# 2022 First Half-year Report

**Board Report**



**Exor N.V.**

Corporate Seat: Amsterdam, the Netherlands
Principal Office: Gustav Mahlerplein 25 - 1082 MS Amsterdam, The Netherlands
Share Capital: €7,398,687 (at 30 June 2022)
Amsterdam Dutch Commercial Register under number 64236277

## Board of Directors

| | |
|---|---|
| *Chairman* | Ajay Banga |
| *Chief Executive Officer* | John Elkann |
| *Non-independent non-executive Directors* | Andrea Agnelli<br>Ginevra Elkann<br>Alessandro Nasi |
| *Independent non-executive Directors* | Marc Bolland<br>Melissa Bethell<br>Laurence Debroux<br>Axel Dumas |

## Compensation and Nominating Committee

Marc Bolland (*Chair*), Axel Dumas and Melissa Bethell

## Audit Committee

Laurence Debroux (*Chair*), Ajay Banga and Marc Bolland

## ESG Committee

Ajay Banga *(Chair)*, Melissa Bethell and Laurence Debroux

## Independent Auditors

Ernst & Young Accountants LLP

**Expiry of term of office**

The Board's appointment term will expire concurrently with the shareholders' meeting that will approve the 2022 annual financial statements, hence in 2023.

## KEY DATA

| Exor Group – Consolidated Data | Six months ended 30 June | |
|---|---|---|
| € million | 2022 | 2021[a] |
| Net Revenues | **18,683** | 16,140 |
| Profit before tax | **2,676** | 2,394 |
| Net profit from continuing operations | **2,170** | 2,005 |
| Net profit | **1,117** | 1,742 |
| of which attributable to owners of the parent | **265** | 838 |

(a) Adjusted following the classification of FCA Group and PartnerRe as discontinued operations. For further detail see Note 3 in the Half-year Condensed Consolidated Financial Statements.

| Non-IFRS measures[a] and other information | Six months ended 30 June | |
|---|---|---|
| € million | 2022 | 2021 |
| Share of earnings of investments and dividends | **1,147** | 2,831 |
| | **30/06/2022** | **31/12/2021** |
| Consolidated net financial position of Exor's Holdings System | **(4,546)** | (3,924) |
| Net Asset Value | **25,505** | 31,069 |
| *Per share[b] – €* | **109.41** | 132.41 |
| Market Capitalization | **14,335** | 19,029 |
| *Per share[c] – €* | **59.48** | 78.96 |
| Issued capital and reserves attributable to owners of the parent[d] | **18,061** | 16,759 |
| *Per share[e] – €* | **78.46** | 72.33 |

(a) Alternative Performance Measures (APM) are defined on page 18.
(b) NAV per share at 30 June 2022 and 31 December 2021 are based on 233,121,788 and 234,645,891 ordinary shares, respectively. At 30 June 2022, this is calculated based on 241,000,000 issued ordinary shares, excluding (i) the 5,483,361 shares bought back in the context of the 2018-2020 share buyback program, (ii) the 1,524,103 shares bought back under the first tranche of the 2022-2024 share buyback program and (iii) the 870,748 shares held in treasury and not allocated to stock option plans.
(c) Market capitalization per share based on 241,000,000 total issued ordinary shares.
(d) IFRS measure.
(e) Issued capital and reserves attributable to owners of the parent based on 230,202,819 total outstanding ordinary shares (231,708,756 in 2021).

| | Six months ended 30 June | |
|---|---|---|
| **Earnings per share (€)[a]** | **2022** | **2021** |
| Profit (loss) attributable to owners of the parent – basic | **1.15** | 3.63 |
| Profit (loss) attributable to owners of the parent – diluted | **1.14** | 3.62 |
| **Earnings per share (€) from continuing operations** | | |
| Profit (loss) attributable to owners of the parent – basic | **5.72** | 4.82 |
| Profit (loss) attributable to owners of the parent – diluted | **5.72** | 4.82 |

(a) Additional details on the calculation of basic and diluted earnings per share are provided in Note 10 to the Half-year Condensed Consolidated Financial Statements.

| Dividend per share (€) | Paid in 2022 | Paid in 2021 |
|---|---|---|
| Dividend paid – Total € million | **99.00** | 99.60 |
| *Per share* | **0.43** | *0.43* |

# EXOR PROFILE

EXOR N.V. ("Exor" or the "Company") is headquartered in Amsterdam, the Netherlands and listed on Euronext Amsterdam and, until 27 September 2022, on Euronext Milan.

