improving for Euro 18,645 thousand if compared to December 31, 2020.

For a description of the evolution of cash flows in the financial year ended December 31, 2021, please refer to the following paragraph 2.4.2.

2.4.1. Current and non-current indebtedness

Current and non-current indebtedness as of December 31, 2021 and 2020 is summarized in the following table.

(euro thousand)	As of December 31, 2021	As of December 31, 2020	Change	%
Short term bank debts				
Less than 1 year	(6,013)	(1,512)	(4,501)	297.7%
Bank loans				
Less than 1 year	(16,048)	(39,643)	23,595	-59.5%
1 - 5 years	(114,963)	(74,808)	(40,155)	53.7%
More than 5 years	(24,571)	(3,741)	(20,830)	556.8%
Other current financial liabilities				
Current leasing liabilities	(3,134)	(3,167)	33	-1.0%
Liability for derivative on loan	(16)	-	(16)	N/A
Liability for Agenzia Italia S.p.A. put/call option	-	(35,000)	35,000	-100.0%
Other non current financial liabilities				
Liability for Gruppo Lercari S.r.l. put/call option	(32,672)	(33,697)	1,025	-3.0%
Liability for Agenzia Italia S.p.A. put/call option	(17,812)	-	(17,812)	N/A
Non current leasing liabilities	(5,917)	(8,171)	2,254	-27.6%
Total financial indebtedness	**(221,146)**	**(199,739)**	**(21,407)**	**10.7%**

<u>*Long and medium-term bank borrowings*</u>

Long and medium-term bank borrowings as of December 31, 2021 and December 31, 2020 are summarized in the following table:

(euro thousand)	As of December 31, 2020	As of December 31, 2021: Less than 1 year	1 - 5 years	More than 5 years	Total as of December 31, 2021
Intesa SanPaolo S.p.A.	37,009	290	55,322	24,571	80,183
Crédit Agricole Cariparma S.p.A.	34,592	4,319	20,956	-	25,275
Credito Emiliano S.p.A.	19,997	2,330	17,658	-	19,988
Banco BPM S.p.A.	24,715	5,102	14,540	-	19,642
Unicredit S.p.A.	-	2,007	6,487	-	8,494
BPER Banca S.p.A.	452	2,000	-	-	2,000
BCC Iccrea	1,172	-	-	-	-
Banca della Marca	255	-	-	-	-
Bank borrowings	**118,192**	**16,048**	**114,963**	**24,571**	**155,582**

The increase of non-current bank borrowings is mainly due to the subscription by the Issuer of:

- a loan with Unicredit S.p.A., on February 26, 2021, for an amount equal to Euro 10,000 thousand, expiring February 28, 2026, with a variable interest rate equal to 3-months Euribor increased by 1.60%. On such loan we took a derivative contract to hedge the variable rate, which converts the 3-months Euribor interest rate into a yearly fixed rate of minus 0.15% and whose fair value as of December 31, 2021 shows a negative value equal to Euro 16 thousand;
- a loan with Intesa SanPaolo S.p.A., on March 30, 2021, for an amount equal to Euro 80,000 thousand, expiring March 30, 2028, with a fixed interest rate equal to 1.45%. We point out

that such loan was partially used for the early reimbursement of the previous loans of the same bank, which had a residual debt equal to Euro 37,009 thousand;

- a loan with Credito Emiliano S.p.A., on September 9, 2021, for an amount equal to Euro 20,000 thousand, expiring September 9, 2026, with a fixed interest rate equal to 0.58%. We point out that such loan was mainly used for the early reimbursement of the previous loans of the same bank, which had a residual debt equal to Euro 16,798 thousand.

Regarding the pre-existing loans, we remind that:

- on June 28, 2018 the Issuer signed a loan agreement with Crédit Agricole Cariparma S.p.A., for an amount equal to Euro 20,000 thousand, with expiration date June 30, 2025, paid in two tranches on June 28, 2018 and July 4, 2018. The interest rate on this loan is equal to 3-month Euribor increased by a spread equal to 0.90% and is subject to variation at each payment date based on the ratio between the Net Financial Indebtedness and EBITDA;

- on September 27, 2018 the Issuer signed a loan agreement with Banca Popolare di Milano S.p.A., for an amount equal to Euro 20,000 thousand, with expiration date December 31, 2024, composed by two separated credit lines, the first one of Euro 15,000 thousand, with an interest rate equal to 6-month Euribor increased by 1.10%, subject to variation at each payment date based on the ratio between the Net Financial Indebtedness and EBITDA, and the second one of Euro 5,000 thousand, to be entirely reimbursed at the loan expiration date, with an interest rate equal to 6-month Euribor increased by 1.30%, also subject to variation at each payment date based on the ratio between the Net Financial Indebtedness and EBITDA;

- on March 30, 2020 the Issuer signed a loan agreement with con Crédit Agricole Cariparma S.p.A., for an amount equal to Euro 15,000 thousand, expiring on June 30, 2026, at a yearly fixed rate equal to 1.05%;

- on May 21, 2020, subsidiary Agenzia Italia S.p.A. signed a loan agreement with con Banco BPM S.p.A., for an amount equal to Euro 10,000 thousand, expiring on December 31, 2024, at a yearly fixed rate equal to 1.09%.

Short-term bank borrowings and bank credit lines

Short-term bank borrowings refer to the short-term credit lines used by Agenzia Italia S.p.A., for an amount equal to Euro 6,000 thousand as of December 31, 2021.

Other non-current financial liabilities

Other non-current financial liabilities consist in the financial liabilities for the exercise of the put/call option for the residual 49.9% stake of Gruppo Lercari S.r.l., for the exercise of the new put/call option for the residual 15.5% stake of Agenzia Italia S.p.A., and in the leasing liabilities deriving from the adoption of the IFRS 16 standard.

Other current financial liabilities

Other current financial liabilities consist in the current portion of the leasing liabilities deriving from the adoption of the IFRS 16 standard.

2.4.2. Cash flow analysis

In this paragraph we present an analysis of the consolidated cash flows of the Group for the financial years ended December 31, 2021 and 2020.

The following table shows a summary of the consolidated statements of cash flows for the financial years ended December 31, 2021 and 2020.

(euro thousand)	Years ended December 31, 2021	December 31, 2020	Change	%
A. Cash flow from operating activities before changes in net working capital	73,637	17,323	56,314	325.1%
B. Changes in net working capital	(72,245)	89,664	(161,909)	-180.6%
C. Net cash generated by operating activities (A) + (B)	**1,392**	**106,987**	**(105,595)**	**-98.7%**
D. Net cash generated/(absorbed) by investing activities	**11,139**	**(35,665)**	**46,804**	**131.2%**
E. Net cash generated/(absorbed) by financing activities	**26,454**	**16,472**	**9,982**	**60.6%**
Net increase/(decrease) in cash and cash equivalents (C) + (D) + (E)	**38,985**	**87,794**	**(48,809)**	**-55.6%**

In the financial year ended December 31, 2021 the Group generated liquidity for an amount equal to Euro 38,985 thousand, versus an amount of generated liquidity equal to Euro 87,794 thousand during the financial year ended December 31, 2020. This variation is attributable to the lower cash flow generated by operating activities (influenced by the dynamics of net working capital), partially offset by the cash generation of the investment activities and to the higher cash generation of financing activities.

Cash flow generated by operating activities

Operating activities show a cash generation equal to Euro 1,392 thousand in the financial year ended December 31, 2021, significantly down if compared to the cash generated in the financial year ended December 31, 2020, equal to Euro 106,987 thousand.

Such decrease is attributable to the change in the net working capital, for the analysis of which refer to paragraph 2.4.3, partially offset by the higher cash generation from operating activities.

Cash flow generated by investing activities

Investing activities generated cash for Euro 11,139 thousand in the financial year ended December 31, 2021, compared to Euro 35,665 thousand of absorbed cash in the financial year ended December 31, 2020. The cash generated is related to the sale of all Cerved Group S.p.A. shares for Euro 75,586 thousand and to the sale of a bond for Euro 3,108 thousand, partially offset by the purchase of Moneysupermarket.com Group PLC shares for Euro 37,006 thousand, the purchase of a further stake of the share capital of Agenzia Italia S.p.A. for Euro 25,575 thousand, and to the purchase of the residual 60% stake of share capital of Zoorate S.r.l. for Euro 2,197 thousand, net of the cash acquired.

Cash flow generated by financing activities

Financing activities generated cash for Euro 26,454 thousand in the financial year ended December 31, 2021, compared to a cash generation of Euro 16,472 thousand in the financial year ended December 31, 2020.

The cash flows generated during the financial year ended December 31, 2021 are mainly due to the subscription of a bank loan with Intesa SanPaolo S.p.A., which generated, net of the early reimbursement of the previous loans, cash for Euro 42,991 thousand, of a bank loan with Unicredit S.p.A. for Euro 10,000 thousand, of a bank loan with Credito Emiliano S.p.A., which generated, net of the early reimbursement of the previous loans, cash for Euro 3,202 thousand, and a bank loan with BPER Banca S.p.A. for Euro 2,000 thousand, and to the purchases and disposals of own shares for a net cashed amount equal to 6,789 thousand, partially offset by the payment of dividends for Euro 15,965 thousand, and the reimbursement of outstanding loans for an amount equal to Euro 21,004 thousand.

2.4.3. Composition and changes in net working capital

The following table presents the breakdown of the components of net working capital as of December 31, 2021 and 2020.

	As of			
(euro thousand)	**December 31, 2021**	**December 31, 2020**	**Change**	**%**
Trade receivables	109,895	105,532	4,363	4.1%
Other current assets and tax receivables	21,309	10,593	10,716	101.2%
Trade and other payables	(43,580)	(44,501)	921	-2.1%
Tax payables	(4,140)	(10,545)	6,405	-60.7%
Other current liabilities	(52,870)	(102,710)	49,840	-48.5%
Net working capital	**30,614**	**(41,631)**	**72,245**	**-173.5%**

Net working capital records a decrease equal to Euro 72,245 thousand in the financial year ended December 31, 2021.

Such trend is mainly related to the decrease of the other current liabilities, following the payment of a portion of the consideration for the acquisition of Lercari Group and SOS Tariffe S.r.l. for Euro 29,464 thousand, and to the lower advances received by the clients of Agenzia Italia S.p.A. in relation to car taxes to be paid at the beginning of 2022, and to the increase of tax receivables (which includes the payment of tax advances higher than the value of the income taxes) and to the decrease of tax payables as a result of the lower income taxes as of December 31, 2021, following the tax deductibility of the amortization of the higher values recognized to software and trademarks revaluated in 2020.

2.5. Table of reconciliation of the consolidated net income and equity with the Issuer's data

(euro thousand)	Net income for the year ended December 31, 2021	Shareholders' equity as of December 31, 2021	Net income for the year ended December 31, 2020	Shareholders' equity as of December 31, 2020
Net income and shareholders' equity of the Issuer	**3,826**	**39,869**	**1,030**	**31,361**
Net income and shareholders' equity of the subsidiaries	39,756	395,509	144,710	329,479
Consolidation adjustements				
Elimination of the carrying value of subsidiaries	-	(250,850)	-	(214,493)
Elimination of the dividends from associated companies	(13,748)	-	(8,456)	-
Participation measured with equity method	83	265	387	589
Other consolidation adjustments	(13,570)	84,277	(6,989)	89,897
Consolidated net income and shareholders' equity	**16,347**	**269,070**	**130,682**	**236,833**

Among "Other consolidation adjustments" we also include the higher values deriving from the goodwill recognized upon the first consolidation of the purchased participations, mainly in 7Pixel S.r.l., Quinservizi S.p.A., Centro Processi Assicurativi S.r.l., INSECO S.r.l., EuroServizi per i Notai S.r.l., Agenzia Italia S.p.A., Eagle & Wise Service S.r.l., SOS Tariffe S.r.l. and in the Lercari Group.

2.6. Research and development

Within the Group, several development teams regularly work with the objective of improving and enhancing the IT systems and the software platforms used to supply its services to consumers, lenders and insurance companies.

The capitalized costs related to software development in the financial year ended on December 31, 2021 amount to Euro 4,853 thousand (Euro 3,619 thousand in 2020). During the financial year ended December 31, 2021, the Group increased the resources dedicated to development activities, resulting in an increase in capitalized costs compared to financial year ended December 31, 2020.

The proprietary software platforms represent the core of the operations of the companies of the Group in both Divisions and must be continuously expanded and developed to improve their commercial effectiveness, incorporate legislative changes, manage new kinds of products, simplify processes, increase efficiency, improve consulting ability, increase operators' productivity, adapt to the increasingly sophisticated requirements of our client financial institutions, and ensure data protection and security.

2.7. Own shares

On April 29, 2021, the shareholders' meeting revoked, for the unused portion, the previous authorization for the purchase and sale of own shares dated May 28, 2020 and authorized the purchase of own shares within the limits of retained earnings and distributable reserves from the last approved statutory financial statements of the Issuer and for a period of 18 months, and for a maximum of 20% of ordinary share capital, with the following purposes:

i. for activities in support of market liquidity;

ii. for the possible use of shares as consideration in extraordinary transactions, including exchanges of participations with other subjects, as part of transactions in the Company's interest;

iii. to allot own shares purchased to distribution programs, against payment or free of charge, of stock options or shares to employees, directors and other personnel of the Company or its subsidiaries, as well as to the service of programs for the free allocation of shares to shareholders;

iv. for the execution of the contract signed between the Issuer and Equita SIM S.p.A., for its role as specialist on the stock market;

v. for an efficient investment of the liquidity of the Group.

During the year ended December 31, 2021 the Issuer purchased 72,079 own shares equal to 0.180% of ordinary share capital. During the same period following the exercise of vested stock options held by some employees of the Group, the Issuer sold 719,593 own shares equal to 1.799% of ordinary share capital.

Therefore, as of December 31, 2021 the Issuer holds 1,662,041 own shares, equal to 4.155% of ordinary share capital, for a total cost equal to Euro 12,891 thousand. As of the same date, the subsidiaries of the Group do not hold any shares of the Issuer.

During the first months of 2022, the Issuer purchased 241,382 own shares equal to 0.603% of ordinary share capital. During the same period, the Issuer sold, following the exercise of vested stock options held by some employees of the Group, 2,000 own shares, equal to 0.005% of ordinary share capital.

As of the date of approval of this report, therefore, the Issuer holds a total of 1,901,423 own shares, equal to 4.754% of ordinary share capital, for a total cost equal to Euro 16,398 thousand, equal to Euro 8.62 per share. As of the same date, the subsidiaries of the Group do not hold any shares of the Issuer.

2.8. Report on corporate governance

For the report on corporate governance and on the adhesion to the codes of conduct, please refer to the report approved by the Board of Directors on March 15, 2022 and attached to this document.

2.9. Non-financial report ex Legislative Decree n. 254/2016

The Issuer, in compliance with article 5 comma 3, letter b, of the Legislative Decree n. 254/2016, prepared the non-financial consolidated report which represents a separate report. The non-financial consolidated report 2021, prepared according to the option "In accordance – Core" of the "GRI Standards", is available on the Internet site of the Group.

2.10. Shareholdings of the members of the governing and controlling bodies, general managers and managers with strategic responsibilities

The following table shows the participations in the ordinary share capital of the Issuer held by the members of the governing and controlling bodies, general managers and managers with strategic responsibilities in the year ended December 31, 2021.

Name	Office	Shares held as of December 31, 2020	Shares purchased	Shares sold	Shares held as of December 31, 2021	Possession title	Way of possession
Marco Pescarmona	Chairman	280,000	40,000	20,000	300,000	P	D / I *
Alessandro Fracassi	Executive director	259,942	40,000	41,977	257,965	P	D
Anna Maria Artoni	Director	-	-	-	-	-	-
Giulia Bianchi Frangipane	Director	-	-	-	-	-	-
Fausto Boni	Director	249,952	-	-	249,952	P	D / I **
Chiara Burberi	Director	-	-	-	-	-	-
Matteo De Brabant	Director	5,550	12,000	-	17,550	P	I
Klaus Gummerer	Director	-	-	-	-	-	-
Valeria Lattuada	Director	-	-	-	-	-	-
Marco Zampetti	Director	15,000	-	-	15,000	P	D
Alessio Santarelli	General Manager with strategic responsabilities	3,000	-	-	3,000	P	D
Stefano Gnocchi	Chairman of Stat. Aud.	-	-	-	-	P	D
Paolo Burlando	Statutory auditor	7,000	-	-	7,000	P	D
Francesca Masotti	Statutory auditor	4,300	370	-	4,670	P	D

Besides, it is worth pointing out that Marco Pescarmona holds a 50% indirect shareholding in Alma Ventures S.A. (through Guderian S.p.A.) and Alessandro Fracassi holds a 50% indirect shareholding in Alma Ventures S.A. (through Casper S.r.l.) and that Alma Venture S.A., as of December 31, 2021, holds 12,841,070 shares of the Issuer, equal to 32.10% of the ordinary share capital, none of which were purchased during the year ended December 31, 2021.

2.11. Evolution of the Italian residential mortgage market

The residential mortgage market in the fourth quarter of 2021 was down year-on-year in terms of new gross originations, as a result of the stability of the volumes of purchase mortgages and the strong contraction in the volumes of remortgages.

Data from Assofin, an association representing the main banks active in the sector, show in fact a year-on-year drop in the volumes of new gross originations equal to 10.3% in October, 10.9% in November, and 16.4% in December 2021; overall, in the fourth quarter of 2021, this trend is caused by volumes of purchase mortgages marginally increasing, while the volumes of remortgages dropped by over 50%. Data from CRIF, the company that manages the main credit information system in Italy, report a year-on-year drop in credit bureau inquiries for residential mortgage applications of 16.0% in October 2021, 13.1% in November 2021 and 28.2% in January 2022 (the figure for December 2021 was not disclosed).

For the first quarter of 2022, one can expect market trends like those of the previous quarter, also because of the comparison with a particularly robust first quarter of 2021. For the rest of 2022, on the other hand, it is possible to assume growth in gross originations of purchase mortgages, also thanks to increasing average amounts, together with a slowdown in the contraction of remortgages. However, market developments are affected by the uncertainty arising from the consequences of the invasion of Ukraine by the Russian Federation.

For further details in this regard, reference should be made to the section entitled “Subsequent events”-

2.12. Foreseeable evolution

2.12.1. Broking Division

The Broking Division also grew significantly in 2021, partly due to the acquisition of SOS Tariffe S.r.l. at the end of 2020. Results for the year no longer appear to be materially affected by the pandemic.

For 2022, results are expected to grow for all business lines, except for Mortgage Broking, which will see a continuation of the normalization of remortgages.

The consequences for the business of the Broking Division of the invasion of Ukraine by the Russian Federation are not currently such as to give rise to concern, however any significant drop in consumer confidence and/or disposable income could negatively impact the volumes of the various lines of business.

Mortgage Broking

During 2021, brokered purchase mortgages are up year-on-year, while remortgages are down year-on-year, with a year-on-year contraction well above 50% in the fourth quarter of 2021.

Purchase mortgage volumes are expected to grow in 2022, while remortgages volumes are still expected to contract, especially in the first quarter of the year, which compares to the last period of remortgage growth in 2021. Overall, it is therefore possible to assume a year-on-year drop in revenues in the first quarters of 2022, followed by a gradual stabilization and possible growth at the end of the year. In any case, this trend is subject to possible risks, including economic ones, arising from the conflict in Ukraine.

Consumer Loans Broking

The measures implemented in 2021, together with a strong increase in marketing expenditures, have led to significant year-on-year growth in intermediated volumes and revenues, although accompanied by a significant drop in margins.

In 2022, revenues are expected to continue to grow, albeit at a much slower pace, while margins are expected to gradually recover.

Insurance broking

Revenues continued to grow in 2021, also thanks to an increase of our market share of new contracts in the online broker channel, despite an environment of still declining average premiums.

Volume and revenue growth and profitability expansion are expected in 2022. Average premiums, until recently expected to rise, may however remain stable due to a reduction in average automotive mileage in response to recent fuel price increases.

E-Commerce price comparison

Revenues are essentially stable year-on-year in 2021, despite a significant increase in marketing expenditures, due to the absence of some exceptional favorable effects present in 2020 related to the Covid-19 pandemic.

Business growth is expected in 2022, linked to increased e-commerce penetration and continued product improvement efforts.

Telco and Energy comparison

Strong year-on-year revenue growth is observed in 2021 due to the expansion of the scope of consolidation following the acquisition of SOS Tariffe, but the underlying business on a "like-for-like" basis was down due to the normalization of the volumes of telecommunications contracts brokered.

Significant growth in the volumes of energy contracts brokered is expected in 2022 due to the strong rise in hydrocarbons prices. To date, there are no significant supply restrictions in the market, although this risk cannot be ruled out later in the year. Regarding telecommunications contracts, expectations are for substantial stability, in the context of a flat market. From an operational point of view, efforts to fine-tune the offer and the organization continue.

2.12.2. BPO Division

The BPO Division's performance in 2021 was solid, with an increase in revenue and operating margin at the EBITDA level when compared to the previous year. Most of the growth was due to the expanded consolidation perimeter in Insurance BPO, thanks the acquisition of Gruppo Lercari at the end of November 2020. Net of this effect, the revenues of the Division would still have grown over 5%.

In financial year 2022, subject to unforeseeable effects linked to the international geopolitical instability, there appears to be substantial continuity with 2021, with turnover and margins increasing. The growth in turnover and margins is mainly linked to the recent bolt-on acquisitions in insurance and real estate services, while the existing perimeter should show stable revenues, albeit with differences between the various business lines, as detailed below. It should also be noted that the management expects that during 2022 our fintech project in the speciality finance area, performed by Centro Finanziamenti S.p.A. will reach break-even and start to contribute positively to the marginality of the Division.

Mortgage BPO

In the second half of 2021, Mortgage BPO saw a progressive slowdown of turnover over the course of the year, when compared to the same months in 2020, due to the rapid normalization of the refinancing business. At the same time, volumes in traditional services (commercial support and processing of residential mortgages) grew, allowing the year to end with a higher operating margin than the previous year.

For the first part of 2022, volumes are expected to be in line with the last quarter of the year just ended, and therefore lower than in the same period of 2021. However, the operating margin will be up, due to the different mix of services.

Real Estate Services BPO

The business line performed beyond management's expectations, growing both in terms of revenues and margins, thanks to our effort to reduce direct costs related to real estate valuations and to the contribution of services related to "Ecobonus" incentives.

In 2022, BPO Real Estate Services are expected to grow significantly thanks to the acquisition of the activities of Europa S.r.l., the consolidation of which will begin on March 1, 2022. In the existing perimeter, revenues are expected to be in line with those of the year just ended.

Loans BPO

In 2021, BPO Loans managed, contrary to management's initial expectations, to replicate the record result of 2020. This result was achieved thanks to an excellent performance in the area of portfolio servicing, both in the retail area (salary and pension guaranteed loans) and in the corporate area (SME loans), which made it possible to offset the normalization of revenues from services supporting the origination of state-guaranteed SME loans, underlying the extraordinary growth of 2020.

In 2022, revenues and margins are expected to be slightly higher than in 2021.

Insurance BPO

As expected, 2021 was a transition year, characterized by the restructuring of the business existing prior to the acquisition of Gruppo Lercari, and management has been focused on the integration process, which will continue in 2022, with respect to the two Insurance BPO acquisitions announced in recent months.

For 2022, the management expects growth, both organic (over 5%) and through the contribution, from the second half of the year, of the announced acquisitions.

Investment Services BPO

In 2021, Investment Services BPO confirmed initial expectations, showing double-digit revenue growth, thanks to growth in service volumes, both organically and through the acquisition of a new contract.

In 2022, the growth effects linked to the new contract will continue, but this positive effect could, however, be counterbalanced by the uncertain performance of financial markets, to which some of the revenue drivers of the business line's services are linked.

Leasing/Rental BPO

The business line represented by Agenzia Italia S.p.A. performed beyond management's initial expectations, with growth of over 10% compared with 2020 and an increase in operating margins. This result, although benefiting again this year from the one-off positive impact of the management of vehicle stamp duties, is attributable to the management's ability to counteract, thanks to its own commercial initiatives, the slowdown in certain activities linked to the automotive business, which were affected by delays in the delivery of new cars, linked to the well-known difficulties of manufacturers in finding certain critical components (e.g. microchips).

In financial year 2022, revenues and margins are expected to be slightly up when compared to 2021.

2.13. Other information

2.13.1. Offices

The registered offices of the Issuer and of the Italian subsidiaries are located in via F. Casati, 1/A, Milan, except for Agenzia Italia S.p.A., whose registered office is located in via V. Alfieri 1, in Conegliano (TV), and some subsidiaries of the Lercari Group, whose registered office is located in Via Roma 8/A, in Genoa.

The registered and operating offices of Finprom S.r.l. are in Str. Cocorilor n. 24/A., Arad, Romania. The registered and operating offices of Lercari International Ltd are in 6 New London Street, London, UK.

The administrative offices of the Group are located at via Desenzano 2, Milan, except for 7Pixel S.r.l., Zoorate S.r.l. and Klikkapromo S.r.l., whose administrative office is in via Lanzoni, 13, Giussago (PV), Agenzia Italia S.p.A., whose administrative office is in via Venezia 13, in San Vendemiano (TV), and the companies of the Lercari Group, whose administrative office is in via Roma 8/A, in Genoa.

The following table shows the main Italian operating offices of the Group as of December 31, 2021:

Address	City
Via Desenzano, 2	Milan
Viale Sarca, 222	Milan
Via Igola snc	Cagliari
SS 131 - KM 17,100	Monastir (CA)
Via Romolo Ossani, 14	Faenza (RA)
Via Romolo Ossani, 30	Faenza (RA)
Via Lanzoni, 13	Giussago (PV)
Via Alfieri, 1	Conegliano (TV)
Via Venezia, 13	San Vendemiano (TV)
Via Roma, 8/A	Genoa

2.13.2. Relations with related parties

Related party transactions, including intra-group transactions, are part of the ordinary business operations of the Group, and do not include any unusual or atypical transactions.

Relations with related parties are mainly relations with the companies of the Group.

In particular, the main items refer to receivables of the Issuer from some of its subsidiaries derived from the adhesion to the tax consolidation regime for Euro 7,104 thousand, and receivables of the remaining subsidiaries from the Issuer derived from the adhesion to the tax consolidation regime for a total amount equal to Euro 2,485 thousand.

Concerning the main commercial relationships among companies of the Group, they are mainly represented by services, provided at arm's length. In particular, we highlight:

- revenues for advertising services provided by subsidiary Segugio.it S.r.l. for a total amount equal to Euro 18,174 thousand;

- revenues for rent and office residence services, related to the operating offices in Cagliari and Monastir, and the administrative and operating offices in via Desenzano 2 and viale Sarca 222, Milan, provided by subsidiary PP&E S.r.l. to other companies of the Group, for a total amount equal to Euro 2,719 thousand;

- revenues for outsourcing services provided by subsidiary Finprom S.r.l. to other companies of the Group, for a total amount equal to Euro 5,887 thousand.

As of December 31, 2021, in the face of the different commercial relationships among the companies of the Group, there are trade receivables/payables among the different companies of the Group for a total amount of Euro 11,475 thousand.

During the financial year ended December 31, 2021:

- subsidiary Innovazione Finanziaria SIM S.p.A. resolved and paid dividends to the Issuer for an amount of Euro 2,479 thousand;

- subsidiary Agenzia Italia S.p.A. resolved and paid dividends to MOL BPO S.r.l. for an amount of Euro 2,535 thousand;

- subsidiary Euroservizi per i Notai S.r.l. resolved and paid dividends to the Issuer for an amount of Euro 600 thousand;

- subsidiary MutuiOnline S.p.A. resolved dividends to the Issuer for an amount of Euro 7,500 thousand;

- associated company Generale Servizi Amministrativi S.r.l. resolved and paid dividends to the Issuer for an amount of Euro 160 thousand.

2.13.3. Risk management

Risk management of the Group is based on the principle that operating risk or financial risk is managed by the person in charge of the business process involved.

The main risks are reported and discussed at Group top management level in order to create the conditions for their coverage, assurance and assessment of residual risk.

Exchange and interest rate risk

Currently the financial risk management policies of the companies of the Group do not provide for use of derivative instruments against the interest rate risk (except for the loan with Unicredit S.p.A.) since, as of today, the risk of incurring in greater interest costs as a result of unfavorable variations of market interest rates, as better analyzed in the following, is limited in size if compared to the economic and financial parameters of the Group and is therefore considered acceptable compared to the costs that would be required to mitigate or eliminate such risk.

The interest rate on the bank loan from Crédit Agricole Cariparma S.p.A., signed on June 28, 2018, is equal to 3-month Euribor increased by 0.90%, and it is subject to change during the length of the contract based on the change of the ratio between Net Financial Indebtedness and EBITDA.

The interest rate on the bank loan from Banco BPM S.p.A., signed on September 27, 2018, is equal to 6-month Euribor increased by 1.10% on the amortizing credit line equal to Euro 15,000 thousand and by 1.30% on the bullet credit line equal to Euro 5,000 thousand. Moreover, the interest rate is subject to a change during the length of the contract based on the change of the ratio between Net Financial Indebtedness and EBITDA.

The interest rate on the loan from Unicredit S.p.A., obtained on February 26, 2021, is equal to 3-month Euribor increased by 1.60%. On such loan the Issuer subscribed a derivative hedging the variable rate, which converts the 3-months Euribor interest rate into a yearly fixed rate of -0.15%, and whose fair value as of December 31, 2021 is negative Euro 16 thousand.

A possible unfavorable variation of the Euribor, equal to 1.0%, should produce an additional overall expense for the Group equal to Euro 247 thousand in 2022. It is worth pointing out that such variation of interest rates would be partially compensated by the favorable impact on available liquidity.

For the remaining loans already described in paragraph 2.4.1, a fixed rate is applied instead.

It is also worth pointing out that the Group pursues a policy for the management of available liquidity by investing it in low-risk and/or promptly disposable financial assets.

As regards to the coverage of exchange rate risk, it is worth pointing out that, as of the reference date of this report, there are no significant assets or liabilities denominated in currencies different from the Euro and exchange rate risk is therefore not present.

Credit risk

The current assets of the Group, with the exception of cash and cash equivalents, are constituted mainly by trade receivables for an amount of Euro 109,895 thousand, of which the overdue portion as of December 31, 2021 is equal to Euro 27,700 thousand, of which Euro 5,706 thousand is overdue for over 90 days.

Most of the gross overdue receivables were paid by the clients during the first months of 2022. As of the date of approval of this report, receivables not yet collected, overdue as of December 31, 2021, amount to Euro 5,914 thousand, of which Euro 3,728 thousand are receivables already overdue for over 90 days as of December 31, 2021.

Trade receivables are mainly from banks and other financial institutions, insurance companies, leasing/rental companies and public entities, considered highly reliable but, facing receivables for which we consider a credit risk could arise, we allotted an allowance for doubtful receivables equal to Euro 5,876 thousand.

The Group monitors counterparty risk by analyzing the solvency and standing of customers before entering into business relations with them and trying to limit an excessively high concentration of receivables from a few counterparties.

For this purpose, it is worth mentioning that we do not notice any significant concentration of revenues on any client: in 2021 the revenues from the main client of the Group represent 7.9% of total consolidated revenues.

Liquidity risk

Liquidity risk represents the risk that a company is not able to procure financial resources to support short-term operations.

The total amount of liquidity as of December 31, 2021 is Euro 165,857 thousand, and current financial liabilities equal to Euro 25,211 thousand; therefore, the management believes that liquidity risk for the Group is limited.

Risk linked to Covid-19 Pandemic

This scenario had significant impacts on the economy, financial markets and consumer confidence in Italy and worldwide.

The Group has taken prompt action, also on the basis of directives issued by the Government, to stem the possible impacts of health threats for its employees, and has equipped its personnel with all the necessary tools to continue working safely and, where appropriate, remotely.

It should be noted, however, that the current scenario did not have a significant impact on the economic results achieved in the financial year ended December 31, 2021 (with regard to the impact of this scenario on the Group's economic results in 2020, please refer to the consolidated financial statements as of December 31, 2020).

As of the date of approval of this report, it is not possible to predict the duration and the lasting impacts of the pandemic and therefore assess their economic and financial impact on the results for the medium term.

It should be noted, anyway, that:

- there have not been significant delays in payments from clients, nor news of particular difficulties on their part;
- no financial tensions occurred for the Group;
- there are no elements that could put into question the going concern assumption according to which the financial statements have been prepared.

Operating risk and going concern

The technological component is an essential element for the operating activities of the Group; therefore, there is the risk that the possible malfunctioning of the technological infrastructure may cause an interruption of client services or loss of data. However, the companies of the Group have developed a series of plans, procedures and tools to guarantee business continuity and data security.

Considering the economic and financial situation, in particular the available reserves, and taking into account the trend of the net working capital and of the economic and financial situation, the separated and consolidated financial reports have been prepared considering the assumption of going concern, respected.

It should also be considered that the Group, as in previous years, has achieved positive economic results, and that future economic forecasts are also positive. Finally, the Group has adequate financial resources to meet its future obligations over a period of at least 12 months from the date of approval of the financial statements, and it can, where necessary, activate additional levers to rapidly liquidate significant invested amounts.

2.13.4. Information concerning environment and human resources

With regards to the management of human resources and of environmental matters for the financial year ended December 31, 2021, we are not aware of any events that could entail any responsibility for the Group.

2.14. Net income allocation and dividend distribution proposal

The net income of the Issuer for the financial year ended December 31, 2021 is equal to Euro 3,826,260.00. This income is influenced by the distribution of part of the distributable reserves of the subsidiaries.

The board of directors prudently resolved to propose to the shareholders' meeting to approve an ordinary dividend distribution for a total of Euro 0.40 per outstanding share, equal to an estimated total amount of Euro 15,239,430.80, broken down as follows:

- Euro 3,809,857.70, corresponding to Euro 0.10 per share, as ordinary dividend deriving from the net income of the period, with ex-dividend date May 16, 2022, record date May 17, 2022 and payable date May 18, 2022.
- Euro 11,429,573.10, corresponding to Euro 0.30 per share as ordinary dividend deriving from retaining earnings.

The Company's statutory financial statements for the year ended December 31, 2021 will be approved by the shareholders' meeting of Gruppo MutuiOnline S.p.A., to be held on April 28, 2022 (single call).

Milan, March 15, 2022

For the Board of Directors
The Chairman
(Ing. Marco Pescarmona)

CONSOLIDATED ANNUAL REPORT

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021

Prepared according to IAS/IFRS

3. CONSOLIDATED ANNUAL REPORT AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021

3.1. Financial statements

3.1.1. Consolidated statement of financial position

(euro thousand)	Note	As of December 31, 2021	December 31, 2020*
ASSETS			
Intangible assets	9	202,758	209,283
Property, plant and equipment	11	24,669	27,841
Participations measured with equity method	12	1,058	2,320
Financial assets at fair value	13	40,410	60,503
Deferred tax assets	14	49,951	86,064
Other non-current assets	15	698	719
Total non-current assets		**319,544**	**386,730**
Cash and cash equivalents	16	165,857	122,371
Trade receivables	17	109,895	105,532
(of which) with related parties	*41*	*59*	*170*
Tax receivables	18	12,378	2,759
Assets held for sale		-	364
Other current assets	19	8,931	7,834
(of which) with related parties	*41*	*-*	*356*
Total current assets		**297,061**	**238,860**
TOTAL ASSETS		**616,605**	**625,590**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Share capital	29	970	954
Other reserves	29	247,082	103,849
Net income	29	16,347	128,454
Total group shareholders' equity	**29**	**264,399**	**233,257**
Minority interests		4,671	3,575
Total shareholders' equity		**269,070**	**236,832**
Long-term debts and other financial liabilities	20	195,935	120,417
Provisions for risks and charges	21	1,882	1,850
Defined benefit program liabilities	22	18,226	16,579
Non-current portion of tax liabilities	23	3,691	7,281
Other non current liabilities	24	2,000	5,067
Total non-current liabilities		**221,734**	**151,194**
Short-term debts and other financial liabilities	25	25,211	79,322
Trade and other payables	26	43,580	44,501
(of which) with related parties	*41*	*-*	*25*
Tax payables	27	4,140	10,545
Liabilities held for sale		-	486
Other current liabilities	28	52,870	102,710
Total current liabilities		**125,801**	**237,564**
TOTAL LIABILITIES		**347,535**	**388,758**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**616,605**	**625,590**

** For the disclosure on the reclassification of comparative data as of December 31, 2020, please refer to note 5.*

3.1.2. Consolidated income statement

(euro thousand)	Note	Years ended December 31, 2021	December 31, 2020
Revenues	31	313,464	259,386
(of which) with related parties	*41*	*126*	*158*
Other income	32	5,082	4,156
(of which) with related parties	*41*	*-*	*39*
Capitalization of internal costs		4,853	3,619
Services costs	33	(130,635)	(104,771)
(of which) with related parties	*41*	*-*	*(2,241)*
Personnel costs	34	(89,919)	(76,258)
Other operating costs	35	(10,293)	(9,564)
Depreciation and amortization	36	(20,787)	(13,473)
Impairments of intangible assets		(2,801)	-
Operating income		**68,964**	**63,095**
Financial income	37	469	358
Financial expenses	37	(2,379)	(2,855)
Income/(losses) from participations	37	(78)	435
Income/(losses) from financial assets/liabilities	37	(1,783)	(1,437)
Net income before income tax expense		**65,193**	**59,596**
Income tax expense	38	(47,354)	71,086
Net income		**17,839**	**130,682**
Attributable to:			
Shareholders of the Issuer		**16,347**	**128,454**
Minority interest		**1,492**	**2,228**
Earnings per share basic (Euro)	44	0.43	3.42
Earnings per share diluited (Euro)	44	0.42	3.28

3.1.3. Consolidated comprehensive income statement

(euro thousand)	**Note**	**Years ended December 31, 2021**	**December 31, 2020**
Net income		**17,839**	**130,682**
Currency translation differences		(59)	(45)
Fair value of financial assets/liabilities	13	22,231	(1,752)
Actuarial gain/(losses) on defined benefit program liability	22	(81)	34
Gain/losses on cash flow hedge derivative instruments		(12)	-
Tax effect on actuarial gain/(losses)	22	23	(9)
Total other comprehensive income		**22,102**	**(1,772)**
Total comprehensive income for the period		**39,941**	**128,910**
Attributable to:			
Shareholders of the Issuer		**38,449**	**126,682**
Minority interest		**1,492**	**2,228**

3.1.4. Consolidated statement of cash flows

(euro thousand)	Note	Years ended December 31, 2021	December 31, 2020
Net income		**17,839**	**130,682**
Amortization and depreciation	9,11	20,787	13,473
Impairments of intangible assets		2,801	-
Stock option expenses	29	479	1,259
Capitalization of internal costs	9	(4,853)	(3,619)
Interest cashed		-	131
Losses from financial assets/liabilities	37	1,709	1,191
Impairment of financial assets		74	246
Changes of value of the participations evaluated with the equity method	12	78	(435)
Income tax paid	38	(24,743)	(7,513)
Changes in trade receivables/payables	17,26	(5,235)	10,906
(of which) with related parties	*41*	*86*	*(469)*
Changes in other assets/liabilities		(9,164)	(40,977)
(of which) with related parties	*41*	*356*	*562*
Changes in defined benefit program liability	22	1,588	1,633
Changes in provisions for risks and charges	21	32	10
Net cash generated/(absorbed) by operating activities		**1,392**	**106,987**
Investments:			
- Increase of intangible assets	9	(608)	(1,932)
- Increase of property, plant and equipment	11	(1,786)	(1,405)
- Incrementi attività finanziarie valutate al *fair value*	13	41,303	(8,508)
- Acquisition of subsidiaries		(27,770)	(24,411)
Disposals:			
- Reimbursement/sale of financial assets	13	-	591
Net cash generated/(absorbed) by investing activities		**11,139**	**(35,665)**
Increase of financial liabilities	20	58,193	50,000
Interest paid		(1,559)	(963)
Decrease of financial liabilities	20	(21,004)	(23,384)
Sale/(purchase) of own shares	29	6,789	(2,871)
Dividends paid to minorities		(465)	(1,800)
Dividends paid	29	(15,500)	(4,510)
Net cash generated/(absorbed) by financing activities		**26,454**	**16,472**
Net increase/(decrease) in cash and cash equivalents		**38,985**	**87,794**
Net cash and cash equivalent at the beginning of the period		120,859	33,065
Net cash and cash equivalents at the end of the period		**159,844**	**120,859**
Cash and cash equivalents at the beginning of the year	16	122,371	34,654
Current account overdraft at the beginning of the year	16	(1,512)	(1,589)
Net cash and cash equivalents at the beginning of the year		**120,859**	**33,065**
Cash and cash equivalents at the end of the year	16	165,857	122,371
Current account overdraft at the end of the year	16	(6,013)	(1,512)
Net cash and cash equivalents at the end of the year		**159,844**	**120,859**

3.1.5. Consolidated statement of changes in shareholders' equity

(euro thousand)	Share capital	Legal reserve	Other reserves	Retained earnings including net income of the year	Group total	Minority interest	Total
Shareholders' equity as of December 31, 2019	**950**	**202**	**20,408**	**91,011**	**112,571**	**1,627**	**114,198**
Distribution of ordinary dividends	-	-	-	(4,510)	**(4,510)**	-	**(4,510)**
Purchase of own shares	(7)	-	(5,031)	-	**(5,038)**	-	**(5,038)**
Exercise of stock options	11	-	2,156	-	**2,167**	-	**2,167**
Stock option plan	-	-	1,259	-	**1,259**	-	**1,259**
Other movements	-	-	126	-	**126**	(280)	**(154)**
Net income of the year	-	-	(1,772)	128,454	**126,682**	2,228	**128,910**
Shareholders' equity as of December 31, 2020	**954**	**202**	**17,146**	**214,955**	**233,257**	**3,575**	**236,832**
Distribution of ordinary dividends	-	-	-	(15,500)	**(15,500)**	-	**(15,500)**
Purchase of own shares	(2)	-	(2,959)	-	**(2,961)**	-	**(2,961)**
Exercise of stock options	18	-	9,732	-	**9,750**	-	**9,750**
Stock option plan	-	-	479	-	**479**	-	**479**
Other movements	-	-	925	-	**925**	(396)	**529**
Net income of the year	-	-	22,102	16,347	**38,449**	1,492	**39,941**
Shareholders' equity as of December 31, 2021	**970**	**202**	**47,425**	**215,802**	**264,399**	**4,671**	**269,070**
Note	29	29	29				

3.2. Notes to the consolidated financial statements

1. General information

Gruppo MutuiOnline S.p.A. (the "**Company**" or the "**Issuer**") is the holding company of a group of firms (the "**Group**") with an important position in the Italian market for the online comparison, promotion and intermediation of products provided by financial institutions, e-commerce operators and utilities providers (main websites www.mutuionline.it, www.prestitionline.it, www.segugio.it, www.trovaprezzi.it and www.sostariffe.it) and in the Italian market for the provision of complex business process outsourcing services for the financial sector.

This consolidated annual report, including the consolidated statement of financial position, consolidated comprehensive income statement, consolidated statement of cash flows and consolidated statement of changes in shareholders' equity as of and for the year ended December 31, 2021 and the relevant notes, has been prepared in accordance with IFRS issued by the International Accounting Standard Board ("**IASB**") and the related interpretations SIC/IFRIC, adopted by the European Commission. Besides it has been prepared in accordance with CONSOB resolutions No. 15519 and No. 15520 dated July 27, 2006, with ESMA orientation 32-382-1138 of March 4, 2021, with the guidance Consob n. 5/21 of April 29, 2021, and with art. 149-*duodecies* of the Issuer Regulations.

IFRS should be understood as the International Financial Reporting Standards, the International Accounting Standards ("**IAS**"), the interpretations of the International Financial Reporting Interpretation Committee ("**IFRIC**"), previously denominated Standing Interpretations Committee ("**SIC**"), as adopted by the European Commission as of December 31, 2021 and published in the EU regulations as of this date.

In particular, the IFRS have been consistently applied to all the periods presented.

The Group has elected the "non-current/current" presentation for the statement of financial position, the presentation of costs by nature for the income statement, the comprehensive income statements and the indirect method for the preparation of the statement of cash flows.

The statement of changes in shareholders' equity was prepared according with IAS 1.

These consolidated financial statements have been prepared in Euro, the currency of the primary economic environment in which the Group operates.

All the amounts included in the tables of the following notes are in thousands of Euros, except where otherwise stated.

These consolidated financial statements have been prepared according to the going concern assumption, due to the economic and financial results achieved.

The Board of Directors approved the publication of the present document on March 15, 2022.

2. Basis of preparation of the consolidated financial statements

The following consolidation procedures have been applied in the preparation of the consolidated financial statements as of and for the year ended December 31, 2021.

The consolidated financial statements of the Group include the financial statements of Gruppo MutuiOnline S.p.A. and its subsidiaries, over which the Company exercises direct or indirect control and the value measured with the equity method of joint ventures and of associated companies.

Subsidiaries are consolidated from the date when control is acquired until the date when it ceases. Control is connected with the ongoing existence of all the following conditions:

- power over the investee;
- the possibility of achieving a return resulting from ownership of the investment;
- the investor's ability to use its power over the investee to affect the amount of its return.

The existence of potential voting rights exercisable, if substantial, at the reporting date is also taken into consideration for the purposes of determining control.

Furthermore, it is worth pointing out that once control of an entity is obtained, transactions, in which further minority interests are acquired or sold, without modifying the control exercised on the subsidiary, are considered transactions with the shareholders and therefore should be recorded as equity transactions, without recording any effect in the comprehensive income statement. Subsidiaries are consolidated on a line-by-line basis. The criteria adopted for consolidation on a line-by-line basis are:

- the assets and liabilities, income and expenses of the entirely consolidated entities are taken line by line, attributing to minority interest the portion of the shareholders' equity and net income for the year due to it; this portion is disclosed separately in the consolidated statement of financial position and consolidated comprehensive income statement;
- the purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets acquired, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Assets, liabilities and possible liabilities acquired are booked at the fair value at the date of the acquisition. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recognized as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement, after an audit of the correct measurement of the fair value of the assets and the liabilities acquired and of the cost of acquisition. Business combinations between entities under "common control" are accounted for with the pooling of interest method, thus recognizing assets and liabilities of the acquired entity without fair value adjustments, but adjusted for eventual differences of accounting standards used and IFRS;
- inter-company transactions and balances, as well as the relevant tax effects, are eliminated. Significant unrealized inter-company gains and losses are eliminated; as an exception, unrealized losses are not eliminated when they provide evidence for impairment of the asset transferred;
- gains and losses from the disposal of investments in subsidiaries are recognized in the income statement for an amount equal to the difference between the sale price and the net assets of the investment.

A joint venture is an arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Associated companies are companies, which are neither subsidiaries nor joint-ventures, on which the Issuer exercises a significant influence. Significant influence is presumed when the Issuer owns, directly or indirectly, more than 20% of the ordinary share capital of a company.

Joint ventures and associated companies are evaluated with the equity method.

3. Scope of consolidation

The consolidation area includes all the entities on which the Issuer exercises control, directly or indirectly, and the companies on which the Issuer exercises a significant influence.

The controlled and associated entities as of December 31, 2021 are:

Name	Registered office	Share capital (Euro)	Consolidation method	% of ownership
65Plus S.r.l.	Milan (Italy)	75,416	Line-by-line	72%
7Pixel S.r.l.	Milan (Italy)	10,500	Line-by-line	100%
Agenzia Italia S.p.A.	Conegliano (Italy)	100,000	Line-by-line	84.5%
Centro Finanziamenti S.p.A.	Milan (Italy)	2,000,000	Line-by-line	100%
Centro Istruttorie S.p.A.	Milan (Italy)	500,000	Line-by-line	100%
Centro Processi Assicurativi S.r.l.	Milan (Italy)	50,000	Line-by-line	100%
Centro Servizi Asset Mangement S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
CercAssicurazioni.it S.r.l.	Milan (Italy)	100,000	Line-by-line	100%
Lercari Motor S.r.l.*	Milan (Italy)	50,000	Line-by-line	100%
Eagle & Wise Service S.r.l.	Milan (Italy)	400,000	Line-by-line	100%
Eagle Agency S.r.l.	Milan (Italy)	30,000	Line-by-line	100%
EuroServizi per i Notai S.r.l.	Milan (Italy)	10,000	Line-by-line	60%
Finprom S.r.l.	Arad (Romania)	9,618	Line-by-line	100%
Forensic Experts S.r.l.*	Bologna (Italy)	10,000	Line-by-line	51%
Global Care S.r.l.*	Milan (Italy)	10,000	Line-by-line	100%
Gruppo Lercari S.r.l.	Genoa (Italy)	759,597	Line-by-line	50.1%
Innovazione Finanziaria SIM S.p.A.	Milan (Italy)	2,000,000	Line-by-line	100%
Klikkapromo S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
Lercari S.r.l.*	Milan (Italy)	500,000	Line-by-line	100%
Lercari International Ltd	London (UK)	11,233	Line-by-line	100%
MOL BPO S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
Money360.it S.p.A.	Milan (Italy)	120,000	Line-by-line	100%
MutuiOnline S.p.A.	Milan (Italy)	1,000,000	Line-by-line	100%
PP&E S.r.l.	Milan (Italy)	100,000	Line-by-line	100%
PrestitiOnline S.p.A.	Milan (Italy)	200,000	Line-by-line	100%
Quinservizi S.p.A.	Milan (Italy)	150,000	Line-by-line	100%
San Filippo S.r.l.*	Genoa (Italy)	30,000	Line-by-line	100%
Segugio.it S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
Service Lercari S.r.l.*	Genoa (Italy)	50,000	Line-by-line	100%
SOS Tariffe S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
Zoorate S.r.l.	Milan (Italy)	415,654	Line-by-line	100%
Generale Fiduciaria S.p.A.	Milan (Italy)	200,000	Equity method	40%
Generale Servizi Amministrativi S.r.l.	Milan (Italy)	100,000	Equity method	40%
LC Servizi S.r.l.*	Milan (Italy)	10,400	Equity method	40%
PrestiPro S.r.l.	Milan (Italy)	120,000	Equity method	50%
Sircus Gandino S.r.l.*	Sassari (Italy)	26,000	Equity method	50%

** the percentage in the table corresponds to the stake held by Gruppo Lercari S.r.l.*

During the financial year ended December 31, 2021 the consolidation area changed with reference to:

- the merger by incorporation of Segugio Servizi S.r.l., SOS Consulting S.r.l. and SOS Dev S.r.l. into SOS Tariffe S.r.l;

- the acquisition, through 7Pixel S.r.l., of the remaining 60% stake of the share capital of Zoorate S.r.l., which led to the line-by-line consolidation of the subsidiary;

- the merger by incorporation of JPL S.r.l., GSA S.r.l. and Centro Servizi Integrati S.r.l. into Gruppo Lercari S.r.l.;

- the sale by SOS Tariffe S.r.l. of its 100% stake in SOS Broker S.r.l.;

- the demerger Fin.it S.r.l., through the assignment to Agenzia Italia S.p.A. of 70% of the net assets and liabilities of Fin.it S.r.l., equivalent to its share of the company's equity;

- the merger by incorporation of Mikono S.r.l. into Cesam S.r.l.;

- the merger by incorporation of Sircus S.r.l. into Service Lercari S.r.l..