Exor is registered in the Dutch companies' register of the Chamber of Commerce (*Kamer van Koophandel*) under registration number 64236277. The registered office is Gustav Mahlerplein 25, 1082 MS, Amsterdam, the Netherlands, telephone number +31 (0) 202402220.

## PROFILE

Exor is one of Europe's largest diversified holding companies, with a Net Asset Value (NAV) of almost €26 billion at 30 June 2022.

For over a century, Exor has made successful investments and built great companies worldwide with a culture that combines entrepreneurial spirit and financial discipline. Exor's portfolio is principally made up of companies in which Exor is the largest shareholder.

Exor is majority owned and controlled by Giovanni Agnelli B.V., the company grouping the descendants of Senator Giovanni Agnelli, the founder of FIAT, which holds approximately 52.01% of its economic rights and 85.62% of its voting rights.

## PURPOSE

Exor's purpose is to *Build Great Companies*, while providing opportunities for its people to grow, make a positive contribution to society and deliver superior returns to its investors.

**TO BUILD:**

- Foster a culture with clarity of purpose and shared values
- Appoint leaders who walk the talk
- Create governance that ensures alignment of culture and actions

**BUILD GREAT COMPANIES**

**GREAT COMPANIES:**

- Seek renewal and change
- Are distinctive in what they do
- Act in a responsible way
- Perform to the highest standards

## VALUES

In order to achieve this purpose, Exor remains true to its values:

| AMBITION & HUMILITY | CURIOSITY & FOCUS |
|---|---|
| We set high aspirations but remain grounded | We seek new ideas while prioritising what matters |
| COURAGE & RESPONSIBILITY | PATIENCE & DRIVE |
| We take bold actions while being mindful of their consequences | We take a long-term perspective but are relentless in getting things done |

## FINANCIAL PRIORITIES

Through delivering on its purpose of developing and improving companies, Exor aims to outperform the MSCI World Index by increasing its NAV per share. Exor focuses on maintaining financial strength and discipline by managing its leverage and keeping indebtedness levels below 20% of LTV Ratio[1], generating net cash in excess of dividends paid and keeping its cash general expenses (Holdings System cost) under control.

(1) Reference is made to the Loan-to-Value (LTV) ratio as defined by Standard and Poor's which is used to assess the financial risk profile of an investment holding company, and calculated by the sum of the net financial position of the Holdings System and other liabilities of the Holdings System, and dividing it by the sum of the Gross Asset Value of the Company net of cash, cash equivalents and other financial assets of the Holdings System, expressed as a percentage. The Company's LTV ratio at 30 June 2022 was equal to 15% and the current LTV ratio is not applicable as the Company's financial position is net cash.

## EXOR PORTFOLIO: COMPANIES AND INVESTMENTS

Exor's portfolio is made up of companies and investments.

**Companies**: these constitute the majority of the portfolio by value. In these companies Exor is a significant shareholder and in many cases it is the reference shareholder.

| Company | Description | Economic rights and voting rights[a] |
|---|---|---|
| Ferrari | Ferrari is among the world's leading luxury brands focused on the design, engineering, production and sale of the world's most recognisable luxury performance sports cars.<br>Ferrari is listed on the New York Stock Exchange and Euronext Milan (it is included in the FTSE MIB Index). | 22.9%<br>36.1% |
| STELLANTIS | Stellantis is one of the world's leading automakers and a mobility provider, guided by a clear vision: to offer freedom of movement with distinctive, affordable and reliable mobility solutions.<br>Stellantis is listed on the New York Stock Exchange, Euronext Paris and Euronext Milan (it is included in the FTSE MIB Index). | 14.3%<br>14.3% |
| CNH INDUSTRIAL | CNH Industrial is a world-class equipment and services company that sustainably advances the noble work of agriculture and construction workers.<br>CNH Industrial is listed on the New York Stock Exchange and Euronext Milan (it is included in the FTSE MIB Index). | 26.9%<br>42.7% |
| Juventus | Juventus was founded in 1897 and is one of the most prominent professional football teams in the world.<br>Juventus is listed on Euronext Milan. | 63.8%<br>77.9% |
| Christian Louboutin | Christian Louboutin was founded in 1991 and has grown to become one of the leading names in global luxury, world famous for its signature red sole women's shoes. The company is also recognised for having successfully diversified its business into men's footwear, leather goods & accessories and beauty. Christian Louboutin operates about 150 boutiques around the world. | 24.0%<br>24.0% |
| via | First launched in New York City in 2013, Via is a technology company specialising in the dynamic, data-driven optimisation of public mobility systems in cities all around the world. | 17.4%<br>17.4% |