For the calculation of the equivalent value in Euro of the financial and economics amounts in foreign currency of the Rumanian subsidiary Finprom S.r.l. and the English subsidiary Lercari International Ltd, we applied the following exchange rates:

	2021	2020
RON/Euro		
Balance sheet items	4.949	4.868
Income statement items	4.922	4.838
GBP/Euro		
Balance sheet items	0.841	0.895
Income statement items	0.860	0.890

Balance sheet items have been converted by using the exchange rate as of December 31, 2021, while income statement items have been converted by using the average exchange rate of the year.

4. Accounting policies

The consolidated financial statements are prepared at cost, with the exception of items specifically described in the following notes, for which the measurement at fair value is adopted. The fair value is the price at which an asset could be exchanged, or a liability discharged, between knowledgeable, willing parties in an arm's length transaction.

IFRS 13 provides for a hierarchy of fair value which classifies on three levels the inputs for the assessment adopted to evaluate fair value. The hierarchy of fair value gives the highest priority to quoted prices (not adjusted) on active markets for the same assets and liabilities (data of Level 1) and the lowest priority to unobservable inputs (data of Level 3).

Level 1 inputs are quoted prices (not adjusted) for the same assets and liabilities on active markets, which the entity may access as of the assessment date.

Level 2 inputs are inputs different from the quoted prices included in Level 1 which can be observed directly or indirectly for the asset or the liability.

Level inputs 3 are unobservable inputs for the asset or the liability.

Receivables are derecognized if the right to receive the cash flows has been transferred or when the entity no longer controls such financial assets.

Payables are derecognized only when they are settled or the specific obligation is met or canceled or expired.

The principal accounting policies are set out below.

A) <u>Intangible assets</u>

Intangible assets are non-monetary assets that are distinctly identifiable and able to generate future economic benefits. These items are recognized at purchase cost and/or internal production cost, including all costs to bring the assets available for use, net of accumulated amortization and impairment, if any.

The item includes the goodwill referred to business combinations.

Amortization commences when the asset is available for use and is systematically calculated on a straight-line basis over the estimated useful life of the asset.

(a) Research and development costs

Research and development costs are recognized as an expense as incurred. Costs incurred on development projects are recognized as intangible assets when:

- development activity is clearly identified and its costs can be measured reliably;
- technological feasibility is demonstrated;
- the intention of completing the project and selling the intangible goods generated are demonstrated;
- a prospective market exists or, in case of internal use, the benefits of the intangible asset for the production of intangible goods generated by the project is demonstrated;
- the necessary technological and financial resources for the completion of the project are available.

Amortization is usually calculated on a straight-line basis over 5 years, which represents the estimated useful life of the assets.

It should, however, be noted that following the analyses carried out for the statutory financial statements of the Group companies as of December 31, 2020, as part of the revaluation of certain intangible assets, which are not visible except for their tax effects in these consolidated financial statements, also in the light of the considerations developed by the experts who prepared the valuation reports on such revaluations, the Group companies that used a 3 or 4 year amortization period for their proprietary software, have started to use since January 1, 2021 a 5-year amortization period, considered more representative of the residual useful life of the intangible assets. The adoption of a longer amortization period is reflected in the consolidated financial statements only with reference to capitalized software development costs and software values recognized at the time of new acquisitions, as revaluations made by subsidiaries are not relevant for the purposes of international accounting standards.

(b) Trademarks, licenses and other rights

Licenses and other rights are amortized on a straight-line basis in order to allocate their acquisition cost over the shorter of useful life and duration of the relevant contracts, starting from the moment of acquisition of the rights and usually lasting for a period of 3 to 5 years. For trademarks, amortization is calculated using the straight-line method and it is equal to a period of 10 years.

B) Property, plant and equipment

Property, plant and equipment are stated at historical cost of acquisition or production less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured. When assets are composed of different identifiable components whose useful life is significantly different, each component is depreciated separately applying the "component approach".

Depreciation is charged to each component on a systematic basis over the estimated useful life from the date of initial recognition.

Property, plant and equipment are depreciated with useful lives as follows:

Description of the main categories of the item "Property, plant and equipment"	Period
Land	not depreciated
Buildings	30 years
Generic equipment	5 years
Specific equipment	2.5-7 years
Leasehold improvements	shorter of contract duration and useful life
Hardware	2.5 years
Office equipment	2.5-5 years
Furniture and fittings	8 years
Auto vehicles	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

C) Investments measured with the equity method

A joint venture is an arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

An associated entity is a company, which is neither a subsidiary nor a joint venture, on which the Issuer exercises a significant influence. Significant influence is presumed when the Issuer owns, directly or indirectly, more than 20% of the ordinary share capital of a company.

Joint ventures and investments in associated entities are measured for an amount equal to the corresponding fraction of equity in the last financial statements of the same entities, after the transfer of dividends and the application of adjustments in accordance with the disclosures for the preparation of the financial statements.

Gains and losses arising from changes of the adjusted equity of associated companies are recorded in the income statement for the period in which they arise.

D) Leases

IFRS 16 sets out the principles for the recognition, measurement, presentation and the disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. At the commencement date of a lease, a lessee recognizes a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease (i.e. the right of use asset). Lessees separately recognize the interest expenses on the lease liability and the depreciation expense on the right of use asset.

Lessees will be also required to re-measure the lease liability on the occurrence of certain events (e.g. a change in the lease term, a change in the future lease payments resulting from a change in an index or rate used to establish those payments). The lessee will generally recognize the re-measurement amount of the lease liability as an adjustment to the right of use of the asset.

The standard includes two recognition exemptions for lessees:

- leases of low value assets (a situation that could arise for the Group with reference to operating leases for office equipment such as photocopiers, currently recognized in the balance sheet under the item “Other operating costs”);
- short-term leasing contracts (e.g. leases with a lease term of 12 months or less).

Positions that are affected by the application of IFRS 16, with a significant effect for the Group are linked to:

- leasing contracts for the main office site (Milan);
- leasing contracts for operating sites (Faenza, Genoa, Conegliano, Arad, Tirana);
- cars under long-term rental contracts used by employees of the Group.

E) Business combinations

Business combinations are valued with the acquisition method.

The cost of the acquisition is determined by the sum of the considerations transferred in a business combination, measured at the fair value at the acquisition date, the acquired liabilities and the equity instruments issued. The assets, the acquired liabilities and the potential liabilities in a business combination are initially measured at their fair value.

The minority interests in the acquired entity are measured at their fair value and at the *pro-quota* value of the net assets recognized for the acquired company.

The surplus between the considerations transferred, the amount of the minority interests and the fair value of the non-controlling participations held before the acquisition date, compared to the fair value of the controlling stake of the net assets acquired, is recorded as goodwill.

If the value of the net assets acquired at the acquisition date exceeds the sum of the considerations transferred, of the minority interests and of the fair value of any previously held participation in the acquired company, this surplus is recorded as income of the closed transaction in the income statement.

It is worth pointing out that the Group, based on shareholders’ agreements related to the acquisition of Agenzia Italia S.p.A., considers applicable IAS 32 rather than IFRS 10, and recognized in the consolidated financial statement the financial liability related to the put/call option over the shares not yet purchased, without recognizing non-controlling interest. According to such approach, the business combination is accounted on the basis of the assumption that the Group could get economic benefits also on shares under the put/call option. No non-controlling interest is recognized when the acquirer determines the goodwill to recognize following the acquisition.

With reference to the acquisition of Lercari Group, the Group has applied the approach, provided for by IFRS 10, of the partial recognition of minority interests, on the basis of which, at the end of the financial year, the minority interests have been reclassified as financial liabilities, related to the put/call option on the residual stake of 49.9%.

According to provisions of IFRS 3, in step acquisitions (acquisitions achieved in stages) a business combination is achieved only after control has been obtained, and at this moment all the acquired entity's identifiable net assets should be measured at the fair value; minority interests should be measured based on their fair value or based on the proportionate share of the fair value of identifiable net assets of the acquired entity (a method already permitted under the previous version of IFRS 3).

In a step acquisition of an associate, the previously held investment, until then accounted according to IAS 39 ("Financial instruments: recognition and measurement"), or according to IAS 28 ("Investments in Associates") or according to IFRS 11 ("Joint arrangements), shall be treated as if it had been sold and repurchased as of the date on which control is acquired. This participation should be measured at its "sale" date fair value and the resulting profit or loss of this measurement should be recorded in the income statement. In addition, any value previously recorded in the shareholder's equity, which should be charged in the income statement after the sale of the relevant assets, should be reclassified in the income statement. The goodwill or income (in case of badwill) deriving from the deal concluded with the subsequent acquisition should be determined as the sum of the compensation paid to acquire the control, the value of minority interests (measured according to one of the methods permitted by the standard), and the fair value of the previously held minority shareholdings, net of the fair value of the identifiable net assets of the acquired entity.

In addition, according to IFRS 3 the costs related to the acquisition of business combinations are recognized as expenses in the period in which these costs are incurred. Finally, under IFRS 3 contingent consideration is recognized as a part of the transfer price of the acquired net assets and is measured at the acquisition date fair value. The fair value of these liabilities is restated as of the date of each financial report. Similarly, if the combination agreement includes the right to return some consideration components if specified conditions are met, that right is classified as an asset by the acquirer. Any subsequent changes in the fair value of the net assets acquired should be recognized as adjustments to the original accounting treatment only if they are determined by additional or better information about the fair value and occur within 12 months from the acquisition date; all other changes must be recorded in profit or loss.

F) Impairment

The Group verifies, at least annually, whether there are indicators of a potential loss in value of intangible and tangible assets. If the Group finds that such indications exist, it estimates the recoverable value of the relevant asset.

In addition, intangible assets with an indefinite useful life or that are not available for use and goodwill are subject to an impairment test each year, or more frequently if there is an indication that the asset may have been subject to a loss in value.

The ability to recover the assets is ascertained by comparing the reported value to the related recoverable value, which is represented by the greater of the fair value less disposal costs and the value in use.

In the absence of a binding sale agreement, the fair value is estimated on the basis of recent transaction values in an active market, or based on the best information available to determine the amount that could be obtained from selling the asset.

The value in use is determined by discounting expected cash flows resulting from the use of the asset, and if significant and reasonably determinable, the cash flows resulting from its sale at the end of its useful life.

Cash flows are determined on the basis of reasonable, documentable assumptions representing the best estimate of the future economic conditions that will occur during the remaining useful life of the asset, with greater weight given to outside information.

The discount rate applied takes into account the implicit risk of the business segment.

When it is not possible to determine the recoverable value of an individual asset, the Group estimates the recoverable value of the unit that incorporates the asset and generates cash flows ("**CGU**", shorthand of Cash Generating Unit).

A loss of value is reported if the recoverable value of an asset is lower than its carrying value.

This loss is booked to the income statement unless the asset was previously written up through a shareholders' equity reserve. In this case, the reduction in value is first allocated to the revaluation reserve.

If, in a future period, a loss on assets, other than goodwill, does not materialize or is reduced, the carrying value of the asset or CGU is increased up to the new estimate of recoverable value, and may not exceed the value that would have been determined if no loss from a reduction in value had been reported.

The recovery of a loss of value is posted to the income statement, unless the asset was previously reported at its revalued amount. In this case, the recovery in value is first allocated to the revaluation reserve.

The value in use of an asset that does not generate independent cash flows is determined in relation to the CGU to which this asset belongs. Impairment is recognized in the income statement whenever the carrying amount of the asset and of the related CGU exceeds its recoverable value. Whenever the circumstances causing the impairment cease to exist, the book value of the asset, except the goodwill, is restored with the recognition in the income statement, up to the net value that the asset would have had if it were not impaired and regularly depreciated.

Goodwill is not amortized, but is subject annually, or more frequently if specific events or changes in circumstances indicate that the asset might be impaired, to tests in order to identify possible impairments. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

The impairment of goodwill recorded as of the date of the financial report is shown in the income statement under depreciation of intangible assets.

G) Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and highly liquid short-term investments (readily convertible to cash within three months). Overdrafts are included in short-term borrowings and are measured at fair value.

H) Financial assets held to maturity

These financial assets are low-risk bonds, not representing equity instruments, purchased by the Group and not available for trading, valued initially at fair value and subsequently at amortized cost using the effective interest rate basis.

I) Financial assets at fair value through OCI

Upon initial recognition, the Group can elect to irrevocably classify its equity investments as equity instruments designated at fair value through other comprehensive income ("**OCI**") when they meet the definition of equity under IAS 32 "Financial Instruments: Presentation" and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the profit and loss statement when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

J) Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Financial assets at fair value through profit and loss are classified in the financial statements at fair value and the fair value changes are recorded in profit and loss.

K) Trade receivables

Trade receivables are valued initially at fair value and subsequently at amortized cost using the effective interest rate basis.

Any losses arising as a result of impairment reviews are recognized in the income statement. In particular, IFRS 9 requires the Group to record expected credit losses on all its debt securities, loans and trade receivables, either over a 12-month period or on a lifetime basis (e.g. lifetime expected loss). The Group opted for the simplified approach and therefore records the expected losses on all trade receivable based on their residual contractual duration. The Group however continues to analytically consider the specificity of the sector and of some clients in its assessments.

In the presence of impairment indicators, the values of the assets are reduced to the present value of expected future cash flows and the differences are recognized in the income statement, with a provision for bad debts as counterbalance, offsetting trade receivables. If in subsequent periods the reasons for such impairments are no longer valid, the values of the assets are reinstated up to the amortized cost as if the impairment had never occurred.

L) Own shares

Own shares are booked as a reduction of shareholders' equity. Being the shares without nominal value, the purchase cost is deducted from the share capital for an amount implicitly corresponding to the nominal value and from the distributable reserves for an amount equal to the remaining part of the purchase cost.

M) *Trade payables and financial liabilities*

Financial liabilities, trade payables and other debts are initially recognized at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method. Amortization is determined based on the effective interest rate which equates, at the initial moment, the present value of cash flows connected with the liability and its initial recorded amount (amortized cost method).

Whenever expected future cash flows change, and these could be reliably estimated, the value of the liability is recalculated on the basis of the new cash flows and the initial effective interest rate.

N) *Provisions for risks and charges*

Provisions are recognized when; (i) the existence of a current obligation, legal or implicit, arising from a past event, is probable; (ii) it is probable that the fulfillment of the obligation will be onerous; (iii) the amount of the obligation can be reliably estimated. Provisions are recognized based on the best estimate of the expenditure required to settle the present obligation or to transfer it to a third party at the balance sheet date. When the financial effect of the timing of the obligation is significant and the dates of the payments can be reliably estimated, the provision is discounted back. Provisions are measured at the present value of the payments expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

O) *Defined benefit program liability*

Employee termination benefits ("*Trattamento Fine Rapporto*", or "**TFR**"), which are compulsory for Italian companies in accordance with the civil code, are considered by IFRS as a defined benefit program, based, among other things, on the period of employment and the remuneration of the employee during a predefined period.

The TFR liability is determined by independent actuaries using the Projected Unit Credit Method to account for the time value of money. According to "revised" IAS 19 the adjustments deriving from the changes in actuarial assumptions are recorded in equity, by means of the recognition in the comprehensive income statements.

The implicit interest cost for the adjustment of the present value of the TFR liability over time is recognized in the financial expenses in the income statement.

The legislative changes that become effective in 2007 had no material impact on the evaluation method adopted by the Group because the percentage of employees adhering to the funds at the relevant date was low and besides the greater part of employees of the companies of the Group is employed in companies that did not exceeded the limits, provided by the new law and calculated on the average number of employees in 2006, over which a company is obliged to contribute the accrued fund to the National Institute for Social Security ("INPS") when employees choose to keep their TFR in the company.

P) *Share based payments*

The Group has a stock option plan for the benefit of directors, employees and other personnel. As per IFRS 2 ("Share based payments"), stock option plans are valued at the fair value of the option at grant date, using methods that take into account the exercise price and vesting period of the option, the current stock price, the expected volatility and dividend payout of the shares, and the risk-free interest rate determined on the day of the option grant.

As of the grant date, the expense related to the stock option plan is recognized on a straight-line basis in personnel costs in the income statement over the vesting period of the option, and in a reserve in shareholders' equity.

Q) <u>Revenue recognition</u>

Revenues and other income are recognized net of discounts, allowances and bonuses and of the provision for possible repayments of commissions upon early repayment or insolvency of brokered loans.

IFRS 15 provides for the recognition of revenues for an amount which reflects the compensation at which the entity believes to be entitled in the economic transaction with the customer for the transfer of products and services.

Revenues are recognized in the income statement when it is probable that future economic benefits will flow to the Group.

The methods of revenue recognition for the main activities of the Group are as follows:

(a) Credit, insurance, telecommunications and energy broking services, and e-commerce price comparison

Revenues from credit, insurance, telecommunications and energy broking services are recognized upon the actual disbursement of loans by lenders, the actual underwriting of contracts by insurance companies or the subscription of the contract for telecommunications or energy. The Group is entitled to receive its commission for the service provided only when the operation is closed with the disbursement of a loan, the activation/renewal of an insurance policy or a utility contract.

Those revenues include fees whose recognition is based on information coming from consumers and not yet confirmed by the client companies as of the end of the financial year.

Revenues from e-commerce price comparison activities are recorded at the time of click (in the case of pay per click) or at the time of product purchase (in the case of pay per sell).

(b) BPO services

Revenues from BPO services are recognized based on the type of services provided and contractual conditions agreed with clients. In particular, we can identify the following categories of services provided:

- provision of services whose revenues accrue upon the completion of each phase of processing, regardless of the effective outcome of the process;

- provision of services whose revenues accrue upon the completion of the processing and is subject to the effective closing of a transaction, such as a loan disbursement. In such case, the measurement of the revenue, in accordance with IFRS 15, depends on the stages effectively accomplished, on their contractual value, and the probabilities of success of the applications;

- promotion and placement of financial products, whose revenues are represented by success fees based on the amount of the operations finalized;

- agreements which provide for document collection activities concerning Investment Services BPO. The standard provides for the evaluation of revenues based on their stand-alone selling price: when the unit value of any job is decreasing during the years of the contract effectiveness, without any justification deriving from economies of learning and at the same value of the service provided. Considering the ongoing agreement with the client, and the analysis performed on the basis of the available data, the Group believes it is not appropriate to proceed with a linearization of the unit value of revenues associated to each job;

- agreements, regarding the provision of administrative credit collection services on behalf of insurance companies. In such case, we take into consideration, for the determination of the total compensation of the contract, both the possible implicit financial impact in transactions where the timing of payments agreed by the parties gives the customer a financial benefit, and the probability of cashing these receivables, on which the fees due to the company are established.

R) Government grants

Government grants are recognized when it is reasonably certain that the Group will respect the related conditions and they will be received.

S) Cost recognition

Costs are recognized as the assets and services are consumed during the relevant period or when they are sustained, when it is not possible to determine future economic benefits.

T) Financial income and expenses

Interest income and expenses are recognized in the accrual period on the net value of the relevant financial assets and liabilities using the effective interest rate method.

Financial expenses are recognized on an accrual basis and recorded in the income statement in the accrual period.

U) Taxation

Current income taxes are accounted on the basis of estimated taxable income and the relevant applicable tax rates.

Deferred income taxes are determined based on temporary differences arising between the tax bases of assets and liabilities (excluding goodwill) and their carrying amounts, and differences arising from undistributed reserves registered in the shareholders' equity of the subsidiaries when the timing of reversal of these differences is under the Group's control and they will probably reverse within a reliably foreseeable period. Deferred income tax assets, including those on tax loss carryforwards, and not offset by deferred tax liabilities, are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income taxes are calculated using tax rates (and laws) that are expected to apply when the related deferred income tax assets are realized or the deferred income tax liabilities are settled.

Current and deferred income taxes are recognized in the income statement with the exception of the items that are recognized directly in shareholders' equity in which case the tax effect is accounted for in the relevant equity reserve. Current and deferred tax assets and liabilities are netted only when the entity has a legally enforceable right to offset the recognized amounts.

Substitute tax relates to the revaluation of assets according to Italian tax legislation and is recognized in income tax expense in the income statement. Other taxes, not related to income, are recognized in other operating costs in the income statement.

V) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

IFRS 9 Adoption

IFRS 9 sets out the accounting of financial instruments with reference to the following areas: classification and measurement, impairment and hedge accounting.

The main areas of intervention on the discipline operated by the standard are described below.

Classification and measurement of the financial assets and liabilities

The Group does not own at present any financial liability measured at fair value through profit and loss due to the adoption of the so-called fair value option.

Concerning financial assets, the new standard provides that the classification of the assets depends on the characteristics of the financial flows linked to such assets and to the business model used by the Group for their management. The Group at present does not own nor managed during the financial year any financial asset, such as debt securities, with sale purpose nor in absolute terms, except for the financial instruments managed as part of the core business of the company Centro Finanziamenti S.p.A. and for the financial instruments acquired following the change in the consolidation area occurred in the period. In addition, the Group does not own participations as investments which could be included under IFRS 9 or derivatives, even embedded ones. Trade receivables are held to be cashed at the contractual maturities of the cash flows related to them in capital and interest, where applicable. The Group assessed the characteristics of the contractual cash flows of these instruments and concluded that they respect the criteria for the measurement at amortized cost according to IFRS 9. Therefore, it was not necessary to reclassify these financial instruments. We can reach the same conclusions for the items recorded as cash and cash equivalents.

Impairment

IFRS 9 requires the Group to record expected credit losses on all its debt securities, loans and trade receivables, either over a 12-month period or on a lifetime basis (e.g. lifetime expected loss). The Group opted for the simplified approach and therefore records the expected losses on every trade receivable based on their residual contractual duration. The standard allows the adoption of matrixes for the measurement of the provision, capable of incorporating forecast information and not limited to historical evidences, as a practical expedient. The Group however continues to analytically consider the specificity of the sector and of some clients in its assessments.

Hedge accounting

Given that IFRS 9 does not modify the general principle according to which an entity accounts for the effective hedging instruments, the main changes compared to the previous regulation IAS 39 are the following: (i) the hedge effectiveness test is only perspective and can also be based on qualitative aspects, replacing the previous 80-125% test and focusing on the economic relationship between hedge and hedged element; (ii) the possibility to designate as subject to hedging only a component of risk also for non-financial elements (provided that the risk component can be separately identifiable and reliably estimated); (iii) introduction of the cost of hedging concept; (iv) greater possibility to designate groups of elements as subject to hedging, including stratifications and some net positions. Without hedge accounting, the changes in the fair value of derivatives will continue to be recorded in the income statement.

In 2021, cash flow hedging transactions concerned the interest rate risk relating to the loan signed with Unicredit on February 26, 2021. A derivative was signed on this loan to hedge the interest rate, which converts the 3-month Euribor rate into a fixed rate of -0.15% on an annual basis.

W) <u>Earnings per share</u>

(a) Basic

Basic earnings per share are calculated by dividing the net income attributable to the Group by the weighted average number of ordinary shares outstanding during the year, excluding own shares.

(b) Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding, excluding own shares, assuming the exercise of all potentially dilutive rights, whilst the Group's net income is adjusted to account for the effect of the conversion, net of taxes. The diluted earnings per share are not calculated in the event of losses, given that any such calculation would result in an improvement in the Group's results.

X) <u>Accounting estimates and judgments</u>

The preparation of the financial statements requires the application by the directors of principles and accounting methodologies that sometimes require the use of estimates and judgments based on historical experience and other assumptions that are believed to be reasonable under the circumstances. The application of these estimates and assumptions impacts on the amounts included in the statement of financial position, income statement, statement of cash flows and the notes to the financial statements. The resulting accounting estimates could differ from the related actual results because of the uncertainty influencing the assumptions.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

(a) Deferred taxes

Deferred tax assets/liabilities are recognized on the basis of expectations of future earnings. The estimate of future earnings for purposes of the recognition of deferred taxes depends on factors that could vary over time and significantly affect the amount of deferred tax assets/liabilities.

(b) Stock options

The valuation of stock option plans is based on valuation techniques that take into consideration the expected volatility of share prices and the dividend yield. Should different assumptions be applied, the valuation of the stock option plans and the related expenses could be different.

(c) Impairment test for the evaluation of goodwill and participations

The impairment test provides for the use of valuation methods based on estimations and assumptions which could be subject to significant changes with subsequent impacts on the results of the evaluations done.

(d) Fair value of net assets acquired in a business combination

Pursuant to IFRS 3, the Group records the identifiable acquired assets and liabilities at fair value as of the date of acquisition of control. The residual amount is recorded as goodwill arising from the acquisition. These values are determined by estimating the identifiable assets and liabilities, based on reasonable and realistic assumptions using the information available at the date when control was acquired, which had an effect on the value of the recognized assets, liabilities and goodwill, as well as on the revenues and expenses for the period.

Y) New principles effective starting from the financial year ended December 31, 2021 not relevant to the Group

The following standards, amendments and interpretations, applicable from January 1, 2021, are not relevant or they did not involve effects for the Group:

- interest rate benchmark reform: amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

5. Restatement of comparative figure as of December 31, 2020

In November 2020, the Group completed the acquisitions of the Lercari Group and SOS Tariffe S.r.l.. The initial allocations of the purchase prices relating to these business combinations were not completed as of December 31, 2020, therefore, as allowed by IFRS 3, provisional goodwill was determined for each acquisition, equal to Euro 65,221 thousand for the Lercari Group and Euro 25,931 thousand for SOS Tariffe S.r.l..

The final allocations of the purchase price led to the restatement of the comparative figures as of December 31, 2020 as detailed below:

(euro thousand)	As of December 31, 2020	*Final allocation of Lercari Group*	*Final allocation of SOS Tariffe*	Changes	As of December 31, 2020 (restated)
Proprietary software	-	*24,100*	*14,736*	*38,836*	*38,836*
Trademarks	-	*5,000*	*2,995*	*7,995*	*7,995*
Goodwill Lercari Group CGU	*65,221*	*(20,981)*	-	*(20,981)*	*44,240*
Goodwill SOS Tariffe CGU	*25,931*	-	*(12,784)*	*(12,784)*	*13,147*
Other intangible assets	*105,065*	-	-	-	*105,065*
Total intangible assets	**196,217**	**8,119**	**4,947**	**13,066**	**209,283**
Total deferred tax assets*	**99,130**	**(8,119)**	**(4,947)**	**(13,066)**	**86,064**

** the item is classified net of the deferred tax liabilities*

Consequently, as detailed in note 7 below, the final goodwill allocated to the Lercari Group CGU is equal to Euro 44,240 thousand, and the final goodwill allocated to the SOS Tariffe CGU is equal to Euro 13,147 thousand.

6. Financial risk analysis

Risk management of the Group is based on the principle that operating risk or financial risk is managed by the person in charge of the business process involved.

The main risks are reported and discussed at Group top management level in order to create the conditions for their coverage, assurance and assessment of residual risk.

Exchange and interest rate risk

Currently the financial risk management policies of the companies of the Group do not provide for use of derivative instruments against the interest rate risk (except for the loan with Unicredit S.p.A.) since, as of today, the risk of incurring in greater interest costs as a result of unfavorable variations of market interest rates, as better analyzed in the following, is limited in size if compared to the economic and financial parameters of the Group and is therefore considered acceptable compared to the costs that would be required to mitigate or eliminate such risk.

The interest rate on the loan from Crédit Agricole Cariparma S.p.A., signed on June 28, 2018, is equal to 3-month Euribor increased by a spread equal to 0.90%, and is subject to variation at each payment date based on the ratio between the Net Financial Indebtedness and EBITDA.

The interest rate on the loan from Banco BPM S.p.A., signed on September 27, 2018, is equal to 6-month Euribor increased by 1.10% on the amortizing credit line equal to Euro 15,000 thousand, and equal to 6-month Euribor increased by 1.30% on the bullet credit line equal to Euro 5,000 thousand. The interest rate is subject to variation at each payment date based on the ratio between the Net Financial Indebtedness and EBITDA.

The interest rate on the loan from Unicredit S.p.A., obtained on February 26, 2021, is equal to 3-month Euribor increased by 1.60%. On such loan the Issuer subscribed a derivative hedging the variable rate, which converts the 3-months Euribor interest rate into a yearly fixed rate of -0.15%, and whose fair value as of December 31, 2021 is negative Euro 16 thousand.

A possible unfavorable variation of the interest rate, equal to 1,0%, should produce an additional expense for the Group equal to Euro 247 thousand in 2022. It is worth pointing out that such variation of the interest rate would be to a large extent compensated by the favorable impact on available liquidity.

For the remaining loans already described in paragraph 2.4.1, a fixed rate is applied instead.

It is also worth pointing out that the Group pursues a policy for the management of available liquidity by investing it in low-risk and/or promptly disposable financial assets.

As regards to the coverage of exchange rate risk, it is worth pointing out that, as of the reference date of this report, there are no significant assets or liabilities denominated in currencies different from the Euro and exchange rate risk is therefore not present.

Credit risk

The current assets of the Group, with the exception of cash and cash equivalents, are constituted mainly by trade receivables for an amount of Euro 109,895 thousand, of which the overdue portion as of December 31, 2021 is equal to Euro 27,700 thousand, of which Euro 5,706 thousand is overdue for over 90 days.

The majority of the gross overdue receivables were paid by the clients during the first months of 2022. As of the date of approval of this report, receivables not yet collected, overdue as of December 31, 2021, amount to Euro 5,914 thousand, of which Euro 3,728 thousand refers to receivables already overdue for over 90 days as of December 31, 2021.

Trade receivables are mainly versus banks and other financial institutions, insurance companies, leasing/rental companies and public entities, considered highly reliable but, facing receivables for which we consider a credit risk could arise, we allotted an allowance for doubtful receivables equal to Euro 5,876 thousand.

The Group monitors counterparty risk by analyzing the solvency and standing of customers before entering into business relations with them and trying to limit an excessively high concentration of receivables from a few counterparties.

For this purpose, it is worth mentioning that we do not notice concentration of revenues on any client: in 2021 the revenues from the main client of the Group represent 7.9% of total consolidated revenues.

Liquidity risk

Liquidity risk represents the risk that a company is not able to procure financial resources to support short-term operations.

The total amount of liquidity as of December 31, 2021 is Euro 165.857 thousand, and current financial liabilities equal to Euro 25,211 thousand; therefore, the management believes that liquidity risk for the Group is limited.

Risk linked to Covid-19 Pandemic

This scenario had significant impacts on the economy, financial markets and consumer confidence in Italy and worldwide.

The Group has taken prompt action, also on the basis of directives issued by the Government, to stem the possible impacts of health threats for its employees, and has equipped its personnel with all the necessary tools to continue working safely and, where appropriate, remotely.

It should be noted, however, that the current scenario did not have a significant impact on the economic results achieved in the financial year ended December 31, 2021 (with regard to the impact of this scenario on the Group's economic results in 2020, please refer to the consolidated financial statements as of December 31, 2020).

As of the date of approval of this report, it is not possible to predict the duration and the lasting impacts of the pandemic and therefore assess their economic and financial impact on the results for the medium term.

It should be noted, anyway, that:

- there have not been significant delays in payments from clients, nor news of particular difficulties on their part;
- no financial tensions occurred for the Group;
- there are no elements that could put into question the going concern assumption according to which the financial statements have been prepared.

Operating risk and going concern

The technological component is an essential element for the operating activities of the Group; therefore, there is the risk that the possible malfunctioning of the technological infrastructure may cause an interruption of client services or loss of data. However, the companies of the Group have developed a series of plans, procedures and tools to guarantee business continuity and data security.

Considering the economic and financial situation, in particular the available reserves, and taking into account the trend of the Net Working Capital and of the economic and financial situation, the separated and consolidated financial reports have been prepared considering the assumption of going concern respected.

It should also be considered that the Group, as in previous years, has achieved positive economic results, and that future economic forecasts are also positive. Finally, the Group has adequate financial resources to meet its future obligations over a period of at least 12 months from the date of approval of the financial statements, and it can, where necessary, activate additional levers to collect highly liquid investments of significant amounts very quickly.

7. Segment reporting

The primary segment reporting is by business segments; the board of directors of the Issuer identifies the business segments of the Group in Broking and BPO Division:

- **Broking Division**: the division operates in the Italian market for credit and insurance distribution, operating as a credit intermediary and insurance broker. The credit products that we broker are mainly mortgages and personal loans, provided to retail clients primarily through remote channels and secondarily through the territorial network. The lenders using the credit intermediation services of the Broking Division are primary universal and specialized banks and include some of the main financial institutions operating in the Italian market. The brokered insurance products are mainly auto and motorcycle insurance policies, distributed through remote channels. Moreover, the Division also performs comparison and/or promotion of further products, including e-commerce products, bank accounts and utilities (ADSL, electricity and gas).

- **BPO Division (Business Process Outsourcing Division)**: operates in the Italian market for outsourcing services to financial institutions, which consist principally of performing complex commercial, underwriting and portfolio servicing activities related to mortgages and CQ Loans, in the market for management and claim settlement outsourcing services, in the market of administrative outsourcing services for leasing and long-term rental operators and, finally, in the market for the provision of back office outsourcing services supporting financial advisors and investment companies. The financial institutions using the services of the BPO Division include primary national and international financial institutions.

Detailed information relative to each division is provided below. For this purpose, it is worth highlighting that the allocation of the costs incurred by the Issuer and by PP&E S.r.l. for the benefit of each Division is based on the relevant headcount in Italy at the end of the period.

Revenues by Division

	Years ended	
(euro thousand)	**December 31, 2021**	**December 31, 2020**
Broking Division revenues	134,248	111,053
BPO Division revenues	179,216	148,333
Total revenues	**313,464**	**259,386**

Operating income by Division

(euro thousand)	Years ended December 31, 2021	December 31, 2020
Broking Division operating income	44,197	41,864
BPO Division operating income	24,767	21,231
Total operating income	**68,964**	**63,095**
Financial income	469	358
Financial expenses	(2,379)	(2,855)
Income/(losses) from participations	(78)	435
Income/(losses) from financial assets/liabilities	(1,783)	(1,437)
Net income before income tax expense	**65,193**	**59,596**

As follows we provide the breakdown of revenues by client for each Division:

	Years ended			
(euro thousand)	December 31, 2021	(a)	December 31, 2020	(a)
Client A	22,946	17.1%	11,107	12.8%
Client B	9,260	6.9%	7,741	8.9%
Client C	7,326	5.5%	5,301	6.1%
Client D	4,901	3.7%	4,656	5.4%
Other Clients	89,815	66.9%	57,983	66.8%
Total Broking Division revenues	**134,248**	**100.0%**	**86,788**	**100.0%**
Client E	14,873	8.3%	14,083	9.5%
Client F	11,339	6.3%	9,573	6.5%
Client G	10,132	5.7%	8,082	5.4%
Client H	9,972	5.6%	7,972	5.4%
Other Clients	132,900	74.2%	108,623	73.2%
Total BPO Division revenues	**179,216**	**100.0%**	**148,333**	**100.0%**

(a) Percentage of total Division revenues

Assets by Division

The allocation of property, plant and equipment shared by both Divisions is based on space occupied.

(euro thousand)	As of December 31, 2021	As of December 31, 2020
Broking Division assets	205,113	236,436
BPO Division assets	173,281	212,190
Not allocated	72,354	54,593
Cash and cash equivalents	165,857	122,371
Total assets	**616,605**	**625,590**

Liabilities by Division

(euro thousand)	As of December 31, 2021	As of December 31, 2020
Broking Division liabilities	36,214	38,388
BPO Division liabilities	98,766	122,082
Not allocated	212,555	228,288
Total liabilities	**347,535**	**388,758**

8. Business combinations

Acquisition of Gruppo Lercari

On November 16, 2020 the Group acquired from the Lercari family a 50.1% stake of Gruppo Lercari S.r.l., the parent company of the namesake group of companies ("**Lercari Group**"), leader in the Italian market for claims appraisals, third party administration and after-sales services for the insurance sector, also active internationally through exclusive agreements with the Sedgwick Group. The agreed price for the purchase of the shares of Gruppo Lercari S.r.l. is Euro 35,664 thousand, which includes Euro 10,843 thousand of net cash balance, to which a conditional price component (whose condition occurred in 2021) of up to Euro 4,000 thousand is added.

Following the analysis aimed at determining the fair value of the assets, mainly represented by the software platform and the trademark, the liabilities and potential liabilities, the management, also through the support of a specifically appointed independent advisor, defined the allocation of the purchase price paid for the acquisition of the Lercari Group, as follows:

Cash and cash equivalent	10,843
Non-current assets	3,655
Current assets	14,351
Non-current liabilities	(1,601)
Current liabilities	(19,088)
Minorities	(20)
Fair value of net assets purchased	**8,140**
Price Paid (A)	39,664
Difference between price paid and fair value of net purchased assets	**31,524**
Recognition of minorities at fair value	33,697
Total to be allocated	**65,221**
Higher value allocated to software	24,100
Higher value allocated to trademark	5,000
Deferrex tax liabilities on higher values allocated	(8,119)
Goodwill	**44,240**
Cash of the entity at the date of the acquisition (B)	10,843
Net cash flow absorbed by the acquisition (A-B)	**28,821**

All the quotas of Gruppo Lercari S.r.l. will be subject to a lock-up of 5 years. At the end of this period, as well as upon the possible occurrence of specific events, reciprocal put/call options were agreed for the residual 49.9% stake. The liability related to the put/call option at the acquisition date was equal to Euro 33,697 thousand (Euro 32,672 thousand as of December 31, 2021), based on the operating cash flows resulting from the 2021 budget and the strategic plans prepared by the company for the period 2022-2023.

It should be noted that, as described in note 5 above, the final allocation of the price paid for this acquisition led to the restatement of the comparative balance sheet figures as of December 31, 2020.

Acquisition of SOS Tariffe

On November 27, 2020 the Group acquired from the founders and from minority shareholder Noosalab S.r.l., 100% of the share capital of SOS Tariffe S.r.l. ("**SOS Tariffe**"), an historical operator with a leadership position in Italian market for the comparison and promotion of telecommunication and energy contracts through the portal SOStariffe.it. The agreed price for the purchase of the shares of SOS Tariffe is Euro 28,746 thousand (of which Euro 27,546 thousand already paid as of December 31, 2021), which includes Euro 2,287 thousand of net cash balance, to which a conditional price component (whose condition occurred in 2021) of up to Euro 800 thousand is added.

Following the analysis aimed at determining the fair value of the assets, mainly represented by the software platform and the trademark, the liabilities and potential liabilities, the management, also through the support of a specifically appointed independent advisor, defined the allocation of the purchase price paid for the acquisition of SOS Tariffe and its subsidiaries, as follows:

Cash and cash equivalent	2,287
Non-current assets	1,437
Current assets	5,547
Non-current liabilities	(593)
Current liabilities	(5,063)
Fair value of net assets purchased	**3,615**
Price Paid (A)	29,546
Difference between price paid and fair value of net purchased assets	**25,931**
Higher value allocated to software	14,736
Higher value allocated to trademark	2,995
Deferrex tax liabilities on higher values allocated	(4,947)
Goodwill	**13,147**
Cash of the entity at the date of the acquisition (B)	2,287
Net cash flow absorbed by the acquisition (A-B)	**27,259**

It should be noted that, as described in note 3 above, the final allocation of the price paid for this acquisition led to the restatement of the comparative balance sheet figures as of December 31, 2020.

Acquisition of Zoorate S.r.l.

On May 26, 2021 the Group acquired, through subsidiary 7Pixel S.r.l., the remaining 60% stake of the share capital of Zoorate S.r.l., for a price of Euro 4,585 thousand, in line with the current liability previously recorded in the financial statements, as a result of the forward purchase already agreed between the parties. In addition, a deferred price component of Euro 1,052 thousand is provided, subject to the occurrence of certain events, which may be paid by April 2022.

The higher price paid with respect to the portion of net equity acquired was allocated for Euro 4,587 thousand to the proprietary software (platform that enables the provision of all services offered by the company, including the integration and recording of the flow of purchases from e-commerce platforms, and the publication of opinions) and for Euro 746 thousand as goodwill, as follows:

Cash and cash equivalent	2,390
Non-current assets	14
Current assets	462
Non-current liabilities	(95)
Current liabilities	(1,490)
Fair value of net assets purchased	**1,281**
Price Paid (A)	6,614
Difference between price paid and fair value of net purchased assets	**5,333**
Higher value allocated to software	4,587
Goodwill	**746**
Cash of the entity at the date of the acquisition (B)	2,390
Net cash flow absorbed by the acquisition (A-B)	**4,224**

NON-CURRENT ASSETS

9. Intangible assets

The following table presents the situation and the variation of the item as of and for the year ended December 31, 2021 and 2020:

(euro thousand)	Proprietary software	Trademarks, licenses and other rights	Goodwill	Other intangible assets	Total
Net value as of December 31, 2019	**9,276**	**943**	**97,063**	**-**	**107,282**
Increases	3,619	1,932	-	-	5,551
Other movements	38,836	8,364	57,387	74	104,661
Amortization expense	(7,042)	(1,143)	-	(26)	(8,211)
Net value as of December 31, 2020 (restated)	**44,689**	**10,096**	**154,450**	**48**	**209,283**
Increases	5,108	347	-	6	5,461
Other movements	4,587	439	746	20	5,792
Amortization expense	(13,995)	(935)	(2,801)	(47)	(17,778)
Net value as of December 31, 2021	**40,389**	**9,947**	**152,395**	**27**	**202,758**

The item "Proprietary software" includes the higher value of the software recognized following the consolidation of the Lercari Group (Euro 19,280 thousand), the higher value of the software recognized following the consolidation of SOS Tariffe (Euro 11,789 thousand) and the higher value of the software recognized following the consolidation of Zoorate (Euro 4,052 thousand), and the development costs mainly refer to the personnel costs capitalized for the creation and development of the proprietary software platforms used by Group companies to perform their activities. The increases in the financial year ended December 31, 2021, are related to purchases and capitalizations for Euro 5,108 thousand, and to the recognition of the higher value of the software following the consolidation of Zoorate.

The item "Trademarks, licenses and other rights" includes the higher value of the trademark recognized following the consolidation of the Lercari Group (Euro 4,500 thousand), the higher value of the trademark recognized following the consolidation of SOS Tariffe (Euro 2,696 thousand) and the value of the licenses for the utilization of third-party software and trademarks of the Group. The increases in the financial year ended December 31, 2021 refer to software licenses purchased during the financial year for Euro 347 thousand, and to software licenses acquired following the incorporation of the business unit of Fin.it S.r.l. into Agenzia Italia S.p.A..

The item "Goodwill" includes the goodwill emerged from the allocation of the purchase prices of the investments acquired.

The increase of the year equal to Euro 746 thousand refers to the recognition of the goodwill allocated following the acquisition of Zoorate S.r.l., while the decrease equal to Euro 2,801 thousand refers to the write-down of goodwill related to the Centro Processi Assicurativi CGU, as described in the following note.

10. Recoverability of intangible assets

The following table presents the detailed goodwill reported as of December 31, 2021 and subject to impairment test, which differs if compared to the previous year due to the recognition of the goodwill arising from the acquisition of Zoorate S.r.l., and the write-down of the goodwill related to the Centro Processi Assicurativi S.r.l. CGU:

(euro thousand)	As of December 31, 2021	As of December 31, 2020 (restated)
Agenzia Italia S.p.A.	45,288	45,288
Gruppo Lercari	44,240	44,240
7Pixel S.r.l.	33,374	33,374
SOS Tariffe S.r.l.	13,147	13,147
Eagle&Wise Service S.r.l.	8,292	8,292
Quinservizi S.p.A.	6,583	6,583
Zoorate S.r.l.	746	-
CESAM S.r.l.	595	595
EuroServizi per i Notai S.r.l.	130	130
Centro Processi Assicurativi S.r.l.	-	2,801
Total goodwill	**152,395**	**154,450**

Each goodwill recorded in the financial statements as of December 31, 2021 and indicated above belongs to a specific CGU.

As regards the determination of the recoverable amount of the CGUs, based on the value-in-use method, the cash flows generated by the CGUs themselves have been estimated. Forecasts of operating cash flows derive from the related business plans of at least three years' duration, approved by the Board of Directors of the Issuer held on March 15, 2022.

The main assumptions regarding the value-in-use of the CGUs are the operating cash flows during the three-year forecast period, the discount rate and the growth rate used to determine the terminal value, conservatively equal to 1.3%.

The composition of future cash flows has been determined based on reasonable, prudent and consistent criteria regarding the attribution of future general expenditures, capital investment, financial balance and the main macroeconomic variables. Finally, it is worth pointing out that cash flow forecasts refer to ordinary activities and, therefore, they are not comprehensive of cash flows deriving from possible extraordinary activities.

The terminal value has been estimated with the discounted cash flow formula for perpetuities.

The value-in-use of the CGUs has been determined by discounting the value of the estimated future cash flows, including the terminal value, which are supposed to be derived from ongoing activities, at a discount rate, net of taxes, adjusted for risk and reflecting the weighted average cost of capital.

In particular, the discount rate used is calculated starting from the Weighted Average Cost of Capital ("**WACC**") of the two Divisions of the Group, for the determination of which, reference was made to indicators and parameters observable on the reference market of the CGUs in question, at the current value of money. In particular, the determination of the WACC refers to the following parameters:

- Risk free rate: 0.013%, equal to the yield on 10-year Bunds at the beginning of March 2022;
- Market equity risk premium: 6.42%, source: Damodaran, Italy, January 2022; such value already includes the risk about Italian public debt;
- Additional equity risk premium: equal to 1.00%, to consider the extraordinary risk elements linked to the current geopolitical situation;

- Beta unlevered (different for the two Divisions): 0.73 for the Broking Division and 0.87 for the BPO Division using as a source 3-year unlevered betas provided by Infrontanalytics.com, for a set of comparable operators, as of the beginning of March 2022;

- Target financial structure: D/E ratio of 0.25.

Based on the above, the discount rate would be 5.90% for the Broking Division and 6.76% for the BPO Division.

As of December 31, 2021, the in-use values of the CGUs evaluated, determined as described above, are higher if compared to the carrying amounts of the assets allocated to them, goodwill included.

Keeping into consideration the actual situation of volatility of the markets and of uncertainty upon future economic perspectives, we developed a sensitivity analyses on the recoverable value of goodwill.

In particular, we developed a sensitivity analysis on the recoverable amount of the CGUs, assuming an increase of the discount rate, a decrease on the perpetual growth rate.

The sensitivity analysis, pursuant to paragraph 134 of IAS 36, of the results of impairment test for the CGUs for which we that did not notice any impairment shows the following margins of tolerance:

- Discount rate: the value in-use of the CGUs remains higher compared to the book value of the CGUs also forecasting an increase of discount rate as follows:
  - increase of discount rate until 12.50% for the Agenzia Italia CGU;
  - increase of discount rate until 18.97% for the 7Pixel CGU;
  - increase of discount rate until 23.58% for the Eagle & Wise CGU.
  - increase of discount rate until 75.76% for the Quinservizi CGU;
  - increase of discount rate until 8.27% for the Gruppo Lercari CGU;
  - increase of discount rate until 9.10% for the SOS Tariffe CGU.

- growth rate "g": the value in-use of the CGUs remains higher compared to the book value of the CGUs also forecasting a drop of the implicit growth rate ("g rate") as follows:
  - decrease of "g rate" until -5.83% for the Agenzia Italia CGU;
  - decrease of "g rate" until -18.39% for the 7Pixel CGU;
  - decrease of "g rate" until -29.18% for the Eagle & Wise CGU;
  - decrease of "g rate" over -100.00% for the Quinservizi CGU;
  - decrease of "g rate" until -0.42% for the Gruppo Lercari CGU;
  - decrease of "g rate" until -2.41% for the SOS Tariffe CGU.

Based on the analyses performed, the Directors of the Issuer considered recoverable the book value of the goodwill recorded in the consolidated financial statements as of December 31, 2021, with the exception of the Centro Processi Assicurativi S.r.l. CGU, for which an impairment test was carried out, from which the need to make a full write-down of the value of goodwill emerged, due to a change in expectations regarding the future development of the business, also in relation to the constraints and opportunities arising from the acquisition of the Lercari Group in the development of the insurance claims management and settlement business.

Regarding the Gruppo Lercari CGU, the sensitivity analysis showed that the value in use of the CGU remains higher than the book value, with an increase of the discount rate up to 8.27% or, keeping the WACC unchanged, with a decrease of "g rate" up to -0,42%. In light of this, the Directors of the Issuer consider recoverable the book value of the goodwill of the CGU recorded in the consolidated financial statements as at 31 December 2021, but, since the conditions to confirm this assessment would not be met in the event of a significant change in the parameters used or in the economic conditions underlying the analysis carried out, they will constantly monitor the CGU during the financial year ended December 31, 2022, performing further assessments and, if necessary, write down the CGU if its value in use is lower than its book value.

11. Property, plant and equipment

The following table presents the situation and the variation of the item as of and for the year ended December 31, 2021 and 2020:

(euro thousand)	Land and buildings	Plant and machinery	Other tangible assets	Total
Cost as of January 1, 2020	**22,628**	**14,115**	**7,107**	**43,850**
IFRS 16 - Additions of the period	5,383	-	307	5,690
Additions	35	1,003	367	1,405
Others	-	(12)	509	497
Cost as of December 31, 2020	**28,046**	**15,106**	**8,290**	**51,442**
Accumulated depreciation as of January 1, 2020	**4,503**	**9,020**	**4,816**	**18,338**
Depreciation expense	2,916	1,390	962	5,268
of which IFRS 16 effect	*2,589*	-	*315*	*2,904*
Others	-	-	(5)	(5)
Accumulated depreciation as of December 31, 2020	**7,419**	**10,410**	**5,773**	**23,601**
Net book value as of December 31, 2020	**20,627**	**4,696**	**2,517**	**27,841**
Cost as of January 1, 2021	**28,046**	**15,106**	**8,290**	**51,442**
IFRS 16 - Additions of the period	114	-	608	722
Additions	146	978	713	1,837
Others	-	-	123	123
Cost as of December 31, 2021	**28,306**	**16,084**	**9,734**	**54,124**
Accumulated depreciation as of January 1, 2021	**7,419**	**10,410**	**5,773**	**23,601**
Depreciation expense	3,291	1,460	1,060	5,811
of which IFRS 16 effect	*2,969*	-	*236*	*3,205*
Others	-	-	43	43
Accumulated depreciation as of December 31, 2021	**10,710**	**11,870**	**6,876**	**29,455**
Net book value as of December 31, 2021	**17,596**	**4,214**	**2,858**	**24,669**

As of December 31, 2021, the net value of property, plant and equipment is equal to Euro 24,669 thousand (Euro 27,841 thousand as of December 31, 2020). During the financial year ended December 31, 2021 we record increases for a total amount of Euro 2,559 thousand, of which Euro 722 thousand related to the adoption of IFRS 16 (for which please refer to the table below), Euro 978 thousand refer to plant and machinery, mainly related to production hardware, Euro 713 thousand refer to other tangible assets, mainly related to office equipment and furniture, and Euro 146 thousand related to buildings.