| Company | Description | Economic rights and voting rights[(a)] |
|---|---|---|
| IVECO • GROUP | Iveco Group is a global automotive leader active in the Commercial & Specialty Vehicles, Powertrain and related Financial Services arenas.<br><br>Iveco Group is listed on Euronext Milan (it is included in the FTSE MIB Index). | 27.1%<br>42.5% |
| The Economist | The Economist Group is a leading source of analysis on international business and world affairs. Based in London and serving a global readership and client base, it delivers its information through a range of formats, from newspapers and magazines to conferences and electronic services. | 43.4%<br>20.0%[(b)] |
| INSTITUT MERIEUX | As an independent family-owned company, Institut Mérieux is dedicated to the fight against infectious diseases and cancers, with a global and long-term vision. Thanks to five companies – bioMérieux, Transgene, ABL, Mérieux NutriSciences and Mérieux Equity Partners – Institut Mérieux develops complementary approaches to meet today's public health challenges: from prevention of health risks to innovative disease treatment, including the key step of diagnosis.<br><br>Present in 45 countries, Institut Mérieux employs more than 21,000 people around the world and achieves a turnover of 4 billion euros. | 3.3%<br>3.3%[(c)] |
| GEDI GRUPPO EDITORIALE | GEDI Gruppo Editoriale is a leading Italian media group, operating through a set of first tier media brands including newspapers and magazines, radio, digital and advertising. It owns two of the leading Italian newspapers La Repubblica and La Stampa, Il Secolo XIX and other local newspapers, several magazines and three national radio stations including Radio Deejay. | 89.6%<br>89.6% |
| Welltec® | Welltec® services the energy industry with market leading technologies that are used to build and repair oil and gas wells. Its solutions help clients to optimise their production and minimise their environmental footprint. The company was established in 1994 and is based in Denmark. | 46.5%<br>47.6% |
| SHANG XIA | SHANG XIA is a Chinese luxury company which uses its distinctive combination of contemporary design, hand artisanship and Chinese culture to create an artistic portfolio of apparel, furniture, homeware, leather goods, jewellery and accessories. | 82.3%<br>82.3% |
| Lifenet Healthcare | Lifenet S.r.l is an Italian company active in the healthcare sector, particularly in the management of hospitals and outpatient clinics. Founded in 2018, the company has presences in four Italian regions (Lombardy, Piedmont, Lazio and Emilia-Romagna). | 45.0%<br>45.0% |

(a) At 31 August 2022.
(b) Voting rights are limited to 20%.
(c) Exor signed an agreement to acquire a 10% stake in Institut Mérieux of which 1/3 was subscribed on 29 July 2022.

**Investments:** these mainly include investments in Seeds, investments by Exor-managed Funds and Financial investments.

- **Seeds:** a portfolio of minority investments in early stage and late-stage companies through which it backs talented founders who have the ambition to build great companies.
- **Funds (private):** sector agnostic investments focused on best ideas across the capital structure in unlisted companies with an Asia bias.
- **Funds (public):** a portfolio of minority investments in a small number of publicly-listed companies.
- **Financial investments**: investments in minority stakes held directly by Exor.

# SIGNIFICANT EVENTS
# IN THE SIX MONTHS ENDED 30 JUNE 2022

## SIGNIFICANT EVENTS IN THE SIX MONTHS ENDED 30 JUNE 2022

Significant events below refer to EXOR N.V. and the Holdings System.

### Demerger between CNH Industrial and Iveco Group

Effective 1 January 2022 the Commercial and Specialty Vehicles, Powertrain and related Financial Services businesses of CNH Industrial were separated from CNH Industrial. Iveco Group (the vehicle housing the aforementioned businesses as the Iveco Group business) became a public-listed company independent from CNH Industrial and, from 3 January 2022, its common shares are traded on Euronext Milan. Each holder of common shares in the share capital of CNH Industrial received one common share of Iveco Group for every five CNH Industrial common shares held. Exor, which continues to be the shareholder of reference in both entities following completion of the spin-off process, holding 366,927,900 CNH Industrial common shares, received 73,385,580 Iveco Group common shares (a 27.06% stake) and the same number of special voting shares.