The other movements include the property, plant and equipment acquired with the incorporation of a business unit of Fin.it S.r.l. into Agenzia Italia S.p.A..

The net book value of "Land and buildings" as of December 31, 2021 mainly refers to the operating office of 7Pixel S.r.l., in Giussago (Province of Pavia) for Euro 6,036 thousand (of which Euro 892 thousand related to the land), to the building and land located in Cagliari, respectively equal to Euro 1,693 thousand and Euro 372 thousand, to the building located in Monastir (Province of Cagliari) for Euro 1,100 thousand, and to the right of use deriving from the adoption of IFRS 16 standard for Euro 8,419 thousand, in relation to the rental contracts for operating offices not owned by the Group.

The item "Plant and machinery" includes investments in generic electronic office equipment, in the different operating offices of the Group, and for production hardware.

The item "Other tangible assets" includes investments in furniture and fittings, specific equipment and vehicles.

Changes in the values of the rights of use and the leasing liabilities during the financial year ended December 31, 2021 is shown below:

(euro thousand)	Buildings	Vehicles	Total property, plant and equipment	Lease liabilities
As of January 1, 2021	**10,363**	**488**	**10,851**	**11,343**
Increases / (decreases)	114	608	722	(2,185)
Amortization	(2,969)	(236)	(3,205)	-
Financial expenses	-	-	-	(104)
As of December 31, 2021	**7,508**	**860**	**8,368**	**9,054**

The main increases refer to the right of use of vehicles, as a result of the higher agreements signed during 2021.

12. Participations measured with the equity method

The item includes the participation in the subsidiaries Fin.it S.r.l., Generale Fiduciaria S.p.A., Generale Servizi Amministrativi S.r.l., LC Servizi S.r.l., Sircus Gandino S.r.l., and in the joint venture PrestiPro S.r.l..

The following table shows the changes in this item for financial year ended December 31, 2021:

(Euro thousand)	As of December 31, 2020	Net income of the year attributable to the Group	Others	As of December 31, 2021
Fin.it S.r.l.	276	-	(276)	-
Geckoway S.r.l.	-	-	61	61
Global Care S.r.l.	8	-	(8)	-
Generale Fiduciaria S.p.A.	515	3	-	518
Generale Servizi Amministrativi S.r.l.	352	235	(160)	427
LC Servizi S.r.l.	39	-	-	39
Prestipro S.r.l.	-	-	-	-
Sircus Gandino S.r.l.	13	-	-	13
Zoorate S.r.l.	978	-	(978)	-
Other participations in SOS Consulting S.r.l.	139	-	(139)	-
Total	**2,320**	**238**	**(1,500)**	**1,058**

The item “Participations measured with the equity method” shows a decrease equal to Euro 1,262 thousand.

The other movements include the decrease of the value of the participation in Fin.it S.r.l., following the incorporation of the business unit in Agenzia Italia S.p.A., in Zoorate S.r.l. and in Global Care S.r.l., following the acquisition of control of such entities, the dividend received from Generale Servizi Amministrativi S.r.l. for Euro 160 thousand, the disposal of certain irrelevant participations held by SOS Tariffe S.r.l. for Euro 139 thousand, and the acquisition of a minority stake in Geckoway S.r.l. by the subsidiary Agenzia Italia S.p.A..

With reference to the participation in PrestiPro S.r.l., it should be noted that it has a value equal to zero, following the write down made in 2020.

13. Financial assets at fair value

The following table presents the variation of the item as of and for the financial year ended December 31, 2021:

(euro thousand)	As of December 31, 2020	Purchases/ Increases	Revaluations/ (Depreciations)	Reimbursements/ Sales	As of December 31, 2021
Cerved Group S.p.A. shares	55,915	-	-	(55,915)	-
Moneysupermarket.com Group PLC shares	-	37,006	1,553	-	38,559
BFF Bond	3,064	-	-	(3,064)	-
Fenice 2014-1 ABS	13	-	(13)	-	-
Igloo securitizations	-	341	-	-	341
Insurance policies	1,510	-	-	-	1,510
Financial assets at fair value	**60,502**	**37,347**	**1,540**	**(58,979)**	**40,410**

Financial assets at fair value show a significant decrease compared to December 31, 2020, due to the disposal of all the shares in Cerved Group S.p.A. (“**Cerved**”) previously owned by the Group, following the disposal of n. 1,643,050 shares made in March and April 2021, and subsequently, following the acceptance (on September 7, 2021) by the Issuer and its subsidiary Centro Istruttorie S.p.A. of the takeover bid for the shares of Cerved, promoted by Castor Bidco S.p.A., which led to the sale of the residual n. 5,862,321 Cerved shares. The difference between the amount received from the disposals in 2021 and the fair value as of December 31, 2020 (equal to Euro 19,672 thousand) has been classified among the OCI reserve.

The item as of December 31, 2021 mainly includes shares in MoneySupermarket.com PLC, purchased starting from October 2021, for an amount equal to Euro 38,559 thousand. Such financial assets are evaluated at fair value through OCI. In particular, the movements of the year refer to the purchase of n. 15,000,000 shares for an amount of Euro 37,006 thousand (average of Euro 2.47 per share), and to revaluations for Euro 1,553 thousand.

The item also includes insurance savings products subscribed by subsidiary Gruppo Lercari S.r.l. for Euro 1,510 thousand, and securities related to the "Igloo" securitization promoted by the subsidiary Centro Finanziamenti S.p.A. for Euro 341 thousand.

The cancellation of the value of the BFF Bond, which as of December 31, 2020 was equal to Euro 3,064 thousand, refers to the sale of the bond during the financial year ended December 31, 2021. The capital gain equal to Euro 45 thousand has been classified among the item "Income/(losses) from financial assets/liabilities".

14. Deferred tax assets and liabilities

The following tables present the situation and the variation of the item as of and for the financial year ended December 31, 2021 and 2020:

Year ended December 31, 2020

(euro thousand)	As of January 1, 2020	Accrual	Other movements	Utilization	As of December 31, 2020	Expiring within 1 year	Expiring after 1 year
Deferred tax assets							
Costs with different tax deductibility	1,068	683	18	(166)	1,603	1,603	-
Differences between the tax bases of assets and their carrying amounts	1,538	95,885	-	(124)	97,299	14,231	83,068
Defined benefit program liability	471	78	7	(22)	534	-	534
Tax loss carry forwards	100	-	223	(8)	315	223	92
Total deferred tax assets	**3,177**	**96,646**	**248**	**(320)**	**99,751**	**16,057**	**83,694**
Deferred tax liabilities							
Defined benefit program liability	(2,454)	(13,111)	-	2,002	(13,563)	(188)	(13,375)
Dividends deliberated not yet paid	-	(60)	-	-	(60)	(60)	-
Others	(586)	-	-	523	(63)	(63)	-
Total deferred tax liabilities	**(3,040)**	**(13,171)**	**-**	**2,525**	**(13,686)**	**(311)**	**(13,375)**
Total	**137**	**83,475**	**248**	**2,205**	**86,065**	**15,746**	**70,319**

Year ended December 31, 2021

(euro thousand)	As of January 1, 2021	Accrual	Utilization	As of December 31, 2021	Expiring within 1 year	Expiring after 1 year
Deferred tax assets						
Costs with different tax deductibility	1,603	576	(456)	1,723	1,723	-
Differences between the tax bases of assets and their carrying amounts	97,298	142	(38,729)	58,711	8,930	49,781
Defined benefit program liability	535	36	(42)	529	-	529
Tax loss carry forwards	315	-	(223)	92	-	92
Total deferred tax assets	**99,751**	**754**	**(39,450)**	**61,055**	**10,653**	**50,402**
Deferred tax liabilities						
Differences between the tax bases of assets and their carrying amounts	(13,563)	(9)	2,588	(10,984)	(2,402)	(8,582)
Dividends deliberated not yet paid	(60)	(97)	60	(97)	(97)	-
Others	(63)	(28)	68	(23)	-	(23)
Total deferred tax liabilities	**(13,686)**	**(134)**	**2,716**	**(11,104)**	**(2,499)**	**(8,605)**
Total	**86,065**	**620**	**(36,734)**	**49,951**	**8,154**	**41,797**

Among deferred tax assets referring to differences between the tax bases of assets and their carrying amounts there is, as of December 31, 2021, the amount of Euro 56,683 thousand, related to the revaluation of software, trademarks and real estate properties owned by some entities of the Group, among the measures introduced by the Art. 110 of the Law Decree n. 104/2020, converted in the Law n. 126/2020, enacting "Urgent measures to support and relaunch the economy".

During the financial year ended December 31, 2021, we booked the use in the period of deferred tax assets relating to the higher value of assets revalued in 2020, for Euro 7,690 thousand, and the write down of deferred tax assets relating to the higher value of revalued trademarks, equal to Euro 28,801 thousand.

With reference to the release of deferred tax assets related to the higher value of trademarks, it is should be noted that the Art. 1 comma 622 of the law "Legge di Bilancio 2022", modified the Art. 110 of the Law Decree n. 104/2020, converted in the Law n. 126/2020, which allowed the revaluation of tangible and intangible assets, by providing the increase to 50 years of the tax deductibility period of the higher value recognized to the trademarks (compared to an initial tax deductibility period of 18 years). In light of this regulatory change, the management, in line with the assessment made last year, confirms that it considers the value of deferred tax assets recoverable over a time period not exceeding 18 years (in the case of trademarks). The confirmation of the approach adopted in the financial statement as of December 31, 2020 led to the write down of deferred tax assets recoverable after this time period.

The item also includes deferred tax assets for Euro 967 thousand, deriving from the tax release, performed in the financial year ended December 31, 2012, of the consolidation differences emerged after the purchase of the participations in Key Service S.r.l. by Quinservizi S.p.A., and in Quinservizi S.p.A. itself by Centro Perizie S.r.l. (now Eagle & Wise Service S.r.l.). The amount used during 2021 amounts to Euro 127 thousand.

Among deferred tax assets referring costs with different tax deductibility, there is the tax credit, equal to Euro 860 thousand, deriving from the accruals recorded among the provisions for risks and charges.

Finally, it is worth pointing out that among deferred tax liabilities referring to differences between the tax bases of assets and their carrying amounts, as of December 31, 2021, there is the amount related to the tax effect of the higher values recognized to the software and trademarks of SOS Tariffe S.r.l. and Lercari Group, for Euro 10,676 thousand. The utilization of deferred tax liabilities mainly refer to the utilization of the period of the tax effect of the higher value of the software of Agenzia Italia S.p.A., for Euro 188 thousand, of the higher value of the software and trademark of SOS Tariffe S.r.l., for

Euro 906 thousand, and of the higher value of the software and trademark of Lercari Group, for Euro 1,485 thousand.

15. Other non-current assets

The following table presents the situation of the item as of December 31, 2021 and 2020:

(euro thousand)	As of December 31, 2021	As of December 31, 2020
Loan to joint venture Prestipro S.r.l.	130	190
Security deposits on lease contracts	218	179
Other security deposits	350	350
Other non current assets	**698**	**719**

The item as of December 31, 2021, equal to Euro 698 thousand, includes a non-interest bearing loan granted to the joint venture PrestiPro S.r.l., for an amount equal to Euro 130 thousand, security deposits related to lease contracts for Euro 218 thousand and a security deposit in favor of a supplier of the BPO Division to guarantee the payment of professional services in the mortgage area for an amount equal to 350 thousand.

The decrease of the value of the loan granted to the joint venture Prestipro S.r.l. is due to the partial write-down of this receivable, for Euro 60 thousand, as a result of the liquidation of the company, which took place in February 2022. The remaining amount recorded in the financial statement, equal to Euro 130 thousand, is considered recoverable on the basis of the cash and cash equivalents of PrestiPro S.r.l..

It is worth pointing out that the actualization of financial assets using the current rates does not have significant impacts on their measurement.

CURRENT ASSETS

16. Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank deposits. The item includes cash on bank deposits with specific destinations for Euro 4,919 thousand.

For comments on the evolution of cash and cash equivalents, please refer to the management report.

The following table presents net financial position as of December 31, 2021 and 2020, prepared according to ESMA orientation 32-382-1138 of March 4, 2021 and to the guidance Consob n. 5/21 of April 29, 2021:

(euro thousand)	As of December 31, 2021	December 31, 2020	Change	%
A. Cash and current bank accounts	165,857	122,371	43,486	35.5%
B. Cash equivalents	-	-	-	N/A
C. Other current financial assets	1,510	4,944	(3,434)	-69.5%
D. Liquidity (A) + (B) + (C)	**167,367**	**127,315**	**40,052**	**31.5%**
E. Current financial liabilities	(9,163)	(44,679)	35,516	-79.5%
F. Current portion of non-current financial liabilities	(16,048)	(34,643)	18,595	-53.7%
G. Current indebtedness (E) + (F)	**(25,211)**	**(79,322)**	**54,111**	**-68.2%**
H. Net current financial position (D) + (G)	**142,156**	**47,993**	**94,163**	**196.2%**
I. Non-current financial liabilities	(195,935)	(120,417)	(75,518)	62.7%
J. Bonds issued	-	-	-	N/A
K. Trade and other non-current payables	-	-	-	N/A
L. Non-current indebtedness (I) + (J) + (K)	**(195,935)**	**(120,417)**	**(75,518)**	**62.7%**
M. Net financial position (H) + (L)	**(53,779)**	**(72,424)**	**18,645**	**-25.7%**

The net financial position as of December 31, 2021 shows a negative cash balance, for Euro 53,779 thousand, improving by Euro 18,645 thousand compared to the previous financial year.

17. Trade receivables

The following table presents the situation of the item as of December 31, 2021 and 2020:

(euro thousand)	As of December 31, 2021	As of December 31, 2020
Trade receivables	115,771	110,736
(allowance for doubtful receivables)	(5,876)	(5,204)
Total trade receivables	**109,895**	**105,532**

Trade receivables refer to ordinary sales to client companies operating in the banking and financial sector.

It is worth pointing out that trade receivables include a portion related to the estimation of conditional considerations upon the occurrence of certain contractual events, and that IFRS 15 standard defines as "contract assets". In particular, the considerations refer to:

- mortgage underwriting and closing services, for which in some cases the contractual remuneration is subject to the effective disbursement of the loan, for Euro 450 thousand;
- administrative activities aimed at credit collection on behalf of insurance companies, for which the fees are subject to the effective collection of the credits, for Euro 3,046 thousand.

The following tables present the variation of the allowance for doubtful receivables in the financial years ended December 31, 2021 and 2020:

Year ended December 31, 2020

(euro thousand)	As of December 31, 2019	Change in the scope of consolidation	Accrual	Utilization	As of December 31, 2020
Provision for bad debts	4,060	269	943	(68)	5,204
Total	**4,060**	**269**	**943**	**(68)**	**5,204**

Year ended December 31, 2021

(euro thousand)	As of December 31, 2020	Change in the scope of consolidation	Accrual	Utilization	As of December 31, 2021
Provision for bad debts	5,204	41	908	(277)	5,876
Total	**5,204**	**41**	**908**	**(277)**	**5,876**

The change in the scope of consolidation refers to the provision for bad debts of the Zoorate S.r.l., included in the consolidation area during the financial year ended December 31, 2021.

The acrruals for the year mainly include the adjustments to the bad debt provision booked by the subsidiary Agenzia Italia S.p.A..

18. Tax receivables

This item, equal to Euro 12,371 thousand as of December 31, 2021 (Euro 2,759 thousand as of December 31, 2020), refers to the credit for current taxes due to the payments of advances by the companies of the Group during 2021 higher than the amount of the tax due on the taxable income.

19. Other current assets

The following table presents the situation of the item as of December 31, 2021 and 2020:

(euro thousand)	As of December 31, 2021	As of December 31, 2020
Accruals and prepayments	2,210	1,394
Advances to suppliers	1,339	1,440
Others	460	700
VAT receivables	4,922	3,932
Receivables from associated companies	-	368
Total other current assets	**8,931**	**7,834**

The item “Accruals and prepayments” mainly includes the payments for leases and maintenance services already paid but pertaining to subsequent financial years as well as revenues already accrued on services not yet completed. The increase compared to the previous year is the result of the higher costs for the use of third-party software licenses.

The item “Advances to suppliers” as of December 31, 2021 mainly includes advance payments for consulting and services not yet performed.

The cancellation of the receivables from associated companies is due to the closure of the centralized treasury account of Agenzia Italia S.p.A. with Fin.it S.r.l. following the merger of a business unit of Fin.it S.r.l. into Agenzia Italia S.p.A..

The increase of VAT receivables is due to the higher credit recorded by the Issuer and a company of the Broking Division.

NON-CURRENT LIABILITIES

20. Long-term debts and other financial liabilities

The following table presents the situation of the item as of December 31, 2021 and 2020:

(euro thousand)	**As of December 31, 2021**	**As of December 31, 2020**
Long-term bank borrowings	139,534	78,549
Term between 1 and 5 years	*114,963*	*74,808*
Term over 5 years	*24,571*	*3,741*
Other non-current financial liabilities	56,401	41,868
Put/call option liability Agenzia Italia S.p.A.	*17,812*	-
Put/call option liability Gruppo Lercari S.r.l.	*32,672*	*33,697*
Non-current lease liabilities	*5,917*	*8,171*
Totale long-term debts and other financial liabilities	**195,935**	**120,417**

Bank loans

Non-current bank borrowings refer to the outstanding loans from Intesa SanPaolo S.p.A. for Euro 79,893 thousand, Crédit Agricole Cariparma S.p.A., for Euro 20,956 thousand, Banco BPM S.p.A., for Euro 14,540 thousand (of which Euro 5,050 thousand related to the bank loan obtained by Agenzia Italia S.p.A.), Credito Emiliano S.p.A. for Euro 17,658 thousand, and from Unicredit S.p.A. for Euro 6,487 thousand.

The repayment schedule is as follows:

(euro thousand)	**As of December 31, 2021**	**As of December 31, 2020**
- between one and two years	24,215	19,270
- between two and three years	35,682	33,605
- between three and four years	31,168	13,351
- between four and five years	23,898	8,582
- more than five	24,571	3,741
Total	**139,534**	**78,549**

Interest rates

The interest rate on the bank loan from Crédit Agricole Cariparma S.p.A., obtained on June 28, 2018, is equal to 3-month Euribor increased by 0.90%, and it is subject to change during the length of the contract based on the change of the ratio between Net Financial Indebtedness and EBITDA.

The interest rate on the bank loan from Banco BPM S.p.A., obtained on September 27, 2018, is equal 6-month Euribor increased by 1.10%, on the amortizing credit line equal to Euro 15,000 thousand, and by 1.30% on the bullet credit line equal to Euro 5,000 thousand. Moreover, the interest rate is subject to a change during the length of the contract based on the change of the ratio between Net Financial Indebtedness and EBITDA.

The loan from Crédit Agricole Cariparma S.p.A., obtained on March 30, 2020, for an amount equal to Euro 15,000 thousand, carries an annual fixed rate equal to 1.05%.

The loan from Banco BPM S.p.A, obtained by subsidiary Agenzia Italia S.p.A. for an amount equal to Euro 10,000 thousand, carries an annual fixed rate equal to 1.09%.

The bank loan from Unicredit S.p.A., obtained on February 26, 2021, for an amount equal to Euro 10,000 thousand, carries a yearly variable rate equal to 3-month Euribor increased by 1.60%. A derivative hedging the variable rate, was put in place on this loan, which converts the 3-months Euribor interest rate in a yearly fixed rate of -0.15% and whose fair value as of December 31, 2021 shows a negative amount equal to 16 thousand.

The bank loan from Intesa SanPaolo S.p.A., obtained on March 30, 2021, for an amount equal to Euro 80,000 thousand, carries a yearly fixed rate equal to 1.45%.

The bank loan from Credito Emiliano S.p.A., obtained on September 9, 2021, for an amount equal to Euro 20,000 thousand, carries a yearly fixed rate equal to 0.58%.

Such interest rates are representative of the actual interest rate paid. The book value of the financial liabilities represents their fair value as of the date of the financial statement.

Financial covenants

As regard the loan obtained from Crédit Agricole Cariparma S.p.A., the Group is obliged to comply with the following consolidated financial covenant: ratio between Net Financial Position and EBITDA: (i) not over 2.50, with reference to the consolidated annual report ended December 31 of each year; (ii) not over 2.75, with reference to the consolidated half year report ended June 30 of each year.

As regard the loan obtained from Banco BPM S.p.A., the Group is obliged to comply with the following consolidated financial covenant, as resulting from the consolidated financial statements for each full and half year, clarifying that the economic data are to be considered on an yearly basis: ratio between Net Financial Position and EBITDA not over 3.0.

As regard the loan obtained from Credito Emiliano S.p.A., the Group is obliged to comply with the following consolidated financial covenant, as resulting from the consolidated financial statements for each full and half year: ratio between Net Financial Position and EBITDA not over 3.0.

As regard the loan obtained from Unicredit S.p.A., the Group is obliged to comply with the following consolidated financial covenant, as resulting from the consolidated financial statements for each full and half year, clarifying that the economic data are to be considered on a yearly basis: ratio between Net Financial Position and EBITDA not over 3.0. In addition, in the event that such ratio should be higher than 2.25, the Issuer is obliged not to distribute or resolve the distribution of profits of the year in amounts exceeding 50% of the consolidated annual net income.

As regard the loan obtained from Intesa SanPaolo S.p.A., the Group is obliged to comply with the following consolidated financial covenants: i) ratio between Net Financial Position and EBITDA not over 2.5; ii) ratio between Net Financial Position and Equity not over 2.0. In addition, in the event that the ratio between Net Financial Position and EBITDA should result higher than 2.0, the Issuer is obliged not to distribute profits and/or reserves made up of undistributed profits from previous years in excess of 50%.

The Group has complied with these covenants as of December 31, 2021.

Changes in liabilities

We provide below the table required by IAS 7 about the changes of the liabilities related to financing activities:

(euro thousand)	As of December 31, 2020	Cash flows	Others	As of December 31, 2021
Crédit Agricole Cariparma S.p.A.	25,273	-	(4,317)	20,956
Credito Emiliano S.p.A.	3,202	14,456	-	17,658
Intesa SanPaolo S.p.A.	30,432	49,578	(117)	79,893
Banca Popolare di Milano S.p.A.	19,642	-	(5,102)	14,540
Unicredit S.p.A.	-	6,487	-	6,487
Long-term borrowings	**78,549**	**70,521**	**(9,536)**	**139,534**

The "Others" column refers to the reclassification among current liabilities of the stakes of the loans that will expire during the next twelve months.

Other non-current financial liabilities

Finally, "Other non-current financial liabilities" are composed of the estimated liability for the exercise of the put/call option on the residual 49,9% stake of Gruppo Lercari S.r.l., equal to Euro 32,672 thousand, the estimated liability for the exercise of the put/call option on the residual 15.5% stake of Agenzia Italia S.p.A., equal to Euro 17,812 thousand, and the leasing liabilities deriving from the adoption of IFRS 16, for Euro 5,917 thousand.

21. Provisions for risks and charges

The following tables present the situation and the variation of the item as of and for the financial year ended December 31, 2021 and 2020:

Year ended December 31, 2020

(euro thousand)	As of December 31, 2019	Accrual	Utilization	As of December 31, 2020
Provision for early repayment of mortgages	176	-	(2)	174
Other provisions for risks	1,664	76	(64)	1,676
Total	**1,840**	**76**	**(66)**	**1,850**

Year ended December 31, 2021

(euro thousand)	As of December 31, 2020	Accrual	Utilization	As of December 31, 2021
Provision for early repayment of mortgages	174	-	-	174
Other provisions for risks	1,676	72	(40)	1,708
Total	**1,850**	**72**	**(40)**	**1,882**

The provision for early repayment of mortgages includes the estimation of possible repayment of commissions received for mortgages intermediated in the year ended at the financial statements date, if particular clauses of the agreements with the banks provide for the reversal of the fees in case of loan prepayment or borrower default. The item also includes a provision of Euro 126 thousand, booked during financial year ended December 31, 2019, which refers to an estimation of the economic indemnities that may have to be paid to customers and/or assignees by a company of the Group which provides loans subsequently transferred to other intermediaries, in the event of requests for early repayment, pursuant to the judgment of the Court of Justice of the European Union of September 11, 2019 about the repayment - pro rata - of the total cost of the receivable in case of early repayment.

The "Other provisions for risks" include, for Euro 875 thousand, the estimation of the liability deriving from the probable charging by some suppliers of the Group of additional costs compared to the previously foreseeable amount, related to professional services supplied to the Mortgage BPO business line. The management considers it appropriate to allot those amounts since, based on the agreements with these suppliers, the Group must bear the direct costs incurred by the suppliers in the provision of these services. The item also includes the measurement of the liability considered probable related to labor claims, for Euro 826 thousand.

22. Defined benefit program liabilities

The following table presents the situation of the item as of December 31, 2021 and 2020:

(euro thousand)	**As of December 31, 2021**	**As of December 31, 2020**
Employee termination benefits	17,936	16,368
Directors' termination benefits	290	211
Total defined benefit program liabilities	**18,226**	**16,579**

The economic and demographic assumptions used for the actuarial determination of the defined benefit program liabilities are provided below for the years ended December 31, 2021 and 2020:

	As of December 31, 2021	**As of December 31, 2020**
ECONOMIC ASSUMPTIONS		
Inflation rate	1.50%	0.75%
Discount rate	1.00%	0.35%
Salary growth rate	2.50%	1.75%
TFR growth rate	2.63%	2.06%

DEMOGRAPHIC ASSUMPTIONS

Expected mortality rate	Expected mortality rate of Italian population, according with data from *Ragioneria Generale dello Stato* (RG48)
Expected invalidity rate	Data split by sex, driven by the INPS model and projected to 2010. Expectations are constructed using the age and gender of the living pensioners at January 1, 1987 beginning from 1984, 1985, 1986 for the personnel of the credit sector.
Expected termination rate	As regards the expected termination, a rate of 7.50% p.a. has been applied for all employees.
Expected retirements	It is expected that employees will reach the pensionable age provided within local laws
Expected early repayment rate	A rate of 3% p.a. has been applied.

Actuarial losses deriving from the liability as of December 31, 2021, equal to Euro 81 thousand, are recorded in equity, with the recognition in the comprehensive income statement.

The following table presents the variation of the employee termination benefit liability for the year ended December 31, 2021 and 2020:

(euro thousand)	
Value as of December 31, 2019	**13,679**
Current service cost	2,757
Interest cost	103
Change in the scope of consolidation	754
Benefits paid	(891)
Losses /(Gains) of the year	(34)
Value as of December 31, 2020	**16,368**
Current service cost	2,737
Interest cost	58
Change in the scope of consolidation	314
Benefits paid	(1,622)
Losses /(Gains) of the year	81
Value as of December 31, 2021	**17,936**

Expenses related to the defined benefit program liability that are recognized in the income statement are as follows:

	Years ended	
(euro thousand)	**December 31, 2021**	**December 31, 2020**
Current personnel cost	(2,737)	(2,757)
Implicit interest cost	(58)	(103)
Total expenses related to the defined benefit program	**(2,795)**	**(2,860)**

As regards the discount rate, the reference rate used for the valorization of this parameter is the Iboxx Eur Corporate AA 10+ index (maturity over 10 years) as of the valuation date. This term is in fact linked to the average residual permanence of the employees of the Group, weighed with the expected payments.

The directors' termination benefits for the companies of the Group are recognized pursuant to the resolutions of the relevant shareholders' meetings.

23. Non current portion of tax liabilities

The item, equal to Euro 3,691 thousand as of December 31, 2021 (Euro 7,281 thousand as of December 31, 2020), includes the non-current portion of the substitute tax liabilities recognized in the financial statements of some companies of the Group, following the revaluations of software and trademarks already described previously. The decrease compared to December 31, 2020 is due to the short-term reclassification of an annual installment.

24. Other non-current liabilities

The item, equal to Euro 2,000 thousand as of December 31, 2021, includes the non-current portion of the consideration still to be paid for the acquisition of Gruppo Lercari S.r.l., for Euro 1,000 thousand, and of SOS Tariffe S.r.l. for Euro 1,000 thousand. Such portions will be paid during 2023.

CURRENT LIABILITIES

25. Short-term debts and other financial liabilities

The following table presents the situation of the item as of December 31, 2021 and 2020:

(euro thousand)	**As of December 31, 2021**	**As of December 31, 2020**
Short-term bank debts	6,013	1,512
Current portion of long-term loans:	16,048	39,643
Crédit Agricole Cariparma S.p.A.	*4,319*	*9,319*
Credito Emiliano S.p.A.	*2,330*	*16,795*
Intesa SanPaolo S.p.A.	*290*	*6,577*
Banca Popolare di Milano S.p.A.	*5,102*	*5,073*
Unicredit S:p.A.	*2,007*	*-*
BPER Banca S:p.A.	*2,000*	*452*
BCC Iccrea	*-*	*1,172*
Banca della Marca	*-*	*255*
Other financial liabilities	3,134	38,167
Current lease liabilities	*3,134*	*3,167*
Liability for derivative on loan	*16*	*-*
Put/call option liability Agenzia Italia S.p.A.	*-*	*35,000*
Short-term debts and other financial liabilities	**25,211**	**79,322**

The item "Short-term debts and other financial liabilities" amounting to Euro 25,211 thousand as of December 31, 2021, includes the current portions of bank borrowings and the interest payable on the outstanding loans, for an amount equal to Euro 16,048 thousand, the bank liabilities related to the short-term credit lines used by Agenzia Italia S.p.A., for an amount equal to Euro 6,013 thousand, the current portion of the lease liabilities (according to IFRS 16) for Euro 3,134 thousand, and the liability related to the derivative on the loan with Unicredit S.p.A., for Euro 16 thousand.

We provide below the table required by IAS 7 about the changes of the liabilities related to financing activities:

(euro thousand)	As of December 31, 2020	Cash flows	Others	As of December 31, 2021
Intesa SanPaolo S.p.A.	6,577	(6,587)	300	290
Credito Emiliano S.p.A.	16,795	(14,463)	(2)	2,330
Crédit Agricole Cariparma S.p.A.	9,319	(9,350)	4,350	4,319
Banca Popolare di Milano S.p.A.	5,073	(2,625)	2,654	5,102
Unicredit S.p.A.	-	2,006	-	2,007
BCC Iccrea	1,172	(1,172)	-	-
Banca della Marca	255	(255)	-	-
BPER Banca S.p.A.	452	1,548	-	2,000
Short-term borrowings	**39,643**	**(30,898)**	**7,302**	**16,048**

The "Others" column refers to the reclassification among current liabilities of the portions of the loans that will expire during the next twelve months.

26. Trade and other payables

Trade and other payables include the payables to suppliers for the purchase of goods and services, for Euro 43,580 thousand as of December 31, 2021, compared to Euro 44,501 thousand as of December 31, 2020.

27. Tax payables

Tax payables include payables for current taxes. As of December 31, 2021, the item includes mainly the liability for accrued IRES and IRAP. It is worth pointing out that during the financial year ended December 31, 2021, the Group paid a total amount of Euro 21,053 thousand for the final balance of the income taxes related to financial year 2020 and for the advances on the income taxes related to financial year 2021, and Euro 3,690 thousand related to the first installment of the substitute tax related to the revaluations.

28. Other current liabilities

The following table presents the situation of the item as of December 31, 2021 and 2020:

(euro thousand)	As of December 31, 2021	As of December 31, 2020
Liabilities to personnel	16,712	15,476
Social security liabilities	5,256	4,945
Social security liabilities on behalf of employees	3,856	4,478
Accruals	2,826	1,219
VAT liabilities	2,052	1,564
Advances from clients	1,052	4,460
Consideration for the purchase of Zoorate S.r.l.	15,600	36,549
Other liabilities	5,516	34,019
Total other current liabilities	**52,870**	**102,710**

Liabilities to personnel are mainly liabilities for salaries accrued in December, paid at the beginning of 2022, for accrued holidays and for deferred expenses as of December 31, 2021 that are still to be paid and bonus liabilities for the financial year 2021 not yet paid as of December 31, 2021. The increase compared to the previous year is mainly due to the increase in the average number of employees, in relation to the growth of operating activities.

The item "Accruals" mainly includes deferred revenues linked to outsourcing activities performed by the Leasing/Rental BPO business line, and deferred revenues linked to the activities of subsidiary Zoorate S.r.l.. The increase with respect to the previous year is due both to the inclusion of Zoorate S.r.l. in the consolidation area, and to higher deferred revenues within the Leasing/Rental BPO business line.

The item "Advances from clients" mainly includes payables to customers of the Insurance BPO business line for advances received for claim settlements for Euro 9,717 thousand, payables to customers of the Loans BPO business line for Euro 3,735 thousand, payables of the subsidiary Centro Finanziamenti S.p.A. to its loan buyers for expected early repayments on the transferred loans for Euro 1,271 thousand, and payables to customers of the Leasing/Rental BPO business line, for advances received by the subsidiary Agenzia Italia S.p.A. in relation to car stamp duties to be paid in the short term, amounting to Euro 777 thousand. The significant decrease of the advances is due to the lower advances collected from the clients of the subsidiary Agenzia Italia S.p.A., as a result of the return to ordinary methods of managing the payment of car stamp duties during 2021.

The item "Other payables" mainly includes the unpaid portion of the consideration for the acquisition of Lercari Group, for Euro 1,000 thousand, and of SOS Tariffe for Euro 1,000 thousand. The decrease compared to the previous year is mainly attributable to the payment of portions of the consideration for the acquisition of Lercari Group for Euro 27,664 thousand, and the consideration for the acquisition of SOS Tariffe for Euro 1,800 thousand.

The item "Consideration for purchase of Zoorate S.r.l.", includes the portion still to be paid of the consideration for the acquisition of the residual 60% stake of Zoorate S.r.l. for Euro 1,052 thousand, to be paid following the approval of the statutory financial statement as of December 31, 2021.

29. Shareholders' equity

The following table presents the situation of the item as of December 31, 2021 and 2020:

(euro thousand)	**As of December 31, 2021**	**As of December 31, 2020**
Share capital	970	954
Legal reserve	202	202
Other reserves	47,425	17,146
Retaind earnings	215,802	214,955
Total Group shareholders' equity	**264,399**	**233,257**
Other reserves of minority interest	3,179	1,347
Retained income of minority interest	1,492	2,228
Total shareholders' equity	**269,070**	**236,832**

For the changes in shareholders' equity, refer to the relevant table.

On April 29, 2021 the shareholders' meeting resolved the distribution of a dividend of Euro 0.40 per share, for a total amount of Euro 15,500 thousand. Such dividend has been paid out with ex-dividend date May 17, 2021 record date May 18, 2021 and payable date May 19, 2021.

The Company, as of December 31, 2021, has a share capital of Euro 1,012,354.01, formed by 40,000,000 ordinary shares without nominal value.

As of December 31, 2021, the Issuer holds 1,662,041 own shares, equal to 4.155% of ordinary share capital, for a total cost of Euro 12,638 thousand. Being the shares without nominal value, the purchase cost is deducted from the share capital for an amount implicitly corresponding to the nominal value, equal to Euro 42 thousand as of December 31, 2021, and from available reserves for an amount equal to the remaining part of the purchase cost.

The following table presents the impact of the purchase and sale of own shares by the companies of the Group on the consolidated share capital and net equity of the shareholders of the Issuer as of December 31, 2021 and 2020:

(euro thousand)	**As of December 31, 2021**	**As of December 31, 2020**
Share capital underwritten and paid	1,012	1,012
Own shares' nominal value	(42)	(58)
Total share capital	**970**	**954**

(euro thousand)	**As of December 31, 2021**	**As of December 31, 2020**
Other reserves gross of own shares	276,320	247,603
Surplus on own shares	(12,891)	(15,300)
Total other reserves	**263,429**	**232,303**

30. Stock option plan

The following table summarizes the variation of the stock options during the year:

Stock options as of January 1, 2021	1,399,100
Stock options offered in 2021	168,000
Stock options canceled due to resignations in 2021	(25,000)
Stock options expired in 2021	-
Stock options exercised in 2021	(719,593)
Stock options as of December 31, 2021	822,507
(of which) vested as of December 31, 2022	*630,507*

The outstanding stock options as of December 31, 2021 are as follows:

Date of shareholders' meeting resolution	Date of assignment	Vesting date	Expiry date	# options	Strike price	Value of the option
April 27, 2017	March 12, 2018	March 12, 2021	March 11, 2024	470,507	13.549	2.61
April 27, 2017	July 5, 2019	July 8, 2022	July 7, 2025	160,000	15.887	3.21
April 27, 2017	September 1, 2020	September 1, 2023	August 31, 2026	24,000	22.755	4.90
April 29, 2021	November 15, 2021	November 15, 2024	November 14, 2027	168,000	44.379	8.77
			Total options	**822,507**		

The weighted average price of the shares for the year ended December 31, 2021 is equal to Euro 42.874.

Personnel costs for the year ended December 31, 2021 include Euro 479 thousand related to the Group's stock option plan. In the income statement for the year ended December 31, 2020 there are costs equal to Euro 1,259 thousand related to the stock option plan.

NOTES TO THE MAIN ITEMS OF THE CONSOLIDATED INCOME STATEMENT

31. Revenues

The following table presents the details of the item for the financial years ended December 31, 2021 and 2020:

	Years ended	
(euro thousand)	**December 31, 2021**	**December 31, 2020**
Broking Division revenues	134,248	111,053
BPO Division revenues	179,216	148,333
Total revenues	**313,464**	**259,386**

For comments on the evolution of revenues, please refer to the management report.

32. Other income

The following table presents the details of the item for the financial years ended December 31, 2021 and 2020:

	Years ended	
(euro thousand)	**As of December 31, 2021**	**As of December 31, 2020**
Reimbursement of costs	3,598	3,473
Others	1,373	624
Grants	111	59
Total other income	**5,082**	**4,156**

33. Services costs

The following table presents the details of the item for the financial years ended December 31, 2021 and 2020:

(euro thousand)	Years ended As of December 31, 2021	As of December 31, 2020
Marketing and commercial expenses	(48,956)	(38,055)
Notarial and appraisal services	(40,547)	(36,063)
Technical, legal and administrative consultancy	(13,495)	(9,486)
Commission payout	(4,784)	(4,138)
Rental and lease expenses	(4,064)	(2,812)
Postage	(3,363)	(3,039)
IT Services	(2,264)	(2,139)
Telecommunications	(1,631)	(1,600)
Utilities and cleaning costs	(1,399)	(920)
Travel expenses	(586)	(373)
Other general expenses	(9,546)	(6,146)
Total services costs	**(130,635)**	**(104,771)**

"Marketing and commercial expenses" refer to activities aimed at increasing the awareness and reputation of the Group and of its brands and to acquire new perspective clients. The growth compared to the previous financial year is mainly due to the full contribution of SOS Tariffe S.r.l., included in the consolidation area since the month of December 31, 2020, and to the increase of spending, within Broking Division.

"Notary and appraisal services" mainly refer to services purchased by the BPO Division and grow compared to the previous year, mainly due to the full contribution of the Lercari Group, included in the consolidation area since December 31, 2020.

"Technical, legal and administrative consultancy" costs refer to expenses incurred for professional advice for legal, financial and fiscal matters, for audit activities, for administrative and operating support, as well as for IT and technology consulting. The increase compared to the previous year is the result of the higher costs of the Group for strategic, fiscal and compliance consultancy.

"Commission payout" is related in particular to the broking fees paid to the agents of the Money360 network.

"Rental and lease expenses" include mainly the fees paid by the companies of the Group for software use costs. The increase compared to the previous year is due to the higher software use costs.

"Postage and delivery charges" refer mainly to expenses incurred for the shipping of documentation on behalf of the clients of the BPO Division.

"IT Services" refer to the various IT services provided by the company Fin.it S.r.l., before the incorporation of the business unit into Agenzia Italia S.p.A., in order to support the operating activities of subsidiary Agenzia Italia S.p.A..

The "Other general expenses" include costs of various services, such as administrative and document scanning services used by subsidiary Agenzia Italia S.p.A..

34. Personnel costs

The following table presents the details of the item for the financial years ended December 31, 2021 and 2020:

(euro thousand)	Years ended As of December 31, 2021	As of December 31, 2020
Wages and salaries	(60,480)	(52,188)
Social security contributions	(15,583)	(13,875)
Professional collaborators and project workers costs	(2,568)	(1,750)
Directors' compensation	(6,203)	(3,260)
Defined benefit program costs	(4,135)	(3,449)
Other costs	(471)	(477)
Stock options	(479)	(1,259)
Total personnel costs	**(89,919)**	**(76,258)**

The increase compared to the previous financial year is mainly due to the growth of the average headcount, in relation to the growth of operating activities, to the full contribution of Lercari Group and SOS Tariffe, consolidated starting from December 2020.

The average headcount is as follows:

	Years ended December 31, 2021	December 31, 2020
Managers	31	27
Supervisors	74	63
Employees	2,224	1,854
Average headcount	**2,329**	**1,944**
Headcount in Italy	1,870	1,533
Headcount in Romania	459	399
Headcount in Albania	134	12
Headcount in Germany	4	-

35. Other operating costs

Other operating costs as of December 31, 2021 amount to Euro 10,293 thousand (Euro 9,564 thousand) and mainly include non-deductible VAT costs relating to the financial years ended December 31, 2021 and 2020, respectively equal to Euro 6,971 thousand and Euro 5,359 thousand.

The item also includes expenses for the purchase of consumables and minor equipment for Euro 610 thousand (Euro 907 thousand in financial year ended December 31, 2020) and Euro 941 thousand relating to provisions (Euro 1,105 thousand in the financial year ended December 31, 2020).

36. Depreciation and amortization

The following table presents the details of the item for the financial years ended December 31, 2021 and 2020:

(euro thousand)	Years ended As of December 31, 2021	As of December 31, 2020
Amortization of intangible assets	(14,976)	(8,210)
Depreciation of property, plant and equipment	(5,811)	(5,263)
of which IFRS 16 effect	*(3,205)*	*(2,904)*
Total depreciation and amortization	**(20,787)**	**(13,473)**

Depreciation and amortization costs in the financial year ended December 31, 2021 includes the amortization costs related to the higher values of the software and trademark following the consolidation of the Lercari Group for Euro 5,320 thousand, the higher values of the software and trademark following the consolidation of SOS Tariffe for Euro 3,247 thousand, the higher value of the software following the consolidation of Eagle & Wise Service S.r.l. for Euro 2,000 thousand, the higher value of the software acquired following the consolidation of Agenzia Italia S.p.A., for Euro 676 thousand, and the higher value of the software acquired following the consolidation of Zoorate S.r.l. for Euro 535 thousand.

The increase of the amortization costs of intangible assets is mainly attributable to the higher values of software and trademarks recognized following the completion of the purchase price allocation related to the acquisitions of Lercari Group, SOS Tariffe S.r.l. and Zoorate S.r.l..

The increase of the amortization costs of property, plant and equipment, is mainly due to the higher value of such item, as a result of the application of IFRS 16 standard.

37. Net financial income

The following table presents the details of the item for the financial years ended December 31, 2021 and 2020:

(euro thousand)	Years ended As of December 31, 2021	As of December 31, 2020
Financial income	469	358
Income/(losses) from participations	(78)	435
Interest expense – borrowings	(1,856)	(1,252)
Dividends paid to third shareholders	(465)	(1,500)
Implicit interest cost on defined benefit program liability	(58)	(103)
Income/(losses) from financial assets/liabilities	(1,783)	(1,437)
Net financial income/(loss)	**(3,771)**	**(3,499)**

Financial income mainly includes the interest income accrued in the period from the use of Group's available liquidity.

Losses from participations refers to the evaluation with the equity method of the participations in the associated companies Generale Fiduciaria S.p.A. and GSA S.r.l..

Financial expenses for the financial year ended December 31, 2021, includes Euro 1,856 thousand for the interest expenses on bank loans, increasing compared to the previous year, as a result of the higher outstanding loans.

Dividends paid to third-party shareholders refer to the dividend paid by Agenzia Italia S.p.A. to third-party shareholder for Euro 465 thousand.

The item "Income/(Losses) from financial assets/liabilities" includes costs for Euro 1,754 thousand deriving from the recalculation of the liability for the acquisition of the 15.50% stake of Agenzia Italia S.p.A..

38. Income tax expense

The following table presents the details of the item for the financial years ended December 31, 2021 and 2020:

	Years ended	
(euro thousand)	**As of December 31, 2021**	**As of December 31, 2020**
Current income taxes	(11,241)	(27,907)
Income/(losses) from deferred tax assets	(36,113)	98,993
Income tax expense	**(47,354)**	**71,086**

The item "Current income taxes" item includes IRES taxes for Euro 8,611 thousand, and IRAP taxes for Euro 2,630 thousand.

The "Income/(losses) from deferred tax assets" item mainly includes the utilization of the period of the deferred tax assets related to the higher value of assets revaluated during 2020, for Euro 7,690 thousand, and the write down of deferred tax assets on trademarks (amounting to Euro 28,801 thousand) following the non-extension of the time period over which they are considered recoverable. In this regard, it should be noted that 18 years is considered an adequate period within which to assess the recoverability of deferred tax assets.

With reference to the release of deferred tax assets related to the higher value of trademarks, it is should be noted that the Art. 1 comma 622 of the law "Legge di Bilancio 2022", modified the Art. 110 of the Law Decree n. 104/2020, converted in the Law n. 126/2020, which allowed the revaluation of tangible and intangible assets, by providing the increase to 50 years of the tax deductibility period of the higher value recognized to the trademarks (compared to an initial tax deductibility period of 18 years). In light of this regulatory change, the management, in line with the assessment made last year, confirms that it considers the value of deferred tax assets recoverable over a time period not exceeding 18 years (in the case of trademarks). The confirmation of the approach adopted in the financial statement as of December 31, 2020 led to the write down of deferred tax assets recoverable after this time period.

Finally, it should be noted that the item "Current income taxes" as of December 31, 2020 mainly included the net tax benefit deriving from the revaluation of software and trademarks, for Euro 85,130 thousand.

The reconciliation between the theoretical tax rate and the effective tax rate for the years ended December 31, 2021 and 2020 is provided in the following table:

	Years ended	
	As of December 31, 2021	As of December 31, 2020
Corporate income tax (IRES)		
Theoretical tax rate	24.0%	24.0%
Differences due to costs non-deductible for IRES	3.6%	1.5%
Differences of the tax rate on foreign company income	-0.1%	-0.2%
Impact of the tax benefits	-5.4%	-6.2%
Deferred tax assets DL 104/2020 art. 110	39.4%	-120.5%
Others	-0.3%	-0.1%
Effective IRES tax rate	**61.2%**	**-101.5%**
Regional income tax (IRAP)		
Theoretical tax rate	3.7%	3.9%
Differences due to costs non-deductible for IRAP	5.9%	5.0%
Impact of the tax benefits	-4.6%	-4.6%
Deferred tax assets DL 104/2020 art. 110	6.4%	-22.4%
Others	0.0%	0.3%
Effective IRAP tax rate	**11.4%**	**-17.8%**

39. Potential liabilities

In addition to what described in the previous notes, we do not recognize any further potential liability.

It should be noted that on May 21, 2021 the subsidiary CercAssicurazioni.it S.r.l., other insurance aggregators and the main direct insurance companies operating in Italy were notified of the initiation of preliminary investigation proceedings by the Italian Antitrust Authority, aimed at ascertaining whether the companies that offer price comparison services and the insurance companies involved in the proceedings have entered into an agreement that restricts competition by exchanging sensitive information on the economic conditions of direct sales of third-party motor liability policies. In this regard, our subsidiary believes that it has always acted correctly and contributed to the reduction of the prices of insurance policies subject to comparison, always ensuring maximum transparency, for the benefit of consumers; it therefore believes that it has valid arguments to defend itself in any litigation that may arise. As a result, no provision has been set aside in the financial report as of December 31, 2021.

40. Classes of financial assets and liabilities

In the balance sheet as of December 31, 2021 financial assets and liabilities are classified as follows:

- Cash and cash equivalents for Euro 165,857 thousand (Euro 122,371 thousand in 2020);
- Loans and trade receivables for Euro 109,925 thousand (Euro 105,722 thousand in 2020).

All the financial liabilities recorded in the balance sheet as of December 31, 2021 and 2020 are stated at amortized cost, except the earn outs, measured at fair value (category 3). The method for the assessment at fair value of these liabilities is based on the income approach. The costs deriving from the measurement of these liabilities recorded in the income statement for the financial year ended December 31, 2021, is equal to Euro 1,754 thousand.

Among financial assets as of December 31, 2021 are the shares of Moneysupermarket.com Group PLC (Euro 38,559 thousand), measured at fair value (category 1) through OCI, and the quotas of the "Igloo" securitization (Euro 341 thousand) measured at fair value (category 2) through profit and loss, and insurance savings products attributable to Lercari Group (Euro 1,510 thousand) measured at fair value (category 2) through profit and loss.

41. Related parties

Related party transactions, including intra-group transactions, are part of the ordinary business operations of the Group, and do not include any unusual or atypical transactions.

Compensation paid to the members of the governing and controlling bodies, general managers and managers with strategic responsibilities

The following table shows the compensation paid to the members of the governing and controlling bodies, general managers and managers with strategic responsibilities in the year ended December 31, 2021:

Name	Office	Holding period of the office		Term of the office	Compensation for the office	Non-monetary benefits	Bonus and other incentives	Other
		From	To					
Marco Pescarmona	Chairman	1/1/2021	12/31/2021	Appr. of 2022 fin. stat.	400	30	400	149
Alessandro Fracassi	CEO	1/1/2021	12/31/2021	Appr. of 2022 fin. stat.	400	-	400	146
Anna Maria Artoni	Director	1/1/2021	12/31/2021	Appr. of 2022 fin. stat.	38	-	-	-
Giulia Bianchi Frangip	Director	1/1/2021	12/31/2021	Appr. of 2022 fin. stat.	37	-	-	-
Fausto Boni	Director	1/1/2021	12/31/2021	Appr. of 2022 fin. stat.	30	-	-	-
Chiara Burberi	Director	1/1/2021	12/31/2021	Appr. of 2022 fin. stat.	40	-	-	-
Matteo De Brabant	Director	1/1/2021	12/31/2021	Appr. of 2022 fin. stat.	35	-	-	-
Klaus Gummerer	Director	1/1/2021	12/31/2021	Appr. of 2022 fin. stat.	33	-	-	-
Valeria Lattuada	Director	1/1/2021	12/31/2021	Appr. of 2022 fin. stat.	37	-	-	-
Marco Zampetti	Director	1/1/2021	12/31/2021	Appr. of 2022 fin. stat.	37	-	-	55
Stefano Gnocchi	Chairman of the board of st. aud.	1/1/2021	12/31/2021	Appr. of 2023 fin. stat.	30	-	-	-
Paolo Burlando	Statutory auditor	1/1/2021	12/31/2021	Appr. of 2023 fin. stat.	20	-	-	27
Francesca Masotti	Statutory auditor	1/1/2021	12/31/2021	Appr. of 2023 fin. stat.	20	-	-	19
Alessio Santarelli	Manager with strategic responsibilities	1/1/2021	12/31/2021	N/A	-	16	400	322

The column "other" includes the compensation for office in subsidiaries, wages received as employees, and the provisions for benefits upon termination.

Fees paid to the independent auditors

The following table provides the fees paid to the independent auditors by the Issuer and its subsidiaries during the year ended December 31, 2021, separating the fees paid for audit services from the fees paid for other attestation services:

	Year ended December 31, 2021	
(euro thousand)	**Gruppo MutuiOnline S.p.A.**	**Subsidiaries**
Audit	65	335
Audit of non financial disclosure pursuant to Lesislative Decree 254/2016	32	-
Total fees paid to the independent auditor	**97**	**335**

42. Disclosure on public grants pursuant to article 1, comma 125, of Law 124/2017

In relation to the provisions of Article 1, *comma* 125, of Law 124/2017, subsequently reworded by Article 35 of Law Decree 34/2019, regarding the obligation to provide evidence in the notes of the financial statements of any public disbursements received during the financial year by way of grants, subsidies, advantages, contributions or aids, in cash or in kind, not of a general nature (therefore excluding tax benefits and contributions that may be granted to subjects which meet certain conditions), but attributable to bilateral relations with the subjects referred to in paragraph 125 of that article, the Group has not received public funds during 2021. For a complete disclosure, please refer to the National Register of State Aid.

43. Subsequent events

Acquisition of Luna Service S.r.l.

On January 17, 2022, the Group acquired 100% of the share capital of Luna Service S.r.l., a company operating in the development of software and the provision of services in the property registers area, for a consideration of Euro 1,022 thousand.

Acquisition of Europa S.r.l.

On March 1, 2022 the Group acquired 100% of the share capital of Europa Centro Servizi S.r.l., a company operating in the field of para-legal services in support of operators in the NPL sector and real estate procedures, for a consideration of Euro 14,800 thousand. An earn-out linked to future economic performance is also provided.

Incorporation of Finprom Insurance S.r.l.

At the beginning of 2022, Finprom Insurance S.r.l., a company under Romanian law, incorporated in December 2021, became operational, to which the business unit relating to insurance outsourcing activities of Finprom S.r.l. was subsequently conferred. The company is controlled by Finprom S.r.l..

Acquisition of Onda S.r.l.

On February 25, 2022, the Group signed a contract to acquire, through the Lercari Group, 100% of the share capital of HGS S.r.l., the holding company of the "Onda Group", active in expert appraisal services and other after-sales services for insurance companies, for a consideration of Euro 5,000 thousand. In addition, there is a conditional price component of up to Euro 419 thousand, subject to the occurrence of certain events. The closing of the acquisition is expected by 2022.

Acquisition of Gema S.r.l.

On February 1, 2022, the Group signed a contract to acquire, through the Lercari Group, 100% of the share capital of Gema S.r.l., a company that offers insurance outsourcing services in the automotive sector, for a consideration of Euro 1,497 thousand.

Liquidation of Prestipro S.r.l.

On February 23, 2022 the joint venture Prestipro S.r.l. was put in liquidation.

Participation in MoneySuperMarket

On March 4, 2022, the Issuer announced that it reached a 3% interest in Moneysupermarket.com Group PLC ("**MSM**"). Overall, the Issuer purchased an additional 3,200,000 shares of Moneysupermarket.com Group PLC in the first months of 2022 up to the date of approval of this report, for a total price equal to Euro 7,826 thousand.

Purchase of own shares

Pursuant to the share buyback program within the limits and with the purposes of the authorization granted by the shareholders' meeting of April 29, 2021, after December 31, 2021, the Group purchased 241,382 own shares, equal to 0.603% of the share capital.

In addition, after December 31, 2021, following the exercise of stock options by employees of the Group, the Issuer sold a total of 2,000 own shares in portfolio, equal to 0.005% of share capital.

As of the date of approval of this consolidated financial report the Issuer owns in total 1,901,423 own shares, equal to 4.754% of share capital, for a total cost equal to Euro 16,398 thousand.

Current geopolitical situation - crisis in Ukraine

With regard to the current geopolitical situation, it should be noted preliminary that the Group is not directly exposed to the Russian and Ukrainian economies. The consequences of the invasion of Ukraine by the Russian Federation are not currently such as to give rise to concern for the businesses of Group companies and are not expected to have any impact on their ability to continue operating as going concerns: however, any significant fall in consumer confidence and/or disposable income could have a negative impact on the volumes of the various lines of business.

44. Earnings per share

Earnings per share for the year ended December 31, 2020, equal to Euro 3.42, are calculated by dividing the net income attributable to the shareholders of the Issuer for the year (Euro 128,454 thousand) by the weighted average number of shares outstanding during the year ended December 31, 2020 (37,597,173 shares).

Earnings per share for the year ended December 31, 2021, equal to Euro 0.43, are calculated by dividing the net income attributable to the shareholders of the Issuer for the year (Euro 16,347 thousand) by the weighted average number of shares outstanding during the year ended December 31, 2021 (38,128,936 shares).

For the financial year ended December 31, 2021 diluted earnings per share are equal to Euro 0.42 as the average number of equity instruments (stock options) that meet the requirements provided by IAS 33 to generate dilutive effects on the earnings per share is equal to 880,077.

Milan, March 15, 2022

For the Board of Directors
The Chairman
(Ing. Marco Pescarmona)

ANNUAL REPORT

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021

Prepared according to IAS/IFRS

4. ANNUAL REPORT AS OF AND FOR YEAR ENDED DECEMBER 31, 2021

4.1. Financial statements

4.1.1. Statement of financial position

(euro thousand)	Note	As of December 31, 2021	December 31, 2020
ASSETS			
Intangible assets	3	65	91
Plant and equipment	4	288	388
Investments in associated companies	5	162,851	157,851
Participations in associated companies and joint ventures	6	682	682
Financial assets at fair value	7	38,900	36,611
Deferred tax assets	8	205	9
Other non-current assets (with related parties)	9, 28	33,630	36,690
Total non-current assets		**236,621**	**232,322**
Cash and cash equivalents	10	143,015	63,155
(of which) with related parties	*28*	*36,861*	*9,046*
Trade receivables		5,705	2,602
(of which) with related parties	*28*	*5,574*	*2,479*
Tax receivables	25	7,374	251
Other current assets	11	18,263	20,717
(of which) with related parties	*28*	*15,204*	*18,194*
Total current assets		**174,357**	**86,725**
TOTAL ASSETS		**410,978**	**319,047**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Share capital	12	970	954
Legal reserve	12	202	202
Other reserves	12	(13,325)	(33,513)
Retaind earnings	12	48,196	62,688
Net income	12	3,826	1,030
Total shareholders' equity		**39,869**	**31,361**
Long-term borrowings	13	134,587	71,083
Provisions for risks and charges		170	170
Defined benefit program liabilities	14	748	599
Deferred tax liabilities	8	116	60
Other non current liabilities	15	2,000	4,000
Total non-current liabilities		**137,621**	**75,912**
Short-term borrowings	16	220,160	173,852
(of which) with related parties	*28*	*208,536*	*138,515*
Trade and other payables	17	3,278	1,667
(of which) with related parties	*28*	*680*	*307*
Tax payables		11	2,984
Other current liabilities	18	10,039	33,271
(of which) with related parties	*28*	*4,942*	*1,028*
Total current liabilities		**233,488**	**211,774**
TOTAL LIABILITIES		**371,109**	**287,686**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**410,978**	**319,047**

4.1.2. Income statement

(euro thousand)	Note	Years ended December 31, 2021	December 31, 2020
Revenues	20	14,185	9,039
(of which) with related parties	*28*	*13,322*	*8,874*
Other income		1,278	209
(of which) with related parties	*28*	*1,044*	*133*
Services costs	21	(6,335)	(4,123)
(of which) with related parties	*28*	*(492)*	*(473)*
Personnel costs	22	(4,173)	(4,431)
Other operating costs		(33)	(228)
Depreciation and amortization		(245)	(279)
Operating income		**4,677**	**187**
Financial income	23	-	72
Losses from participations	5, 23	(995)	(185)
Financial expenses	23	(1,426)	(862)
Losses from financial liabilities	23	(15)	253
Net income before income tax expense		**2,241**	**(535)**
Income tax expense	24	1,585	1,565
Net income		**3,826**	**1,030**

4.1.3. Comprehensive income statement

(euro thousand)	Note	Years ended December 31, 2021	December 31, 2020
Net income		**3,826**	**1,030**
Fair value of financial assets	7	12,949	(5,520)
Gain/losses on cash flow hedge derivative instruments		(12)	-
Actuarial gain/(losses) on defined benefit program liability	14	(28)	(22)
Tax effect on actuarial gain/(losses)		6	2
Total comprehensive income for the period		**16,741**	**(4,510)**

4.1.4. Statement of cash flows

(euro thousand)	Note	Years ended December 31, 2021	December 31, 2020
Net income		**3,826**	**1,030**
Amortization and depreciation	3, 4	245	279
Stock option expenses	23	479	1,259
Costs from participations		1,000	185
Interest cashed		-	52
Income tax paid		(13,302)	-
Income from disposal of participations		(5)	-
Changes in trade receivables/payables		(1,492)	(474)
(of which) with related parties		*(2,722)*	*(982)*
Changes in other assets/liabilities		(22,124)	5,257
(of which) with related parties		*(9,964)*	*(316)*
Payments on defined benefit program		149	(238)
Payments on provisions for risks and charges		-	170
Net cash generated/(absorbed) by operating activities		**(31,224)**	**7,520**
Investments:			
- Increase of intangible assets	3	-	(95)
- Increase of property, plant and equipment	4	-	(82)
- Increase of participations	5	-	(37,541)
- Capital contribution	5	(3,000)	-
- Increase of financial assets at fair value	7	10,679	10,045
Net cash generated/(absorbed) by investment activity		**7,679**	**(27,673)**
Increase of financial liabilities	13	56,193	40,000
Decrease of financial liabilities	13.17	(16,672)	(22,269)
Decrease of financial assets		4,000	4,000
Interest paid		(1,426)	(862)
Purchase/sale of own shares	12	6,789	(2,871)
Dividends paid	12	(15,500)	(4,510)
Net cash generated/(absorbed) by financing activities		**33,384**	**13,488**
Net increase/(decrease) in cash and cash equivalents		**9,839**	**(6,665)**
Net cash and cash equivalent at the beginning of the period		(75,360)	(68,695)
Net cash and cash equivalents at the end of the period		**(65,521)**	**(75,360)**
Net increase/(decrease) in cash and cash equivalents		**9,839**	**(6,665)**
Cash and cash equivalents at the beginning of the year	10	63,155	24,303
(of which) with related parties	*28*	*9,046*	*6,422*
Current account overdraft at the beginning of the year (with related parties)	*28*	(138,515)	(92,998)
Net cash and cash equivalents at the beginning of the year		**(75,360)**	**(68,695)**
Cash and cash equivalents at the end of the year	10	143,015	63,155
(of which) with related parties	*28*	*36,861*	*9,046*
Current account overdraft at the end of the year (with related parties)	*28*	(208,536)	(138,515)
Net cash and cash equivalents at the end of the year	**10**	**(65,521)**	**(75,360)**

4.1.5. Statement of changes in shareholders' equity

(euro thousand)	Share capital	Legal reserve	Stock option reserve	Share premium reserve	Retained earnings	Net income of the year	Total
Value as of December 31, 2019	**950**	**202**	**(36,808)**	**3,115**	**72,524**	**2,016**	**41,999**
Allocation of net income 2020							
Distribution of ordinary dividend	-	-	-	-	(2,494)	(2,016)	**(4,510)**
Stock option plan	-	-	1,259	-	-	-	**1,259**
Purchase of own shares	(7)	-	(5,031)	-	-	-	**(5,038)**
Exercise of stock options	11	-	2,156	-	-	-	**2,167**
Other movements	-	-	-	-	(5,546)	-	**(5,546)**
Net income of the year	-	-	-	-	-	1,030	**1,030**
Value as of December 31, 2020	**954**	**202**	**(38,424)**	**3,115**	**64,484**	**1,030**	**31,361**
Allocation of net income 2021							
Distribution of ordinary dividend	-	-	-	-	(14,470)	(1,030)	**(15,500)**
Stock option plan	-	-	479	-	-	-	**479**
Purchase of own shares	(2)	-	(2,959)	-	-	-	**(2,961)**
Exercise of stock options	18	-	9,732	-	-	-	**9,750**
Other movements	-	-	-	-	12,914	-	**12,914**
Net income of the year	-	-	-	-	-	3,826	**3,826**
Value as of December 31, 2021	**970**	**202**	**(31,172)**	**3,115**	**62,928**	**3,826**	**39,869**
Note	12	12	12	12	12		

4.2. Explanatory notes to the financial statements (statutory financial report)

1. Basis of preparation of the financial statements

This annual report, including the statement of financial position, comprehensive income statement, statement of cash flows and statement of changes in shareholders' equity as of and for the year ended December 31, 2021 and the relevant notes, has been prepared in accordance with IFRS issued by the International Accounting Standard Board ("**IASB**") and the related interpretations SIC/IFRIC, adopted by the European Commission. Besides it has been prepared in accordance with CONSOB resolutions No. 15519 and No. 15520 dated July 27, 2006, with ESMA orientation 32-382-1138 of March 4, 2021, with the guidance Consob n. 5/21 of April 29, 2021, and with art. 149-*duodecies* of the Issuer Regulations.

The financial statements are prepared at cost, with the exception of the items specifically described in the following notes, for which the measurement at fair value is adopted. The fair value is the price at which an asset could be exchanged, or a liability discharged, between knowledgeable, willing parties in an arm's length transaction as of the date of measurement.

IFRS 13 provides for a hierarchy of fair value which classifies on three levels the inputs for the assessment adopted to evaluate fair value. The hierarchy of fair value gives the highest priority to quoted prices (not adjusted) on active markets for the same assets and liabilities (data of Level 1) and the lowest priority to unobservable inputs (data of Level 3).

Level 1 inputs are quoted prices (not adjusted) for the same assets and liabilities on active markets, which the entity may access as of the assessment date.

Level 2 inputs are inputs different from the quoted prices included in Level 1 which can be observed directly or indirectly for the asset or the liability.

Level inputs 3 are unobservable inputs for the asset or the liability.

Receivables are derecognized if the right to receive the cash flows has been transferred or when the entity no longer controls such financial assets.

Payables are derecognized only when they are settled or the specific obligation is met or canceled or expired.

In particular, the IFRS have been consistently applied to all the periods presented.

All the amounts included in the tables of the following notes are in thousands of Euro.

Following the effectiveness of EU Regulation N 1606/1002 and the related national provisions of enactment, starting from year 2007, Gruppo MutuiOnline S.p.A. adopts the International Financial Standard issued by the International Accounting Standard Board ("**IASB**") and the related interpretations, adopted by the European Commission ("**IFRS**"). IFRS should be understood as the International Financial Reporting Standards, the International Accounting Standards ("**IAS**"), the interpretations of the International Financial Reporting Interpretation Committee ("**IFRIC**"), previously denominated Standing Interpretations Committee ("**SIC**").

The financial statement schemes adopted are in accordance to the ones provided by IAS 1 ("Presentation of financial statements") and in particular:

- for the statement of financial position, we adopted the "current/non-current" presentation;
- for the comprehensive income statement, we adopted the presentation of costs by nature;

- the statement of changes in shareholders' equity was prepared according with IAS 1;
- the statement of cash flows was prepared using the indirect method.

In addition, in accordance with revised IAS 1 ("Presentation of financial statements"), in the income statement after the net income for the period we also present the comprehensive income components.

These consolidated financial statements have been prepared according to the going concern assumption, due to the economic and financial results achieved.

The most significant provisions adopted for the preparation of the consolidated financial statements are the following:

A) Intangible assets

Intangible assets are non-monetary assets that are distinctly identifiable and able to generate future economic benefits. These items are recognized at purchase cost and/or internal production cost, including all costs to bring the assets available for use, net of accumulated amortization and impairment, if any.

Amortization commences when the asset is available for use and is systematically calculated on a straight-line basis over the estimated useful life of the asset.

(a) Licenses and other rights

Licenses and other rights are amortized on a straight-line basis in order to allocate their acquisition cost over the shorter of useful life and duration of the relevant contracts, starting from the moment of acquisition of the rights and usually lasting for a period of 3 to 5 years.

B) Property, plant and equipment

Property, plant and equipment are stated at historical cost of acquisition or production less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured. When assets are composed of different identifiable components whose useful life is significantly different, each component is depreciated separately applying the "component approach".

Depreciation is charged to each component on a systematic basis over the estimated useful life from the date of initial recognition.

Property, plant and equipment are depreciated with useful lives as follows:

Description of the main categories of the item "Property, plant and equipment"	Period
Leasehold improvements	shorter of contract duration and useful life
Generic equipment	5 years
Hardware	2.5 years
Office equipment	2.5-5 years
Furniture and fittings	8 years
Auto vehicles	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

C) Leases

IFRS 16 sets out the principles for the recognition, measurement, presentation and the disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. At the commencement date of a lease, a lessee recognizes a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease (i.e. the right of use asset). Lessees recognize the interest expenses on the lease liability and the depreciation expense on the right of use asset.

Lessees will be also required to re-measure the lease liability on the occurrence of certain events (e.g. a change in the lease term, a change in the future lease payments resulting from a change in an index or rate used to establish those payments). The lessee will generally recognize the re-measurement amount of the lease liability as an adjustment to the right of use of the asset.

The standard includes two recognition exemptions for lessees:

- leases of low value assets (a situation that arise for the Company with reference to operating leases for office equipment such as photocopiers, recognized in the balance sheet under the item "Other operating costs");

- short-term leasing contracts (e.g. leases with a lease term of 12 months or less).

D) Investments in subsidiaries

An entity is defined subsidiary when the Issuer owns, directly or indirectly, the control.

Control is connected with the ongoing existence of all the following conditions:

- power over the investee;

- the possibility of achieving a return resulting from ownership of the investment;

- the investor's ability to use its power over the investee to affect the amount of its return.

The existence of potential voting rights exercisable at the reporting date is also taken into consideration for the purposes of determining control.

Investments in subsidiaries are measured at cost adjusted for any impairment loss recognized in the income statement. When the motives for such losses are no longer valid, the value of investments is increased up to the relevant cost of acquisition. This recovery is recognized in the income statement.

Investments in joint ventures and associated companies

A joint venture is an arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

An associated entity is a company, which is neither a subsidiary nor a joint venture, on which the Issuer exercises a significant influence. Significant influence is presumed when the Issuer owns, directly or indirectly, more than 20% of the ordinary share capital of a company.

Joint ventures and investments in associated entities are measured at cost adjusted for any impairment loss recognized in the income statement. When the motives for such losses are no longer valid, the value of investments is increased up to the relevant cost of acquisition. This recovery is recognized in the income statement.

E) Impairment of assets

At each balance sheet date the Issuer assesses property, plant and equipment, intangible assets and financial assets in order to identify possible indicators of impairment, deriving from both internal and external sources of the Company. If such indicators are identified, an estimate of the recoverable value is made and any impairment of the relevant book value is recognized in the income statement. The recoverable amount of an asset is the higher amount between its fair value, less sales costs, and its value in use, equal to actualized value of the expected cash flows of such asset. In calculating the value in use, the expected cash flows are discounted using a discount rate reflecting the current market value of the investments and the specific risks associated with the asset.

The value in use of an asset that does not generate independent cash flows is determined in relation to the cash generating unit to which this asset belongs. Impairment is recognized in the income statement whenever the carrying amount of the asset and of the related cash generating unit exceeds its recoverable value. Whenever the circumstances causing impairment cease to exist, the book value of the asset, except the goodwill, is restored with the recognition in the income statement, up to the net value that the asset would have had if it were not impaired and regularly depreciated.

F) Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and highly liquid short term investments (readily convertible to cash within 3 months), that are easily convertible to cash and not subject to risk of change in value. Overdrafts are included in short-term borrowings and are measured at the fair value.

G) Trade receivables and other credits

Trade receivables are valued initially at fair value and subsequently at amortized cost using the effective interest rate basis.

Any losses arising as a result of impairment reviews are recognized in the income statement. In particular, IFRS 9 requires the Issuer to record expected credit losses on all its debt securities, loans and trade receivables, either over a 12-month period or on a lifetime basis (e.g. lifetime expected loss). The Issuer opted for the simplified approach and therefore records the expected losses on all trade receivable based on their residual contractual duration. The Issuer however continues to analytically consider the specificity of the sector and of some clients in its assessments.

In the presence of impairment indicators, the values of the assets are reduced to the present value of expected future cash flows and the differences are recognized in the income statement, with a provision for bad debts as counterbalance, offsetting trade receivables. If in subsequent periods the reasons for such impairments are no longer valid, the values of the assets are reinstated up to the amortized cost as if the impairment had never occurred.

H) Own shares

Own shares are booked as reduction of shareholders' equity. Being the shares without nominal value, the purchase cost is deducted from the share capital for an amount implicitly corresponding to the nominal value and from the distributable reserves for an amount equal to the remaining part of the purchase cost.

I) Trade payables and financial liabilities

Financial liabilities, trade payables and other debts are initially recognized at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method. Amortization is determined based on the effective interest rate which equates, at the initial moment, the present value of cash flows connected with the liability and its initial recorded amount (amortized cost method).

Whenever expected future cash flows change, and these could be reliably estimated, the value of the liability is recalculated on the basis of the new cash flows and the initially determined effective internal rate of return.

J) Defined benefit program liability

Employee termination benefits ("*Trattamento Fine Rapporto*", or "**TFR**"), which are compulsory for Italian companies in accordance with civil code, are considered by IFRS as a defined benefit program, based, among other things, on the period of employment and the remuneration of the employee during a predefined period.

The TFR liability is determined by independent actuaries using the Projected Unit Credit Method to account for the time value of money. According to IAS 19 "revised" the adjustments deriving from the changes in actuarial assumptions are recorded in equity, by means of the recognition in the comprehensive income statements. The implicit interest cost for the adjustment of the present value of the TFR liability over time is recognized in the financial expenses in the income statement.

The legislative changes that became effective in 2007 had no significant impact on the evaluation method adopted by the Company because the percentage of employees adhering to the funds at the relevant date was low and besides the Company does not exceed the limits, provided by the new law and calculated on the average number of employees in the year in force, over which a company is obliged to contribute the accrued fund to the National Institute for Social Security ("INPS") when employees choose to keep their TFR in the company.

K) Share based payments

The Company has a stock option plan for the benefit of directors, employees and other personnel. As per IFRS 2, stock option plans are valued at the fair value of the option at grant date, using methods that take into account the exercise price and vesting period of the option, the current stock price, the expected volatility and dividend payout of the shares, and the risk-free interest rate determined on the day of the option grant.

As of the grant date the expense related to the stock option plan is recognized on a straight-line basis in personnel costs in the income statement over the vesting period of the option, and in a reserve in shareholders' equity.

With respect to the valuation of the stock options assigned to directors and employees of subsidiaries, if a mechanism to charge back the cost incurred to such subsidiaries is not present, the book value of the participations is increased by an amount equal to the cost incurred for the options, counter-balanced by the appropriate shareholders' equity reserve.

L) *Revenue and cost recognition*

Revenues and costs are recognized on an accrual basis. Services revenues are recognized when the services are performed.

IFRS 15 provides for the recognition of revenues for an amount which reflects the compensation at which the entity believes to be entitled in the economic transaction with the customer for the transfer of products and services.

Revenues and other income are recognized net of discounts, allowances and bonuses and the taxes directly related to the services.

Revenues are recognized in the income statement when it is probable that future economic benefits will flow to the Company.

Costs are recognized as the assets and services are consumed during the relevant period or when they are incurred, when it is not possible to determine future economic benefits.

M) *Dividends*

Dividends received are recognized when the Company obtains the right to receive the payment. This right arises on the date of the resolution of the shareholders' meeting of the subsidiary that distributes the dividends.

In the income statement, dividends received are classified among the revenues.

N) *Financial income and expenses*

Interest income and expenses are recognized in the accrual period on the net value of the relevant financial assets and liabilities using the effective interest rate method.

Financial income and expenses are recognized on an accrual basis and recorded in the income statement in the accrual period.

O) *Taxation*

Current income taxes are accounted on the basis of estimated taxable income and the relevant applicable tax rates.

Deferred income tax is provided in full on temporary differences arising between the tax bases of assets and liabilities (excluding goodwill) and their carrying amounts, and differences arising from undistributed reserves registered in the shareholders' equity of the subsidiaries when the timing of reversal of these differences is under the Group's control and they will probably reverse within a reliably foreseen period. Deferred income tax assets, including those on tax loss carry forwards, and not offset by deferred tax liabilities, are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income taxes are calculated using tax rates (and laws) that are expected to apply when the related deferred income tax assets are realised or the deferred income tax liabilities are settled.

Current and deferred income taxes are recognized in the income statement with the exception of the items that are recognized directly in shareholders' equity in which case the tax effect is accounted for in the relevant equity reserve. Current and deferred tax assets and liabilities are netted only when the entity has a legally enforceable right to offset the recognized amounts.

Starting from the financial year ended December 31, 2006 the Company and its subsidiaries exercised, upon the occurrence of the conditions of law, the option for the tax consolidation regime as provided by Italian law, which allows to calculate the corporate income tax ("IRES") on a taxable income corresponding to the algebraic sum of the taxable incomes or losses of the Companies of the Group. The economic relationships, besides the mutual responsibilities and duties, among the holding and its subsidiaries that exercised the option, are regulated by contracts drawn up at the exercise of the option. Tax liabilities are counterbalanced by other current assets of the parent company versus its subsidiaries corresponding to the taxable income transferred within the tax consolidation regime.

It is worth pointing out that subsidiaries Agenzia Italia S.p.A., Gruppo Lercari S.r.l. and Zoorate S.r.l. do not adhere to the tax consolidation regime.

Other taxes, not related to income, are recognized as operating costs in the income statement.

P) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

IFRS 9 requires the initial recognition of financial assets and financial liabilities to be at fair value. Financial instruments arising from group transactions are initially recognized at their fair value.

IFRS 9 Adoption

IFRS 9 sets out the accounting of financial instruments with reference to the following areas: classification and measurement, impairment and hedge accounting.

The main areas of intervention on the discipline operated by the standard described below.

Classification and measurement of the financial assets and liabilities

The Issuer does not own at present any financial liability measured at fair value through profit and loss due to the adoption of the so-called fair value option. Concerning financial assets, the new standard provides that the classification of the assets depends on the characteristics of the financial flows linked to such assets and to the business model used by the Issuer for their management. The Issuer at present does not own nor managed during the financial year any financial asset, such as debt securities, with sale purpose nor in absolute terms. In addition, the Issuer does not own participations as investments which could be included under IFRS 9 or derivatives, even embedded ones. Trade receivables are held to be cashed at the contractual maturities of the cash flows related to them in capital and interest, where applicable. The Issuer assessed the characteristics of the contractual cash flows of these instruments and concluded that they respect the criteria for the measurement at amortized cost according to IFRS 9. Therefore, it was not necessary to reclassify these financial instruments. We can arrive at the same conclusions for the items recorded as cash and cash equivalents.

Impairment

IFRS 9 requires the Issuer to record expected credit losses on all its debt securities, loans and trade receivables, either over a 12-month period or on a lifetime basis (e.g. lifetime expected loss). The Issuer has opted the simplified approach and therefore will record the expected losses on every trade receivable based on their residual contractual duration. The Issuer however continues to analytically consider the specificity of the sector and of some clients in its assessments.

Hedge accounting

Given that IFRS 9 does not modify the general principle according to which an entity accounts for the effective hedging instruments, the main changes compared to the previous regulation IAS 39 concern: (i) the hedge effectiveness test is only perspective and can also be based on qualitative aspects, replacing the previous 80-125% test and focusing on the economic relationship between hedge and hedged element (ii) the possibility to designate as subject to hedging only a component of risk also for non-financial elements (provided that the risk component can be separately identifiable and reliably estimated) (iii) introduction of the cost of hedging concept (iv) greater possibility to designate groups of elements as subject to hedging, including stratifications and some net positions. Without hedge accounting, the changes in the fair value of derivatives will continue to be recorded in the income statement.

In 2021, cash flow hedging transactions concerned the interest rate risk, are relating to the loan signed with Unicredit on February 26, 2021. A derivative was signed on this loan to hedge the floating rate, which converts the 3-month Euribor rate into a fixed rate of -0.15% on an annual basis.

Q) Earnings per share

Since the Company prepares both the consolidated and separate annual reports, the required information is presented only in the consolidated annual report.

R) Accounting estimates and judgments

The preparation of the financial statements requires the application by the directors of principles and accounting methodologies that sometimes require the use of estimates and judgments based on historical experience and other assumptions that are believed to be reasonable under the circumstances. The application of these estimates and assumptions impacts on the amounts included in the statement of financial position, income statement, statement of cash flows and the notes to the financial statements. The resulting accounting estimates could differ from the related actual results because of the uncertainty influencing the assumptions.

For the Company, the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are those regarding the accounting representation of the stock options. The valuation of stock option plans is based on valuation techniques which take into consideration the expected volatility of share prices and the dividend yield. Should different assumptions be applied, the valuation of the stock option plans and the related expenses could be different.

The impairment test provides for the use of valuation methods based on estimations and assumptions which could be subject to significant changes with subsequent impacts on the results of the evaluations done.

S) New principles effective starting from the financial year ended December 31, 2021 not relevant to the Issuer

The following standards, amendments and interpretations, applicable from January 1, 2020, are not relevant or they did not involve effects for the Issuer:

- interest rate benchmark reform: amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

2. Risk analysis

Gruppo MutuiOnline S.p.A. is a holding company and for this reason it is indirectly subject to the peculiar risks of its subsidiaries. In this respect, please refer to the notes to the consolidated financial statements and to the directors' report on operations of each subsidiary.

Instead the Company is autonomously subject to exchange and interest rate risk and liquidity risk.

Exchange and interest rate risk

As of today, financial risk management is performed at Group level.

The Company presents a financial indebtedness equal to Euro 211,732 thousand, of which, however Euro 208,536 thousand are represented by short-term financial debts with subsidiaries within the Group's cash pooling services. In addition, current assets include cash and cash equivalents equal to Euro 143,014 thousand, of which Euro 36,861 thousand from subsidiaries within the Group's cash pooling services.

Currently the financial risk management policy does not provide for use of derivative instruments against the interest rate risk (except for the loan with Unicredit S.p.A.) because, currently, the Company has a variable interest rate borrowing towards non-related parties of a lower amount than bank deposits, so that the economic and financial effect of rate changes is considered negligible.

The interest rate on the loan from Crédit Agricole Cariparma S.p.A., signed on June 28, 2018, is equal to 3-month Euribor increased by a spread equal to 0.90%, and is subject to variation at each payment date based on the ratio between the Net Financial Indebtedness and EBITDA.

The interest rate on the loan from Banco BPM S.p.A., signed on September 27, 2018, is equal to 6-month Euribor increased by 1.10% on the amortizing credit line equal to Euro 15,000 thousand, and equal to 6-month Euribor increased by 1.30% on the bullet credit line equal to Euro 5,000 thousand. The interest rate is subject to variation at each payment date based on the ratio between the Net Financial Indebtedness and EBITDA.

The interest rate on the loan from Unicredit S.p.A., obtained on February 26, 2021, is equal to 3-month Euribor increased by 1.60%. On such loan the Issuer subscribed a derivative hedging the variable rate, which converts the 3-months Euribor interest rate into a yearly fixed rate of -0.15%, and whose fair value as of December 31, 2021 is negative Euro 16 thousand.

A possible unfavorable variation of the interest rate, equal to 1.0%, should produce an overall additional expense for the Issuer equal to Euro 247 thousand in 2022. It is worth pointing out that such variation of the interest rate would be more than compensated by the favorable impact on available liquidity.

For the remaining loans a fixed rate is applied instead.

It is also worth pointing out that the Issuer pursues a policy for the management of available liquidity by investing it in promptly disposable low-risk financial assets.

As regards to the coverage of exchange rate risk, it is worth pointing out that as of the reference date of this report, there are no significant assets or liabilities denominated in currencies different from the Euro and exchange rate risk is therefore not present.

Liquidity risk

Liquidity risk is evident when a company is not able to procure financial resources to support short-term operations.

The Company holds cash and cash equivalent as of December 31, 2021 equal to Euro 143,014 thousand, of which Euro 36,861 thousand with subsidiaries, against current liabilities equal to Euro 233,488 thousand, of which, however Euro 208,536 thousand consist in current financial debts and other current liabilities with subsidiaries. Furthermore, the current assets include receivables and other current assets from subsidiaries equal to Euro 15,204 thousand, which have considerable liquidity, making such receivables easily collectable. This provides the Company with easily available financial resources to support short-term operations.

Moreover, the risk arising from the potential default of bank counterparties of the Issuer is mitigated by the policy of diversifying the available deposits with different banking institutions.

Risk linked to Covid-19 Pandemic

This scenario, had significant impacts on the economy, financial markets and consumer confidence in Italy and worldwide.

The companies of the Group has taken prompt action, also on the basis of directives issued by the Government, to stem the possible impacts of the health threat posed by the above for its employees, and have equipped its personnel with all the necessary tools to continue working remotely and safely.

As of the date of approval of this report, it is not possible to predict the duration and the lasting impacts of the pandemic and therefore assess their economic and financial impact on the results for the medium term.

It should be noted, anyway, that no financial tensions are expected in the coming months and that there are no elements that could put into question the going concern assumptions according to which the financial statements have been prepared.

Operating risk and going concern

Considering the economic and financial situation, in particular the available reserves, and taking into account the trend of the net working capital and of the economic and financial situation, the separated and consolidated financial reports have been prepared with a perspective of going concern.

It should also be considered that the Issuer, as in previous years, has achieved positive economic results, and that future economic forecasts are also positive. Furthermore, the Issuer, as indicated in the comment related to "Liquidity Risk", has adequate financial resources to meet its future obligations over a period of at least 12 months from the date of approval of the financial statements, and it can, where necessary, activate additional levers to collect highly liquid investments of significant amounts very quickly.

As a result of the above, the directors prepared the financial statements on a going concern basis.

NON-CURRENT ASSETS

3. Intangible assets

The following table presents the details of the item as of December 31, 2021 and 2020:

(euro thousand)	**Licenses and other rights**	**Total**
Net value as of December 31, 2019	**81**	**81**
Increases	95	95
Amortization expense	85	85
Net value as of December 31, 2020	**91**	**91**
Increases	32	32
Amortization expense	58	58
Net value as of December 31, 2021	**65**	**65**

The change of licenses and other rights are due to the purchases of software licenses in the financial year ended December 31, 2021 for Euro 32 thousand, and to the amortization of the period, for Euro 58 thousand.

4. Plant and equipment

The following table presents the details of plant and equipment as of December 31, 2021 and 2020:

(euro thousand)	Plant and machinery	Other tangible assets	Total
Cost as of January 1, 2020	**933**	**331**	**1,264**
IFRS 16 - Increases/(Decreases) of the period	-	(6)	(6)
Additions	79	4	83
Cost as of December 31, 2020	**1,012**	**329**	**1,341**
Accumulated depreciation as of January 1, 2020	**572**	**186**	**758**
Depreciation expense	153	42	195
of which IFRS 16 effect	-	*30*	*30*
Accumulated depreciation as of December 31, 2020	**725**	**228**	**953**
Net book value as of December 31, 2020	**287**	**101**	**388**
Cost as of January 1, 2021	**1,012**	**329**	**1,341**
IFRS 16 - Increases/(Decreases) of the period	-	86	86
Additions	-	1	1
Cost as of December 31, 2021	**1,012**	**416**	**1,428**
Accumulated depreciation as of January 1, 2021	**725**	**228**	**953**
Depreciation expense	148	39	187
of which IFRS 16 effect	-	*31*	*31*
Accumulated depreciation as of December 31, 2021	**873**	**267**	**1,140**
Net book value as of December 31, 2021	**139**	**149**	**288**

Depreciation in the financial year ended December 31, 2021 mainly refer to production hardware.

Changes in the values of the rights of use and the lease liabilities during the financial year ended December 31, 2021 is shown below:

(euro thousand)	Vehicols	Total property, plant and equipment	Leasing liabilities
As of January 1, 2021	**90**	**90**	**91**
Increases / (decreases)	86	86	54
Amortization	(31)	(31)	-
As of December 31, 2021	**145**	**145**	**145**

5. Investments in subsidiaries

The following table provides the detail of investments in subsidiaries as of December 31, 2021 and 2020:

(euro thousand)	As of December 31, 2021	As of December 31, 2020
Investments in subsidiaries	162,851	157,851
Total investments in subsidiaries	**162,851**	**157,851**

The following table describes the list of the subsidiaries and the changes of the item during the financial year:

Participations	% holding as of December 31, 2020	As of december 31, 2020	Increases	Decreases	As of december 31, 2021	% holding as of December 31, 2021
65Plus S.r.l.	72%	446	-	-	446	72%
7Pixel S.r.l	100%	43,186	-	-	43,186	100%
Centro Finanziamenti S.p.A.	100%	2,474	-	-	2,474	100%
Centro Istruttorie S.p.A.	100%	3,333	-	-	3,333	100%
Centro Processi Assicurativi S.r.l.	100%	2,874	- -	1,000	1,874	100%
Centro Servizi Asset Management S.r.l.	100%	73	-	-	73	100%
Cercassicurazioni.it S.r.l.	100%	3,808	-	-	3,808	100%
Eagle&Wise S.r.l.	100%	23	-	-	23	100%
Euroservizi per i Notai S.r.l.	60%	369	-	-	369	60%
FINPROM S.r.l.	100%	130	-	-	130	100%
Gruppo Lercari S.r.l.	50.1%	40,074	-	-	40,074	50.1%
Innovazione Finanziaria SIM S.p.A.	100%	2,500	-	-	2,500	100%
Klikkapromo S.p.A.	100%	119	1,000	-	1,119	100%
MOL BPO S.r.l.	100%	10	3,000	-	3,010	100%
Money360.it S.p.A.	100%	20	2,000	-	2,020	100%
MutuiOnline S.p.A.	100%	3,690	-	-	3,690	100%
SOS Tariffe S.r.l.	100%	29,856	74	-	29,930	100%
PP&E S.r.l.	100%	307	-	-	307	100%
PrestitiOnline S.p.A.	100%	833	-	-	833	100%
Quinservizi S.p.A.	100%	7,123	-	-	7,123	100%
Segugio Servizi S.r.l.	100%	74	- -	74	-	100%
Segugio.it S.r.l.	100%	16,529	-	-	16,529	100%
Total Participations		**157,851**	**6,074**	**(1,074)**	**162,851**	

During the financial year ended December 31, 2021, the Issuer made capital contributions to Money360.it S.p.A. for Euro 2,000 thousand and to Klikkapromo S.r.l. for Euro 1,000 thousand.

In addition, the Issuer resolved to waive part of the loan granted to MOL BPO S.r.l., for Euro 3,000 thousand.

Finally, during the assessment of the value of the participations, with reference to the subsidiary Centro Processi Assicurativi S.r.l., the Issuer, considering the disposal of the participation, which will take place in 2022, and based on a reliable estimate of the net cash flows that will be generated by this transaction, believes that the residual value deemed recoverable is equal to Euro 1,874 thousand and, therefore, it booked a write-down for an amount equal to Euro 1,000 thousand.

Criteria used to determine the value in use of equity investments

The main assumptions regarding the value-in-use of the participations are the operating cash flows during the forecast period, of three or four years, the discount rate and the growth rate used to find out the terminal value, equal to 1.3%, and the discount rate used to discounting cash flows.

The valuation of future cash flows has been determined on reasonable and consistent basis regarding the charge of future general expenditures, capital investment, financial balance and the main macroeconomic variables. Finally, it is worth pointing out that cash flow forecasts are referring to ordinary activities and, therefore, they are not comprehensive of cash flows deriving from possible extraordinary activities.

The terminal value has been estimated as the present value of a perpetuity.

The value-in-use of the participation has been determined discounting the value of the estimated future cash flows, including the terminal value, which are supposed to be derived from ongoing activities, at a discount rate, net of taxes, adjusted for risk and keeping into consideration the weighted average cost of capital.

In particular, the discount rate used is calculated starting from the Weighted Average Cost of Capital ("**WACC**") of the two Divisions of the Group, for the determination of which, reference was made to indicators and parameters observable on the reference market of the CGUs in question, at the current value of money. In particular, the determination of the WACC refers to the following parameters:

- Risk free rate: 0.013%, equal to the yield on 10-year Bunds at the beginning of March 2022;
- Market equity risk premium: 6.42%, source: Damodaran, Italy, January 2022; such value already includes the risk about Italian public debt;
- Additional equity risk premium: equal to 1.00%, to consider the extraordinary risk elements linked to the current geopolitical situation;
- Beta unlevered (different for the two Divisions): 0.73 for the Broking Division and 0.87 for the BPO Division using as a source 3-year unlevered betas provided by Infrontanalytics.com, for a set of comparable operators, as of the beginning of March 2022;
- Target financial structure: D/E ratio of 0.25.

On the basis of the above, applying the Capital Asset Pricing Model, the WACC would be 5.90% for the companies of the Broking Division and 6.76% for the companies of the BPO Division.

The following tables provide a brief summary of the main data of the subsidiaries.

65Plus S.r.l.

Corporate name: 65PLUS S.R.L.	
Registered office: Milano, Via F. Casati, 1/A	
Share capital	75
2021 Statutory loss	(55)
Shareholders' equity	106
Pro quota equity	76
Book value	446

Referring to 65Plus S.r.l., the book value of the participation is higher than the value of its shareholders' equity.

Therefore, the Board of Directors decided to perform an impairment test, in order to determine the recoverable value of the participation. This assessment is based on the value-in-use method, which relies on forecasts of cash flows generated by the asset. Forecasts of operating cash flows derive from the 2022 budget and from the 2023-2024 strategic plan of the company, approved by the Board of Directors of the Issuer on March 15, 2022.

Regarding the criteria used to determine the value in use of participations and the discount rate, this is equal to 6.76%.

As of December 31, 2021, the value-in-use of the participation in 65Plus S.r.l., determined as described above, is higher than the book value of the participation itself.

Considering also the present situation of market volatility and uncertainty about future economic perspectives, we developed sensitivity analysis on the recoverable value of the participation, in particular assuming an increase of the discount rate and a decrease of the perpetual growth rate.

Sensitivity analysis, pursuant to paragraph 134 of IAS 36, of the results of impairment test for the participation shows the following margins of tolerance:

- Discount rate: the value in use remains higher than the book value of participation also assuming an increase of the discount rate up to 7.52%;
- Growth rate "g": the value in use remains higher than the book value of participation also assuming a decrease of the "g" rate down to -3.92%.

Based on these assessments, the management of the Issuer considers the book value of the participation in the annual report as of December 31, 2021, but, since the conditions to confirm this assessment would not be met in the event of a significant change in the parameters used or in the economic conditions underlying the analysis carried out, they will constantly monitor the participation during the financial year ended December 31, 2022, performing further assessments and, if necessary, write down the participation if its value in use is lower than its book value.

7Pixel S.r.l.

Corporate name: 7PIXEL S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	11
2021 Statutory profit	1,745
Shareholders' equity pre-revaluation	31,604
Shareholders' equity	72,430
Book value	43,186

Referring to 7Pixel S.r.l., the book value of the participation is higher than the value of its shareholders' equity.

Therefore, the Board of Directors decided to perform an impairment test, in order to determine the recoverable value of the participation. This assessment is based on the value-in-use method, which relies on forecasts of cash flows generated by the asset. Forecasts of operating cash flows derive from the 2022 budget and from the 2023-2024 strategic plan of the company, approved by the Board of Directors of the Issuer on March 15, 2022.

Regarding the criteria used to determine the value in use of participations and the discount rate, this is equal to 5.90%.

As of December 31, 2021, the value-in-use of the participation in 7Pixel S.r.l., determined as described above, is higher than the book value of the participation itself.

Considering also the present situation of market volatility and uncertainty about future economic perspectives, we developed sensitivity analysis on the recoverable value of the participation, in particular assuming an increase of the discount rate and a decrease of the perpetual growth rate.

Sensitivity analysis, pursuant to paragraph 134 of IAS 36, of the results of impairment test for the participation shows the following margins of tolerance:

- discount rate: the value in use remains higher than the book value of participation also assuming an increase of the discount rate up to 37.33%;
- growth rate “g”: the value in use remains higher than the book value of participation also assuming a decrease of the “g” rate down to over -100%.

Based on these assessments, the management of the Issuer considers the book value of the participation in the annual report as of December 31, 2021, as recoverable.

Centro Finanziamenti S.p.A.

Corporate name: CENTRO FINANZIAMENTI S.P.A.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	2,000
2021 Statutory loss	(836)
Shareholders' equity	3,142
Book value	2,474

Centro Istruttorie S.p.A.

Corporate name: CENTRO ISTRUTTORIE S.P.A.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	500
2021 Statutory profit	13,428
Shareholders' equity pre-revaluation	43,768
Shareholders' equity	67,419
Book value	3,333

Centro Processi Assicurativi S.r.l.

Corporate name: CENTRO PROCESSI ASSICURATIVI S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	50
2021 Statutory loss	(920)
Shareholders' equity	(413)
Book value	1,874

Referring to Centro Processi Assicurativi S.r.l., the book value of the participation is higher than the value of its shareholders' equity.

The Issuer, considering the disposal of the participation, which will take place in 2022, and based on a reliable estimate of the net cash flows that will be generated by this transaction, believes that the residual value deemed recoverable is equal to Euro 1,874 thousand and, therefore, it booked a write-down for an amount equal to Euro 1,000 thousand.

The Issuer, considering the sale of the investment, which will take place during 2022, and of the residual value deemed recoverable, a write-down was made for an amount of Euro 1,000 thousand.

Cesam S.r.l.

Corporate name: CESAM S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	10
2021 Statutory profit	371
Shareholders' equity pre-revaluation	9,824
Shareholders' equity	15,145
Book value	73

Cercassicurazioni.it S.r.l.

Corporate name: CERCASSICURAZIONI.IT S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	100
2021 Statutory profit	1,114
Shareholders' equity pre-revaluation	7,971
Shareholders' equity	14,371
Book value	3,808

Eagle & Wise Service S.r.l.

Corporate name: EAGLE&WISE SERVICE S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	400
2021 Statutory profit	1,426
Shareholders' equity pre-revaluation	5,368
Shareholders' equity	12,963
Book value	23

Euroservizi per i notai S.r.l.

Corporate name: EUROSERVIZI PER I NOTAI S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	10
2021 Statutory profit	2,195
Shareholders' equity pre-revaluation	8,166
of which pro quota	4,900
Pro quota Shareholders' equity	10,632
Book value	369

Finprom S.r.l.

Corporate name: FINPROM S.R.L.	
Registered office: Romania, Arad, Str. Cocorilor n. 24/A	
Share capital	10
2021 Statutory profit	514
Shareholders' equity	3,847
Book value	130

Gruppo Lercari S.r.l.

Corporate name: GRUPPO LERCARI S.R.L.	
Registered office: Genoa, Via Roma 8/A	
Share capital	760
2021 Statutory profit	2,927
Shareholders' equity of Lercari Group	18,909
Book value	40,074

Referring to Gruppo Lercari S.r.l., the book value of the participation is higher than the value of its shareholders' equity.

Therefore, the Board of Directors decided to perform an impairment test, in order to determine the recoverable value of the participation. This assessment is based on the value-in-use method, which relies on forecasts of cash flows generated by the asset. Forecasts of operating cash flows derive from the 2022 budget and from the 2023-2024 strategic plan of the company, approved by the Board of Directors of the Issuer on March 15, 2022.

Regarding the criteria used to determine the value in use of participations and the discount rate, this is equal to 6.76%.

As of December 31, 2021, the value-in-use of the participation in Gruppo Lercari S.r.l., determined as described above, is higher than the book value of the participation itself.

Considering also the present situation of market volatility and uncertainty about future economic perspectives, we developed sensitivity analysis on the recoverable value of the participation, in particular assuming an increase of the discount rate and a decrease of the perpetual growth rate.

Sensitivity analysis, pursuant to paragraph 134 of IAS 36, of the results of impairment test for the participation shows the following margins of tolerance:

- discount rate: the value in use remains higher than the book value of participation also assuming an increase of the discount rate up to 8.46%;

- growth rate "g": the value in use remains higher than the book value of participation also assuming a decrease of the "g" rate down to -0.65%.

Based on these assessments, the management of the Issuer considers the book value of the participation in the annual report as of December 31, 2021, as recoverable.

With regard to this participation, the sensitivity analysis showed that its value in use remains higher than its book value, assuming an increase in the discount rate up to 8.46% or, keeping the WACC unchanged, assuming a reduction in the implicit growth rate up to -0.65%. In the light of this, the Issuer's Directors have considered the book value of the investment recorded in the consolidated financial statements as of December 31, 2021 recoverable, but, since in the event of an insignificant change in the parameters used or in the economic conditions underlying the analysis carried out, the conditions for confirming this valuation would no longer be met, they will keep this investment constantly monitored during the financial year 2022, carrying out further assessments and possibly writing down the investment if its value in use is lower than its book value.

Innofin SIM S.p.A.

Corporate name: INNOFIN SIM S.P.A.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	2,000
2021 Statutory profit	1,868
Shareholders' equity	4,666
Book value	2,500

Klikkapromo S.r.l.

Corporate name: KLIKKAPROMO S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	10
2021 Statutory profit	77
Shareholders' equity	1,155
Book value	1,119

MOL BPO S.r.l.

Corporate name: MOL BPO S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	10
2021 Statutory profit	2,614
Shareholders' equity	8,817
Book value	3,010

MOL BPO S.r.l. has been incorporated during the financial year ended December 31, 2018 and it holds the 84.5% stake of Agenzia Italia S.p.A..

In the financial statement of MOL BPO S.r.l. as of December 31, 2021, the participation in Agenzia Italia S.p.A., is accounted at a book value equal to Euro 49,300 thousand, higher than the pro quota shareholders' equity of the subsidiary, equal to Euro 30,679 thousand. The statutory profit of Agenzia Italia S.p.A. was positive for Euro 5,793 thousand.

Therefore, the Board of Directors decided to perform an impairment test, in order to determine the recoverable value of the participation. This assessment is based on the value-in-use method, which relies on forecasts of cash flows generated by the asset. Forecasts of operating cash flows derive from the 2022 budget and from the 2023-2024 strategic plan of the subsidiary, approved by the Board of Directors of the Issuer on March 15, 2022.

Regarding the criteria used to determine the value in use of participations and the discount rate, this is equal to 6.76%.

As of December 31, 2021, the value-in-use of the participation in Agenzia Italia S.p.A., determined as described above, is higher than the book value of the participation itself.

Considering also the present situation of market volatility and uncertainty about future economic perspectives, we developed sensitivity analysis on the recoverable value of the participation, in particular assuming an increase of the discount rate, a decrease of the perpetual growth rate and of the growth rate of revenues.

Sensitivity analysis, pursuant to paragraph 134 of IAS 36, of the results of impairment test for the participation shows the following margins of tolerance:

- Discount rate: the value in use remains higher than the book value of participation also assuming an increase of the discount rate up to 18.71%;

- Growth rate "g": the value in use remains higher than the book value of participation also assuming a decrease of g rate down to -15.73%;

Money360.it S.p.A.