As the demerger is a "business combination involving entities or businesses under common control", it is outside the scope of application of IFRS 3 – Business Combinations and IFRIC 17 – Distributions of Non-cash Assets to Owners. Accordingly, in Exor's 2022 Consolidated Financial Statements, the opening balances at 1 January 2022 related to Iveco Group correspond to the carrying amounts of the assets and liabilities included within the financial statements of CNH Industrial pre-demerger at 31 December 2021.

### Increased voting rights related to Exor's stake in Juventus

As of 3 January 2022, after an uninterrupted period of 24 months during which its shares in Juventus were maintained registered in the special list, in accordance with the company's voting rights regulations, Exor increased voting rights in Juventus and currently holds 77.874% of the voting rights.

### Settlement with the Italian Tax Authorities

On 18 February 2022 Exor settled with the Italian Tax Authorities ("Agenzia delle Entrate") a complex tax issue, specifically related to the exit tax due by the Italian registered company Exor S.p.A. which in December 2016 was merged with its Dutch subsidiary Exor Holding N.V. to create today's Exor domiciled fiscally in the Netherlands.

Exor remains convinced that it acted in accordance with the relevant tax laws; however, with the objective of avoiding the time and the costs of a major tax dispute, it agreed to enter into a settlement with the Agenzia delle Entrate and paid €746 million, of which €104 million represented by interest.

The effects of the settlement, which was paid in full on 18 February 2022, have been reflected in the Company's 2021 and 2022 financial statements, to the extent applicable.

### Cash consideration for the sale of PartnerRe to Covéa increased by $328 million

The agreed cash consideration of $9.0 billion to be paid by Covéa on the closing of the transaction was based on an estimated consolidated common shareholders' equity value of $7.0 billion. Based on PartnerRe's common shareholders' equity at 31 December 2021, the agreed cash consideration has been adjusted, as per the agreed terms, to include additional proceeds for around $0.3 billion (of which $0.18 billion paid by PartnerRe as a special dividend in March 2022).

The transaction was finalized on 12 July 2022, as highlighted in the subsequent events section of this Report.

### Dividend distribution

On 24 March 2022 Exor announced an ordinary dividend distribution of €0.43 per outstanding share, for a maximum distribution of approximately €99 million, approved at the Annual General Meeting of Shareholders held on 24 May 2022 and paid on 22 June 2022.

### Investment in Lifenet

On 21 June 2022, following receipt of the required regulatory approvals, Exor invested €67 million to acquire a 45% stake in Lifenet S.r.l., an Italian company active in the healthcare sector, particularly in the management of hospitals and outpatient clinics.

### Increase in the investment in Exor Seeds

In the first half of 2022 Exor increased its investment in Exor Seeds by $46 million (€42 million).

### Exor buyback program

In the first half of 2022, under the share buyback program launched on 8 March 2022, Exor purchased on Euronext Milan 1,524,103 ordinary shares for a total invested amount of €100 million, as the first tranche of the program.

At 30 June 2022 Exor held in total 10,797,181 ordinary shares in treasury (4.48% of total issued share capital).

# REVIEW OF THE CONSOLIDATED RESULTS OF THE EXOR GROUP

Exor (and the subsidiaries constituting the Holdings System) together with its operating subsidiaries, constitute the “Exor Group” or the “Group”.

This section includes a selection of the most relevant financial data from the consolidated financial statements of the Exor Group.

In order to ensure that data is coherent and uniform, it is presented based on Exor consolidation rules and IFRS accounting standards and therefore may differ from the data published by subsidiaries in their financial reports.

## REVIEW OF THE CONSOLIDATED RESULTS OF THE EXOR GROUP

### Demerger between CNH Industrial and Iveco Group

Effective 1 January 2022 the Commercial and Specialty Vehicles, Powertrain and related Financial Services businesses of CNH Industrial were separated from CNH Industrial. Iveco Group (the vehicle housing the aforementioned businesses as the Iveco Group business) became a public-listed company independent from CNH Industrial and, from 3 January 2022, its common shares are traded on Euronext Milan. As the demerger is a “business combination involving entities or businesses under common control”, it is outside the scope of application of IFRS 3 – Business Combinations and IFRIC 17 – Distributions of Non-cash Assets to Owners. Accordingly, in Exor's 2022 Consolidated Financial Statements, the opening balances at 1 January 2022 related to Iveco Group correspond to the carrying amounts of the assets and liabilities included within the financial statements of CNH Industrial pre-demerger at 31 December 2021.