Corporate name: MONEY360.IT S.P.A.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	120
2021 Statutory loss	(383)
Shareholders' equity	1,955
Book value	2,020

Referring to Money360.it S.p.A., the book value of the participation is higher than the value of its shareholders' equity.

Therefore, the Board of Directors decided to perform an impairment test, in order to determine the recoverable value of the participation. This assessment is based on the value-in-use method, which relies on forecasts of cash flows generated by the asset. Forecasts of operating cash flows derive from the 2022 budget and from the 2023-2024 strategic plan of the company, approved by the Board of Directors of the Issuer on March 15, 2022.

Regarding the criteria used to determine the value in use of participations and the discount rate, this is equal to 5.90%.

As of December 31, 2021, the value-in-use of the participation in Money360.it S.p.A., determined as described above, is higher than the book value of the participation itself.

Considering also the present situation of market volatility and uncertainty about future economic perspectives, we developed sensitivity analysis on the recoverable value of the participation, in particular assuming an increase of the discount rate and a decrease of the perpetual growth rate.

Sensitivity analysis, pursuant to paragraph 134 of IAS 36, of the results of impairment test for the participation shows the following margins of tolerance:

- discount rate: the value in use remains higher than the book value of participation also assuming an increase of the discount rate up to 78.96%;
- growth rate "g": the value in use remains higher than the book value of participation also assuming a decrease of the "g" rate down to over -100.00%.

Based on these assessments, the management of the Issuer considers the book value of the participation in the annual report as of December 31, 2021, as recoverable

MutuiOnline S.p.A.

Corporate name: MUTUIONLINE S.P.A.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	1,000
2021 Statutory profit	12,929
Shareholders' equity pre-revaluation	54,252
Shareholders' equity	188,632
Book value	3,690

PP&E S.r.l.

Corporate name: PP&E S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	100
2021 Statutory loss	(411)
Shareholders' equity pre-revaluation	763
Book value	307

PrestitiOnline S.p.A.

Corporate name: PRESTITIONLINE S.P.A.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	200
2021 Statutory loss	(591)
Shareholders' equity pre-revaluation	4,342
Shareholders' equity	11,654
Book value	833

Quinservizi S.p.A.

Corporate name: QUINSERVIZI S.P.A.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	150
2021 Statutory profit	1,655
Shareholders' equity pre-revaluation	11,522
Shareholders' equity	22,987
Book value	7,123

Segugio.it S.r.l.

Corporate name: SEGUGIO.IT S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	10
2021 Statutory loss	(201)
Shareholders' equity pre-revaluation	1,901
Shareholders' equity	15,481
Book value	16,529

Referring to Segugio.it S.r.l., the book value of the participation is higher than the value of its shareholders' equity.

Therefore, the Board of Directors decided to perform an impairment test, in order to determine the recoverable value of the participation. This assessment is based on the value-in-use method, which relies on forecasts of cash flows generated by the asset. Forecasts of operating cash flows derive from the 2022 budget and from the 2023-2024 strategic plan of the subsidiary, approved by the Board of Directors of the Issuer on March 15, 2022.

Regarding the criteria used to determine the value in use of participations and the discount rate, this is equal to 5.90%.

As of December 31, 2021, the value-in-use of the participation in Segugio.it S.r.l., determined as described above, is higher than the book value of the participation itself.

Considering also the present situation of market volatility and uncertainty about future economic perspectives, we developed sensitivity analysis on the recoverable value of the participation, in particular assuming an increase of the discount rate, a decrease of the perpetual growth rate and of the growth rate of revenues.

Sensitivity analysis, pursuant to paragraph 134 of IAS 36, of the results of impairment test for the participation shows the following margins of tolerance:

- Discount rate: the value in use remains higher than the book value of the participation also assuming an increase of the discount rate up to 26.84%;

- Growth rate "g": the value in use remains higher than the book value of the participation also assuming a decrease of the "g" rate down to -72.79%.

Based on these assessments, the management of the Issuer considers the book value of the participation in the annual report as of December 31, 2021, recoverable.

SOS Tariffe S.r.l.

Corporate name: SOS Tariffe S.R.L.	
Registered office: Milano, Via F. Casati, 1/A	
Share capital	10
2021 Statutory loss	(106)
Shareholders' equity	20,199
Book value	29,930

Referring to SOS Tariffe S.r.l., the book value of the participation is higher than the value of its shareholders' equity.

Therefore, the Board of Directors decided to perform an impairment test, in order to determine the recoverable value of the participation. This assessment is based on the value-in-use method, which relies on forecasts of cash flows generated by the asset. Forecasts of operating cash flows derive from the 2022 budget and from the 2023-2024 strategic plan of the subsidiary, approved by the Board of Directors of the Issuer on March 15, 2022.

Regarding the criteria used to determine the value in use of participations and the discount rate, this is equal to 5.90%.

As of December 31, 2021, the value-in-use of the participation in SOS Tariffe S.r.l., determined as described above, is higher than the book value of the participation itself.

Considering also the present situation of market volatility and uncertainty about future economic perspectives, we developed sensitivity analysis on the recoverable value of the participation, in particular assuming an increase of the discount rate, a decrease of the perpetual growth rate and of the growth rate of revenues.

Sensitivity analysis, pursuant to paragraph 134 of IAS 36, of the results of impairment test for the participation shows the following margins of tolerance:

- Discount rate: the value in use remains higher than the book value of the participation also assuming an increase of the discount rate up to 9.59%;

- Growth rate "g": the value in use remains higher than the book value of the participation also assuming a decrease of the "g" rate down to -3.03%.

Based on these assessments, the management of the Issuer considers the book value of the participation in the annual report as of December 31, 2021, recoverable.

6. Participations in associated companies and joint ventures

This item refers to the participation in Generale Servizi Amministrativi S.r.l., a company of which the Issuer holds 40% of the share capital, to the participation in the associated company Generale Fiduciaria S.p.A., a company of which the Issuer holds 40% stake of the share capital.

With reference to the participation in PrestiPro S.r.l., it should be noted that it has a value equal to zero, following the write down made in 2020.

The following table presents the details of the item as of December 31, 2021 and 2020:

(euro thousand)	As of December 31, 2021	As of December 31, 2020
Generale Servizi Amministrativi S.r.l.	40	40
Generale Fiduciaria S.p.A.	642	642
PrestiPro S.r.l.	-	-
Total investments in joint ventures and associated companies	**682**	**682**

7. Financial assets at fair value

The following table presents the variations of the item during the financial year ended December 31, 2021:

(euro thousand)	As of December 31, 2020	Purchases/ Increases	Revaluations/ (Depreciations)	Reimbursements/ Sales	As of December 31, 2021
Cerved Group S.p.A. shares	33,548	-	-	(33,548)	33,548
Moneysupermarket.com Group PLC shares	-	37,006	1,553	-	38,559
BFF Bond	3,063	-	-	(3,063)	33,548
Igloo securitizations	-	341	-	-	341
Financial assets at fair value	**36,611**	**37,347**	**1,553**	**(36,611)**	**38,900**

Financial assets at fair value show a significant decrease compared to December 31, 2020, due to the disposal of all the shares in Cerved Group S.p.A. ("**Cerved**") previously owned by the Issuer, following the disposal of n. 1,643,050 shares made in March and April 2021, and subsequently, following the acceptance (on September 7, 2021) of the takeover bid for the shares of Cerved, promoted by Castor Bidco S.p.A., which led to the sale of the residual n. 2,860,000 Cerved shares. The difference between the amount received from the disposals of 2021 and the fair value as of December 31, 2020 (equal to Euro 11,415 thousand) has been classified among the OCI reserve.

The item as of December 31, 2021 mainly includes shares in MoneySupermarket.com PLC, purchased starting from October 2021, for an amount equal to Euro 38,559 thousand. Such financial assets are evaluated at fair value through OCI. In particular, the movements of the year refer to the purchase of n. 15,000,000 shares for an amount of Euro 37,006 thousand (average of Euro 2.47 per share), and to revaluations for Euro 1,553 thousand.

The item also includes notes of "Igloo" securitization promoted by the subsidiary Centro Finanziamenti S.p.A. for Euro 341 thousand.

The cancellation of the value of the BFF Bond, which as of December 31, 2020 was equal to Euro 3,064 thousand, refers to the sale of the bond during the financial year ended December 31, 2021. The capital gain equal to Euro 45 thousand has been classified among the item "Income/(losses) from financial assets/liabilities.

8. Deferred tax assets and liabilities

The following table presents the variations of the item:

(euro thousand)	As of January 1, 2021	Accrual	Utilization	As of December 31, 2021	Expiring within 1 year	Expiring after 1 year
Deferred tax assets						
Costs with different tax deductibility	6	205	(6)	205	205	-
Differences between the tax bases of assets and their carrying amounts	3	-	(3)	-	-	-
Total deferred tax assets	**9**	**205**	**(9)**	**205**	**205**	**-**
Deferred tax liabilities						
Dividends deliberated not yet paid	(60)	(97)	60	(97)	(97)	-
Others	-	(19)	-	(19)	-	(19)
Total deferred tax liabilities	**(60)**	**(116)**	**60**	**(116)**	**(97)**	**(19)**
Total	**(51)**	**89**	**51**	**89**	**108**	**(19)**

As of December 31, 2021, deferred tax assets are booked for Euro 205 thousand, related to costs with different tax deductibility. Finally, deferred tax liabilities are booked for Euro 116 thousand, mainly related to dividends resolved but not yet paid.

9. Other non-current assets

Other non-current assets are as follows:

(euro thousand)	As of December 31, 2021	As of December 31, 2020
Loan to MOL BPO S.r.l.	22,000	25,000
Loan to Eagle & Wise Service S.r.l.	11,500	11,500
Loan to Prestipro S.r.l.	130	190
Total other non-current assets	**33,630**	**36,690**

This item refers to the loans granted to subsidiary MOL BPO S.r.l. for Euro 22,000 thousand, to subsidiary Eagle & Wise Service S.r.l. for Euro 11,500 thousand, and to joint venture PrestiPro S.r.l. for Euro 130 thousand.

With regard to the loan granted to MOL BPO S.r.l., during the year ended December 31, 2021, the Issuer resolved to waive part of the loan for Euro 3,000 thousand.

With regard to the loan granted to Prestipro S.r.l., during the year ended December 31, 2021, the Issuer made a partial write-down of this receivable, for Euro 60 thousand, as a result of the company's liquidation, which took place in February 2022. The remaining amount recorded in the financial statement, equal to Euro 130 thousand, is considered recoverable on the basis of the cash and cash equivalents of PrestiPro S.r.l..

Regarding the loans granted to MOL BPO S.r.l., and Eagle & Wise Service S.r.l., there are no critical issues regarding the recoverability of these loans, since the economic outlook of Agenzia Italia S.p.A.

and Eagle & Wise Service S.r.l. for the next years (as well as the results achieved during the year in question) are positive, as indicated in the business plans prepared for the companies.

CURRENT ASSETS

10. Cash and cash equivalent

Cash and cash equivalents include cash in hand and bank deposits.

The following table presents the net financial position as of December 31, 2021 and 2020, prepared according to ESMA orientation 32-382-1138 of March 4, 2021 and to the guidance Consob n. 5/21 of April 29, 2021:

(euro thousand)	As of December 31, 2021	December 31, 2020	Change	%
A. Cash and bank current accounts	143,015	63,155	79,860	126.5%
B. Cash equivalents	-	-	-	N/A
C. Other current financial assets	-	3,064	(3,064)	-100.0%
D. Liquidity (A) + (B) + (C)	**143,015**	**66,219**	**76,796**	**116.0%**
E. Current financial liabilities	(208,593)	(143,544)	(65,049)	45.3%
F. Current portion of non-current financial liabilities	(11,567)	(30,308)	18,741	-61.8%
G. Current indebtedness (E) + (F)	**(220,160)**	**(173,852)**	**(46,308)**	**26.6%**
H. Net current financial position (D) + (G)	**(77,145)**	**(107,633)**	**30,488**	**-28.3%**
I. Non-current financial liabilities	(134,587)	(71,083)	(63,504)	89.3%
J. Bonds issued	-	-	-	N/A
K. Trade and other non-current payables	-	-	-	N/A
L. Non-current indebtedness (I) + (J) + (K)	**(134,587)**	**(71,083)**	**(63,504)**	**89.3%**
M. Net financial position (H) + (L)	**(211,732)**	**(178,716)**	**(33,016)**	**-18.5%**

Gruppo MutuiOnline S.p.A. manages a cash pooling service. Most of the Italian subsidiaries as of December 31, 2020 have joined this system. The cash pooling service aims to provide a more efficient management of available liquidity and investments at a group level. Therefore, the short-term financial liabilities of the Issuer as of December 31, 2021 include "Other current borrowings" equal to Euro 208,593 thousand, consisting mainly of liabilities towards subsidiaries within the cash pooling service.

For more detail on the cash balance of cash and cash equivalents and of current financial debts from companies of the Group please refer to note 28.

11. Other current assets

The following table presents the detail of the item as of December 31, 2021 and 2020:

(euro thousand)	As of December 31, 2021	December 31, 2020
Receivables from subsidiaries for dividends	8,100	5,000
Receivables from joint ventures for national tax consolidation regime	7,104	9,196
VAT receivables	1,976	1,510
Accruals and prepayments	1,082	705
Advances to suppliers	1	5
Other receivables	-	301
Current portion of loans to subsidiaries	-	4,000
Total other current assets	**18,263**	**20,717**

Receivables from subsidiaries are as follows:

(euro thousand)	As of December 31, 2021	December 31, 2020
Receivables for national tax consolidation regime:		
From Centro Istruttorie S.p.A.	399	1,336
From MutuiOnline S.p.A.	3,797	4,478
From EuroServizi per i Notai S.r.l.	511	1,036
From Centro Servizi Asset Management S.r.l.	1	420
From Quinservizi S.p.A.	316	410
From CercAssicurazioni.it S.r.l.	225	590
From Innovazione Finanziaria SIM S.p.A.	301	513
From Effelle Ricerche S.r.l.	688	-
From MOL BPO S.r.l.	-	10
From 7Pixel S.r.l.	866	-
From Segugio.it S.r.l.	-	403
Receivables from joint ventures for national tax consolidation regime	**7,104**	**9,196**
Receivables for dividends:		
From MutuiOnline S.p.A.	7,500	5,000
From Euroservizi per i notai S.r.l.	600	-
Total receivables from subsidiaries	**15,204**	**14,196**

Receivables for national tax consolidation regime include receivables deriving from the transfer of liabilities for IRES of the subsidiaries within the national tax consolidation regime of the Group.

The receivables from the subsidiary MutuiOnline S.p.A. for Euro 7,500 thousand and from the subsidiary Euroservizi per i notai S.r.l. for Euro 600 thousand refer to the dividends resolved by the subsidiaries during the financial year ended December 31, 2021 and not yet paid.

The item "Accruals and prepayments" mainly includes the portion of third-party software rentals already paid but relating to future years. The increase with respect to the previous year is due to the higher costs for the use of third-party software licenses.

SHAREHOLDERS' EQUITY

12. Share capital and reserves

For the statement of changes in shareholders' equity please refer to the relevant table.

On April 29, 2021 the shareholders' meeting resolved the distribution of a dividend of Euro 0.140 per share, for a total amount of Euro 15,500 thousand. Such dividend has been paid out with ex-dividend date May 17, 2021, record date May 18, 2021 and payable date May 19, 2021.

The Company, as of December 31, 2021, has a share capital of Euro 1,012,354.01, formed by 40,000,000 ordinary shares without nominal value, unchanged if compared to December 31, 2021.

The Company has an ongoing buy-back program. The shareholders' meeting of April 29, 2021 has approved the current buy-back program, specifying limits and purposes, for up to the 20% of share capital.

During the year ended December 31, 2021, the Issuer purchased 72,079 own shares equal to 0.180% of ordinary share capital. During the same period following the exercise of the stock options vested held by some employees of the Group, the Issuer sold 719,593 own shares equal to 1.799% of ordinary share capital.

As of December 31, 2021, the Issuer holds 1,662,041 own shares, equal to 4.155% of ordinary share capital, for a total cost of Euro 25,322 thousand. Being the shares without nominal value, the purchase cost is deducted from the share capital for an amount implicitly corresponding to the nominal value, equal to Euro 42 thousand as of December 31, 2021, and from available reserves for an amount equal to the remaining part of the purchase cost.

(euro thousand)	**As of December 31, 2021**	**As of December 31, 2020**
Book value of own shares	**25,322**	**33,785**
(of which) offsetting share capital	42	58
(of which) offsetting other reserves	25,280	33,727

It is worth mentioning that as of December 31, 2021, there are no shares of the Issuer held by other companies of the Group.

The following table presents the origin and the availability of the items included in shareholders' equity:

(euro thousand)	As of December 31, 2021	Possible utilization	Available amount	Summary of the utilizations during the past three years: for purchase of own shares	for share capital increase	distribution and income allocation
Share capital	970			(19)	-	-
Earnings reserves:						
Legal reserve	202	B	-	-	-	-
Share premium reserve	3,115	A,B,C	3,115	-	-	-
Stock option reserve	(31,172)	A,B	(31,172)	(1,542)	-	-
Retained earnings	62,928	A,B,C	62,928	-	-	(38,221)
Net income	3,826	A,B,C	3,826	-	-	-
Total shareholders' equity	**39,869**		**38,697**			
Not available for distribution			-			
Remaining distributable amount			38,697			

Legend:
A: for share capital increases
B: for the offsetting of losses
C: for distribution to shareholders

NON-CURRENT LIABILITIES

13. Long-term borrowings

The following table presents the details of the item, including mainly bank borrowings:

(euro thousand)	As of December 31, 2021	As of December 31, 2020
Bank borrowings	134,484	71,018
Term between 1 and 5 years	*109,913*	*67,277*
Term over 5 years	*24,571*	*3,741*
Non current liabilities - IFRS 16	103	65
Long-term debts and other financial liabilities	**134,587**	**71,083**

Non-current bank borrowings refer to the outstanding loan agreements with Crédit Agricole Cariparma S.p.A., for an amount equal to Euro 20,956 thousand, with Intesa SanPaolo S.p.A. for Euro 79,893 thousand, Banco BPM S.p.A., for an amount equal to Euro 9,490 thousand, with Credito Emiliano S.p.A. for an amount equal to Euro 17,658 thousand and Unicredit S.p.A. for an amount equal to Euro 6,487 thousand as of December 31, 2021.

For the residual part, the item includes the non-current portion of the liability deriving from the adoption of IFRS 16, for Euro 103 thousand.

The book value of the financial liabilities represents their fair value.

Loans from Crédit Agricole Cariparma S.p.A.

On June 28, 2018 the Issuer signed a loan agreement with Crédit Agricole Cariparma S.p.A., for an amount equal to Euro 20,000 thousand, paid in two tranches on June 28, 2018 and July 4, 2018. The schedule of the loan provides for six-monthly reimbursements starting from December 31, 2018 to June 30, 2025, at a yearly interest rate equal to 3-month Euribor increased by 0.90%, subject to variation at each payment date based on the ratio between the Net Financial Indebtedness and EBITDA.

On March 30, 2020 the Issuer signed a loan agreement with con Crédit Agricole Cariparma S.p.A., for an amount equal to Euro 15,000 thousand, expiring on June 30, 2026, at a yearly fixed rate equal to 1.05%

With regard to such loans, the Issuer is obliged to comply with the following consolidated financial covenant: ratio between Net Financial Position and EBITDA: (i) not over 2.50, with reference to the consolidated annual report ended December 31 of each year; (ii) not over 2.75, with reference to the consolidated half year report ended June 30 of each year.

Loan from Banco BPM S.p.A.

On September 27, 2018 the Issuer signed a loan agreement with Banco BPM S.p.A., for an amount equal to Euro 20,000 thousand, composed by two separated credit lines, the first one equal to Euro 15,000 thousand, to be repaid through six-monthly reimbursements starting from June 30, 2019, at a yearly interest rate equal to 6-month Euribor increased by 1.10%, subject to variation at each payment date based on the ratio between the Net Financial Indebtedness and EBITDA, and the second one equal to Euro 5,000 thousand to be entirely reimbursed at the loan expiry date, at a yearly interest rate equal to 6-month Euribor increased by 1.30%, also subject to variation at each payment date based on the ratio between the Net Financial Indebtedness and EBITDA.

With regard to the loan obtained from Banco BPM S.p.A., the Issuer is obliged to comply with the following consolidated financial covenant, as resulting from the consolidated financial statement for each full and half year, clarifying that the economic data are to be considered on an yearly basis: ratio between Net Financial Position and EBITDA not over 3.0.

Loan from Intesa SanPaolo S.p.A.

On March 30, 2021 the Issuer signed a loan agreement with Intesa SanPaolo S.p.A., for an amount equal to Euro 80,000 thousand, expiring March 30, 2028, with a fixed interest rate equal to 1.45%. We point out that such loan was partially used for the early reimbursement of the previous loans of the same bank, which had a residual debt equal to Euro 37,009 thousand.

As regard the loan obtained from Intesa SanPaolo S.p.A., the Group is obliged to comply with the following consolidated financial covenants: i) ratio between Net Financial Position and EBITDA not over 2.5; ii) ratio between Net Financial Position and Equity not over 2.0. In addition, in the event that the ratio between Net Financial Position and EBITDA should result higher than 2.0, the Issuer is obliged not to distribute profits and/or reserves made up of undistributed profits from previous years in excess of 50%.

Loan from Unicredit S.p.A.

On February 26, 2021 the Issuer signed a loan agreement with Unicredit S.p.A., for an amount equal to Euro 10,000 thousand, expiring February 28, 2026, with a variable interest rate equal to 3-months Euribor increased by 1.60%. On such loan we took a derivative contract to hedge the variable rate, which converts the 3-months Euribor interest rate into a yearly fixed rate of minus 0.15% and whose fair value as of December 31, 2021 shows a negative value equal to Euro 16 thousand.

As regard the loan obtained from Unicredit S.p.A., the Group is obliged to comply with the following consolidated financial covenant, as resulting from the consolidated financial statements for each full and half year, clarifying that the economic data are to be considered on a yearly basis: ratio between Net Financial Position and EBITDA not over 3.0. In addition, in the event that such ratio should be higher than 2.25, the Issuer is obliged not to distribute or resolve the distribution of profits of the year in amounts exceeding 50% of the consolidated annual net income.

Loan from Credito Emiliano S.p.A.

On September 9, 2021 the Issuer signed a loan agreement with Credito Emiliano S.p.A., for an amount equal to Euro 20,000 thousand, expiring September 9, 2026, with a fixed interest rate equal to 0.58%. We point out that such loan was mainly used for the early reimbursement of the previous loans of the same bank, which had a residual debt equal to Euro 16,798 thousand.

As regard the loan obtained from Credito Emiliano S.p.A., the Group is obliged to comply with the following consolidated financial covenant, as resulting from the consolidated financial statements for each full and half year: ratio between Net Financial Position and EBITDA not over 3.0.

The Issuer has complied with all these covenants as of December 31, 2021.

Repayment schedule

The repayment schedule as of December 31, 2021 is as follows:

(euro thousand)	As of December 31, 2021	December 31, 2020
- between one and two years	21,704	16,789
- between two and three years	33,143	31,094
- between three and four years	31,168	10,812
- between four and five years	23,898	8,582
- more than five	24,571	3,741
Total	**134,484**	**71,018**

Changes in liabilities

We provide below the table required by IAS 7 about the changes of the liabilities related to financing activities:

(euro thousand)	As of December 31, 2020	Cash flows	Others	As of December 31, 2021
Intesa SanPaolo S.p.A.	30,432	49,578	(117)	79,893
Crédit Agricole Cariparma S.p.A.	25,273	-	(4,317)	20,956
Banca Popolare di Milano S.p.A.	12,111	-	(2,629)	9,490
Credito Emiliano S.p.A.	3,202	14,471	(15)	17,658
Unicredit S.p.A.	-	6,500	(13)	6,487
Long-term borrowings	**71,018**	**70,549**	**(7,091)**	**134,484**

The "Others" column refers to the reclassification among current liabilities of the portions of the loans that will expire during the next twelve months.

14. Defined benefit program liabilities

The following table presents the situation of the item:

(euro thousand)	As of December 31, 2021	December 31, 2020
Employees' termination benefits	673	562
Directors' termination benefits	75	37
Total defined benefit program liabilities	**748**	**599**

The economic and demographic assumptions used for the actuarial determination of the defined benefit program liabilities are provided below:

	As of December 31, 2021	As of December 31, 2020
ECONOMIC ASSUMPTIONS		
Inflation rate	1.50%	0.75%
Discount rate	1.00%	0.35%
Salary growth rate	2.50%	1.75%
TFR growth rate	2.63%	2.06%

DEMOGRAPHIC ASSUMPTIONS	
Expected mortality rate	Expected mortality rate of Italian population, according with data from *Ragioneria Generale dello Stato* (RG48)
Expected invalidity rate	Data split by sex, driven by the INPS model and projected to 2010. Expectations are constructed using the age and gender of the living pensioners at January 1, 1987 beginning from 1984, 1985, 1986 for the personnel of the credit sector.
Expected termination rate	As regards the expected termination, a rate of 7.50% p.a. has been applied for all employees.
Expected retirements	It is expected that employees will reach the pensionable age provided within local laws
Expected early repayment rate	A rate of 3% p.a. has been applied.

The actuarial loss, deriving from the liability as of December 31, 2021, is recorded in equity, with the recognition in the comprehensive income statement. The following table presents the variation of the employee termination benefit liability for the year ended December 31, 2021 and 2020:

(euro thousand)	
Value as of January 1, 2020	**602**
Current service cost	84
Interest cost	5
Employees moved from subsidiaries	(141)
Benefits paid	(27)
Losses of the year	39
Value as of December 31, 2020	**562**
Current service cost	105
Interest cost	2
Employees moved from subsidiaries	-
Benefits paid	(18)
Losses of the year	22
Value as of December 31, 2021	**673**

The following table presents the variation of the employee termination benefit liability for the year ended December 31, 2021 and 2020:

	Years ended	
(euro thousand)	**December 31, 2021**	**December 31, 2020**
Current personnel cost	(105)	(84)
Implicit interest cost	(2)	(5)
Total expenses related to the defined benefit	**(107)**	**(89)**

As regards the discount rate the reference rate used for the valorization of this parameter was the Iboxx Eur Corporate AA 10+ index as of the valuation date. This term (over 10 years) is in fact linked to the average residual permanence of the employees of the Group, weighed with the expected payments.

With reference to directors' termination benefits, they are provided only for the executive directors and they are calculated, referring to their annual compensations, according with the provisions of article 2120 of the civil code.

15. Other non current liabilities

The other non current liabilities include the non current portion of the considerations still to be paid for the purchase of Gruppo Lercari S.r.l., for Euro 1,000 thousand, and of SOS Tariffe S.r.l., for Euro 1,000 thousand.

CURRENT LIABILITIES

16. Short-term borrowings

The following table presents the details of the item, as of December 31, 2021 and 2020:

(euro thousand)	**December 31, 2021**	**December 31, 2020**
Financial debts with subsidiaries	208,536	138,515
Bank loans:	11,566	35,311
Credito Emiliano S.p.A.	*2,330*	*16,795*
Crédit Agricole Cariparma S.p.A.	*4,319*	*9,319*
Intesa SanPaolo S.p.A.	*290*	*6,577*
Banco BPM S.p.A.	*2,620*	*2,620*
Unicredit S.p.A.	*2,007*	*-*
Other financial liabilities	58	26
Short-term debts and other financial liabilities	**220,160**	**173,852**

The "Short-term debts and other financial liabilities" item includes, besides the financial payables with subsidiaries deriving from the Group's cash pooling services managed by the Issuer, for which please refer to note 28, the current portion of liability for outstanding bank loans for an amount equal to Euro 11,566 thousand, and the current portion of the liability deriving from the adoption of IFRS 16, for Euro 42 thousand, and the fair value of the hedging derivative on the loan with Unicredit S.p.A. for Euro 16 thousand.

We provide below the table required by IAS 7 about the changes of the liabilities related to financing activities:

(euro thousand)	**As of December 31, 2020**	**Cash flows**	**Others**	**As of December 31, 2021**
Intesa SanPaolo S.p.A.	6,577	(6,587)	300	290
Crédit Agricole Cariparma S.p.A.	9,319	(9,350)	4,350	4,319
Banca Popolare di Milano S.p.A.	2,620	(2,625)	2,625	2,620
Credito Emiliano S.p.A.	16,795	(14,468)	3	2,330
Unicredit S.p.A.	-	2,007	-	2,007
Short-term borrowings	**35,311**	**(31,023)**	**7,278**	**11,566**

The "Others" column refers to the reclassification among current liabilities of the portions of the loans that will expire during the next twelve months.

17. Trade and other payables

The amount of the item is equal to Euro 3,278 thousand (Euro 1,667 thousand as of December 31, 2020) and consists of payables to suppliers, including payables to subsidiaries for Euro 680 thousand.

The increase of the item compared to the previous year is due to higher consultancy costs booked in the fourth quarter 2021.

18. Other current liabilities

The following table presents the situation of the item:

(euro thousand)	As of December 31, 2021	December 31, 2020
Liabilities to subsidiaries	2,485	1,034
Liabilities to personnel	1,167	1,149
Social security liabilities on behalf of employees	202	434
Social security liabilities	469	418
Other current liabilities	5,697	30,233
Accruals and prepayments	19	3
Total other liabilities	**10,039**	**33,271**

The "Liabilities to subsidiaries" item refers to the liabilities as of December 2021 accrued towards subsidiaries within the national tax consolidation regime. For further details please refer to note 25.

The "Other current liabilities" item mainly includes the current portion of the consideration still to be paid for the purchase of Gruppo Lercari S.r.l. for Euro 1,000 thousand and of SOS Tariffe S.r.l. for Euro 1,000 thousand, and the advance received from Gruppo Lercari S.r.l., equal to Euro 2,458 thousand, related to the disposal of the participation in Centro Processi Assicurativi S.r.l., that will occur during 2022.

19. Stock option plan

The following table presents the outstanding stock options for the benefit of the executive directors and certain employees of the Issuer as of December 31, 2021:

Date of shareholders' meeting resolution	Date of assignment	Vesting date	Expiry date	# options	Strike price	Value of the option
April 27, 2017	March 12, 2018	March 12, 2021	March 11, 2024	346,700	13.549	2.61
April 27, 2017	July 5, 2019	July 8, 2022	July 7, 2025	100,000	15.887	3.21
April 29, 2021	November 15, 2021	November 15, 2024	November 14, 2027	75,000	44.379	8.77
			Total options	**521,700**		

The weighted average market price of the shares for the year ended December 31, 2021 is equal to Euro 42.874.

Personnel costs in the year ended December 31, 2021 include Euro 220 thousand (Euro 541 thousand in 2020) related to the Group's stock option plan for the benefit of the executive directors and certain employees of the Issuer. It is worth pointing out that among the other personnel costs we recorded the costs for stock options assigned to employees of subsidiaries and associated companies for an amount equal to Euro 259 thousand. Such costs were recharged to the respective companies.

NOTES TO THE MAIN ITEMS OF THE INCOME STATEMENT

20. Revenues

The revenues of the year are mainly accrued from subsidiaries and associated companies and are represented by the dividends resolved by the subsidiaries and associated companies for Euro 11,074 thousand, the fees for coordination and professional services by the Company in favor of its subsidiaries, associated companies and the joint ventures, for Euro 2,852 thousand, and to the personnel costs recharged to subsidiaries, associated companies and joint ventures for Euro 259 thousand.

The following table presents the revenues for the years ended December 31, 2021 and 2020:

(euro thousand)	Years ended December 31, 2021	December 31, 2020
Dividend from MutuiOnline S.p.A.	7,500	5,000
Dividend from Innovazione Finanziaria SIM S.p.A.	2,479	1,506
Dividend from Euroservizi per i Notai S.r.l.	600	450
Dividend from Sos Tariffe S.r.l.	335	-
Dividend from Generale Servizi Amministrativi S.r.l.	160	100
Total dividends	**11,074**	**7,056**
Coordination and professional services	2,852	1,265
Personnel costs recharged to subsidiaries	259	718
Total revenues	**14,185**	**9,039**

21. Services costs

The following table presents the details of the item for the financial years ended December 31, 2021 and 2020:

(euro thousand)	Years ended December 31, 2021	December 31, 2020
Technical, legal and administrative consultancy	(3,089)	(1,916)
Rental and lease expenses	(1,666)	(1,085)
Communication expenses	(299)	(305)
Other general expenses	(1,281)	(817)
Total services costs	**(6,335)**	**(4,123)**

The increase of the item “Technical, legal and administrative consultancy” is the consequence of higher costs of strategic, fiscal and compliance consultancy paid by the Company.

The increase of rental and lease expenses refers to higher costs paid by the Company for the use of third-party software licenses.

The item “Other general expenses” includes insurance, maintenance and telecommunications costs and bank costs. The increase compared to the previous year is mainly attributable to the higher bank and insurance costs.

22. Personnel costs

The following table presents the details of the item for the financial years ended December 31, 2021 and 2020:

(euro thousand)	Years ended December 31, 2021	December 31, 2020
Wages and salaries	(1,976)	(1,656)
Directors' compensation	(764)	(636)
Social security contributions	(757)	(702)
Defined benefit program costs	(171)	(151)
Stock option expenses	(220)	(541)
Other costs	(26)	(27)
Other personnel costs recharged to subsidiaries	(259)	(718)
Total personnel costs	**(4,173)**	**(4,431)**

The increase of wages and salaries, and of the social security contributions is due to the growth of personnel employed, as shown in the table below, and to the increase of its average cost.

We point out that other personnel costs recharged to subsidiaries, associated companies and joint venture refer to stock option costs for Euro 259 thousand, decreasing compared to the previous year as the vesting period of 2018 stock option plan ended in March 2021.

The average headcount as of December 31, 2021 and 2020 is as follows:

	2021	2020
Managers	5	4
Supervisors	3	2
Employees	32	31
Total	**40**	**37**

The Company applies the collective labor agreement of the commerce sector.

23. Financial income and expenses

The following table presents the details of the item for the financial years ended December 31, 2021 and 2020:

(euro thousand)	Years ended December 31, 2021	December 31, 2020
Financial income	-	72
Losses/(income) from participations	(995)	(185)
Interest expense	(1,426)	(862)
Losses from financial liabilities	(15)	253
Net financial loss	**(2,436)**	**(722)**

The item "Income/(losses) from participations" refer to the impairment of the participation in Centro Processi Assicurativi S.r.l. for Euro 1,000 thousand.

Interest expenses include interest accrued in financial year on the ongoing bank loans for an amount equal to 1,420 thousand, increasing compared to the previous year as a result of the higher outstanding loans.

24. Income tax expense

With respect to corporate income tax, in the financial year ended December 31, 2021 the Company recorded a taxable loss, due to the not taxability of 95% of the dividends received during the year, which, because of the adhesion to the tax consolidation regime, generates a tax benefit equal to Euro 1,430 thousand (Euro 1,662 thousand as of December 31, 2020), whose financial counterbalance offsets current taxes.

Because of the deferred tax deductibility of some costs compared to their accrual, during the year ended December 31, 2021, the Issuer recorded, net of utilizations, deferred tax assets of Euro 196 thousand and deferred tax liabilities of Euro 49 thousand.

No regional income taxes ("IRAP") are due.

25. Tax consolidation

As mentioned above, the coordination activity is reflected in the participation of the Issuer, in its capacity of holding company, to the Italian tax consolidation regime, as provided by article 117 and following of presidential decree 917/1986. All the Italian subsidiaries as of December 31, 2021 participate, also indirectly, in the tax consolidation regime, except Agenzia Italia S.p.A., Gruppo Lercari S.r.l. and Zoorate S.r.l..

The net consolidated tax asset amounts to Euro 7,375 thousand and is recorded among "Current tax assets" as reported in table:

(euro thousand)	Assets	Liabilities
Gruppo MutuiOnline S.p.A.	1,430	-
Centro Finanziamenti S.p.A.	264	-
Centro Istruttorie S.p.A.	-	399
MutuiOnline S.p.A.	-	3,797
Centro Processi Assicurativi S.r.l.	286	-
Centro Servizi Asset Management S.r.l.	-	1
CercAssicurazioni.it S.r.l.	-	225
PrestitiOnline S.p.A.	569	-
EuroServizi per i Notai S.r.l.	-	511
Eagle & Wise Service S.r.l.	-	688
Eagle Agency S.r.l.	30	-
Innovazione Finanziaria SIM S.p.A.	-	301
Klikkapromo S.r.l.	40	-
SOS Tariffe S.r.l.	586	-
MOL BPO S.r.l.	154	-
Money360.it S.p.A.	356	-
PP&E S.r.l.	174	-
Quinservizi S.p.A.	-	316
7pixel S.r.l.	-	866
Segugio.it S.r.l.	25	-
Consolidated advances	10,565	-
Total assets and liabilities	**14,479**	**7,104**
Total net assets and liabilities	**7,375**	

26. Benefits to the managers with strategic responsibilities and compensation to members of the governing and controlling bodies and auditors

The total cost for the Company of compensations paid to executive directors is equal to Euro 2,237 thousand, of which Euro 84 thousand for stock option expenses.

The compensation to the board of statutory auditors amounts to Euro 70 thousand.

The fees paid to the independent auditors by the Company and its subsidiaries for their audit activities for the financial year ended December 31, 2021 are equal to Euro 97 thousand, of which Euro 65 thousand related to the audit activity, and Euro 32 thousand related to the audit of non-financial disclosure pursuant to Legislative Decree 254/2016.

The compensation to the general manager with strategic responsibilities amounts to Euro 722 thousand, of which Euro 107 thousand for stock option expenses.

27. Classes of financial instruments

In the balance sheet as of December 31, 2021 financial assets are classified as follows:

- Cash and cash equivalents for Euro 143,015 thousand (Euro 63,155 thousand in 2020);
- Loans and receivables for Euro 39,335 thousand (Euro 39,292 thousand in 2020).

All the financial liabilities recorded in the balance sheet as of December 31, 2021 and 2020 are stated at the amortized cost, except the earn outs, measured at fair value (category 3). The method for the assessment at fair value of these liabilities is based on the income approach.

Among financial assets as of December 31, 2021 there are the shares of Moneysupermarket, measured at fair value (category 1) through OCI, and the Igloo securitizations, measured at fair value (category 2) through profit and loss.

28. Related party transactions

Related party transactions, including intra-group transactions, are part of the ordinary business operations of the Group, and do not include any unusual or atypical transactions.

The following tables details the transactions and balances with related parties:

(euro thousand)	**Relationship**	**As of December 31, 2021**	**As of December 31, 2020**
Trade receivables			
65Plus S.r.l.	Subsidiary	29	6
7Pixel S.r.l.	Subsidiary	263	220
Agenzia Italia S.p.A.	Subsidiary	16	17
Centro Finanziamenti S.p.A.	Subsidiary	27	27
Centro Istruttorie S.p.A.	Subsidiary	654	439
Centro Processi Assicurativi S.r.l.	Subsidiary	45	75
Centro Servizi Asset Management S.r.l.	Subsidiary	184	157
CercAssicurazioni.it S.r.l.	Subsidiary	399	225
PrestitiOnline S.p.A.	Subsidiary	108	73
Gruppo Lercari S.r.l.	Subsidiary	2,008	-
Eagle&Wise Service S.r.l.	Subsidiary	207	120
EuroServizi per i Notai S.r.l.	Subsidiary	169	82
Finprom S.r.l.	Subsidiary	229	331
Innovazione Finanziaria SIM S.p.A.	Subsidiary	48	31
Mikono S.r.l.	Subsidiary	-	13
Money360.it S.p.A.	Subsidiary	43	22
MutuiOnline S.p.A.	Subsidiary	629	427
PP&E S.r.l.	Subsidiary	33	25
Quinservizi S.p.A.	Subsidiary	265	120
Segugio Servizi S.r.l.	Subsidiary	-	8
Segugio.it S.r.l.	Subsidiary	34	8
SOS Tariffe S.r.l.	Subsidiary	159	-
PrestiPro S.r.l.	Joint venture	5	5
Generale Servizi Amministrativi S.r.l.	Associated company	18	48
Generale Fiduciaria S.p.A.	Associated company	2	-
Total trade receivables from related parties		**5,574**	**2,479**

(euro thousand)	**Relationship**	**As of December 31, 2021**	**December 31, 2020**
Trade and other payables			
Centro Processi Assicurativi S.r.l.	Subsidiary	438	187
PP&E S.r.l.	Subsidiary	242	120
Total trade and other payables to related parties		**680**	**307**

(euro thousand)	**Relationship**	**As of December 31, 2021**	**December 31, 2020**
Other non current assets			
Eagle&Wise Service S.r.l.	Subsidiary	11,500	11,500
MOL BPO S.r.l.	Subsidiary	22,000	25,000
PrestiPro S.r.l.	Joint venture	130	190
Total other non current assets from related parties		**33,630**	**36,690**

(euro thousand)	**Relationship**	**As of December 31, 2021**	**December 31, 2020**
Other current assets			
Agenzia Italia S.p.A.	Subsidiary	-	4,000
7Pixel S.r.l.	Subsidiary	866	-
Centro Istruttorie S.p.A.	Subsidiary	399	1,336
Centro Servizi Asset Management S.r.l.	Subsidiary	1	420
CercAssicurazioni.it S.r.l.	Subsidiary	224	589
Eagle&Wise Service S.r.l.	Subsidiary	688	-
EuroServizi per i Notai S.r.l.	Subsidiary	1,111	1,036
Innovazione Finanziaria SIM S.p.A.	Subsidiary	301	513
MOL BPO S..r.l.	Subsidiary	-	10
MutuiOnline S.p.A.	Subsidiary	11,297	9,478
Quinservizi S.p.A.	Subsidiary	317	410
Segugio.it S.r.l.	Subsidiary	-	402
Total other current assets from related parties		**15,204**	**18,194**

(euro thousand)	Relationship	As of December 31, 2021	December 31, 2020
Other current liabilities			
Centro Finanziamenti S.p.A.	Subsidiary	264	340
Centro Processi Assicurativi S.r.l.	Subsidiary	286	117
Eagle Agency S.r.l.	Subsidiary	30	-
Klikkapromo S.r.l.	Subsidiary	41	13
Gruppo Lercari S.r.l.	Subsidiary	2,457	-
Mikono S.r.l.	Subsidiary	-	39
MOL BPO S..r.l.	Subsidiary	154	-
Money360.it S.p.A.	Subsidiary	356	243
PP&E S.r.l.	Subsidiary	174	6
PrestitiOnline S.p.A.	Subsidiary	569	124
SOS Tariffe S.r.l.	Subsidiary	586	-
Segugio Servizi S.r.l.	Subsidiary	-	152
Segugio.it S.r.l.	Subsidiary	25	-
Total other current liabilities to related parties		**4,942**	**1,034**

		As of	
(euro thousand)	**Relationship**	**December 31, 2021**	**December 31, 2020**
Cash and cash equivalent			
Centro Processi Assicurativi S.r.l.	Subsidiary	2,925	749
Centro Finanziamenti S.p.A.	Subsidiary	4,981	-
Eagle Agency S.r.l.	Subsidiary	-	63
Klikkapromo S.r.l.	Subsidiary	-	620
MOL BPO S.r.l.	Subsidiary	20,116	-
Money360.it S.p.A.	Subsidiary	-	344
PP&E S.r.l.	Subsidiary	5,636	4,924
SOS Tariffe S.r.l.	Subsidiary	86	-
Segugio Servizi S.r.l.	Subsidiary	-	585
Segugio.it S.r.l.	Subsidiary	3,116	1,761
Total cash and cash equivalent with related parties		**36,860**	**9,046**
Short-term borrowings			
65Plus S.r.l.	Subsidiary	88	-
7Pixel S.r.l.	Subsidiary	17,366	15,649
Centro Finanziamenti S.p.A.	Subsidiary	-	290
Centro Istruttorie S.p.A.	Subsidiary	52,056	16,062
Centro Servizi Asset Management S.r.l.	Subsidiary	10,553	9,458
CercAssicurazioni.it S.r.l.	Subsidiary	14,070	9,707
Eagle&Wise Service S.r.l.	Subsidiary	5,747	3,874
Eagle Agency S.r.l.	Subsidiary	411	-
Innovazione Finanziaria SIM S.p.A.	Subsidiary	4,835	5,809
Klikkapromo S.r.l.	Subsidiary	883	-
Money360.it S.p.A.	Subsidiary	1,616	-
PrestitiOnline S.p.A.	Subsidiary	4,917	5,160
EuroServizi per i Notai S.r.l.	Subsidiary	9,963	7,782
IN.SE.CO. S.r.l.	Subsidiary	-	-
MOL BPO S.r.l.	Subsidiary	-	3,014
MutuiOnline S.p.A.	Subsidiary	73,575	51,467
Quinservizi S.p.A.	Subsidiary	12,456	10,243
Total short-term borrowings with related parties		**208,536**	**138,515**

The non-current assets refer to the loans granted to the subsidiaries MOL BPO S.r.l., Eagle & Wise Service S.r.l. and the joint venture PrestiPro S.r.l..

The other current assets as of December 31, 2021, refer to receivables versus subsidiaries for the participation to the tax consolidation regime, and to the receivables from subsidiary MutuiOnline S.p.A. for Euro 7,500 thousand, and from subsidiary EuroServizi per i notai S.r.l. for Euro 600 thousand, as a consequence of the dividends resolved during financial year ended December 31, 2021 and not yet paid.

The other current liabilities as of December 31, 2021, refer to liabilities versus subsidiaries for the participation to the tax consolidation regime, and to the advance received from Gruppo Lercari S.r.l., equal to Euro 2,458 thousand, related to the disposal of the participation in Centro Processi Assicurativi S.r.l., that will occur during 2022.

The treasury of the Italian companies of the Group is centrally managed by the Issuer. The financial operations displayed refer to debit and credit balances of the cash pooling accounts of the subsidiaries with the Issuer as of December 31, 2021.

		Years ended	
(euro thousand)	**Relationship**	**December 31, 2021**	**December 31, 2020**
Revenues			
65Plus S.r.l.	Subsidiary	40	37
7Pixel S.r.l.	Subsidiary	202	139
Agenzia Italia S.p.A.	Subsidiary	16	17
Centro Finanziamenti S.p.A.	Subsidiary	14	21
Centro Istruttorie S.p.A.	Subsidiary	258	263
Centro Processi Assicurativi S.r.l.	Subsidiary	34	82
Centro Servizi Asset Management S.r.l.	Subsidiary	69	61
CercAssicurazioni.it S.r.l.	Subsidiary	44	86
Eagle&Wise Service S.r.l.	Subsidiary	150	92
EuroServizi per i Notai S.r.l.	Subsidiary	119	553
Finprom S.r.l.	Subsidiary	-	-
Generale Servizi Amministrativi S.r.l.	Associated company	160	148
Innovazione Finanziaria SIM S.p.A.	Subsidiary	2,500	1,554
Klikkapromo S.r.l.	Subsidiary	-	-
Gruppo Lercari S.r.l.	Subsidiary	1,500	500
Mikono S.r.l.	Subsidiary	-	12
Money360.it S.p.A.	Subsidiary	37	29
MutuiOnline S.p.A.	Subsidiary	7,601	5,102
PP&E S.r.l.	Subsidiary	24	24
PrestitiOnline S.p.A.	Subsidiary	31	28
PrestiPro S.r.l.	Joint venture	-	5
Quinservizi S.p.A.	Subsidiary	104	84
SOS Tariffe S.r.l.	Subsidiary	369	-
Segugio Servizi S.r.l.	Subsidiary	-	7
Segugio.it S.r.l.	Subsidiary	50	30
Total revenues from related parties		**13,322**	**8,874**

(euro thousand)	Relationship	Years ended December 31, 2021	December 31, 2020
Other revenues			
65Plus S.r.l.	Subsidiary	4	-
7Pixel S.r.l.	Subsidiary	-	11
Centro Finanziamenti S.p.A.	Subsidiary	5	1
Centro Istruttorie S.p.A.	Subsidiary	327	39
Centro Processi Assicurativi S.r.l.	Subsidiary	21	3
Centro Servizi Asset Management S.r.l.	Subsidiary	79	5
CercAssicurazioni.it S.r.l.	Subsidiary	15	1
Eagle&Wise Service S.r.l.	Subsidiary	61	5
EuroServizi per i Notai S.r.l.	Subsidiary	37	1
Innovazione Finanziaria SIM S.p.A.	Subsidiary	26	5
Finprom S.r.l.	Subsidiary	229	-
PrestitiOnline S.p.A.	Subsidiary	-	1
Mikono S.r.l.	Subsidiary	-	1
Money360.it S.p.A.	Subsidiary	7	1
MutuiOnline S.p.A.	Subsidiary	71	7
PP&E S.r.l.	Subsidiary	3	1
PrestitiOnline S.p.A.	Subsidiary	27	-
Quinservizi S.p.A.	Subsidiary	103	49
SOS Tariffe S.r.l.	Subsidiary		-
Segugio.it S.r.l.	Subsidiary	7	1
Segugio Servizi S.r.l.	Subsidiary	-	1
Total other revenues from related parties		**1,044**	**133**

The revenues for the year ended December 31, 2021 mainly refer to dividends resolved by subsidiaries MutuiOnline S.p.A., Innovazione Finanziaria SIM S.p.A., Euroservizi per i Notai S.r.l., SOS Tariffe S.r.l. and the associated company Generale Servizi Amministrativi S.r.l., and for the residual part, to fees for direction, coordination and professional services invoiced by the Issuer to its subsidiaries.

(euro thousand)	Relationship	Years ended December 31, 2021	December 31, 2020
Services costs			
Centro Processi Assicurativi S.r.l.	Subsidiary	230	187
Centro Istruttorie S.p.A.	Subsidiary	20	-
PP&E S.r.l.	Subsidiary	242	286
Total services costs from related parties		**492**	**473**

Services costs are mainly related to rental and office residence services provided by PP&E S.r.l..

29. Disclosure on public grants pursuant to article 1, *comma* 125, of Law 124/2017

In relation to the provisions of Article 1, *comma* 125, of Law 124/2017, subsequently reworded by Article 35 of Law Decree 34/2019, regarding the obligation to provide evidence in the notes of the financial statements of any public disbursements received during the financial year by way of grants, subsidies, advantages, contributions or aids, in cash or in kind, not of a general nature (therefore excluding tax benefits and contributions that may be granted to subjects which meet certain conditions), but attributable to bilateral relations with the subjects referred to in paragraph 125 of that article, the Issuer has not received public funds during 2021. For a complete disclosure, please refer to the National Register of State Aid.

30. Subsequent events

Acquisition of Luna Service S.r.l.

On January 17, 2022, the Issuer acquired 100% of the share capital of Luna Service S.r.l., a company operating in the development of software and the provision of services in the hypocatastal area, for a consideration of Euro 1,022 thousand.

Acquisition of Europa S.r.l.

On March 1, 2022 the Issuer acquired 100% of the share capital of Europa Centro Servizi S.r.l., a company operating in the field of para-legal services in support of operators in the NPL sector and real estate procedures, for a consideration of Euro 14,800 thousand. An earn-out linked to future economic performance is also provided.