The comparative figures at 31 December 2021 and for the six months ended 30 June 2021 were re-presented to exclude Iveco Group's data from the CNH Industrial Group and to present Iveco Group as a single line item.

### Significant economic data[(a)]

| € million | Six months ended 30 June 2022 | | | Six months ended 30 June 2021 | | |
|---|---|---|---|---|---|---|
| | **Revenues from continuing operations** | **Net profit (loss) from continuing operations** | **Profit (loss) attributable to owners of the parent[(b)]** | **Revenues from continuing operations** | **Net profit (loss) from continuing operations** | **Profit (loss) attributable to owners of the parent[(b)]** |
| Stellantis[(c)] | — | 1,133 | 1,133 | — | 842 | 842 |
| CNH Industrial[(d)] | 9,792 | 723 | 189 | 7,679 | 670 | 180 |
| Iveco Group[(d)] | 6,419 | 21 | 4 | 6,319 | 143 | 34 |
| Ferrari | 2,477 | 490 | 118 | 2,046 | 412 | 99 |
| Juventus | 219 | (132) | (84) | 222 | (79) | (49) |
| GEDI | 238 | (22) | (19) | 248 | (11) | (10) |
| Other and adjustments[(e)] | (462) | (43) | (1,076) | (374) | 28 | (258) |
| **Consolidated data** | **18,683** | **2,170** | **265** | **16,140** | **2,005** | **838** |

(a) Data prepared by each segment entity for Exor consolidation purposes, which may differ from data published by the entity in its own financial report.
(b) Exor share of the results attributable to the owners of the parent of each segment entity.
(c) Accounted for using the equity method starting from 17 January 2021.
(d) Figures for the six months ended at 30 June 2021 have been re-presented for comparative purposes following the spin off of Iveco Group from CNH Industrial, effective from 1 January 2022.
(e) The item includes consolidation adjustments and data of Exor and entities of the Holdings System, as well as the result from discontinued operations. In the six months ended 30 June 2022, the column Profit (loss) attributable to owner of the parents includes a loss of €1,060 million related to PartnerRe, classified as discontinued operation. In the six months ended 30 June 2021, the column Profit (loss) attributable to owner of the parents included the profit of PartnerRe (€219 million) and a non-recurring loss of €504 million arising from the deconsolidation of FCA following the merger of PSA with and into FCA, of which €490 million related to the reversal to the income statement of Exor's share in the FCA items previously recognized in other comprehensive income reserve.

#### Net revenues

Net revenues for the six months ended 30 June 2022 were €18,683 million, with an increase of €2,543 million compared to the six months ended 30 June 2021 (€16,140 million), mainly attributable to the improvement in the performance of CNH Industrial and Ferrari for €2,113 million and €431 million, respectively. The overview of the revenues of the main subsidiaries is as follows.

Net revenues of CNH Industrial for the six months ended 30 June 2022 were €9,792 million, with an increase of €2,113 million compared to the six months ended 30 June 2021 (€7,679 million), mainly due to favourable price realization.

Net revenues of Iveco Group for the six months ended 30 June 2022 were €6,419 million, an increase of 1.06% compared to the six months ended 30 June 2021 (€6,319 million), mainly due to favourable price realization.

Net revenues of Ferrari for the six months ended 30 June 2022 were €2,477 million, with an increase of €431 million or 21.1% (an increase of 18.9% on a constant currency basis), compared to €2,046 million for the six months ended 30 June 2021. The improvement is mainly attributable to the combination of a €376 million increase in cars and spare parts, a €44 million increase in sponsorship, commercial and brand and a €23 million increase in other net revenues, partially offset by a €12 million decrease in engines.

## Net Profit (loss) from continuing operations

Net profit (loss) from continuing operations for the six months ended 30 June 2022 was €2,170 million, with an increase of €165 million compared to the six months ended 30 June 2021 (€2,005 million), mainly attributable to the improvement of Stellantis's performance for €291 million. The overview of the result of the main subsidiaries is as follows.