Liquidation of Prestipro S.r.l.

On February 23, 2022 the joint venture Prestipro S.r.l. was put in liquidation.

Participation in MoneySuperMarket

On March 4, 2022, the Issuer announced that it reached a 3% interest in Moneysupermarket.com Group PLC ("**MSM**"). Overall, the Issuer purchased an additional 3,200,000 shares of Moneysupermarket.com Group PLC in the first months of 2022 and up to the date of approval of this report, for a total price equal to Euro 7,826 thousand.

Purchase of own shares

Pursuant to the share buyback program within the limits and with the purposes of the authorization granted by the shareholders' meeting of April 29, 2021, after December 31, 2021, the Issuer purchased 241,382 own shares, equal to 0.603% of the share capital.

In addition, after December 31, 2021, following the exercise of stock options by employees of the Group, the Issuer sold a total of 2,000 own shares in portfolio, equal to 0.005% of share capital.

As of the date of approval of this consolidated financial report the Issuer owns in total 1,901,423 own shares, equal to 4.754% of share capital, for a total cost equal to Euro 16,398 thousand.

Current geopolitical situation - crisis in Ukraine

With regard to the current geopolitical situation, it should be noted preliminary that the Group is not directly exposed to the Russian and Ukrainian economies. The consequences of the invasion of Ukraine by the Russian Federation are not currently such as to give rise to concern for the businesses of Group companies and are not expected to have any impact on their ability to continue operating as going concerns: however, any significant fall in consumer confidence and/or disposable income could have a negative impact on the volumes of the various lines of business.

Milan, March 15, 2022

For the Board of Directors
The Chairman
(Ing. Marco Pescarmona)

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE
pursuant to art. 123-bis of the Consolidated Law on Finance

(traditional model of administration and control)

Issuer: Gruppo MutuiOnline S.p.A.
Website: www.gruppomol.it

Financial year of reference: 2021
Date of approval of the report: March 15, 2022
Date of publication of the report: March 31, 2021

5. REPORT ON CORPORATE GOVERNANCE AND COMPANY STRUCTURE

GLOSSARY

Articles of Association: articles of association and bylaws of the Issuer, published also on the website of the Issuer, in section "Governance", "Articles of association and company bylaws".

Board or **Board of Directors**: the Board of Directors of the Issuer.

Board of Statutory Auditors: statutory auditors of the Issuer.

Code of Corporate Governance: the Code of Corporate Governance for listed companies approved in January 2020 by the Corporate Governance Committee.

CONSOB: National Commission for Companies and Stock Exchange.

CONSOB Issuer Regulations: the regulations adopted by CONSOB with resolution no. 11971 in 1999 (and subsequent amendments) pertaining the discipline of issuers.

CONSOB Market Regulations: the regulations adopted by CONSOB with resolution no. 20249 in 2017(and subsequent amendments) pertaining the discipline of markets.

CONSOB Regulations on Related Parties: the regulations adopted by CONSOB with resolution no. 17221 on March 12, 2010 (and subsequent amendments) pertaining the discipline of related parties.

Consolidated Law on Finance or **TUF** (*Testo Unico della Finanza)*: legislative decree no. 58 of February 24, 1998 (and subsequent amendments).

Financial year: the relevant financial year of the Report.

Group: the companies belonging to the group of the Issuer.

Instructions accompanying Markets Rule: Instructions accompanying the Rules of the Markets organized and managed by the Italian Stock Exchange.

Issuer or **Company**: Gruppo MutuiOnline S.p.A., with registered office at via F. Casati 1/A, Milan.

Italian Stock Exchange: Borsa Italiana S.p.A.

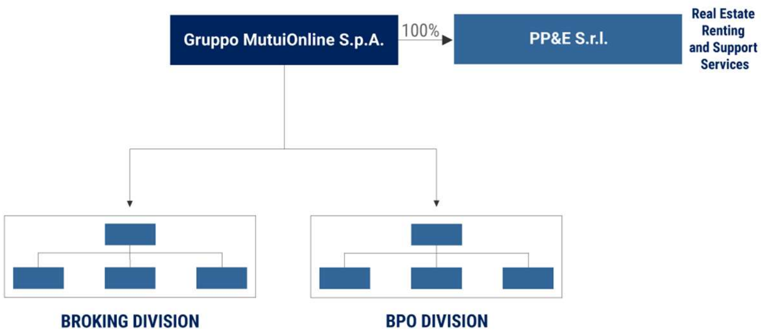
Market Regulations: the regulations of the markets organized and managed by the Italian Stock Exchange.

Report: the report on corporate governance and company structure that companies are required to prepare pursuant to article 123-bis of TUF.

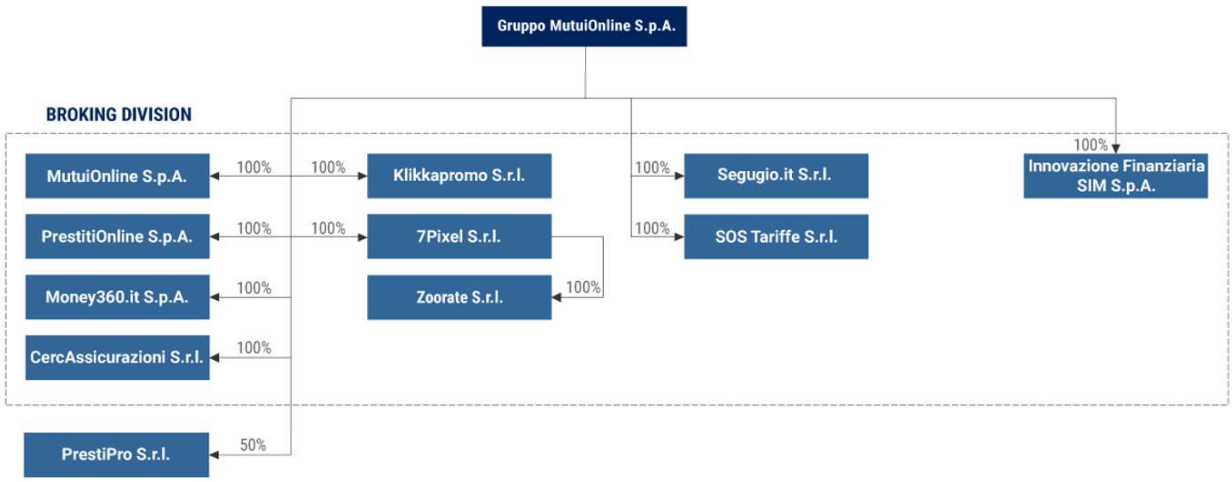
1. PROFILE OF THE ISSUER

Gruppo MutuiOnline S.p.A. (the "**Company**" or the "**Issuer**") is the holding company of a group of firms (the "**Group**") with an important position in the Italian market for the online comparison, promotion and intermediation of products provided by financial institutions, e-commerce operators and utilities providers (main websites www.mutuionline.it, www.prestitionline.it, www.segugio.it, www.trovaprezzi.it and www.sostariffe.it) and in the Italian market for the provision of complex business process outsourcing services for the financial sector.

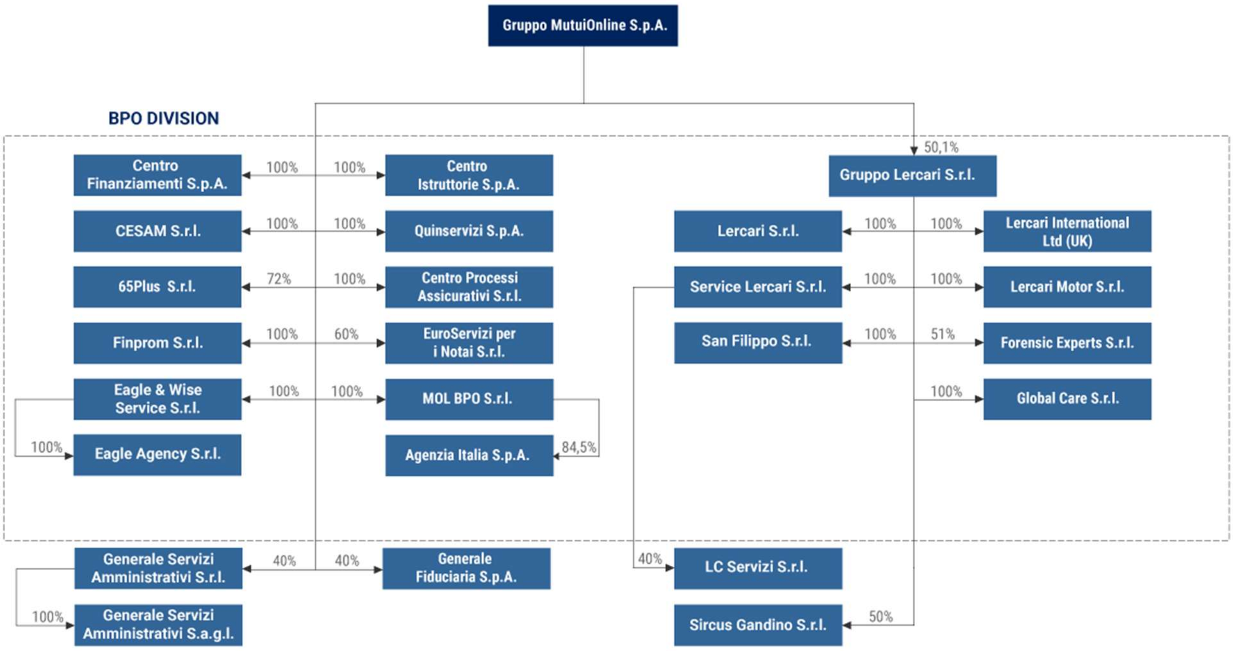
The structure of the Group as of December 31, 2021 is as follows:



Broking Division:



BPO Division:



The companies indicated above are all based in Italy, except Finprom S.r.l., a company incorporated under Romanian law, and Lercari International Ltd., a company incorporated under English law.

Generale Servizi Amministrativi S.r.l., a company of which the Issuer holds a 40% stake, controls Generale Servizi Amministrativi S.a.g.l., a Swiss company with registered office in Lugano.

The Issuer is organized according to the traditional model of administration and control as per articles 2380-*bis* and following of the civil code, which provides for the shareholders' meeting, the board of directors, and the board of statuary auditors. The Company adheres to the Code of Corporate Governance.

The Issuer, in compliance with article 5 comma 3, letter b, of the Legislative Decree n. 254/2016, prepared the non-financial consolidated report which represents a separate report. The non-financial consolidated report 2020, prepared according to the option "In accordance – Core" of the "GRI Standards", is available on the Internet site of the Group.

Furthermore, we point out that the Issuer meets the definition of "PMI" (i.e. Small and Medium Enterprises) listed entities as per article 1, comma 1, letter *w-quarter*, of TUF (on the basis of the turnover criterion pursuant to and for the purposes of the transitional regime pursuant to paragraph 2 of art. 44-bis of Law Decree n. 76 of July 16, 2020, coordinated with conversion law n. 120 of September 11, 2020) and article 2-ter of CONSOB Issuer Regulations.

Finally, the Issuer does not meet the definition of "large company" provided for by the Code of Corporate Governance, according to which an entity is defined as such if its capitalization was higher than Euro one billion on the last trading day of each of the three previous calendar years, and it does not meet the definition of "concentrated ownership company".

2. INFORMATION ON OWNERSHIP STRUCTURE AS OF DECEMBER 31, 2021

2.1. Structure of share capital

The company has a fully paid up share capital of Euro 1,012,354.01 composed of 40,000,000 ordinary shares without nominal value.

The shares are listed on the STAR Segment of the *Mercato Telematico Azionario* (“**MTA”**), the Italian screen-based trading system organized and managed by the Italian Stock Exchange. Please refer to Table 1 in the appendix for the structure of share capital.

Except what follows, the Company has not issued other financial instruments that give the right to subscribe for new shares.

On April 29, 2021, the shareholders’ meeting approved a stock option plan for the benefit of certain directors, employees and other personnel of the Group, which is added to the stock option plan resolved on April 27, 2017. For more information on stock option plans outstanding as of December 31, 2021 please refer to the disclosure documents prepared pursuant to article 84-*bis* of the Issuer Regulations deposited at the Company’s registered office and published on the website of the Company www.gruppomol.it in the section “Governance”, “Other documents”. Please refer also to the explanatory notes attached to the financial statements for the financial year ended December 31, 2021 and to the remuneration report prepared pursuant to article 123-*ter* of TUF and article 84-*quater* of the Issuers’ Regulations.

2.2. Restrictions to the transfer of shares

There are no restrictions to the transfer of shares.

2.3. Significant shareholders

As of December 31, 2021, according to the communications received pursuant to article 120 of TUF, the list of shareholders who hold directly or indirectly at least five percent of the ordinary share capital, is presented in appendix in Table 1 concerning relevant shareholdings.

It is worth pointing out that there are no controlling shareholders.

Furthermore, it is worth pointing out that Marco Pescarmona, Chairman of the Board of Directors, holds a 50% indirect shareholding in Alma Ventures S.A. (through Guderian S.p.A.) and Alessandro Fracassi, Chief Executive Officer, holds a 50% indirect shareholding in Alma Ventures S.A. (through Casper S.r.l.). Alma Ventures S.A., as of December 31, 2021, holds 12,841,070 shares of the issuer, equal to 32.10% of ordinary share capital, none of which acquired during the financial year ended December 31, 2021.

As of December 31, 2021, the Company holds in total 1,662,041 own shares, equal to 4.155% of ordinary share capital. These shares, as provided by law, do not give voting rights at the shareholders’ meeting.

2.4. Shares that confer special rights

Pursuant to Article 127-*quinquies*(1) of the TUF, the company bylaws of listed companies may provide that increased voting rights, up to a maximum of two votes, are attributed to each share that has belonged to the same person for a continuous period of no less than twenty-four months commencing from the date of entry in a dedicated list.

The Shareholders meeting of the Issuer held on April 24, 2018 resolved the introduction in the Company Bylaws of article 11-*bis*, pursuant to which two votes are attributed to each share held by the same person for a continuous 24-months period starting from the entry date in the Special List.

On June 20, 2018 the board of directors of the Issuer, in force of the delegation received by the extraordinary shareholders meeting held on April 24, 2018, (i) adopted specific regulations, subsequently updated and approved by the Board of Dicrectors on May 14, 2021, to regulate the entry, maintenance and update of the Special List, pursuant to applicable regulations, the Articles of Association and market practice, in order to ensure the timely exchange of information among shareholders, the Company and the Intermediaries; and (ii) appointed Francesco Masciandaro as the person in charge for the keeping of the Special List.

The regulations of increased voting rights are available on the Website, in the section "Investor Relations", "Increased Voting Rights".

Except what described, the Company has not issued other shares that confer special controlling rights or special powers assigned to the securities.

2.5. Employee shareholding plan: procedure for the exercise of voting rights

There is no procedure for the exercise of voting rights for employees.

2.6. Restrictions to voting rights

There are no restrictions to voting rights.

2.7. Shareholders' agreements

As of the date of approval of the present Report, the issuer is not aware of any shareholders' agreements.

2.8. Change of control clauses and provisions regarding tender offers

The Issuer and its subsidiaries have not entered into any significant agreements which become effective, are modified or expire in case of change in the control of the contracting company.

The Articles of Association of the Issuer do not contain exceptions to the passivity rule as provided for by article 104, paragraphs 1 and 2, of TUF and do not require the application of the breakthrough rule as per article 104-*bis*, paragraphs 2 and 3, of TUF.

2.9. Delegations of the power to increase share capital and authorizations to buy own shares

On May 28, 2020, the shareholders' meeting delegated the Board to increase share capital excluding option rights, pursuant to articles 2443 and 2441, comma 4, second period, of civil code, with payment in cash or in kind. The delegation to increase against payment, once or several times, the share capital was attributed for a maximum of five years starting from the date of the shareholders' meeting that gave the authorization. The increase of the share capital so defined allows the issue, also in several tranches, of ordinary shares without nominal value, within the limit of 10% of the total amount of outstanding shares of the Issuer as of the date of the resolution, as well as of 10% of share capital as of the same date. The above-described authorization to increase the share capital has not yet been exercised by the Board.

In the same date, the shareholders' meeting delegated the Board to increase the share capital, pursuant to articles 2443 and 2441, comma 8 of the civil code. The delegation to increase the share capital against payment, once or several times, was attributed for a maximum of five years starting from the date of the shareholders' meeting that gave the authorization. The increase of the share capital so defined allows the issue, also in several tranches, of ordinary shares without nominal value, within the maximum limit of 4,000,000 shares of the Issuer and the maximum nominal value of 120,000.00 euro, to offer in subscription to employees of the Issuer or its subsidiaries. These are no bonus shares and should be paid in money.

On April 29, 2021, the shareholders' meeting revoked, for the unused portion, the previous authorization for the purchase and sale of own shares dated May 28, 2020 and authorized the Board of Directors to purchase and dispose own shares, also by means of subsidiaries of the Issuer, with the following purposes:

i. for activities in support of market liquidity;

ii. for the possible use of shares as compensation in extraordinary transactions, including exchange of participations with other subjects, as part of transactions in the Company's interest;

iii. to allot own shares purchased to distribution programs, against payment or free of charge, of stock options or shares to employees, directors and other personnel of the Company or its subsidiaries, as well as for the service of programs for the free allocation of shares to shareholders;

iv. for the execution of the contract signed between the Issuer and "Equita SIM S.p.A.", for its role as specialist on the stock market, compliant with the requirements for the presence in the STAR segment of MTA;

v. for an efficient investment of the liquidity of the Group.

The authorization for the purchase of own shares approved on April 29, 2021 was granted for the maximum limit of 20% of share capital, permitted by the currently applicable law, pursuant to articles 2357 and 2357-*ter* of the civil code, taking into account own shares already held by the Company and the shares of the Issuer held by its subsidiaries.

The authorization for the purchase of own shares was granted for a period of 18 (eighteen) months from the date of the shareholder's meeting, whereas the authorization for the disposal has an unlimited duration.

As of December 31, 2021, the Company holds a total of 1,662,041 own shares, while as of the date of approval of this Report it holds a total of 1,901,423 own shares, as indicated in the following table:

Shareholder company	Shares held as of December 31, 2021	Shares held as of March 15, 2022	Date of the last authorization of the shareholders' meeting
Gruppo MutuiOnline S.p.A.	1,662,041	1,901,423	April 29, 2021
Total	**1,662,041**	**1,901,423**	

2.10. Management and coordination activity

The Company is not subject to management and coordination activities by any other company or entity pursuant to articles 2497 and the following of the civil code.

With reference to the further information pursuant to article 123-*bis* of the TUF we specify that:

i. for information on eventual agreements between the Company and the directors which provide for indemnities in case of resignation or dismissal without just cause or if their office is terminated due to a takeover bid (paragraph 1, letter i), please refer to the remuneration report published pursuant to article 123-ter of TUF and to article 84-quater of the Issuers' Regulations;

ii. for information on the rules applicable for the appointment and replacement of directors as well as statutory changes (paragraph 1, letter 1), please refer to the following paragraph 4.1.

3. COMPLIANCE

The Company has adopted the Code of Corporate Governance, publicly available on the website of the Committee of Corporate Governance at the following page: https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf.

Neither the Issuer nor any of its subsidiaries of a certain strategic relevance are subject to non- Italian laws that affect the corporate governance structure of the Issuer.

4. BOARD OF DIRECTORS

4.1. Role of the Board of Directors

Pursuant to article 17 of the Articles of Association, the Board of Directors is invested with all powers for the management of the Company and to this purpose it may act or take any actions that will consider necessary or useful for the implementation of the business purpose, with the exception of the matters exclusively reserved to the shareholders' meeting by the law and by the Articles of Association.

Under the same statutory provisions, the Board is also empowered to take, pursuant to article 2436 of the civil code, decisions regarding:

i. merger and demerger resolutions in the cases pursuant to articles 2505, 2505-*bis* and 2506-*ter*, last paragraph of the civil code;

ii. the constitution or suppression of secondary offices in Italy or abroad;

iii. the reduction of capital upon termination of shareholders;

iv. adaptation of the Articles of Association to regulatory provisions;

v. the transfer of the registered office in the national territory;

vi. the indication of the delegated directors; the appointment of one or more general managers and the assignment of powers;

vii. the other powers reserved to it by the law or by the Articles of Association.

The Board of Directors has the general power of direction and control over the Company's activities and on the management of the business, with the aim of creating value for shareholders and other stakeholders, pursuing its sustainable success. In particular, the Board:

i. examines and approves the business plan of the Group, also on the basis of the analysis of the issues relevant to the generation of long-term value;

ii. assesses and approves the annual budget of the Group;

iii. periodically monitors the implementation of the business plan and assesses the general performance of operations, periodically comparing the results achieved with those planned;

iv. it defines the nature and level of risk compatible with the company's strategic objectives, including in its assessments all the elements that may be relevant for the sustainable success of the Group;

v. defines the corporate governance system of the company and the structure of the Group it heads, entrusting the control and risk committee with the assessment of the adequacy of the organizational, administrative and accounting structure of the Company and its subsidiaries, with particular reference to the internal control and risk management system;

vi. it resolves on the transactions carried out by the Company and its subsidiaries having a significant impact on the Company's strategy, income statement, balance sheet or financial position; for this purpose, the Board decided to consider relevant, pursuant to recommendation n. 1, letter e) of the Code of Corporate Governance, the extraordinary transactions exceeding Euro 15 million, which is the maximum expenditure limit set out in the proxies, jointly signed by the executive directors Marco Pescarmona and Alessandro Fracassi;

vii. in order to ensure the correct management of corporate information, it adopts, on the proposal of the chairman in agreement with the chief executive officer, a procedure for the internal management and external communication of documents and information concerning the Company, with particular reference to inside information;

viii. assigns and revokes the powers of the directors and to the executive committee, if constituted, setting the limits, the exercise and the time interval, normally not exceeding three months, by which the delegated bodies must report to the Board about the activity done during the exercise of the powers delegated to them;

ix. determines the duties and the powers of the general managers, if appointed;

x. determines, after examining the proposals of the relative committee and consulting the Board of Statutory Auditors, the remuneration of the CEO and of the directors who hold particular offices and, if the shareholders' meeting has not defined it, the breakdown of the total remuneration due to any members of the Board and committees;

xi. supervises the general business management, with particular attention to conflicts of interest, taking into account, in particular, the information received from the CEO, from the executive committee, if established, and from the Control and Risk Committee, and comparing periodically the results achieved with those planned;

xii. exercises all the other powers assigned to it by law and by the Articles of Association.

At each Board meeting, the executive directors shall inform the Board in detail on the main management events of strategic importance, on the business performance and on the evolution of the management for all companies of the Group, comparing the results achieved with the budgeted ones.

Furthermore, the executive directors, holding positions of operational nature within the Group, have full visibility of accounting, administrative and organizational issues of the Issuer and its subsidiaries, updating the Board promptly at the first useful meeting about any critical situation emerged or any substantial changes occurred. In this way the Board can adequately assess the organizational, administrative and accounting structure of subsidiaries, which are all deemed significant from a strategic point of view, considering the variety and complementarity of the services offered. The Board deemed that the relatively low complexity of the organizational structure of the Group is coherent with the operational efficiency of the Group.

Periodically, the Control and Risk Committee shall inform, as provided by the Code of Corporate Governance, the Board on its activities and on the adequacy of internal control system, providing directors with documents that illustrate the work of the committee.

In addition, it is worth pointing out that the Articles of Association of the Issuer grant to the Board the responsibility for ordinary and extraordinary administration of the Company, except only the acts for which the law or the Articles of Association exclusively reserve to the shareholders' meeting. In this respect, we point out that during financial year 2021, the Board was convened to resolve on two transactions of significant economic and financial relevance for the Issuer.

The Remuneration and Share Incentive Committee is composed of three non-executive directors, the majority of which are independent (including the chairman of the committee). The committee operates regularly with respect to its responsibilities, appears to be properly sized, and the professional skills and background of its members in financial matters are such to enable the committee to provide effective and valuable support to the Board.

With regards to the Control and Risk Committee, it is composed of two independent directors (one of which is the Chairman) and a non-independent director. The committee operates regularly with respect to its responsibilities, appears to be properly sized, and the professional skills and background of its members are such to enable the committee to provide effective and valuable support to the Board; we highlight that at least one of the members has a strong background and significant experience in accounting, finance and in risk. The committee shall report to the Board of Directors at least once every six months during the meetings for approval of the draft financial statements and half-year Report.

Within the Board is also present the Committee for Transactions with Related Parties formed by three independent directors. The committee was formed in accordance with the "Regulations concerning related party transactions" approved by CONSOB with Resolution n. 17221 of 12 March 2010. Within the procedures that assure transparency and procedural fairness of the transactions with related parties it requires that related party transactions be approved with the involvement of a committee formed by three independent directors. The committee results well-sized in its composition and the professional experience of its members is appropriate to give a valuable and efficient support to the Board.

Also in the light of the positive outcome of the board evaluation of the first months of 2021, the Board continues to deem it unnecessary to give indications to shareholders about managerial and professional figures to be appointed on the occasion of the reappointment of the directors scheduled during 2023. The current board members have a variety of skills which allow the analysis of the different topics under discussion from different perspectives and, therefore, helps to develop the dialectic that is the distinctive assumption for a collegial, thoughtful and conscious resolution.

In addition, it is worth pointing out that the shareholders' meeting did not authorize, in a generic and precautionary way, any derogation to the competition ban pursuant to article 2390 of the civil code.

Finally, reference should be made to the following paragraphs concerning the composition, functioning, appointment and self-assessment of the Board of Directors.

4.2. Appointment and replacement of directors and modifications of bylaws

The Company is led by a Board of Directors composed of a minimum of seven members to a maximum of twelve members. The ordinary shareholders' meeting decides, at the moment of appointment, the duration of the office, which cannot exceed three financial years; the mandate of the directors expires on the date of the shareholders' meeting called for the approval of the financial statement of the last financial year of their office. Directors are eligible for re-election.

Acceptance of office as director is subject to the fulfillment of the requirements provided by the law, the Articles of Association and any other applicable provisions.

Article 16, paragraph 14 of the Articles of Association provides that, if not otherwise authorized by the Board, an individual cannot be appointed director of the Company and, if appointed, will lose the office, if he/she:

i. is, when appointed, more than seventy years old;

ii. has not obtained a total of at least three years' experience in the performance of accounting or controlling activities in corporations, professional activities or permanent university teaching in economic, financial, legal or technical/scientific subjects pertinent to the Company's business activities;

iii. exercises a competing activity on his/her own or for others, or is a director, general manager or executive in competitor companies or clients of the Company, or has been such in the previous biennium; or

iv. is director, general manager or executive in companies recorded in the Register of Banks, pursuant to article 13 of Law Decree 385/1993.

It is also worth highlighting that, since the Issuer is admitted to trading on the MTA, STAR Segment, in order to maintain the status it must have in its Board of Directors an adequate number of independent directors and, therefore, comply with the criteria of Article IA.2.10.6 of the Instructions of the Stock Exchange Regulations which provide for: at least 2 independent directors for boards up to 8 members; at least 3 independent directors for boards with between 9 and 14 members; at least 4 independent directors for boards with more than 14 members. In addition, in the Code of Corporate Governance, the recommendation n. 5 provides that, in the non-large companies, the Board of Directors includes at least two independent directors, different from the chairman.

In accordance with article 16, paragraph 5 of the Articles of Association, each slate must contain and expressly indicate independent director candidates, with reference both to the number of candidates to be elected and to the independence requirements established for the statutory auditors by article 148, paragraph 3 of Law Decree 58/1998, in addition to the independence requirements established by the Code of Corporate Governance. Furthermore, in accordance with the equilibrium among genders, provided by article 147-*ter*, comma 1-*ter* of TUF and recommendation n. 8 of the Code of Corporate Governance, each slate – if the slates does not present a number of candidates less than three – must assure the presence of both genders, so that the candidates of the gender less represented are at least 40% of the total; everything with a rounding, in case of fractional number, to the upper unit. The Issuer has considered it unnecessary to adopt a diversity policy to be applied in relation to the composition of the Board of Directors in term of age and background, as annually the Board performs a board evaluation regarding also the composition of the Board itself and its committees. We believe that the Board members, in compliance with diversity criteria of the Code of Corporate Governance , hold a variety of skills which allows analyzing different topics during the discussions from different perspectives and, therefore, helps to develop the dialectic that is the distinctive assumption for a collegial, thoughtful and conscious resolution. Finally, since the Articles of Association does not envisage the presentation of a list of candidates by the Board, the Company did not deem it necessary to define the diversity criteria, since the shareholders propose their lists in full autonomy.

Article 16, paragraphs 2 and 3 of the Articles of Associations also provides a voting system for the appointment of the governing body based on slates submitted by shareholders who, alone or together with others, hold a stake at least equal to that established by CONSOB Issuers' Regulation. It is worth pointing out that on January 28, 2022, CONSOB, with resolution n. 60, resolved the maximum shareholding thresholds required for the submission of the slates of candidates for the elections of the governing and controlling bodies of the Companies whose financial year ended on December 31, 2021; as the market capitalization is more than Euro 1 billion and less than Euro 15 billion, the Issuer has identified a shareholding threshold of 1.0% of the shares with voting rights in the shareholders' meeting.

Any shareholder, as well as the shareholders adhering a shareholders' agreement pursuant to article 122 of TUF, and also the controlling entity, the subsidiary companies and those which are subject to common control pursuant to article 93 of TUF, may not submit or take part in the submission of, even though a third party or trust company, more than one slate, nor they can vote for different slates. Adherence to slates or votes expressed in violation of these prohibitions shall not be assigned to any slate.

The slates submitted by the shareholders must be filed at the registered office at least twenty five days before the date set for the shareholders' meeting in first call, together with the documents required by the Articles of Association, among which a resume of the candidates included in the slate.

The election of the directors proceeds as follows:

i. from the slate that has obtained the highest number of votes at the shareholders' meeting, all candidates except one, among which three independents or, if the directors to be elected are less than nine, two independents; within such numerical limit, the candidates are elected according to their progressive order in the slate;

ii. from the slate that has obtained the second highest number of votes at the shareholders' meeting and is not connected to the first, the first candidate of such slate.

If the composition of the board using the above procedure does not guarantee the equilibrium among genders, taking into account their order in the slate, the last elected of the majority slate belonging to the most represented gender delay in sufficient number to assure the respect of the requirement and they are substituted by the first candidates not elected in the same slate of the less represented gender. In the absence of candidates of the less represented gender inside the majority slate in sufficient number for the substitution, the general meeting integrates the board with the legal majority, assuring the satisfaction of the requirements.

If the two first slates obtain the same number of votes, the shareholder's meeting proceeds with a new election, by voting only for the first two slates meeting the requirements set out in article 147-ter, comma 1-*ter* of the TUF.

In the event of submission of a single slate, all the candidates in that slate will be elected. In the case no slate is submitted, the shareholders' meeting will appoint the Board of Directors as provided by the law, in accordance, however, with the criterion of distribution provided by article 147-*ter*, comma 1-*ter* of the TUF.

If during the financial year one or more directors cease to hold the office, for any reason, the Board of Directors will act pursuant to article 2386 of the civil code and pursuant to article 16 of the Articles of Association.

In particular, if the director or the directors that ceased to hold office were taken from a slate that contained also non-elected candidates, the Board of Directors will make the replacement appointing from the same slate of the directors who ceased to hold office, based on the progressive order, persons who are still eligible and willing to accept the office. The shareholders' meeting deliberates, with the majority required by law, in accordance, however, with the criterion of distribution provided by article 147-*ter*, comma 1-*ter* of the TUF.

If the person who ceases to hold office is an independent director, the replacement will occur, as far as possible, by appointing the first of the non-elected independent directors from the same slate in which the director that ceases to hold office was elected. The shareholders' meeting deliberates, with the majority required by law, in accordance with such principles.

If there is a lack of previously non-elected candidates from that slate, the Board of Directors shall replace the directors no longer in office, without compliance to such provisions, pursuant to article 2386 of the civil code, and will guarantee, when it is an independent director that ceases to hold office, the minimum number of independent directors required under the applicable law, in accordance, however, with the criterion of distribution provided by article 147-*ter*, comma 1-*ter* of the TUF. The shareholders' meeting decides, with the majority required by law, in accordance with such principles.

Article 16, paragraph 13 of the Articles of Association provides that if the majority of directors cease to hold office, the whole Board of Directors will be considered revoked and a shareholders' meeting should be called immediately for the appointment of new directors.

4.3. Composition

The current Board of Directors was appointed by the shareholders' meeting of May 28, 2020, in which only one slate of candidates was submitted, proposed by shareholder Alma Ventures S.A., and will remain in charge until the approval of the financial statements for the year ended December 31, 2022. The candidates belonging to that slate received a favorable vote by 99.98% of the attending shareholders, representing 64.75% of the share capital.

Currently, the Board of Directors consists of 10 members. The members in office as of December 31, 2021 are shown in Table 2, in appendix, concerning the structure of the Board and committees, as well as the attendance rate to the meetings.

As regards the personal and professional characteristics of each director, please refer to their *curricula* published on the Issuer's website www.gruppomol.it, in the "Governance" section, "Shareholders' meeting and Company governance", "2020".

The professional characteristics of the non-executive directors, the majority of whom are independent, are such as to ensure that they have a significant influence on the adoption of board resolutions.

As of the end of the financial year, the composition of the Board of Directors has not changed.

Maximum number of offices held in other companies

The Board did not define any general criteria about the maximum number of offices held as director or auditor in other companies, that could be considered compatible with an efficient performance as director of the Issuer; taking into account the duty of each director to assess the compatibility of any office held as director or statutory auditor in other companies listed in regulated markets, in financial, banking, insurance or other large companies, with a diligent performance of their tasks as director of the Issuer, the Board, yearly, makes an assessment based on the declarations of each director, keeping particular attention to assess the diligence of each director to follow with constancy and attention the different management tasks of the Issuer and of their participation to the meetings of the Board and the committees.

As regards the offices held, during the financial year, by the directors of the Issuer in other listed companies, in financial, banking and insurance companies or in large companies, please refer to Table

2A in the appendix. The Board considered these offices compliant with the office held in the Issuer based on the criteria above mentioned.

Induction Program

During all the meetings of the Board of Directors, the Chairman and the CEO duly report about the performance of the economic sector of the Issuer, the operations, the dynamics of the company, the standards of proper risk management and the regulatory framework. In addition to formal meetings, all directors are constantly informed about the operations of the Issuer during informal meetings and/or conference calls. Furthermore, we point out that some directors participate to professional updating and training courses on regulatory, technical and professional issues related to the business activities of the Group.

4.4. Functioning of the Board of Directors

During the financial year, the current Board of Directors met 7 times for an average of about two hours for each meeting. All meetings were attended by at least one member of the Board of Statutory Auditors and by Francesco Masciandaro, Chief Financial Officer of the Issuer and manager in charge of preparing the accounting statements.

For financial year 2022 there are 4 scheduled meetings for the approval of the periodic financial reports. The first scheduled meeting of 2022 has been held, during which the Board approved the draft statutory financial statements for the financial year ended on December 31, 2021 together with this Report.

The members of the Board of Directors are provided, in proper and timely manner, with the documentation and information necessary for decision-making. The documentation is usually sent by e-mail, with a 24/48 hours' notice, considered adequate and usually respected, to allow to act with full knowledge of the facts and take an active part to the Board decisions. Sometimes, remarkable issues are reported in advance by the executive directors during the above-mentioned informal meetings and/or conference calls. Besides, it is worth pointing out that during the meeting the Board examines in depth all the topics on the agenda considered more significant and strategic; the president and the CEO explain in detail the discussed topics and are at full disposal of the other members of the Board to reply to any clarification required.

The Board of Directors meets according to the notice letter also outside Italy, anywhere in the EU, or in Switzerland. The Board may be called into session at any time by the President on his own initiative. The President shall call the Board at any time upon the written request of at least two Directors and/or at least one Statutory Auditor.

The notice should be given at least three days prior to the meeting by registered mail or by hand, fax or e-mail and should be sent to every Director and Statutory Auditor. Except in special circumstances when notice of a meeting shall be given as soon as possible, the members shall be notified at least one day in advance.

In absence of formal call, a meeting of the Board of Directors can be considered valid, whenever every member and every Statutory Auditor is attending it.

The majority of board members must be present for meetings to be duly convened; board meetings can be held via tele-conferencing or video-conferencing on the condition that all participants can be identified and can simultaneously follow and participate in the discussion of the topics on the agenda and view , receive and transmit documents. The board shall be considered to have met in the place where the chairman of the meeting is located and where the Secretary must also be located in order to permit writing and signing of the minutes of the meeting.

During the meeting of the Board, after ascertaining that all the documents concerning the agenda have already been circulated to every member of the board of directors and of the board of the statutory auditors, the executive directors expose and explain all the points of the agenda, answering exhaustively to the questions and information required. Every issue will be discussed for the amount of time needed to allow constructive analysis and comparisons, which will bring to the Board decisions. Usually, for issues regarding the internal committees, the Chairman of the committee exposes the proposal and the committee activities.

Resolutions shall be passed by majority vote among those attending the meeting; if the vote is split, the Chairman shall cast the deciding vote. Directors are not allowed to vote on behalf of another member.

The Board of Directors plays a central role within the corporate organization and has the task and responsibility of determining strategy and organization, as well as verifying the existence of the controls required for the monitoring of the operations of the Company and the of Group.

Each member of the Board of Directors is required to act with full knowledge of the facts and autonomously, with the purpose of creating value for shareholders, and is committed to devoting to the office covered in the Company the necessary time in order to ensure the diligent performance of his or her functions, regardless of the positions held outside of the Issuer, being aware of the responsibilities of the office held.

Finally, it should be noted that, pursuant to recommendation n. 11 of the Code of Corporate Governance, a regulation defining the rules for the functioning of the body and its committees is currently being finalized.

4.5. Role of the Chairman of the Board of Directors

According to the Article of Association, the chairman has: the power of presiding the Shareholders' meeting (article 13), the power to call Board meetings (article 18), the power of legal representation for the Company, and the power of signature (article 24). In addition, the Chairman care:

- the effective functioning of board discussions;
- the suitability of the pre-meeting information, as well as of the additional information provided during board meetings, to enable the directors to act in an informed manner when carrying out their role;
- the coordination of the Board Committees' activities with those of the Board;
- the adequacy and transparency of the self-evaluation process of the Board;

Finally, the Chairman informs the Board about the development and the significant contents of the dialogue with the shareholders.

Secretary of the Board of Directors

On November 12, 2021, the Board of Directors, pursuant to recommendation no. 18 of the Code of Corporate Governance, resolved to appoint as Secretary of the Board, Francesco Masciandaro, who meets the professional requirements necessary to perform this function.

The Secretary assists the Board in preparing the Board's meetings, drafting the related resolutions and ensuring that information flows towards the Board are adequate, timely, complete and clear. The Secretary provides impartial and independent assistance to the Board with regard to any relevant aspect for the proper functioning of the corporate governance system concerning the functioning, powers and responsibilities of the Board and its Committees.

4.6. Delegated bodies

Chief Executive Officer

Pursuant to article 21 of the Articles of Association, the Board of Directors may delegate, pursuant to and within the limits of law and regulations, its own powers to one or more directors of the Board by defining the limit on the powers.

As of the date of approval of this report, the office of Chief Executive Officer is covered by Alessandro Fracassi.

The Board of Directors of the Company, during the meeting held on May 29, 2020 has delegated to director Alessandro Fracassi, with separate signature and for the entire duration of his office, full powers for the execution of any kind of transaction of ordinary and extraordinary administration up to a maximum of Euro 5,000,000 for each transaction (net of VAT). Within such limit is included the power to buy and sell participations, and to sign loans.

It is worth pointing out that the CEO is one the main responsible figures of the general management of the Company, in particular with responsibility for the coordination of the companies of the BPO Division.

The CEO is not part of the Board of Directors of any other issuer where a Director of the Issuer is CEO.

Chairman

The shareholders' meeting of May 28, 2020 has appointed director Marco Pescarmona (who already covered the same office in the previous Board) as chairman of the Board of Directors.

According to the Article of Association, the chairman has: the power of presiding the Shareholders' meeting (article 13), the power to call Board meetings (article 18), the power of legal representation for the Company, and the power of signature (article 24).

The Board of Directors of the Company, during the meeting held on May 29, 2020 has delegated to director Marco Pescarmona, with separate signature and for the entire duration of his office, the full powers for the execution of any kind of transaction of ordinary and extraordinary administration up to a maximum of Euro 2,000,000 for each transaction (net of VAT). Within such limit is included the power to buy and sell participations, and to sign loans.

The chairman is, together with the CEO, one of the main managers of the Issuer, in particular with responsibility for the coordination of the companies of the Broking Division.

The chairman is not part of the Board of Directors of any other issuer where a Director of the Issuer is CEO, as well.

According to the provisions of the format for the preparation of the Report on corporate governance and company structure set up by the Italian Stock Exchange, it is worth pointing out that the Chairman is not the controlling shareholder of the Issuer.

Executive committee and joint powers as Chairman and CEO

Pursuant to Article 21 of the Articles of Association, the Board of Directors may establish an executive committee, composed of some of its members, determining the powers and the operating regulations pursuant and within the limits of law and regulations in force. Currently it is not formed.

The Board of Directors, during the meeting held on May 29,2020 has delegated to directors Marco Pescarmona and Alessandro Fracassi, with joint signature, full powers for the execution of any kind of transaction of ordinary and extra-ordinary administration, up to a maximum of Euro 15,000,000 for each transaction (net of VAT). Within such limit is included, with joint signature, also the power to buy and sell participations and to sign loans. Finally, it is delegated to them, with joint signature, full powers for the stock option assignment to the employees of the Issuer and its subsidiaries, in compliance with the provisions of the current stock option plan and any guidelines established by the remuneration committee, it being understood that the assignment of stock options to directors Pescarmona and Fracassi will remain the exclusive competence of the Board of Directors.

Information to the Board

Pursuant to article 21 of the Articles of Association, the delegated bodies are required to report to the Board of Directors and to the Board of Statutory Auditors, at intervals of at least 180 days, on general management performance, on the business outlook, as well as on the most significant transactions, for their size or characteristics, performed by the Company and its subsidiaries, and on transactions with potential conflicts of interest.

The executive directors shall attend the meetings of the Board of Directors and, during the financial year ended December 31, 2021, both executive directors attended all such meetings. On such occasions, the executive directors duly report to the rest of the Board and to the Board of statutory auditors about the management performance and about the main executive decisions taken, always within the limits of the delegated powers, for all the companies of the Group, at the first available meeting and, in any case, at least quarterly.

4.7. Independent directors and lead independent director

Independent directors

The independent directors are in number and authority such as to guarantee that their judgment has a significant weight in board decisions of the Company. The independent directors bring their specific experiences in the board discussions, contributing to the taking of decisions consistent with the interest of the company.

The shareholders' meeting of May 28, 2020 appointed as independent directors Anna Maria Artoni, Chiara Burberi, Giulia Bianchi Frangipane, Klaus Gummerer and Valeria Lattuada, who declared to possess all the necessary independence requirements on April 20, 2020, when their candidacy was accepted.

At the earliest opportunity, on May 29, 2020 the Board of Directors verified the presence of independence requirements for every independent director, pursuant to article 148, comma 3, of TUF. The aforementioned assessments used all the criteria provided by Code of Corporate Governance. On May 29, 2020 the Issuer announced the results of these assessments in a press release, disclosed to the Market pursuant to article 144-novies, comma 1-bis of CONSOB Issuer Regulation and application guideline 3.C.4 of the Code of Corporate Governance.

Pursuant to recommendation no. 7 of the Code of Corporate Governance, the Board of Directors established that, with reference to the quantitative and qualitative criteria for the assessment of independence of directors and auditors, the significance of the annual remuneration that an independent director or auditor can receive from the Issuer's subsidiaries shall not be higher than three times the amount received by the Issuer for the same type of office and not higher than the amount received by the Issuer for activities other than the office.

On May 14, 2021, the Board of Directors verified the presence of independence requirements for every independent director, pursuant to the recommendation n. 7 of the Code of Corporate Governance and the article 148, comma 3, of TUF. The aforementioned assessments used all the criteria provided by Code of Corporate Governance. On May 14, 2021 the Issuer announced the results of these assessments in a press release, disclosed to the Market pursuant to article 144-novies, comma 1-bis of CONSOB Issuer Regulation and recommendation n. 10 of the Code of Corporate Governance.

On September 7, 2021, the Board of Directors successfully conducted the review of the existence of the independence requirements in relation to the director Klaus Gummerer, adopting the parameters provided by the Code of Corporate Governance. With respect to the provisions of the Code of Corporate Governance, the Board of Directors has performed its assessment based on the principle of prevalence of substance over form and using additional parameters for the assessment on top of those provided by the Code. As a result of such evaluations, even in presence of the situation of recommendation n. 7, lett. E (presence on the board for more than 9 years) with reference to the director Klaus Gummerer, the persistence of the requirements of independence was confirmed, considering the demonstrated high and consolidated ethical and professional qualities that enable him to express full independence of judgment.

In the meeting of May 14, 2021, the Board of Statutory Auditors verified the correct application of the criteria and control procedures adopted by the Board to evaluate the independence of its own members. The result of these verifications has been positive.

The independent directors participate actively and assiduously in the Board meetings and are constantly informed on relevant aspects concerning their assignment. Before the Board meetings, the independent directors meet without the other directors to discuss the agenda of the meeting, to analyze the activity of the Board of Directors and to assess the effectiveness, clarity, completeness and timeliness of the flow of information between the executive directors and the other directors.

In 2021, the independent directors held a meeting on November 12, 2021, during which the functioning of the Board of Directors and the capacity of the independent directors to give an autonomous and not-conditioned judgments on the resolutions were assessed. At the end of the meeting they agreed that the executive directors give full information to the other directors about the management of the Company and the environment in which the Issuer and its subsidiaries operate, that dialectic and diffusion of information within the Board are complete and exhaustive, that discussion are open and that resolutions are taken with full knowledge, uniformity and autonomous judgment, without conflicts of interests.

Lead independent director

There being the conditions, provided by application guideline 2.C.3 of the Code of Conduct (now provided by recommendation n. 13 of Code of Corporate Governance), the Board of Directors, in the meeting of May 29, 2020, designated, among the independent directors, Klaus Gummerer as the Lead Independent Director pursuant to the Code of Corporate Governance, so that he could be the point of reference and coordination for the requests and contributions of the non-executive directors, and in particular of the independent ones.

The Lead Independent Director may, among other things, call – on his/her own initiative or upon request of other directors – special meetings of only independent directors (i.e. independent directors' executive sessions) to discuss issues from time to time judged of interest related to the functioning of the Board of Directors and to the management of the Company, with also the possibility to invite members of the management for an exchange of information with the organization.

The Lead Independent Director has collaborated with the Chairman of the Board to ensure that the directors receive complete and timely information flows.

5. MANAGEMENT OF CORPORATE INFORMATION

Management of confidential information and code of conduct for insider dealing

The Company has adopted an internal regulation, which contains the provisions relating to the management of confidential information and to the management and external disclosure of privileged information as per article 181 TUF, regarding the Company and its subsidiaries. This regulation, besides providing a definition of privileged information, establishes the procedure for the public disclosure of such information which, by law, should occur without delay.

The regulation should be respected by all the components of the governing bodies, employees and other personnel of the company and subsidiaries, who for any reason have access to the privileged or confidential information.

In compliance with the regulation, the management of confidential information is followed by the Investor Relations function, under the responsibility of Marco Pescarmona.

In compliance with the regulation, the Issuer has also created a register of the persons that have access to the privileged information, governed by a special regulation. The responsibility for the correct keeping of this register has been entrusted to the administrative office, in person of the CFO Francesco Masciandaro.

The regulations for the management and the disclosure of confidential and privileged information are available on the Issuer's website, in the section "Governance", "Other documents".

Furthermore, the Company adopts a code of conduct which regulates the obligations of information disclosure and of behavior related to the financial transactions carried out by persons who, by virtue of the office held in the Company, have access to relevant information (with relevant information we mean the information related to facts able to determine significant changes in the capital, financial and economic perspectives of the Company or of the Group and able, if made public, to influence the price of the listed financial instruments).

The financial manager is, in compliance with this regulation and with the delegation granted by the Board of Directors, the subject responsible for receiving, managing and circulating to CONSOB and to the market the communications sent to the Company by persons that have access to relevant information.

The 9 communications received by the Company during the financial year have been regularly published and are available on the Internet site of the Company, in the section "Governance", "Internal dealing", "2021".

6. INTERNAL COMMITTEES OF THE BOARD OF DIRECTORS

In compliance with the Code of Corporate Governance, the Board of Directors, under the authority conferred pursuant to article 22 of the Articles of Association, has set up the following internal committees with consulting, proactive or control tasks, and which are granted the right to access to relevant information.

In particular, the Remuneration and Share Incentive Committee, the Control and Risk Committee and the Committee for the Transactions with Related Parties were set up within the Board.

For the purposes of determining the composition of the committees, the Board of Directors has given priority to the expertise and experience of their members, avoiding an excessive concentration of tasks among the directors.

Finally, pursuant to Recommendation no. 11 of the Corporate Governance Code, a regulation defining the operating rules of the Board itself and its committees is currently being finalized.

7. SELF-EVALUATION AND SUCCESSION OF DIRECTORS - NOMINATION COMMITTEE

7.1. Self-evaluation and succession of directors

Yearly, the Board evaluates the functioning, organization, size and composition of its internal committees, without the aid of external consultants. The latest evaluation process, the results of which were presented at the meeting of January 11, 2021, takes into account the recommendations made by the Corporate Governance Committee in order to identify possible developments in governance or to fill any gaps in its application. Specifically, the self-assessment process was carried out through the completion of a questionnaire composed by 37 questions covering the following areas:

- Composition, appointment and quality
- Functioning
- Contributions
- Size, composition and functioning of Committees
- Comments

With reference to the next self-assessment process, it should be noted that a specialized external company has been selected to assist directors in this process.

The Issuer has not adopted any explicit succession plan considering the substantial short-term interchangeability of the executive directors Marco Pescarmona and Alessandro Fracassi. In fact, if any of the two were to cease to hold office, the remaining executive director would be able to ensure continuity for the management of both Divisions, relying on a solid first line of management, capable of supervising the ordinary activities during the necessary time for the research and the placement of one or more senior executives capable to contribute at a strategic level to the management of the Group. Of course, in the very unlikely case, in which both executive directors cease to hold office, the Board of Directors has the duty to identify an appropriate solution, without relying on pre-established plans.

7.2. Nomination committee

At present and for an undefined period, the Board of Directors has decided not to set up an internal committee for the nomination of candidate directors, as the shareholding structure of the Company does not present such characteristics of diffusion to justify the adoption of such committee; however the Board in its collegiality carries out the related functions.

We specify that the Code of Corporate Governance provides that this function can be assigned to the whole Board of Directors, under the coordination of the chairman, considering that: (i) the independent directors represent at least half of the Board; (ii) the Board dedicates within the Board sessions adequate spaces to carry out the function typically attributed to the Nomination Committee.

8. REMUNERATION OF DIRECTORS - REMUNERATION AND SHARE INCENTIVE COMMITTEE

8.1. Remuneration of directors

For the general policy for the remuneration adopted by the Issuer, the share remuneration plans, the remuneration of executive directors, directors with strategic responsibilities (if any) and non-executive directors, and for the indemnities of directors in case of resignation, dismissal or termination as a consequence of a takeover bid, please refer to the "Report on Remuneration" prepared pursuant to article 123-ter of TUF and pursuant to article 84-quater of the Issuers' Regulations, that will be deposited at the registered office and be available on the Website in the section "Governance", "Other documents", "2021", at least twenty-one days before the shareholders' meeting called on April 28, 2022.

8.2. Remuneration and Share Incentive Committee

The Board of Directors, in compliance with article 2.2.3, paragraph 3, letter m) of the Stock Exchange Regulations, applicable to the issuers admitted to trading in the STAR segment and pursuant to the Code of Corporate Governance, in the meeting of May 29, 2020, has designated the independent and non-executive directors Anna Maria Artoni and Valeria Lattuada and the non-executive director Matteo De Brabant, as members of the Remuneration and Share Incentive Committee. Director Anna Maria Artoni has been appointed chairman of this committee.

The committee has advisory functions in particular for the assessment and formulation of proposals to the Board of Directors (i) about the compensation policy proposed by the Company for the management, monitoring the application of the resolutions adopted by the Board itself, (ii) about the stock option plans and similar plans for the incentive and retaining of directors, employees and collaborators of the Group, (iii) about the compensation of the executive directors and the managers with strategic responsibilities, as well as, based on the indication of the chairman or of the CEO, the criteria for the remuneration of the top management of the Company. The committee has free access to the information and the company functions necessary to carry out its own activities. Finally, the committee periodically assesses the adequacy and overall consistency of the policy for the remuneration of directors and the manager with strategic responsibilities.

During the financial year, the Remuneration and Share Incentive Committee met two times for an average of about two hours for each meeting, with the participation of all the members of the committee. Both meetings was attended by the chairman of the Board of Statutory Auditors Stefano Gnocchi.

For the composition and rates of attendance at meetings please refer to Table 3, in appendix, concerning the structure of the Board and committees.

During the meetings, the committee members deliberated on:

- the remuneration for the Group Executive Directors for financial years 2020 and 2021, and the subsequent proposal to the Board of Directors;

- the remuneration of the general manager with strategic responsibilities Alessio Santarelli, general manager of the "Core Broking" area for financial years 2020 and 2021;

- the new stock option plan, to be submitted for review and discussion by the board of directors.

The president of the Remuneration and Share Incentive Committee provided information about the activity of the committee during the Board meetings of March 16, 2021. As already expressed in paragraph 4.3, the Board of Directors reported its satisfaction with the members of the committee, who, thanks to their appropriate professional experience and background for the committee's tasks, provide effective and valuable support to the Board. In addition, during the financial year the committee was never supported by external advisors.

The meetings of the Remuneration and Share Incentive Committee have been properly recorded and the relative minutes were transcribed in the register available at the administrative office of the Company.

There are no meetings of the Remuneration and Share Incentive Committee already scheduled for 2022. As of the date of approval of this Report, a meeting of the Remuneration and Share Incentive Committee was held on March 10, 2022. During that meeting, the committee resolved on the remuneration of the Issuer's executive directors and the general manager with strategic responsibilities for the year 2021 and on the remuneration model for executive directors and general manager with strategic responsibilities to be applied for the year 2022.

It is worth pointing out that, pursuant to recommendation n. 26 of the Code of Corporate Governance, the executive directors, whose compensations were discussed during the meeting of the committee held on March 12 and March 26, 2021, do not take part to the meetings of the committee in which the proposals about their remuneration are discussed and resolved.

The Board of Directors in the meeting of May 29, 2020, resolved a total compensation, on an annual basis, for the members of the Remuneration and Share Incentive Committee equal to Euro 17 thousand in total.

No financial resources have been allocated to the committee, as the committee uses the Issuer's resources and facilities for the performance of its tasks.

For any other information on the Remuneration and Share Incentive Committee, please refer to "Report on Remuneration" prepared pursuant to article 123-*ter* of TUF and pursuant to article 84-*quater* of the Issuers' Regulations, that will be deposited at the registered office and be available on the Internet site of the Company in the section "Governance", "Other documents", "2021", at least twenty-one days before the shareholders' meeting called for April 28, 2022.

9. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM - CONTROL AND RISK COMMITTEE

The Board of Directors defines the guidelines of the internal control and risk management system, designed as a set of processes aimed at monitoring the efficiency of business and corporate management, the reliability of the financial information, the compliance with laws and regulations, the safeguard of corporate assets, and the prevention of fraud against the Company and financial markets.

The internal control and risk management system is structured as a set of rules and procedures in order to enable, through a proper process of identification, measurement, management and monitoring of the main risks, sound and correct corporate management, in line with the set objectives.

According to the Code of Corporate Governance, the Board of Directors, taking also into account that the Company is part of a group, defines the guidelines of the internal control and risk management system and verifies its correct functioning with respect to the management of corporate risks through the activity performed by the Control and Risk Committee. The Board of Directors defines the nature and level of risk, compatible with Issuer's strategic goals, including in its assessments all relevant risks with a perspective of medium-long term sustainability. The director in charge defines the instruments and procedures for the implementation of the internal control and risk management system, following the guidelines established by the Board of Directors, assures the overall adequacy of the system, its practical functionality, its adaption to changes of operating conditions and of legislative or regulatory frameworks.

The internal control and risk management system defined by the Board of Directors satisfies the following general principles:

i. the operational powers are assigned taking into account the nature, normal size and risks of individual types of transactions; operational areas are closely related to the delegated tasks;

ii. the organizational structures are articulated so as to reduce the overlapping of functions and the concentration on one person, without the proper authorization process, of activities that have a high degree of criticality or risk;

iii. an appropriate system of parameters and a related periodic flow of information to measure the efficiency and effectiveness is provided for each process;

iv. a periodical analysis of the professional knowledge and skills available within the organization in terms of congruence with the objectives assigned;

v. the operating processes are defined in accordance with an appropriate documentary support enabling them to be verified in terms of congruence, consistency and responsibility;

vi. the security mechanisms ensure an adequate safeguard of the corporate assets and access to the information required for the performance of the assigned tasks;

vii. the risks related to achievement of the objectives are identified by observing an adequate periodic monitoring and updating; negative events that may threaten the corporate business continuity are subject to special assessments and adjustment of safeguards;

viii. the internal control and risk management system is subject to continuous supervision for periodic evaluations and constant adjustments.

For the purpose of verifying the correct functioning of the internal control and risk management system, the Board of Directors relies on the Control and Risk Committee, on the CFO and on an internal audit function, which have an appropriate level of independence and necessary means for the performance of their tasks; they report to the director in charge of internal control, to the Control and Risk Committee, to the Board of Statutory Auditors and to the Supervisory Body.

The director in charge implements the interventions on the internal control and risk management system deemed necessary as a result of the above control activities and may appoint one or more delegates for such purpose.

During 2021, the Board of Directors assessed the adequacy of the internal control and risk management system referring to the characteristics of the business and the risk profile assumed, as well as its efficiency, during the meetings held on March 16, and September 7, 2021, concurrently with the report presented by the Control and Risk Committee on the activities carried out and the adequacy of the internal control system. During the discussions, which were attended by all the directors, no particular warning or criticality emerged.

The 2021 audit plan, prepared by the head of internal audit, elaborated and shared with the director in charge for the internal control and risk management system, was approved, following the clean opinion of the Control and Risk Committee, by the Board of Directors on May 14, 2021. It is worth pointing out that the audit plan was approved by the Board of Directors, following the opinion of the whole Board of Statutory Auditors

Introduction

The risk management system should not be considered separately from the internal control system in relation to the financial reporting process; both are, in fact, elements of the same system. It is worth mentioning that this system is aimed at ensuring the trustworthiness, accuracy, reliability and timeliness of financial reporting.

All the companies of the Group adopt detailed procedures to manage the sales process, the purchasing process, the human resources process and the financial reporting process approved by the Board the Directors.

The basic principle for the management of these processes is that, because of the relatively simple structure of the Group, all the significant authorization processes are handled by executive directors, vested with adequate powers.

Description of the main features of the existing internal control and risk management systems in relation to the financial reporting process

The activities under the responsibility of the administration area of the Group are defined in the organizational structure of the Group and the above-mentioned procedures. Please find below, in an illustrative and not exhaustive way, the main activities carried out by the administration unit:

i. ensure, through the planning process and management control, the unity of functional goals, the compliance of the actions with the plans and the achievement of economic targets;

ii. define and propose, within the policies and strategies agreed with the top management, the Group's financial policy;

iii. ensure the proper administrative management of the Group, and in particular define and propose the policy for the financial statements, ensure the preparation of the annual financial statements of the Company and of the Group and of its relevant annexes pursuant to the existing civil and fiscal laws as well as to the institutional provisions;

iv. ensure the systematic monitoring of the economic performance of the Group in order to afford a proper process of management control;

v. ensure the alignment of the management control system (*Sistema di Controllo di Gestione* or SCG) with the strategies and the business and market context.

The main risks pertaining to the financial reporting process are:

i. the risk of recognition of revenues that are not related, not accrued or not due or the incomplete recognition of revenues;

ii. risks linked to the recognition of expenses that are not related, not accrued or not due, or incomplete recognition of them;

iii. risks linked to the acquisition of company for which it is necessary an administrative and accounting reorganization to align their financial statements to the standard required by the Issuer;

iv. risks linked to the presence in the consolidation area of companies and/or permanent establishments with registered offices abroad (Albania, United Kingdom, Romania);

v. risks linked to the presence of an autonomous administrative structure in the subsidiaries 7Pixel S.r.l., Agenzia Italia S.p.A. and Lercari Group;

vi. risks of loss or information or data during the automatic data extraction process from the general ledger.

Corrective actions adopted to reduce the impact of these risks, procedures and controls applied for the continuous monitoring of the identified risks are respectively summarized in the following list:

i. the billing process follows a detailed procedure on receivables which takes into account the different types of revenues of the companies of the Group: the billing from the administrative office takes place only after verifying the accuracy of the billing reports and their compliance to the contractual conditions. These controls are carried out by selecting random samples of sale invoices, verifying phases and documents required by the procedure for the issuance of the invoice itself and the collection of payment, and by checking that contractual rates are applied and respected properly;

ii. the process on liabilities also follows an internal procedure which takes into account the various types of purchases (mainly marketing, technology and general services expenses). The registration of an accounting document takes place only after the verification of the existence of a purchase order authorized by a representative of the company with appropriate credentials and upon verification of the correspondence with the purchase order itself. Also in this case, the verifications are carried out by selecting a random sample of purchase invoices, verifying that they are authorized by an order and that the amounts to be paid match with the ones specified in the order;

iii. normally the administrative and accounting management of the newly acquired companies is taken over by the administrative office of the Issuer, which at the beginning analyzes the "as is" situation with the aim to activate the reorganization activity required to align the operation of such companies to the guide lines of the Issuer, setting up centrally-defined procedures for the management of receivables, liabilities and personnel and adopting the same accounting principles for the proper consolidation of financial statements. It should be noted that, during 2021, the consolidation area was enlarged with the inclusion the company Zoorate S.r.l.;

iv. definition of guidelines to which the accounting employees of Finprom S.r.l. must comply, in accordance with the local regulations. The Issuer receives a monthly financial management report, and on quarterly basis a detailed financial statement of the Company;

v. in order to verify the correct and complete collection of economic-financial consolidated data through an automated process, we perform cross-checks while balancing the general ledger data with the cost accounting at the EBITDA level, analyzing potential deviations and the accuracy of the automatic formulas. The process of data collection and extraction for the preparation of the periodic financial reports is regulated by a specific internal procedure.

The administrative area of the Group is under the direct responsibility of the Chief Financial Officer (CFO), Francesco Masciandaro, and is composed of a total of 25 persons, counting the Italian headcount. Within the administrative area there are two distinct functions:

- Accounting and Financial Statements, whose mission is to provide a correct representation of the Company's capital and economic life, ensuring the proper execution of the activities related to the preparation of corporate financial statements and consolidated financial statements, in compliance with the accounting principles and regulations;

- Management Control, whose mission is to ensure through the planning and control process the unity of functional goals, the compliance of the actions with the plans and the achievement of profit targets.

As regards the management of the Accounting and Financial Statements function, four persons located in Romania have full responsibility for all activities related to subsidiary Finprom S.r.l., which they manage with full autonomy. As regards the management of the Accounting and Financial Statements function for the other subsidiaries, it is entirely carried out by the structure and resources located in Italy, who report to the head of the function, which provides the operating guidelines.

The process of financial reporting for the Group is headed by the CFO, who receives, at least once a month, the summary financial reports by all the companies of the Group and, quarterly, more detailed financial reports at the base of the periodic financial reporting.

Within this activity the CFO has the responsibility to manage the process to identify the main operative risks, identify the corrective actions or the instruments aimed to reduce and, if possible, cancel such risks, identify the system for the management of these instruments and, finally, verify its proper application.

At the end of this activity, the outcome is directly submitted for evaluation to the executive director in charge of the internal control and risk management system. The information flow is particularly direct, since there are no intermediate levels between the CFO, the head of internal audit and the executive director in charge of the internal control system. In addition, the CFO and the internal auditor meet periodically the Control and Risk Committee and the Supervisory Body for an appropriate update on the performance of controls.

The Board of Directors in the meetings of March 16, 2021 and of September 7, 2021 has positively assessed the effectiveness and the effective functioning of the internal control and risk management system. During this meeting, the members of the Control and Risk Committee illustrated to the attendees the job performed by the committee and briefed on the adequacy of the internal control and risk management system. The committee sends in advance the most significant elements by a brief memorandum circulated to all the directors and members of the Board of Statutory Auditors.

9.1. Executive director in charge of the internal control and risk management system

The Board of Directors, during the meeting of May 29, 2020, appointed the chairman of the Board of Directors Marco Pescarmona, as the executive director in charge of overseeing the internal control and risk management system.

During the financial year, the executive director in charge of supervising the functionality of the internal control and risk management system identified, in collaboration with the Control and Risk Committee, the CFO, the Board of Statutory Auditors and the Supervisory Body, the main risks related to the Issuer and its subsidiaries, by constantly verifying the adequacy of the system. In addition, in collaboration with the internal audit function, a constant monitoring on most relevant compliance issues was carried out, adjusting where necessary the business procedures to the regulations in force.

The director in charge of supervising the internal control system and risk management operations can ask to internal audit to check on specific operating areas and compliance with the rules and the internal procedures during business operations, informing the chairman of the Control and Risk Committee and the chairman of the Board of Statutory Auditors / Supervisory Body.

During the financial year, based on the controls performed, the director in charge of supervising the internal control system and risk management operations did not detect any business risks not managed within the corporate organization.

9.2. Control and Risk Committee

The Board of Directors, pursuant to article 2.2.3, comma 3 letter m) of Market Regulations, applicable to the issuers pursuant to requirements for STAR segment and according to Code of Corporate Governance, during the meeting of May 29, 2020, appointed the independent and non-executive directors Chiara Burberi, Giulia Bianchi Frangipane and the non-executive director Marco Zampetti as members of the Control and Risk Committee. Chiara Burberi was appointed chairman of this committee, meanwhile Marco Zampetti is a member of the committee who, by virtue of his professional activity, possesses a considerable experience in accounting, financial, fiscal and compliance matters.

According to the Code of Corporate Governance, the internal Control and Risk Committee:

i. assess, having consulted the manager in charge of preparing the accounting documents, the statutory auditor and the supervisory body, the correct use of accounting standards and, in case of groups, their uniformity with regard to the preparation of the consolidated financial statements;

ii. assess the adequacy of periodic financial and non-financial information to correctly represent the company's business model, strategies, the impact of its activities and the performance achieved;

iii. examine the content of periodic non-financial information that is relevant for the purposes of the internal control and risk management system;

iv. express opinions on specific aspects concerning the identification of the main corporate risks and to support the assessments and decisions made by the Board of Directors concerning the management of risks arising from prejudicial facts of which the latter has become aware;

v. examine the periodic reports and those of particular relevance prepared by the internal audit function;

vi. monitor the autonomy, adequacy, effectiveness and efficiency of the internal audit function;

vii. the power to entrust the internal audit function with the carrying out of controls on specific operational areas, giving simultaneous notice to the chairman of the supervisory body;

viii. report to the Board of Directors, at least at the approval of the annual and half-yearly financial reports, on the activity carried out and on the adequacy of the internal control and risk management system.

The Control and Risk Committee:

i. has access to all corporate activities and information necessary to perform its duties;

ii. have financial resources and make use of external consultants, under terms established by the Board of Directors;

iii. normally meets before the Board meetings called to approve the financial statements, the semi-annual and the quarterly reports, or whenever the chairman deems it appropriate or receives a request from a member or an executive director.

The Control and Risk Committee, as one of the main interlocutors to the head of internal audit, shall be consulted by the Board of Directors about decisions regarding the appointment, revocation, remuneration of and the provision of resources to the head of internal audit, analyzing and assessing his work.

The members of the Control and Risk Committee, on March 10, 2021, met the representatives of the audit firm EY S.p.A., the members of the Board of Statutory Auditors, the internal audit function and the Issuer's CFO Francesco Masciandaro. During the meeting, the following topics were dealt with: updates about the audit activity related to 2020 financial statements of the Issuer and of its subsidiaries and of the consolidated financial statement by the independent auditing firm; update of the activities carried out with reference to the 2020 audit plan and scheduling of the 2021 audit plan.

On May 13, 2021, the members of Control and Risk Committee met the internal audit function, the Issuer's CFO Francesco Masciandaro and the chairman of the Board of Statutory Auditors. During the meeting the 2021 audit plan was presented and discussed, before the submission to the Board of Directors.

On July 21, 2021 the members of Control and Risk Committee met the internal audit function and the Issuer's CFO Francesco Masciandaro, to discuss about the update of the activities carried out with reference to the 2021 audit plan and the content of the new Code of Corporate Governance.

The members of Control and Risk Committee, on September 6, 2021, met the representatives of the audit firm EY S.p.A., the members of the Board of Statutory Auditors and the Issuer's CFO Francesco Masciandaro. During the meeting, the following topics were discussed: update about the execution of the audit activities related to the consolidated half year financial report as of June 30, 2021. In such meeting the Committee also met the head of the internal audit function, who illustrated the activities performed in the first half of 2021, for the subsequent periodic reporting to the Board of Directors.

We point out that the member of the Control and Risk Committee Marco Zampetti, the Board of Statutory Auditors, the executive directors, the CFO and the head of internal audit (through informal meetings and e-mails) keep each other informed in order to be constantly updated on the internal control system of the Issuer.

Therefore, during the financial year, the Control and Risk Committee met five times for an average of about two hours.

During the meetings on March 16, 2021 and September 7, 2021, the Control and Risk Committee members, as provided for in the Code of Corporate Governance, informed the Board of Directors on the activity of the committee and on the adequacy of the internal control and risk management system.

There are no meetings of the Control and Risk Committee already scheduled for 2022.

For the composition and rates of attendance at meetings please refer to Table 3, in appendix, concerning the structure of the Board and committees.

All the meetings of the Control and Risk Committee have been properly recorded and the relative minutes were transcribed in the register held at the administrative office of the Company.

During the meeting of May 29, 2020, the Board of Directors resolved an annual total compensation for the members Control and Risk Committee equal to Euro 24 thousand.

No financial resources have been allocated to the Control and Risk Committee, as the committee uses the Issuer's resources and facilities for the performance of its tasks.

9.3. Head of the internal audit function

Since 2010 the Issuer has instituted the internal audit function, with the hiring of a dedicated resource in the organizational structure of the Group. As of the date of approval of this report the function is composed of 7 resources, all internal to the Group.

Some subsidiaries of the Issuer also have internal staff which carry out specific audit activities for the company in which they operate. The audit activities of these "dedicated" resources are coordinated by the Group's internal audit function.

The head of internal audit was appointed directly by the director responsible for the internal control and risk management system, with the favorable opinion of the Control and Risk Committee and the Board of Statutory Auditors. The head of internal audit is Walter Baraggia, who has held this position since 2010.

The head of internal audit has an appropriate level of independence and suitable means to operate effectively. The head of internal audit has direct access to all the useful information to his office and reports about his own activity to the director in charge, to the Control and Risk Committee, to the Board of Statutory Auditors and to the Supervisory Body. He has no direct operational responsibility or authority and depends hierarchically from the Board of Directors.

The 2021 audit plan, prepared by the head of internal audit, elaborated and shared with the director in charge of the internal control and risk management system, was approved, following the clean opinion of the Control and Risk Committee, by the Board of Directors on May 14, 2021. It is worth pointing out that the audit plan was approved by the Board of Directors, following the opinion of the whole Board of Statutory Auditors.

The head of internal audit brings directly to the attention of the director in charge of supervising the functionality of the internal control and risk management system and to the CFO, who are committed to periodically update the Board of Directors, all the controls performed and the analyses concerning compliance and regulatory updates, the legislative updates and the significant events (e.g. inspections and requests for information by Supervisory Authorities). The information flow is direct because there are no intermediate layers between the head of internal audit, the CFO and the executive director in charge of the internal control and risk management system. Furthermore, the head of internal audit and the CFO meet periodically the Control and Risk Committee, the Board of Statutory Auditors and the Supervisory Body for adequate updates on the activities performed.

The head of internal audit performs a monthly check of the effectiveness of the audit information systems by analyzing the actual data for all the Group's companies, comparing results with budget forecasts, and verifying the correct recording in the management accounts of revenues and costs as well as the proper accrual in time.

For 2021, a specific budget, equal to Euro 20 thousand, is assigned to the audit function of the Issuer, as resolved by the Board of Directors during the meeting held on May 14, 2021. At least once a year, the Board of Directors is updated, through the report of the Control and Risk Committee on the activities performed by the internal audit function and on the execution of the activity program set by the committee. Every year the executive committee sets remuneration, duties and resources for the head of internal audit, with the opinion of the Control and Risk Committee; the definition of the remuneration is established by the executive directors rather than the Board of Directors, as, taking into account the relative simplicity of the organizational structure of the internal audit function, it was preferred not to involve the whole Board in this decision.

The activities of the head of internal audit, planned and decided with the director in charge for internal control and risk management system, the Control and Risk Committee, the Board of Statutory Auditors, and the Supervisory Body, aim at the satisfaction of international standards, that the Issuer, which operates as a listed company in a highly regulated sector, must follow.

The main activities carried out by the internal audit function during the financial year were:

- controls related to cybercrimes and illicit data treatment;

- controls related to market abuse;
- controls related to the compliance with the privacy regulations;
- controls related to anti money laundering;
- controls related to the administrative responsibility regarding commission of crimes (ex D.Lgs 231/2001 model);
- controls on internal control system (ex. L. 262/05);
- controls related to job safety;
- controls related to corporate crimes;
- controls related to credit and insurance broking activities, granting of loans and investment services.

Internal audit activities, overall as well as for operating segments, were not assigned to external subjects.

9.4. Organizational model pursuant to Law Decree 231/2001

On March 20, 2008, the Company adopted the model of organization pursuant to article 6 of Law Decree 231/2001, of which the last update was approved by the Board of Directors on November 12, 2018. The current monocratic Supervisory Body was appointed by the Board of Directors on May 14, 2021. The Board of Directors believes that such appointment would be effective for the Group. Furthermore, the member of the Supervisory Body has all the required professional, independence and integrity qualifications.

Moreover, despite the Supervisory Body is not made up of at least one non-executive director or of a member of the Board of Statutory Auditors, this appointment is compatible with the Code of Corporate Governance, since an adequate coordination with the subjects involved in the internal audit and risk management system is ensured by means of the support of corporate functions and the management of adequate information flows. In fact, at least on a quarterly basis, a meeting is held, which is attended by the Supervisory Body, the Board of Statutory Auditors of the Issuer and its subsidiaries, the CFO, the internal audit function and, in some cases, the Control and Risk Committee.

It was resolved that the duration of this office would continue until the date of approval of the financial statements for the year ended December 31, 2023. The Company provides an annual remuneration for the office of Supervisory Body, covering also the activities performed for the subsidiaries.

During 2021, the Supervisory Body met four times. On such occasions, it met the Board of Statutory Auditors, the CFO Francesco Masciandaro, the internal audit function and the Control and Risks Committee. During the meetings, the activities carried out by the internal audit function, those related to the updating process of the Model, and the controls carried out during the year were analyzed, always keeping in mind the potential offences worth of special attention within the organizational model pursuant to Legislative Decree 231/2001.

The organizational model adopted by the Group and its principles are applied to the corporate bodies of all the companies of the Group (meaning the Board of Directors and the Board of Statutory Auditors of the companies and their relative members), to the employees, to the other personnel of the Group, to consultants, suppliers and more generally to all those that, for whatever reason, operate with "sensitive" activities on behalf or for the Group. The model intends to prevent the following types of offences:

- crimes against public administration (articles 24 and 25, Law Decree 231/01);
- data processing crimes and illegal treatment of data (article 24-bis, Legislative Decree 231/01);
- crimes against use of trademarks and distinctive signs (article 25-bis, Legislative Decree 231/01);
- crimes against industry and trade (article 25-bis.1, Legislative Decree 231/01);
- corporate crimes (articles 25-*ter* Law Decree 231/01);
- market abuse crimes (article 25-*sexies* Law Decree 231/01);
- crimes introduced by article 9 of law 123/2007 (article 25-*septies* Law Decree 231/01), which include manslaughter or serious injury caused by the violation of safety and occupational hygiene regulations at work;
- receiving of stolen goods, money laundering and the utilization of money, goods or assets originating from illicit activities (article 25-octies, Legislative Decree 231/01);
- crimes relating to breach of copyright (article 25-novies, Legislative Decree 231/01), which covers certain offenses under Law 633/1941;
- environmental crimes (article 25-*undecies*, Legislative Decree 231/01);
- incitement not to testify or bear false testimony in court (article 25-*decies*, Legislative Decree 231/01);
- employment of foreign countries' citizens whose residency permit is not regular (article 25-*duodecies*, Legislative Decree 231/01).

The organizational model pursuant to the Legislative Decree 231/2001 is available on the Internet site of the Company in the section "Governance", "Other documents".

9.5. Auditing firm

The auditing firm in charge of legally-required auditing of accounting activities is EY S.p.A., with registered office in Roma, via Po n. 32, appointed by the shareholders' meeting of April 22, 2016 and with expiration on the date of the shareholders' meeting for approval of the financial statements for the year ended December 31, 2024.

During 2021, the Board of Statutory Auditors forwarded to the Board the Additional Report pursuant to Article 11 of EU Regulation 537/2014 without its own emphases or observations.

9.6. Manager responsible for preparing the Company's financial reports

Article 23, paragraph 1 of the Articles of Association provides for the appointment by the Board of Directors, subject to the mandatory opinion of the Board of Statutory Auditors, of a manager responsible for preparing the Company's financial reports in compliance with the provisions of article 154-*bis* of TUF, who must be chosen among individuals with a degree in economics, finance or disciplines related to business management and must have at least three years of experience (i) in the exercise of administrative or managerial functions or (ii) in the exercise of professional activities within an auditing firm or (iii) as a certified accountant, consultant to limited liability companies. Those who are not in possession of the integrity requirements of article 147-*quinquies* of TUF cannot be appointed to the office and, if already appointed, shall expire from the same.

The manager responsible for preparing the Company's financial reports exercises the powers and responsibilities attributed to him in accordance with article 154-*bis* of TUF.

The Board of Directors in the meeting of May 8, 2008, with the approval of the Board of Statutory Auditors, appointed as manager responsible for preparing the Company's financial reports Francesco Masciandaro, who within the Group holds the role of Chief Financial Officer and Head of Administration and Control.

The manager responsible for preparing the Company's financial reports is provided with adequate powers and means to perform the tasks assigned to him or her. In particular, the manager in charge has developed a set of procedures and information flows aimed at identifying all the processes and business events with an economic and financial relevance; in this way all the economic and financial events of relevance are reflected in the accounting data and periodic financial reports.

Finally, it is worth highlighting that the manager responsible for preparing the Company's financial reports was appointed director with delegated powers on administrative matters, including powers to represent the Company in dealings with the financial administration and powers to sign all the declarations required by applicable tax laws, in all the Italian subsidiaries of the Group, except Innovazione Finanziaria SIM S.p.A., Eagle & Wise Service S.r.l., MOL BPO S.r.l., Zoorate S.r.l. and the companies of the Lercari Group.

9.7. Coordination among the bodies involved in the internal control and risk management system

The coordination and the information flow between people involved in the internal control and risk management system appears to be streamlined and effective.

In particular, the executive director in charge of supervising the functionality of the internal control and risk management system, Marco Pescarmona, Chairman of the Board of Directors as well, and the manager responsible for preparing the Company's financial reports, Francesco Masciandaro and the head of internal audit Walter Baraggia, work together to find out and manage risks which endanger and/or could endanger the Group's companies to achieve business objectives.

The executive director in charge of supervising the functionality of the internal control and risk management system, Marco Pescarmona, as Chairman of the Board of Directors, helps to identify the main risks for the Group, considering the business activities of the Issuer and of its subsidiaries, and is responsible for the set up and management of the internal control and risk management system, constantly verifying its adequacy and effectiveness. With the opinion of the Board, he asks the head of internal audit or the CFO to verify some specific operational areas considering the compliance to regulations and internal procedures in the execution of business operations and to analyze the regulations compared to the business activities. The CFO and the head of internal audit report the results to the executive director in charge of supervising the functionality of the internal control and risk system or directly to the Board of Directors.

The Board of Statutory Auditors, the Supervisory Body and the Control and Risk Committee monitor, value and give their opinion on the adequacy and effectiveness of the internal control system by examining the results brought by the CFO and the head of internal audit, with the power to request further examinations on specific operational business areas.

The above-mentioned bodies inform and update one another either through formal meetings (like meetings of the Board of Directors, of the Control and Risk Committee, of the Board of Statutory

Auditors / Supervisory Body, or through constant information flows during informal meetings, conference calls and/or e-mails.

9.8. Ethical Code

The Ethical Code, approved on March 20, 2008, is an essential element and function of the organizational model that the Group has adopted pursuant to Law Decree n. 231/2001 and expresses the principles of business ethics and rules of conduct designed to prevent, under Italian law, the commission of offences and all those behaviors inconsistent with the values that the Issuer and its subsidiaries pursuant to article 2359 of the civil code seek to promote.

The Group recognizes the importance of business ethics and social responsibility in the management of corporate activities and affairs and is committed to take into account the legitimate interests of its stakeholders and of the community in which it operates. At the same time, the Group expects from all its employees the respect of business rules and principles established in the Ethical Code and to operate with the highest ethical standards and in compliance with all applicable laws.

The Ethical Code is distributed to all employees. In addition, the Group requires from all subsidiaries, associated companies and major suppliers a conduct in line with the general principles of the Ethical Code.

The Ethical Code is available on the Internet site of the Company in the section "Governance", "Other documents".

10. INTERESTS OF DIRECTORS AND TRANSACTIONS WITH RELATED PARTIES

The Board of Directors of the Company on May 14, 2021, having acknowledged the favorable opinion of the committee established for this purpose (consisting only of independent directors), approved the new "Procedure for transactions with related parties" ("**Related Parties Procedure**") pursuant to the Regulation "Transactions with Related Parties", issued by CONSOB with the resolution no. 17221 of March 12, 2010 (subsequently amended by resolution no. 17389 of June 23, 2010), pursuant to article 2391-*bis* of the civil code and articles 113-*ter*, 114, 115, and 154-*ter* of TUF, and in accordance also with the recommendations of the Code of Corporate Governance.

The Company applies the Related Parties Procedure taking into account also CONSOB Communication DEM/10078683, published on September 24, 2010, containing "Indications and guidelines of the Regulation on transactions with related parties adopted to comply with the resolution no. 17221 of March 12, 2010, and subsequent amendments".

The Related Parties Procedure regulates the identification, approval and the management of transactions with related parties performed by the Company, also through its subsidiaries pursuant to article 2359 of the civil code or in any case subject to direction and coordination.

After having verified, consulting the list of related parties of the Group that the counterparty to a transaction is a related party, the parties involved in the execution of the transaction must notify the internal audit function and the administrative and control direction, the intention to begin negotiations for performing the transaction. The internal audit function and the administrative and control direction promptly evaluate whether the transaction complies with the Regulation issued by CONSOB with resolution no. 17221 or if it is possible to apply one or more of the exemption cases for which it is not necessary to follow the approval process required by the procedure. If it is not an exemption, the committee for transactions with related parties expresses its non-binding opinion on the execution of the transaction. The approval for the execution of the transaction is given, depending on the case, by the Board of Directors or by the shareholders' meeting.

Pursuant to paragraph 5 of the Related Parties Procedure, the directors that have an interest in a transaction must promptly and exhaustively inform the Board of Directors on the existence of interest and on his/her circumstances considering, on a case by case basis, the opportunity to leave the Board meetings at the voting moment or to abstain from voting. If he/she is an executive director, he/she abstains from carrying out the transaction. In these cases, the resolutions of the Board of Directors motivate adequately the reasons and the benefits for the Company of the transaction.

For more information, please refer to the Related Parties Procedure and its annexes, available on the Company's Internet site under "Governance", "Other documents".

The Committee for Transactions with Related Parties

The Board of Directors on November 11, 2010 also resolved to set up an internal "Committee for Transactions with Related Parties", composed of independent directors and invested with all the functions provided by the Related Parties Procedure, and to approve the regulation of this committee.

The Board of Directors on May 29, 2020 appointed as members of the Committee for Transactions with Related Parties the independent directors Valeria Lattuada (chairman), Anna Maria Artoni and Klaus Gummerer, resolving a total remuneration, on a yearly basis, equal to Euro 4 thousand.

The Committee for Transactions with Related Parties met two times during the year, in order to analyze and discuss the new Related Parties Procedure, subsequently approved by the Board on May 14, 2021, and to express an opinion on a transaction carried out by the Issuer, approved by the Board of Directors on December 20, 2021 following a favorable opinion of the Committee.

11. APPOINTMENT OF STATUTORY AUDITORS

The appointment of the Board of Statutory Auditors is made on the basis of slates submitted by shareholders.

The Board of Statutory Auditors is appointed by the shareholders' meeting, with a composition of three standing Statutory Auditors and two substitutes. The objective is to allow minority shareholders to appoint one standing Statutory Auditor and one substitute and to respect the diversity criteria, also about gender, pursuant to article 148, comma 1-bis, of Consolidated Finance Law and to the Code of Corporate Governance; therefore, at least two fifth of the seats in the Board of Statutory Auditors must be held by the least represented gender. The Issuer has considered unnecessary the adoption of a diversity policy to be applied in relation of the composition of the Board of Statutory Auditors in term of age and background. Nevertheless, the current composition of the Board of Statutory Auditors ensures diversity in term of gender, age and background.

Each shareholder, or the members of a shareholder agreement pursuant to article 122 of TUF, as well as the controlling entity, the subsidiary companies and those companies subject to common control pursuant to article 93 of TUF, may not submit or take part in the submission of, neither through a third party or a trust company, more than one slate, nor can vote for different slates.

Shareholders are entitled to submit slates if, by themselves or together with other shareholders, are holders of the minimum stake established by CONSOB Regulations for the submission of slates for the appointment of the board of directors. The slates submitted by the shareholders must be filed at the registered office at least twenty-five days before the date set for the shareholders' meeting in first call, along with the required documents prescribed by the Articles of Association together with a resume of the candidates included in the slate.

It is worth highlighting, that as already mentioned in paragraph 4.1, on January 28, 2022, CONSOB with resolution n. 60, identified a shareholding threshold of 1.0% of the shares with voting rights in the shareholders' meeting.

If upon the deadline for the submission of the slates only one slate has been filed, or only slates submitted by members linked together pursuant to applicable provisions, other slates may be submitted within three days of the deadline. In this case, the previous threshold is reduced by half.

The election system required by the Articles of Association provides that:

i. the first two candidates (effective section) from the slate with the highest number of votes and the first candidate from the slate that ranks second for number of votes, who will be the chairman of the Board of Statutory Auditors, will be elected as active statutory auditors;

ii. the first candidate (alternates section) from the slate with the highest number of votes and the first candidate from the slate that will result second for number of votes will be elected substitute statutory auditors.

Moreover, if the candidates elected with the manner above described do not comply with the laws currently in force on gender balance, the candidate of the gender more represented elected as the latest in consecutive order from the slate that received the highest number of votes shall be replaced by the first candidate of the gender less represented in consecutive order not elected taken by the same slate. This replacing procedure will be applied until the composition of the Board of Directors complies with the laws currently in force on gender balance. If this replacing procedure does not assure the gender balance, the replacing will be carried out by shareholders' meeting resolving with majority required pursuant to law, upon submission of candidates belonging to the gender less represented.

If the two first slates obtain the same number of votes, the shareholder's meeting proceeds with a new election, by voting only for the first two slates, complying with the equal right of appointment in managing and supervisory boards of listed companies.

If only a single slate has been submitted, the candidates of this slate will be elected active statutory auditors and substitute statutory auditors complying with the equal right of appointment in managing and supervisory boards of listed companies. If no slate is submitted, the shareholders' meeting will elect the Board of Statutory Auditors according to the law, always complying with gender equilibrium requirements.

In case of replacement of an active statutory auditor, the substitute auditor belonging to the same slateof the ceased statutory auditor will take over always complying with the abovementioned laws on gender equilibrium. If the Board of Statutory Auditors is not complete with the entry of the substitute auditors, a shareholders' meeting must be called to provide for the integration of the Board of Auditors pursuant to the law.

12. COMPOSITION AND OPERATION OF THE BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors of the Company in office was appointed by the shareholders' meeting of April 29, 2021 and will remain in office until the approval of the financial statements for the year ended December 31, 2023.

For the appointment of the Board of Statutory Auditors two slates of candidates were presented: a slate by the shareholder Alma Ventures S.A. (so called Slate 1), which obtained the consent of present shareholders representing 25,769,053 shares, which correspond to 78.89% of share capital with voting right at the date of April 29, 2021, and a slate by minority shareholders (so called Slate 2), which obtained the consent of present shareholders representing 6,818,998 shares, which correspond to 20.88% of share capital with voting right at the date of April 29, 2021.

Pursuant to article 26 of the Articles of Association, have been appointed:

- Paolo Burlando and Francesca Masotti as active members and Filippo Colonna as substitute member, from Slate 1;

- Stefano Gnocchi as active member and Chairman of the Board of Statutory Auditors, and Barbara Premoli as substitute member, from Slate 2.

For the composition of the Board of Statutory Auditors and other information please refer to Table 3, in the appendix, concerning the structure of the Board of Statutory Auditors. As regards the personal and professional characteristics of each member of the Board of Statutory Auditors, please refer to their curricula published on the Issuer's Internet site under "Governance", "Shareholders' meetings and Company governance" "2021".

The statutory auditors, in accepting their office, have declared that they possess the necessary requirements of professionalism, integrity and independence. On May 14, 2021, the Board of Directors then checked the existence of these requirements, by correctly applying the assessment procedures and criteria. The result of this control was positive.

During the financial year, the Board of Statutory Auditors met 7 times with an average meeting duration of two hours. The Board of Statutory Auditors also participated in all the meetings of the Board of Directors and has been regularly updated on business performance and the main events of the year.

The persistence, after appointment, of the independence requirements of the members of the Board of Statutory Auditors, pursuant to article 148, comma 3, of TUF and recommendation n. 7 and 9 of the Code of Corporate Governance was assessed by the Board of Directors on May 14, 2021. The assessment was conducted acquiring the declaration for the satisfaction of the requirements of professionalism and independence as of the date of their application signed by each member of the Board of Statutory Auditors. Besides, the lists of the direction and control offices of each statutory auditor, as well as the lists of the companies, partnership or corporation, held by them, were obtained. As the outcome of this assessment, the Board of Directors verified, with positive results, the persistence of the independence requirements of each member of the Board of Statutory Auditors. With reference to what provided by the Code of Corporate Governance, the Board of Directors performed its assessment based on the principle of prevalence of substance over form and using additional parameters for the assessment on top of those provided by the Code. At the end of these assessments, although the circumstance set out in recommendation n. 7, letter E (presence on the Board for more than 9 years) occurred with regard to statutory auditors Burlando and Masotti, the persistence of the independence requirements was confirmed considering the demonstrated high and consolidated ethical and professional qualities that enable them to express full independence of judgment.

The above-mentioned assessment was conducted by the Board of Directors during a meeting attended by the whole Board of Statutory Auditors. Therefore, it was decided not to proceed with a specific assessment by the Board of Statutory Auditors itself, as this assessment was made the Board of Directors.

On May 14, 2021, the Board of Statutory Auditors verified the correct application of all the criteria pursuant to recommendation n. 7 and 9 of the Code of Corporate Governance and to the Instructions accompanying Markets Regulations and the adequacy of the assessment adopted by the Board of Directors with regard to the directors' independence. The results were positive.

Pursuant to recommendation no. 7 of the Code of Corporate Governance, the Board of Directors established that, with reference to the quantitative and qualitative criteria for the assessment of independence of directors and auditors, the significance of the annual remuneration that an independent director or auditor can receive from the Issuer's subsidiaries shall not be higher than three times the amount received by the Issuer for the same type of office and not higher than the amount received by the Issuer for activities other than the office.

The remuneration of the statutory auditors for the year has been determined by the shareholders' meeting at the time of their appointment. The remuneration amounts to Euro 30 thousand per annum for the chairman of the Board of Statutory Auditors and to Euro 20 thousand per annum for each active statutory auditor. The compensation is coherent with the commitment required, with the importance of the role and with the dimensional and sectoral characteristics and of the Company.

The Procedure for Transactions with Related Parties approved by the Board of Directors on May 14, 2021 (see paragraph 6) provides that a Statutory Auditor who has, for himself/herself or on behalf of third parties, an interest on a transaction of the Issuer, must promptly inform the other statutory auditors on the nature, terms and extent of his/her interest.

Over the year 2021 the Board of Statutory Auditors has met the independent auditing firm two times in order to obtain an update on the results of accounting and legally required auditing and on the schedule of the activities for the audit. These meetings were always attended by the CFO of the Issuer, Francesco Masciandaro, who informed the Board of Statutory Auditors on the ordinary control activities, paying particular attention to certain companies of the Group.

During the financial year, the Board of Statutory Auditors was regularly updated by the Control and Risk Committee, by the CFO and by the head of internal audit on their activity during the financial year, through various formal meetings with the relevant parties as well as with informal meetings between individual members of the Board of Statutory Auditors and the other subjects involved in the internal control and risk management system.

During the meetings of the Board of Directors and the meetings of the Board of Statutory Auditors as well, the Chairman, the CEO and the CFO duly report to the Board of Statutory Auditors about the business performance of the Issuer, the general management performance, the company trends and the regulatory framework. In addition to formal meetings, all directors are constantly informed of the business performance of the Issuer, usually during informal meetings and/or conference calls.

We also highlight that two of the active Statutory Auditors are substantially the same also for the other companies of the Group that have a board of statutory auditors in their structure, except Agenzia Italia S.p.A., and Gruppo Lercari S.r.l., which have two different active members if compared to the Board of Statutory Auditors of the Issuer.

For information regarding any management or control offices covered by the members of the Board of Statutory Auditors, please refer to the data published by CONSOB pursuant to article 144-*quinquiesdecies* of Issuers Regulations, on the website under "Corporate boards", "Disclosure".

Please note that Legislative Decree no. 39/2010 ("Implementation of Directive 2006/43/EC relating to audits of annual financial statements, which amends directives 78/660/EEC and 83/349/EEC, and which repeals directive 84/253/EEC") has endowed the Board of Statutory Auditors with the committee functions for internal control and auditing and, specifically, the functions of supervising: (i) the financial information process; (ii) the efficiency of the internal control, internal audit, if applicable, and risk systems; (iii) legally-required auditing of the annual and consolidated financial statements; (iv) independence of the independent auditor or the independent auditing firm, especially with respect to the provision of non-auditing services to the company that is subject to audit.

For more information on the activities carried out by the Board of the Statutory Auditors during the financial year, please refer to the "Report of the Board of Statutory Auditors" prepared pursuant to article 153 of TUF and article 2429, paragraph 2 of the civil code, and published together with the annual financial Report.

13. RELATIONS WITH SHAREHOLDERS

The Company considers it coherent with its own specific interest - as well as an obligation towards the market - to establish a constant dialogue, based on mutual understanding of roles, with its shareholders in general and with institutional investors in particular; a relation intended to be conducted anyway in accordance with the "Internal regulation for the management and disclosure of confidential and privileged information".

In this respect, it was deemed that the creation of a dedicated structure within the Company, with its own staff and appropriate organizational means, could facilitate the relations with the shareholders in general, as well as with the institutional investors.

In accordance with article 2.2.3, paragraph 3, letter i) of Market Regulations, the Board of Directors of the Company, on February 9, 2007, resolved to institute, effective from June 6, 2007, the Investor Relations functions responsible for the relations with the shareholders in general and with institutional investors in particular and possibly perform specific tasks as the management of price sensitive information and relations with CONSOB and the Italian Stock Exchange.

The Board of Directors has appointed ad interim the executive director Marco Pescarmona, to the function of Investor Relator of the Issuer.

Although it has not adopted a specific policy for managing relations with shareholders, the Company provides adequate information for investor relations also by publishing in a timely and continuous manner the most relevant corporate documents on its Internet site (www.gruppomol.it), in two special sections: "Governance" and "Investor Relations".

14. SHAREHOLDERS' MEETINGS

Pursuant to article 9 of the Articles of Association, the shareholders' meeting, regularly constituted, represents the whole body of shareholders and its resolutions are binding for all the shareholders, with or without the right to vote, as well as for those that do not participate or dissent. The shareholders' meeting, both ordinary and extraordinary, is validly constituted and resolves with the majorities prescribed by law.

Pursuant to article 10 of the Article of Association, shareholders' meetings are called with the publication of a notice as prescribed by the law on the website of the Company and also according to the mandatory procedure prescribed by the law and regulations including the publication on one of the following newspapers: *Il Sole 24 Ore*, *Corriere della Sera*, *La Repubblica, La Stampa, Il Messaggero, MF/Milano Finanza, Finanza e Mercati* or *Italia Oggi.* The shareholders' meeting should be called by the Board of Directors for the approval of annual financial statements at least once a year within 120 days after the end of the financial year, or within 180 days, since the Company is required to prepare the consolidated financial statements. There are no other limits of constitution or resolution quorum than those provided by law.

The main powers of the shareholders' meeting shall be those provided by the legislative provisions and alternative applicable regulations; in particular, the Articles of Association do not require the authorization of the shareholders' meeting for specific acts of the directors.

As allowed by Article 127-*quinquies*(1) of the TUF, the Shareholders meeting of the Issuer held on April 24, 2018 resolved the introduction in the Company Bylaws of article 11-*bis*, pursuant to which two votes are attributed to each share held by the same person for a continuous 24-months period starting from the entry date in the Special List. In order to obtain the above-mentioned increased voting rights, after such period has elapsed, pursuant to the regulations in force, the intermediary, upon request of the holder, must issue a second communication, which confirms the holding of the qualifying property right.

On June 20, 2018 the board of directors of the Issuer, in force of the delegation received by the extraordinary shareholders meeting held on April 24, 2018, (i) adopted specific regulations, to regulate the entry, maintenance and update of the Special List, pursuant to applicable regulations, the Articles of Association and market practice, in order to ensure the timely exchange of information among Shareholders, the Company and the intermediaries; and (ii) appointed Francesco Masciandaro as the person in charge for the keeping of the Special List.

The regulation for the increased voting right is available on the Website, in the section "Investor Relations", "Increased Voting Right".

Pursuant to article 11 of the Articles of Association, the right to participate in the shareholders' meeting and the exercise of voting rights is certified by a statement to the Company made by the intermediary in charge of holding the accounting pursuant to the law, based on the evidence at the end of the seventh accounting and trading day before the date fixed for the shareholders' meeting on first call, and received by the Company in accordance with the law. The right to participate in the shareholders' meeting is certified by a statement to the Company made by the intermediary in charge of keeping the counting pursuant to the law, based on the evidence at the end of the seventh accounting and trading day before the date fixed for the shareholders' meeting on first call, and received by the Company in accordance with the law. There are no limitations to the availability of the shares prior to the meeting.

The shareholders' meeting is ordinary or extraordinary according to the law and takes place at the registered office or in other places indicated in the notice, within the national territory, or any other country of the European Community or Switzerland. To facilitate the participation of the shareholders at the meeting, article 11.2 of the Articles of Association provides also that the shareholders' meeting could take place with participants located in several places, near or far, in video conference or conference call, provided that they comply with the collegial method, good faith principles and equal treatment of members. The vote may also be expressed by mail, as expressly provided in the notice, in compliance with applicable regulatory requirements.

Pursuant to article 12 of the Articles of the Association, shareholders who have the right to vote may be represented by law, by written proxy, or by e-mail, in accordance with the provisions of article 2372 of the civil code and other applicable regulatory requirements. The electronic notification of the proxy may be done, following the procedures indicated in the notice, through a message to the certified e-mail address given in the same notice or through the use of the special section on the Company's Internet site. The Company may designate, for each shareholders' meeting, an intermediary to which the shareholders may confer, according to modalities provided by law and regulations, within the end of the second trading day prior to the date scheduled for the shareholders' meeting on single or first call, a delegation with voting instructions on all or only on some of the proposals on the agenda. The delegation has no effect with regards to proposals for which no voting instructions have been given.

With exception of the provisions of the Articles of the Association, all the other operating rules, regulations and discipline of the shareholders' meetings have been determined, upon the proposal of the Board of Directors, by the shareholders' meeting of December 18, 2007 with the approval of a Shareholders' Meeting Regulation, available on the Company's Internet site in the section "Governance", "Shareholders' meeting and Governance", "2007".

As indicated in the Shareholders' Meeting Regulation, the shareholders and the other holders of voting rights pursuant to the law and the Articles of Association can intervene in the Shareholders' Meeting. They are entitled to discuss on the items on the agenda, making observations and asking for information and may also set forth voting proposals and statements. The order of the interventions is decided by the chairman. The maximum length of each intervention should not usually exceed five minutes and each shareholder may intervene only once on each item on the agenda.

For the meeting held in 2021, the directors released a specific proposal for all the point at issue, with suitable advance.

The Board of Directors, represented in the meeting by Chairman Marco Pescarmona, CEO Alessandro Fracassi, and non-executive director Marco Zampetti, reported in the shareholders' meeting on its past and future activities and has done its best to provide the shareholders with adequate information with all the elements needed, by publishing on the web site the necessary documentation within the time limits provided by law, so that they could take their decisions during the shareholders' meeting with full knowledge.

Neither the chairman nor any other member of the remuneration committee have not directly reported to the shareholders regarding the exercise of the committee duties. Nevertheless, on April 29, 2021, the report on remuneration pursuant to Legislative Decree 123-*ter* of the TUF was discussed. Such report describes the remuneration policy implemented by Gruppo MutuiOnline S.p.A., describing, among other things, the duties, activities and procedures for the implementation of such policy by the Remuneration and Share Incentive Committee. The majority of the shareholders present at the meeting of April 29, 2021, representing 87.66% of the share capital, expresses a favorable vote on the approval of this report.

With regards to other shareholders' rights not illustrated in this Report, please refer to the applicable laws and regulations.

During 2021, the market capitalization of the Company's shares ranged from Euro 1 billion to Euro 15 billion. Therefore, in accordance with Determination n.. 60, 1.0% of the shares with voting rights in the ordinary shareholders' meeting was set as the shareholding percentage.

15. OTHER PROCEDURES OF CORPORATE GOVERNANCE

The Issuer does not adopt corporate governance procedures other than those already mentioned in the preceding paragraphs.

16. CHANGES SINCE THE END OF THE REFERENCE YEAR

As of the end of the financial year, there have been no changes in the corporate governance structure other than those reported in the relevant sections.

17. CONSIDERATIONS ABOUT THE LETTER OF DECEMBER 3, 2021 OF THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE

The recommendations expressed in the letter of December 3, 2021, addressed by the Corporate Governance Committee, to the Chairmen of the Boards of Directors of Italian listed entities, concerning the ninth report about the application of the Code of Conduct, will be brought to the attention of Board of Directors and its Committees during 2022.

For the Board of Directors
The Chairman
Ing. Marco Pescarmona

APPENDIX

TABLE 1 -INFORMATION ON OWNERSHIP STRUCTURE

SHARE CAPITAL STRUCTURE AS OF DECEMBER 31, 2021

	N. of shares	N. of voting rights	Listed (specify the market) / not listed	Rights and duties
Ordinary shares *(the possibility of an increase in voting rights is envisaged)*	40,000,000	48,880,500	STAR	Except for the possibility of increased viting rights, each share gives the right to exercise one vote. The rights and the duties of the sharesholders are those provided by art. 2346 and followings of the civil code
Preferred shares	-	-	-	-
Multiple voting shares	-	-	-	-
Other shares with voting rights	-	-	-	-
Saving shares	-	-	-	-
Convertible saving shares	-	-	-	-
Other shares without voting rights	-	-	-	-
Other	-	-	-	-

SIGNIFICANT SHAREHOLDINGS AS OF DECEMBER 31, 2021

Declarant	Direct shareholder	% of the ordinary share capital	% of the voting share capital
Alma Ventures SA	Alma Ventures SA	32.10%	40.54%
Investmentaktiengesellschaft für Langfristige Investoren TGV	Investmentaktiengesellschaft für Langfristige Investoren TGV	21.81%	20.59%
Own shares (included the shares purchased by the subsidiaries)		4.16%	N/A

TABLE 2 - STRUCTURE OF THE BOARD OF DIRECTORS AT THE END OF THE FINANCIAL YEAR

BOARD OF DIRECTORS

Office	Members	Date of birth	Date of first appointment (*)	In charge since	In charge until	Slate (**)	Slate (M/m) (***)	Exec.	Non-exec.	Indip. Code	Indip. TUF	Numbers of other offices (****)	Attendance (*****)
Chairman	Marco Pescarmona ● ◊	1970	5-Dec-05	May-20	Appr. of annual report 2022	Only	M	X				2	7/7
CEO	Alessandro Fracassi ◊	1969	5-Dec-05	May-20	Appr. of annual report 2022	Only	M	X				2	7/7
Director	Anna Maria Artoni	1967	23-Apr-14	May-20	Appr. of annual report 2022	Only	M		X	X	X	1	7/7
Director	Giulia Bianchi Frangipane	1977	29-May-20	May-20	Appr. of annual report 2022	Only	M		X	X	X	2	7/7
Director	Fausto Boni	1965	25-May-06	May-20	Appr. of annual report 2022	Only	M		X			1	5/7
Director	Chiara D.M. Burberi	1967	23-Apr-14	May-20	Appr. of annual report 2022	Only	M		X	X	X	0	7/7
Director	Matteo De Brabant	1974	21-Apr-11	May-20	Appr. of annual report 2022	Only	M		X			2	7/7
Director	Klaus Gummerer ○	1985	13-Nov-12	May-20	Appr. of annual report 2022	Only	M		X	X	X	2	7/7
Director	Valeria Lattuada	1970	23-Apr-14	May-20	Appr. of annual report 2022	Only	M		X	X	X	1	7/7
Director	Marco Zampetti	1970	6-Jun-07	May-20	Appr. of annual report 2022	Only	M		X			6	7/7

DIRECTORS CEASED DURING THE RELEVANT YEAR: *No directors ceased to hold the office during the relevant year*

Number of meetings done during the relevant year:	**CdA**	**7**

Required shareholding for the submission of the slate on the occasion of the last appointment: 1.0%

● *This symbol indicates the Executive Director in charge of overseeing the Internal Control System.*
◊ *This symbol indicates the main managers of the Issuer.*
○ *This symbol indicates the Lead Indipendent Director.*
(*) The date of first appointment of each director means the date on which the director was appointed for the first time (ever) to the Issuer's Board.
(**) This column indicates whether the list from which each director was drawn was submitted by shareholders (specifying "Shareholders") or by the BoD (specifying "BoD").
(***) This column shows whether the list from which each director was drawn is a "majority list" (indicating "M"), or a "minority list" (indicating "m").
(****) This column shows the number of offices as director or auditor held by the person concerned in other listed companies or companies of significant size. In the Corporate Governance Report the offices are indicated in full.
(*****) This column shows the attendance of Directors at meetings of the Board of Directors.

TABLE 2A – OTHER OFFICES AS OF DECEMBER 31, 2021

	Companies in which the office is held	Office held
Marco Pescarmona*	Alma Ventures S.A.	Director
	Guderian S.p.A.	Sole Director
Alessandro Fracassi*	Alma Ventures S.A.	Director
	Casper S.r.l.	Sole Director
Anna Maria Artoni	Artoni Group S.p.A.	Sole Director
Giulia Bianchi Frangipane	Alkemy S.p.A.	Director
	B4ifund Societa' Di Investimento Semplice S.p.A.	Director
Fausto Boni	BeMyEye Holdings Ltd	Director
Matteo De Brabant	Jakala Holding S.p.A.	Executive Director
	Jakala S.p.A.	Chairman
Klaus Gummerer	Delmo S.p.A.	Director
	Day One S.r.l.	Sole Director
Valeria Lattuada	VFT S.r.l.	Chairman
Marco Zampetti	Centro Finanziamenti S.p.A.**	Director
	Innovazione Finanziaria SIM S.p.A.**	Director
	United Ventures One S.p.A. Sicaf	Standing statutory auditor
	United Ventures S.p.A. SGR	Standing statutory auditor
	Generale Fiduciaria S.p.A.	Director
	BIM Fiduciaria S.p.A.	Director

** For the other offices of the Executive directors inside the companies held by Gruppo MutuiOnline S.p.A. please refer to Table 2B*
*** Companies held by Gruppo MutuiOnline S.p.A.*

TABLE 2B – OFFICES OF THE EXECUTIVE DIRECTORS IN THE OTHER COMPANIES OF THE GROUP AS OF DECEMBER 31, 2021

Company	Alessandro Fracassi	Marco Pescarmona
65 Plus S.r.l.	Director	-
7Pixel S.r.l.	-	Chairman
Agenzia Italia S.p.A.	Executive Director	Director
Centro Finanziamenti S.p.A.	Executive Director	-
Centro Istruttorie S.p.A.	Chairman	-
Centro Processi Assicurativi S.r.l.	Executive Director	-
CercAssicurazioni.it S.r.l.	-	Chairman
CESAM S.r.l.	Chairman	-
Eagle&Wise Service S.r.l.	Chairman	-
Eagle Agency S.r.l.	Executive Director	-
EuroServizi per i Notai S.r.l.	Executive Director	-
Finprom S.r.l.	-	-
Generale Fiduciaria S.p.A.	Director	-
Generale Servizi Amministrativi S.r.l.	Executive Director	-
Gruppo Lercari S.r.l.	Vice President	Director
Innovazione Finanziaria SIM S.p.A.	Director	Chairman
Klikkapromo S.p.A.	-	Chairman
MOL BPO S.r.l.	Chairman	-
Money360.it S.p.A.	-	Chairman
MutuiOnline S.p.A.	-	Chairman
PP&E S.r.l.	Executive Director	Chairman
PrestiPro S.r.l.	-	Chairman
PrestitiOnline S.p.A.	-	Chairman
Quinservizi S.p.A.	Chairman	-
Segugio.it S.r.l.	-	Chairman
SOS Tariffe S.r.l.	-	Executive Director
Zoorate S.r.l.	-	Director

TABLE 3 - STRUCTURE OF THE BOARD COMMITTEES AT THE END OF THE FINANCIAL YEAR

BOARD OF DIRECTORS		*REMUNERATION COMMITTEE*		*CONTROL AND RISK COMMITTEE*		*COMMITTEE FOR TRANSACTIONS WITH RELATED PARTIES*	
Office	**Members**	(*)	(**)	(*)	(**)	(*)	(**)
Chairman executive - not independent	Marco Pescarmona						
CEO	Alessandro Fracassi						
Non-executive director - independent from TUF and Code	Anna Maria Artoni	3/3	C			2/2	M
Non-executive director - independent from TUF and Code	Giulia Bianchi Frangipane			5/5	M		
Non-executive director - not independent	Fausto Boni						
Non-executive director - independent from TUF and Code	Chiara D.M. Burberi			5/5	C		
Non-executive director - not independent	Matteo De Brabant	3/3	M				
Non-executive director - independent from TUF and Code	Klaus Gummerer					2/2	M
Non-executive director - independent from TUF and Code	Valeria Lattuada	3/3	M			2/2	C
Non-executive director - not independent	Marco Zampetti			5/5	M		
DIRECTORS CEASED DURING THE RELEVANT YEAR: *No directors ceased to hold the office during the relevant year*							
FURTHER MEMBERS WHO ARE NOT DIRECTORS: *There are no non-board members.*							
Number of meetings done during the relevant year:		**R.C.**	**3**	**C.R.C.**	**5**	**C.T.R.P.**	**2**

(*) This column shows the attendance of Directors at committee meetings.
(**) This column indicates the qualification of the director within the committee: "P": chairman; "M": member.E.C.: executive committee
R.C.: Remuneration and Share Incentive Committee
C.R.C.: Control and Risk Committee
C.T.R.P.: committee for transactions with related parties

TABLE 4 - STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

BOARD OF STATUTORY AUDITORS

Office	Members	Date of birth	Date of first appointment (*)	In charge since	In charge until	Slate (M/m) (**)	Indip. Code	Attendance (***)	Other offices (****)
Chairman	Stefano Gnocchi	1974	24-apr-18	29-apr-21	Approval annual report 2023	Slate 2	X	7/7	9
Active member	Paolo Burlando	1962	25-mag-06	29-apr-21	Approval annual report 2023	Slate 1	X	7/7	29
Active member	Francesca Masotti	1969	28-ago-08	29-apr-21	Approval annual report 2023	Slate 1	X	7/7	17
Substitute member	Filippo Colonna	1980	29-apr-21	29-apr-21	Approval annual report 2023	Slate 1	n.a.	n.a.	n.a.
Substitute member	Barbara Premoli	1970	24-apr-18	29-apr-21	Approval annual report 2023	Slate 2	n.a.	n.a.	n.a.

STATUTORY AUDITORS CEASED DURING THE RELEVANT YEAR

No statutory auditors ceased to hold the office during the relevant year

Required shareholding for the submission of slates by minority shareholders for the election of one or more members (pursuant to art. 148 of TUF): 1.0%

Number of meetings done during the relevant year:	7

(*) The date of first appointment of each auditor means the date on which the auditor was appointed for the first time (ever) to the Issuer's Board of Statutory Auditors.

(**) This column indicates whether the list from which each auditor was taken is "majority" (by specifying "M"), or "minority" (by specifying "m").

(***) This column shows the attendance of Auditors at the meetings of the Board of Statutory Auditors.

(****) This column shows the number of offices of director or auditor held by the person concerned pursuant to art. 148-bis of the Consolidated Law on Finance and the related implementing provisions contained in the Consob Issuers' Regulations. The complete list of offices is published by Consob on its website pursuant to art. 144-quinquiesdecies of the Consob Issuers' Regulation.

6. REPORT OF THE BOARD OF STATUTORY AUDITORS

<u>Gruppo MutuiOnline S.p.A.</u>

Registered office: Via F. Casati 1/A – 20124 Milan

Administrative office: Via Desenzano 2 – 20146 Milan

Share capital: Euro 1.012.354,01 fully paid-up

Company registry – Milan office, N. 05072190969

* * *

REPORT OF THE BOARD OF STATUTORY AUDITORS

TO THE ANNUAL SHAREHOLDERS' MEETING

(Art. 153 of Law Decree 24/2/1998 n. 58 and Art. 2429, par. 2, civil code)

Kind shareholders,

this report refers to the execution of the functions and activities attributed to this Board of Statutory Auditors in compliance with art. 149 and following of Law Decree 24/02/1998 n. 58; it follows the base scheme suggested by CONSOB with communication n. 1025564 of April 6, 2001, and subsequent amendments.

The supervision pursuant to Article 2403 of the Civil Code has been regularly performed, observing both the principles of conduct of the board of statutory auditors in listed companies issued by the National Council of Accounting Experts, and the recommendations and communications of CONSOB.

The Board of Statutory Auditors in charge was appointed by the shareholders' meeting of April 24, 2018 and finishes its office with the approval of the Annual Report as of December 31, 2020.

The appointed independent auditor is EY S.p.A., as resolved by the shareholders' meeting of April 22, 2016, which has also been appointed to perform the limited review of the Non-Financial Report.

* * *

1.0. Reflections on the most significant economic and financial operations and facts carried out by the Company and their compliance with the law and the articles of association

Gruppo MutuiOnline S.p.A. is the holding company of a group of financial services firms, active in the national markets for the online comparison, promotion and intermediation of products provided financial institutions, as well as, since 2015, in the price comparison of e-commerce operators.

The Company, during the financial year ended December 31, 2021, has correctly carried out its activity of direction and coordination of the operating subsidiaries.

In the initial part of the Director's Report on Operations for 2021, the directors, pursuant to Article 150, *comma* 1, TUF, provide detailed and complete information on the transactions having a significant economic and financial impact for the company and its subsidiaries, as well as the type of activities carried out by the controlled companies, organized by business specialization, and on the corporate structure of the Group, as well as on the organizational changes that have taken place in 2021.

The Board of Statutory Auditors, with the sole purpose of recapitulating and making its Report self-standing, reminds that the business of the Group is structured in two divisions, (a) the Broking Division, which operates in the distribution of mortgages and consumer credit and insurance products, as well as, starting from 2015, in e-commerce price comparison and (b) the BPO (Business Process Outsourcing) Division that operates as an outsourcer of commercial and processing activities for retail mortgages and employee loans, of mass not-motor insurance claims management services and of services linked to the asset management industry, as well as administrative outsourcing services for leasing and long-term rental operators. In addition to the two divisions indicated above, PP&E S.r.l. provides real estate leasing and operational support services to the other Italian operating companies of the Group.

Besides those described by the Directors in their "Report on Operations", in the financial year ended December 31, 2021 there are no other operations of specific relevance that require to be mentioned or commented here, nor we have to highlight manifestly imprudent or risky operations, in potential conflict of interest, against with the resolutions of the shareholders' meeting or such to endanger the integrity of the shareholders' equity.

Just for recollection, as the directors have already commented in this respect in their report, we remind that:

- On February 1, 2021, following the registration of the merger act, the process of merging Segugio Servizi S.r.l., SOS Consulting S.r.l. and SOS Dev S.r.l. into SOS Tariffe S.r.l. was completed, with accounting effect from January 1, 2021.

- On February 28, 2021, the Group acquired the remaining 50% stake of Agenzia Italia S.p.A. from Gruppo Finanziaria Internazionale, object of reciprocal put/call obligations, for a price of Euro 35,000 thousand, substantially in line with the estimated liability previously recorded in the financial statements. At the same time, the Group sold a 15.50% stake to the management of the subsidiary, which previously held a similar indirect shareholding. On such stake, the parties agreed on reciprocal put/call agreements with a maturity of 5 years, at terms and conditions similar those of the previous options.

- On May 26, 2021 the Group acquired, through the subsidiary 7Pixel S.r.l., the remaining 60% stake of the share capital of Zoorate S.r.l., for a price of Euro 4,585 thousand, in line with the current liability previously recorded in the financial statements, in execution of the forward purchase agreement already in place between the parties. In addition, a deferred price component of Euro 1,052 thousand (whose condition occurred) is provided, and it will be paid by April 2022. The higher price paid with respect to the portion of net equity acquired was allocated, for Euro 4,587 thousand to the proprietary software (a platform that enables the provision of all services offered by the company, including the integration and recording of the flow of purchases from e-commerce platforms, and the management of opinions) and for Euro 746 thousand as goodwill. Further details are described in paragraph 6 of the notes to the financial statements.

- On June 22, 2021 the Group acquired, through the subsidiary Cesam S.r.l., the remaining 24% stake of the share capital of Mikono S.r.l. for a price of Euro 3 thousand, in line with the estimated liability previously recorded in the financial statements due to the existence of reciprocal put/call options. In the same date, Cesam S.r.l. acquired from the Issuer a 51% stake of share capital of Mikono S.r.l., thus reaching 100% ownership of share capital of the entity.

- On June 29, 2021, following the registration of the merger act, the process of merging JPL S.r.l., GSA S.r.l. and Centro Servizi Integrati S.r.l. into Gruppo Lercari S.r.l. was completed, with accounting effect from January 1, 2021.

- On July 20, 2021, as already agreed at the time of the acquisition of SOS Tariffe S.r.l., the Group sold 100% of the share capital of SOS Broker S.r.l. to the previous shareholders for a consideration equal to Euro 15 thousand.

- On October 1, 2021, the process of demerging Fin.it S.r.l. was completed, through the assignment to Agenzia Italia S.p.A. of a business unit corresponding to 70% of the net assets and liabilities of Fin.it S.r.l., equivalent to its share of the company's equity. The net value of the transferred assets and liabilities is equal to Euro 276 thousand, in line with the value of the investment in Fin.it S.r.l..

- On October 5, 2021, following the registration of the merger act, the process of merging Mikono S.r.l. into Cesam S.r.l. was completed, with accounting effect from January 1, 2021;

- On December 7, 2021, following the registration of the merger act, the process of merging Sircus S.r.l. into Service Lercari S.r.l. was completed, with accounting effect from January 1, 2021;

- revenues for the year ended 31 December 2021 are Euro 313,464 thousand, with an increase of 20.8% compared to the previous year;

- as of December 31, 2021, the operating profit (EBIT) grew from Euro 63,095 thousand in 2020 to Euro 68,964 thousand in 2021 (+22%). EBITDA grew from Euro 76,568 thousand in 2020 to Euro 92,552 thousand in 2021 (+20.9%). Finally, net income shows a decrease passing from 130,682 thousand in 2020 to Euro 17,839 in 2021 (-86.3%); Such trend is due to the change of income taxes of the period, whose balance in the financial year 2021 is negatively affected by the release of deferred tax assets related to the revaluation of trademarks, while in the financial year 2020 it included the tax benefit deriving from the revaluation of software and trademarks made during 2020 for Euro 85,130 thousand;

- Regarding the "Income tax expense" item, the Directors, on the basis of the change of the Art. 110 of Law Decree no. 104/2020, converted into Law no. 126 /2020, provided by the Art. 1 comma 622 of the "Legge di Bilancio 2022" (L. 234/2021), state that the management, consistently with the assessment made in 2020, confirms to consider recoverable the value of deferred tax assets in a time horizon not exceeding 18 years (in case of brands). On this point it should be noted that, during the year ended December 31, 2021, the use of the period's deferred tax assets relating to the higher value of the revalued assets in 2020, amounting to Euro 7,690 thousand, and the write down of deferred tax assets relating to the higher value of the revalued trademarks, amounting to Euro 28,801 thousand, were recorded;

- the Net Financial Position as of December 31, 2021 is negative for Euro 53,779 thousand, improving for Euro 18,645 thousand if compared to December 31, 2020;

- directors provide useful information about the trend in 2021 and the foreseeable evolution in 2022 in the residential mortgages market (par. 2.12.1), stating that: "*The residential mortgage market in the fourth quarter of 2021 was down year-on-year in terms of new gross originations, as a result of the stability of the volumes of purchase mortgages and the strong contraction in the volumes of remortgages. Data* *from Assofin, an association representing the main banks active in the sector, show in fact a year-on-year drop in the volumes of new gross originations equal to 10.3% in October, 10.9% in November, and 16.4% in December 2021; overall, in the fourth quarter of 2021, this trend is caused by volumes of purchase mortgages marginally increasing, while the volumes of remortgages dropped by over 50%. Data from CRIF, the company that manages the main credit information system in Italy, report a year-on-year drop in credit bureau inquiries for residential mortgage applications of 16.0% in October 2021, 13.1% in November 2021 and 28.2% in January 2022 (the figure for December 2021 was not disclosed). For the first quarter of 2022, one can expect market trends like those of the previous quarter, also because of the comparison with a particularly robust first quarter of 2021. For the rest of 2022, on the other hand, it is possible to assume growth in gross originations of purchase mortgages, also thanks to increasing average amounts, together with a slowdown in the contraction of remortgages. However, market developments are affected by the uncertainty arising from the consequences of the invasion of Ukraine by the Russian Federation*":

- about the Broking Division, directors (par. 2.12.2) state that: "*The Broking Division also grew significantly in 2021, partly due to the acquisition of SOS Tariffe S.r.l. at the end of 2020. Results for the year no longer appear to be materially affected by the pandemic.*" For financial year 2022 the directors highlight that: "*results are expected to grow for all business lines, except for Mortgage Broking, which will see a continuation of the normalization of remortgages.*" Furthermore, in the light of the current geopolitical situation, the dicrectors state that "*The consequences for the business of the Broking Division of the invasion of Ukraine by the Russian Federation are not currently such as to give rise to concern, however any significant drop in consumer confidence and/or disposable income could negatively impact the volumes of the various lines of business";*
- about the BPO Division, directors (par. 2.12.2) state that: "*The BPO Division's performance in 2021 was solid, with an increase in revenue and operating margin at the EBITDA level when compared to the previous year. Most of the growth was due to the expanded consolidation perimeter in Insurance BPO, thanks the acquisition of Gruppo Lercari at the end of November 2020. Net of this effect, the revenues of the Division would still have grown over 5%.*" And: "*In financial year 2022, subject to unforeseeable effects linked to the international geopolitical instability, there appears to be substantial continuity with 2021, with turnover and margins increasing. The growth in turnover and margins is mainly linked to the recent bolt-on acquisitions in insurance and real estate services, while the existing perimeter should show stable revenues, albeit with differences between the various business lines, as detailed below. It should also be noted that the management expects that during 2022 our fintech project in the speciality finance area, performed by Centro Finanziamenti S.p.A. will reach break-even and start to contribute positively to the marginality of the Division"*;
- headcount is also growing, going up from 1,944 FTEs in 2020 to 2,329 FTEs in 2021, of which 1,870 in Italy, 459 in Romania, 134 in Albania and 4 in Germany;

With respect to all the points mentioned and, more generally, to the overall operations, the board of statutory auditors recognizes that during the financial year it has always received in a timely manner the information needed to be aware of and understand the development of the Company's operations which are illustrated in the Reports prepared by the board of directors.

The Board of Statutory Auditors considers that the above-mentioned corporate transactions are pursuant to the Law and to the Articles of Association, are compliant to the corporate interest, are not imprudent and risky, are not in contrast with the resolutions of the shareholders' meeting nor such to compromise the financial integrity of the company.

Regarding the economic and financial impacts of Covid-19, we highlight what already reported by the directors (par. 2.13.3), who stated that the Group has taken prompt action, also on the basis of directives issued by the Government, to stem the possible impacts of health threats for its employees, and has equipped its personnel with all the necessary tools to continue working safely and, where appropriate, remotely.

Regarding the economic impacts, the Board of Statutory Auditors highlights what represented by the Directors, by stating that: i) the pandemic did not have a significant impact on the economic results achieved in the financial year ended December 31, 2021; ii) there have not been significant delays in payments from clients, nor news of particular difficulties on their part; iii) no financial tensions occurred for the Group.

Overall, the Board of Statutory Auditors believe that at the date of approval of the financial report, there are no elements that could put into question the going concern assumption according to which the financial statements have been prepared.

2.0. Unusual or atypical operations

Not occurred.

2.1. Unusual or atypical operations with related parties

Not occurred.

2.2. Unusual or atypical operations with third parties or with group companies

Not occurred.

2.3. Ordinary intra-group or related party operations

The Company, in accordance with the "Code of Corporate Governance", approved the adoption of the principles of conduct concerning the transactions with related parties. The board of directors, on May 14, 2021, considering the favorable opinion of the Committee specifically set up for this purpose (which is exclusively composed of Independent Directors), approved the new "Related Party Procedure" (the "Related Party Procedure") adopted pursuant to the Regulation on "Transactions with Related Parties", issued by CONSOB with Resolution no. 17221 of March 12, 2010 (amended by subsequent Resolution no. 17389 of June 23, 2010), in implementation of Article 2391-bis of the Italian Civil Code and Articles 113-ter, 114, 115 and 154 of the TUF, as well as in compliance with the recommendations of the Corporate Governance Code. The Company applies the Related Parties Procedure also taking into account CONSOB Communication no. DEM/10078683, published on September 24, 2010, containing "Indications and guidelines for the application of the Regulation on transactions with Related Parties" adopted with Resolution no. 17221 of March 12, 2010 as subsequently amended.

In the financial report, in the separated and consolidated financial reports the Directors have provided timely disclosure regarding ordinary intra-group or related party operations.

Such transactions are part of the ordinary course of business of Group companies.

In particular, the main items are related to:

- receivables of the Issuer with related parties for Euro 5,574 thousand;
- other receivables with related parties for Euro 15,204 thousand.

The board of statutory auditors has periodically verified during the financial year that intra-group transactions or related party transactions are executed in compliance with the above-mentioned procedure, and, in any case, based on regular contracts prepared according to normal market standards and at arm's length conditions. The intra-group operations examined by the board of statutory auditors have been found satisfactory, in the best interest of the Company and the group controlled by the Company, as well as correctly justified and documented.

The board of statutory auditors has nothing to add to such disclosures which appear adequate.

3.0. Evaluation of the adequacy of the information provided by the Directors on atypical or unusual operations

No atypical or unusual operations have occurred.

4.0. Remarks on Auditors' qualifications

The independent auditing firm issued on March 31, 2022 its opinions related to the audit of the Issuer's financial statement and of the consolidated financial statement; according to the independent auditing firm, both financial statements, separated and consolidated, provide "*a truthful and correct representation of the financial situation of the Group (and of the Issuer) as of December 31, 2021, of the economic result and of cash flows for the financial year ended in such date, according to International Financial Reporting Standards adopted by European Union, and to regulations issued in execution to art. 9 of the Legislative Decree n. 38/2005*".

The independent auditing firm also issued, on March 31, 2022, the opinion on Non-Financial Report, compliant with article 5 comma 3, letter b, of the Legislative Decree n. 254/2016 and with art. 5 of Consob resolution n. 20267/2018, where it certifies that no items reached to the attention of the firm, that make it believe the Non-Financial Report of the Group as of December 31, 2021, has not been prepared in according to articles 3 and 4 of the Decree mentioned above, and to the GRI Standards.

5.0. Denunciations pursuant to article 2408 of the civil code

Not occurred.

6.0. Complaints presented

Not occurred.

7.0. Assignments granted to other parties related to the Auditors

Not occurred.

8.0. Opinions issued in compliance with law requirements

During financial year 2021 the board of statutory auditors issued the following opinions:

- favorable opinion on the adequacy of the assessment procedures used by the Board of Directors to verify the independence requirements of non-executive directors (opinion issued at the meeting of the Board of Statutory Auditors on May 14, 2021);

- favorable opinion on the presence of independence requirement for the statutory auditors Stefano Gnocchi, Paolo Burlando e Francesca Masotti (opinion issued in the meeting of the Board of statutory auditors held on May 31, 2021).

9.0. Frequency of the meetings of the board of directors and of the board of statutory auditors

The statutory auditors, during 2021, held 7 meetings and, in addition, participated to 7 meetings of the Board of Directors, to 3 meetings of the Remuneration and Share Incentive Committee, to 3 meetings of the Control and Risk Committee, and to 1 ordinary shareholders' meeting.

10.0. Remarks on compliance with the principles of fair administration

The Board of Statutory auditors has informed itself and supervised on the respect of the principles of fair administration. This has occurred through the participation to the meetings of the Board of Directors and to the meetings, also informal, of the Control and Risk Committee, one-on-one meetings with the Directors, direct observation and inquiries, collection of information from the managers in charge of business functions, meetings with the Auditing Firm also aimed at reciprocal exchange of relevant data and information according to article 150, paragraph 3, of the Consolidated Law on Finance.

The activity of the Board of Statutory Auditors has been aimed at controlling the legitimacy of the management choices of the Directors and their compliance, in the formation process, with criteria of economic and financial logic, according to the best practice advices. Furthermore, this activity was performed without any control on the appropriateness and profitability of the same choices.

The Board of Statutory Auditors has verified that typical and usual operations, as well as the most significant ones, were not extraneous to the company's objectives, in contrast with the Articles of Association or in conflict of interest, even if only potential, and also that they could not compromise the integrity of the Company's capital or, anyway, be patently imprudent or risky. The Board of Statutory Auditors has also verified that they were not executed in contrast with the resolutions of the governing bodies or harmful to the rights of individual shareholders or minorities.

We have also made sure that the decisions of the Board of Directors on the most significant operations were assisted by the usual inquiries, in-depth analyses, control, possible acquisition of opinion and valuation of independent advisors, suggested by the best practice regarding the economic and financial correctness and their coherence with the interest of the Company.

No remarks have occurred regarding the respect of the principles of fair administration.

11.0. Remarks on the adequacy of the organizational structure

The Board of Statutory auditors has acquired information and supervised on the adequacy of the organizational structure of the Company through direct observations, interviews, collection of information from the business functions of the company, and meetings with the subjects in charge of internal and external auditing.

During the financial year, the Board of Statutory auditors has supervised, together with the independent auditor and the Control and Risk Committee, on the possibility of organizational/managerial problems that could derive from defects of organization; no instances worth mentioning in this report have arisen.

The organizational structure is periodically updated for the requirements from time to time expressed; the statutory auditors are periodically informed about the changes in the most important positions.

The assessment of the organizational structure has confirmed, overall, its reliability.

The system of powers in force is based on a split by nature of the different kinds of acts and operations as well as by means of maximum amounts for the implementation of the various types of acts of management.

Overall, it is based on rational criteria and is adequate to the operating situation of the company.

12.0. Remarks on the adequacy of the internal control system

The Board of Statutory auditors has supervised on the adequacy of the internal control system, directly by means of meetings with the Group's CFO as well as the manager in charge of the internal control system, and with the head of the Internal Audit function, of the participation to the meetings, also informal, of the Control and Risk Committee and of periodic meetings with the independent auditing firm, concluding that the system has not displayed any significant problems or other facts worth highlighting in this report.

Regular meetings of the Board of Statutory Auditors with the CFO and with the Control and Risk Committee have allowed the Board to effectively follow the evolution of this business function and the results of the activities performed. These meetings also allowed the statutory auditors to coordinate with the Control and Risk Committee itself the execution of their own functions of "Committee for Internal Control and Audit" also according to article 19 of the legislative decree n. 39/2010 and, specifically, (i) monitor the financial information process and (ii) control the effectiveness of the internal control, risk management and internal audit systems.

From the analyses and the controls performed, relative to the areas and the business functions interested by the activity, we derive a judgment of overall fairness and reliability of the internal control system.

In practice, we have not identified any relevant weaknesses of the system, therefore, even in its process of continuous evolution and improvement, the system has proven to be reliable.

A specific paragraph of the report on operations shows the main risk factors that affect the Company. In addition, the report on corporate governance gives full disclosure on the activities performed to manage the risks related to the financial reports, particularly referring to the provisions of the Law 262/05.

13.0. Remarks on the adequacy of the accounting management system

The Issuer, during the financial year 2021, performed for the other Italian companies of the Group accounting and administrative services. The assessment of the system is positive; specifically, we believe that the accounting system is able to correctly represent business activity.

The accounting management system, as a whole, has proven reliable: in particular, we consider the accounting management system capable to correctly represent the results of operations.

The Board of Statutory Auditors is regularly kept up to date on the functioning of the existing system by the manager in charge of the accounting department.

14.0. Remarks on the adequacy of instructions to controlled companies (art. 114 and 151 TUF)

The board of statutory auditors has been informed of the instructions given to controlled companies pursuant to article 114, paragraph 2, Unified Code of Finance and has found them satisfactory for the purpose of the fulfillment of legal obligations.

Pursuant to art. 151, first and second paragraphs, of TUF, the Board of Statutory Auditors exchanged information with the corporate bodies of the subsidiaries regarding the administration and control systems and the general performance of the company's business and considered them to be reliable and adequate.

The deliberate continuity in the names of the components of the boards of directors and of the boards of statutory auditors of the Group companies facilitates, in fact, those control functions by providing timely information and coordination of the instructions given by the controlling company.

15.0. Relevant facts emerged during the meetings with the independent auditing firm (art. 150 TUF and art. 19 D. Lgs. 39/2010)

During the financial year under review, we have had regular interactions with the independent auditing firm, with whom a fruitful relationship of data and information exchange has taken place also, and above all, considering the function of the statutory auditors, according to article 19 of legislative decree n. 39/2010, as "Committee for Internal Control and Audit".

The relationship with the independent auditing firm has taken place through formal meetings also with the participation of the Company, during which we dwelled particularly upon the legal audit activities on the annual and consolidated accounts. With respect to the preparatory activities for the separate annual report and the consolidated financial statements, no facts have been found worth mentioning in this report; in particular, the auditing firm has not informed the Board of Statutory Auditors of any critical issues or weaknesses relevant enough to affect the reliability of the process leading to the preparation of the financial statements.

Finally, the statutory auditors acknowledge that the independent auditing firm presented to the Control and Risk Committee the opinion pursuant to article 11 of EU regulation 537/2014 on March 31, 2022 and in such date, the Board of Statutory Auditors forwarded it to the Board of Directors without any own observations.

During the independent auditing activities, no events or circumstances have occurred, such to raise significant doubts about the ability of the Issuer to continue to operate as a functioning entity (so called going concern), or significant deficiencies of the internal control system, regarding the disclosure process.

16.0. Adhesion to the Code of Corporate Governance

The information of this paragraph is provided also pursuant to art. 149 *comma* 1 letter c-bis) of the Consolidated Law on Finance.

The Company has adhered to the principles established by Code of Corporate Governance sponsored by Borsa Italiana S.p.A. and the Board of Directors on March 15, 2022 has approved the annual report on corporate governance and on ownership structure.

Just as a reminder, we point out that (i) within the Board of Directors operate, with advisory responsibilities, the Control and Risk Committee, the Remuneration and Share Incentive Committee and the Committee for Transactions with Related Parties; regarding role, tasks and functioning we refer to the specific paragraph of the Report of the Board of Directors on Corporate Governance; (ii) the Board of Directors has identified in the Chairman of the Board the director in charge of overseeing the functionality of the internal control system; (iii) the Board of Directors identified, with resolution of May 11, 2017, Valeria Lattuada as lead independent director; (iv) on November 12, 2021, the Board of Directors, pursuant to recommendation no. 18 of the Corporate Governance Code, resolved to appoint Francesco Masciandaro as Secretary of the Board, since he complies with the professional requirements necessary to carry out this function; (v) the Company has set up specific procedures relating to:

- transactions with related parties;

- the functioning of ordinary, extraordinary and special shareholders' meeting; regulations for shareholders' meetings;

- adoption of the "Handbook on market abuse and privileged information" containing, among other things, the procedure for outside communication of confidential price sensitive information;

- the information duties concerning financial transactions performed by "relevant subjects" (new procedure on internal dealing) also keeping into account the regulations on the subject of market abuse.

17.0. Final remarks on supervisory activity

The Board of Statutory Auditors has verified the existence, in general, of an appropriate an adequate organizational structure of the Company, such as to ensure the respect of regulations and the exact and timely execution of any related duties.

Such verification has been conducted through:

- specific contributions and activities aimed at verifying the respect of the law and of the articles of association;

- the participation to the meetings of the governing bodies of the Company;

- the collection of further information in meetings – also occasional – with the Directors, the administrative, finance and control function, the head of the internal audit function, the Control and Risk Committee and the managers in charge of the various business functions;

- the analysis, performed together with the Company, of any new regulations or communications issued by CONSOB of interest to the Company.

In this way, we have been able to verify the presence of the organizational and technical pre-requisites for the respect, in practice, of the articles of association, laws and regulations that control the functioning of the bodies and business activities of the Company.

18.0. Possible proposals to be presented to the Shareholders' meeting (art. 153 TUF)

The Board of Statutory auditors confirms that it has overseen the application of the laws and regulations regarding the preparation of the 2020 annual report of the Company as well as of the 2021 consolidated annual report and regarding their filing and on the respect of the duties of the Directors and the independent auditing firm on this subject.

The annual report submitted to your examination and the consolidated financial report reflect the operations of the Company in 2021 and contain an exhaustive analysis of the situation and of the operating result, as well as a description of the main risks and uncertainties to which the Company and the Group are exposed, with a unified description of the financial and economic situation, illustrated in detail by the Board of Directors in the "Report on Operations" and in the "Illustrative Notes"; the "Report on Operations" is consistent with the consolidated annual report.

* * *

Based on the controls directly performed and the information exchanged with the independent auditing firm, also taking into account its Report which provides an unqualified opinion, taking into account that the Directors have not taken advantage of the exemption from article 2423, paragraph 4, of the civil code, we have neither remarks nor proposals concerning the Financial Statements, the Report on Operations and the proposed allocation of the income of the year which, as a consequence and for what concerns us, are subject to your approval.

Milan, March 31, 2022

FOR THE BOARD OF STATUTORY AUDITORS

Stefano Gnocchi Chairman

Gruppo MutuiOnline S.p.A.

Consolidated financial statements as at December 31, 2021

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010, and article 10 of EU Regulation n. 537/2014

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Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014
(Translation from the original Italian text)

To the Shareholders of
Gruppo MutuiOnline S.p.A.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Gruppo MutuiOnline (the Group), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of income, the consolidated statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.
We are independent of Gruppo MutuiOnline S.p.A. in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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We identified the following key audit matters:

Key Audit Matter	Audit Response
Revenue recognition: revenues related to services	
Revenues from sales include management's estimate of revenues related to services provided to bank and insurance counterparties and not yet invoiced as of December 31, 2021. The processes and methodologies related to the estimate of such revenues are based on complex procedures that require the Company to determine the completion of each of the different activities provided by the executed agreement prior to a formal confirmation from the clients, and to estimate the future collections of such receivables. Considering the number of transactions subject to the estimate and the timing of receiving from the clients the confirmation of the service provided, we have determined that this area represents a key audit matter. The Group disclosed the criteria applied for revenue recognition in the explanatory note 4) "Accounting policies", Q) "Revenue recognition" to the consolidated financial statements.	Our audit procedures in response to this key audit matter included, among others: - the understanding of the Group process and key controls related to revenues recognition; - the testing, on a sample basis, of the data used by the management to determine the revenues accrued but not yet invoiced; - analytical procedures aimed at identifying unusual revenues, both in terms of timing of the recognition and significance; - look-back analysis of the estimate of revenues made in the previous year against the amount of actual revenues recognized, including variance analyses. Lastly, we reviewed the adequacy of the disclosures made in the notes to the consolidated financial statements related to the revenue recognition for services provided.

Key Audit Matter	Audit Response
Valuation of goodwill	
The carrying amount of goodwill at December 31, 2021 is Euro 152,4 million. The reduction of Euro 2.1 million compared to the previous year is due to the write-down of goodwill relating to CGU Centro Processi Assicurativi S.r.l. (equal to Euro 2.8 million) and the purchase of the remaining 60% stake in Zoorate S.r.l. (goodwill allocated equal to Euro 0.7 million). The processes and methods of valuation and determination of the recoverable value of goodwill, in terms of value in use, are based on complex assumptions that by their nature involve the use of judgment by the directors, in particular with reference to the forecast of future	Our audit procedures relating to this key audit matter included, among others: - Understanding the metodology adopted by the Group related to the goodwill impairment test; - Assessment of the determination of CGUs and the allocation of the carrying value of assets and liabilities to the different CGUs; - Assessment of the cash flow forecasts, also considering available data and forecasts available for the industry;

cash flows for the plan period and the determination of long-term growth rates and discounting applied to future cash flow forecasts. In view of the judgment required and the complexity of the assumptions used in estimating the recoverable value of goodwill, we have determined that this area represents a key audit matter. The disclosures relating to goodwill valuation are included in explanatory note 9 "Intangible assets" and note 4 "Accounting policies", F) "Impairment" to the consolidated financial statements.	- Assessment of the consistency of cash flow forecasts for the different CGUs with the business plans; - Assessment of the cash flow forecasts in light of the historical accuracy of the Group's forecasts; - Assessment of the discount and long term growth rates In performing our audit procedures we involved EY valuation specialists who performed independent calculations and sensitivity analyses of key assumptions, to determine any changes in assumptions that could materially impact the determination of the recoverable amount. Lastly, we reviewed the adequacy of the disclosures made in the explanatory notes to the consolidated financial statements relating to the valuation of goodwill.

Key Audit Matter	Audit Response
Recoverability of Deferred Tax Asset	
Deferred tax assets recorded at December 31, 2021 amount to Euro 61 million, of which Euro 56.7 million refer to what was recorded at December 31, 2020 following the introduction of art. 110 of Legislative Decree no. 104/2020, converted into Law no. 126/2020, containing "Urgent provisions for the support and relaunch of the economy", which allowed the Group companies to revalue software, trademarks and properties owned in their respective financial statements prepared according to national accounting standards, opting for the tax recognition of the revalued amounts. In the consolidated financial statements, in view of the accounting elimination of the revaluations recorded in the financial statements, deferred tax assets and payables for substitute taxes were recorded. The recoverability analysis carried out at 31 December 2021 led to a write-down of deferred tax assets resulting from the revaluations of the trademarks for Euro 28.8 million in light of the period used for the purposes of this assessment,	Our audit procedures relating to this key audit matter included, among others: - Analysis of the reasonableness of the assumptions underlying the forecasts of future taxable income and their reconciliation with the forecasts derived from the business plans of the Companies for the period 2022-2024; - Analysis of the reasonableness of the revenues forecast in periods subsequent to what is included in the business plans; - Analysis of the reasonableness of the forecasts of future taxable income with actual historical results; - Analysis of the absence of impairment indicators, which lead to the need to reduce the period over which deferred tax assets are considered recoverable. Lastly, we reviewed the adequacy of the disclosures made in the explanatory notes to the consolidated financial statements relating

lower than the current period of tax deductibility of depreciation, redefined in 50 years by art. 1 paragraph 622 of the 2022 Budget Law (Law 234/2021).
The directors verified the recoverability of deferred taxes on the basis of a period of 18 years, in line with what has been done in the financial statements at 31 December 2020.

The recoverability of the value of these assets is subject to evaluation by the management on the basis of the forecasts of future taxable income expected in the years in which their use is expected.

Considering the level of judgement required in assessing the recognition of deferred tax assets, we have determined that this area represents a key audit matter.

The disclosures relating to deferred tax asset valuation are included in explanatory note 14) “Deferred tax assets and liabilities” and note 4 “Accounting policies”, U) “Taxation” and X) “Accounting estimates and judgments” a) “ Deferred taxes” to the consolidated financial statements.

to the valuation of deferred tax asset.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group’s ability to continue as a going concern and, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the consolidated financial statements on a going concern basis unless they either intend to liquidate the Gruppo MutuiOnline S.p.A. or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee (“Collegio Sindacale”) is responsible, within the terms provided by the law, for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Building a better working world

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Gruppo MutuiOnline S.p.A., in the general meeting held on April 22, 2016, engaged us to perform the audits of the consolidated financial statements for each of the years ending December 31, 2016 to December 31, 2024.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Group in conducting the audit.

We confirm that the opinion on the consolidated financial statements included in this report is consistent with the content of the additional report to the statutory audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion on compliance with the requirements of Delegated Regulation (EU) 2019/815

The directors of Gruppo MutuiOnline S.p.A. are responsible for applying the provisions of Delegated Regulation (EU) 2019/815 of the European Commission on regulatory technical standards relating to the specification of the European Single Electronic Format (ESEF) (hereinafter "Delegated Regulation") to the consolidated financial statements, to be included in the annual financial report.

We have carried out the procedures indicated in the auditing standard (SA Italia) no. 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements have been prepared in XHTML format and have been marked, in all significant aspects, in accordance with the provisions of the Delegated Regulation.

Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated 27 January 2010 and of article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of Gruppo MutuiOnline S.p.A. are responsible for the preparation of the Report on Operation and of the Report on Corporate Governance and Ownership Structure of Gruppo MutuiOnline as at December 31, 2021, including their consistency with the related consolidated financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the consolidated financial statements of Gruppo MutuiOnline Group as at December 31, 2021 and on their compliance with the applicable laws and regulations, and in order to assess whether they contain material misstatements.

In our opinion, the Report on Operation and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure are consistent with the consolidated financial statements of Gruppo MutuiOnline Group as at December 31, 2021 and comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Milan, March 31, 2022

EY S.p.A.
Signed by: Lorenzo Secchi, Auditor

This report has been translated into the English language solely for the convenience of international readers.

Gruppo MutuiOnline S.p.A.

Financial statements as at December 31, 2021

Independent auditor’s report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010, and article 10 of EU Regulation n. 537/2014

EY S.p.A.
Via Meravigli, 12
20123 Milano

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Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014
(Translation from the original Italian text)

To the Shareholders of
Gruppo MutuiOnline S.p.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Gruppo MutuiOnline S.p.A. (the Company), which comprise the statement of financial position as at December 31, 2021, and the statement of income, the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.
We are independent of the Company in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

EY S.p.A.
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We identified the following key audit matters:

Key Audit Matter	Audit Response
Valuation of investments in subsidiaries	
The carrying amount of investments in subsidiaries at December 31, 2021 is Euro 162,8 million. The Management assesses, at least annually, whether there are indicators of potential impairment of such investments, consistently with the Group investments' strategy and, if any impairment indicators are noted, performs the related impairment test. The processes and methodologies to evaluate and determine the recoverable amount of the investment, in terms of value in use, are based on complex assumptions that, by their nature, imply the use of judgement by management, in particular with reference to the identification of impairment indicators, the forecast of future profitability for the period covered by the business plan, and the long term growth rates and discount rate applied to future cash flows. Considering the level of judgement and complexity of the assumptions applied in estimating the recoverable amount of investments, particularly impacted by future market trends, we have determined that this area represents a key audit matter. The disclosures related to the valuation of investments are included in explanatory notes 5 "Investments in subsidiaries" and 1"Basis of preparation of the financial statements", E) "Impairment of assets" to the financial statements.	Our audit procedures relating to this key audit matter included, among others: - Understanding the metodology adopted by the Group related to the impairment assessment of investments in subsidiaries; - Assessment of the cash flow forecasts, also considering data and forecasts available for the industry; - Assessment of the consistency of cash flow forecasts for the different subsidiaries with their business plans; - Assessment of the cash flow forecasts in light of the historical accuracy of the Group's forecasts; - Assessment of the discount and long term growth rates. In performing our audit procedures we involved EY valuation specialists who performed independent calculations and sensitivity analyses of key assumptions, to determine any changes in assumptions that could materially impact the determination of the recoverable amount. Lastly, we reviewed the adequacy of the disclosures made in the explanatory notes to the financial statements relating to the valuation of investments in subsidiaries.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Company's ability to continue as a going concern and, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the financial statements on a going concern basis unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Gruppo MutuiOnline S.p.A., in the general meeting held on April 22, 2016, engaged us to perform the audits of the financial statements for each of the years ending December 31, 2016 to December 31, 2024.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements included in this report is consistent with the content of the additional report to the statutory audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion on compliance with the requirements of Delegated Regulation (EU) 2019/815

The directors of Gruppo MutuiOnline S.p.A. Group are responsible for applying the provisions of Delegated Regulation (EU) 2019/815 of the European Commission on regulatory technical standards relating to the specification of the European Single Electronic Format (ESEF) (hereinafter "Delegated Regulation") to the consolidated financial statements, to be included in the annual financial report.

We have carried out the procedures indicated in the auditing standard (SA Italia) no. 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Delegated Regulation.

In our opinion, the financial statements have been prepared in XHTML format in accordance with the provisions of the Delegated Regulation.

Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated 27 January 2010 and of article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of Gruppo MutuiOnline S.p.A. are responsible for the preparation of the Report on Operation and of the Report on Corporate Governance and Ownership Structure of Gruppo MutuiOnline S.p.A. as at December 31, 2021, including their consistency with the related financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the financial statements of Gruppo MutuiOnline S.p.A. as at December 31, 2021 and on their compliance with the applicable laws and regulations, and in order to assess whether they contain material misstatements.

In our opinion, the Report on Operation and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure are consistent with the financial statements of Gruppo MutuiOnline S.p.A. as at December 31, 2021 and comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Milan, March 31, 2022

EY S.p.A.
Signed by: Lorenzo Secchi, Auditor

This report has been translated into the English language solely for the convenience of international readers.

9. DECLARATION PURSUANT TO ART. 154-BIS PAR. 5 OF LEGISLATIVE DECREE 58/1998

The undersigned Marco Pescarmona and Francesco Masciandaro, respectively chairman of the Board of Directors and manager in charge of preparing the accounting documents of Gruppo MutuiOnline S.p.A., hereby certify, taking into account the provision of art. 154-bis, paragraph 3 and 4, of Law Decree n. 58 dated February 24, 1998:

- the adequacy in relation to the features of the company; and
- the actual application of the administrative and accounting procedures for the preparation of the annual report and the consolidated annual report as of and for the year ended December 31, 2021.

In this respect no relevant issues have arisen, such as anomalies or problems that could alter the information presented in this document or such modify the judgment of its readers.

Besides, we certify that:

1. the annual report and the consolidated annual report:

    1.1 correspond to the results of the accounting books and book entries;

    1.2 are prepared in accordance with IFRS, understood as the International Financial Reporting Standards, the International Accounting Standards ("IAS"), the interpretations of the International Financial Reporting Interpretation Committee ("IFRIC"), previously denominated Standing Interpretations Committee ("SIC"), as adopted by the European Commission as of December 31, 2021 and published in the EU regulations as of this date;

    1.3 are appropriate to give a true and fair representation of the financial and economic situation of the Issuer and of all the companies included in the scope of consolidation.

2. The directors' report on operations contains a reliable analysis about the state and the results of the operations, as well as a situation of the Issuer and of the group of companies included in the scope of consolidation, together with a description of the main risks and uncertainties to which they are exposed.

Milan, March 15, 2022

For the Board of Directors	The Manager in charge of preparing the accounting statements
The Chairman	
(Ing. Marco Pescarmona)	(Dr. Francesco Masciandaro)