Net profit from continuing operations of CNH Industrial was €723 million for the six months ended 30 June 2022, compared to €670 million for the six months ended 30 June 2021. Net profit included €7 million of loss on the sale of Raven Engineered Films, net of income from Raven businesses held for sale during the half-year, a charge of €65 million related to assets write-downs, financial receivable and deferred tax assets allowances as a result of the suspension of operations in Russia, separation costs in connection with the spin-off Iveco Group of €5 million and restructuring costs of €7 million, while the favourable fixed cost absorption was offset by cost escalation.

Net profit from continuing operations of Iveco Group was €21 million for the six months ended 30 June 2022 (€143 million for the six months ended 30 June 2021). It was affected by higher raw material and energy costs and included also the write-down of certain assets in connection with operations in Russia and Ukraine (€53 million), the negative impact from the first time adoption of hyperinflation accounting in Turkey (€15 million) and separation costs related to the spin-off of Iveco Group (€10 million).

Net profit from continuing operations of Ferrari was €490 million for the six months ended 30 June 2022, with an increase of €78 million compared to €412 million for the six months ended 30 June 2021. Higher industrial costs (including the effects of rising energy and certain raw material prices), as well as the increase in research and development costs and selling, general and administrative costs, were more than off setted by the increase in revenues.

### Significant financial data[a]

| | At 30 June 2022 | | | | | At 31 December 2021 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| € million | Cash and cash equivalents | Total Assets | Gross debt[b] | Total equity | Issued capital and reserves attributable to owners of the parent[c] | Cash and cash equivalents | Total Assets | Gross debt[b] | Total equity | Issued capital and reserves attributable to owners of the parent[c] |
| Stellantis[d] | — | 9,922 | — | 9,922 | 9,922 | — | 8,624 | — | 8,624 | 8,624 |
| CNH Industrial[e] | 3,450 | 35,047 | 20,723 | 6,189 | 1,622 | 5,161 | 31,922 | 19,310 | 5,129 | 1,342 |
| Iveco Group[e] | 1,431 | 14,755 | 3,591 | 2,290 | 616 | 897 | 16,560 | 5,828 | 2,311 | 620 |
| Ferrari | 1,206 | 7,321 | 2,836 | 2,264 | 549 | 1,344 | 6,863 | 2,667 | 2,211 | 533 |
| PartnerRe | — | 27,016 | — | 6,681 | 6,488 | — | 25,429 | — | 7,316 | 7,139 |
| Juventus | 70 | 923 | 223 | 171 | 109 | 160 | 962 | 239 | 303 | 194 |
| GEDI | 39 | 670 | 194 | 170 | 151 | 14 | 675 | 161 | 193 | 171 |
| Other and adjustments[f] | 447 | 3,206 | 4,691 | (1,267) | (1,396) | 329 | 76 | 745 | (1,717) | (1,864) |
| **Consolidated data** | **6,643** | **98,860** | **32,258** | **26,420** | **18,061** | **7,905** | **91,111** | **28,950** | **24,370** | **16,759** |

(a) Data prepared by each segment entity for Exor consolidation purposes, which may differ from data published by the entity in its own financial report.
(b) Gross debt referred to CNH Industrial, Iveco Group and Ferrari includes industrial activities and financial services debt. Gross debt in this table corresponds to the item financial debt and derivative liabilities in the consolidated financial statements.
(c) Exor share of the equity attributable to the owners of the parent of each segment entity.
(d) Accounted for using the equity method starting from 17 January 2021.
(e) Figures at 31 December 2021 have been re-presented for comparative purposes following the spin off of Iveco Group from CNH Industrial, effective from 1 January 2022.
(f) Includes consolidation adjustments and data of Exor and subsidiaries of the Holdings System.

## Gross debt

The Group's sources of financing are largely represented by public and private bond issues and bank loans (including, without limitation, committed and uncommitted credit facilities to manage its cash flow needs), as well as commercial paper.

Bond issues and revolving credit facility agreements may impose covenants on the borrower and in certain cases on the guarantor, which are typical of international practice for similar liabilities.

The covenants vary from facility to facility and may include among others: (i) negative pledge clauses which require that, in case any security interest in assets of the issuer is granted in connection with other notes or debt securities having the same ranking, such security should be equally and ratably extended to the outstanding notes, subject to certain permitted exceptions; (ii) pari passu clauses, under which the debt rank and will rank pari passu with all other present and future unsubordinated and unsecured obligations of the issuer; (iii) periodic disclosure obligations; (iv) cross-default clauses which require immediate repayment of the debt under certain events of default on other financial instruments of the relevant issuer; (v) limitation of new real guarantees and asset sales on certain company assets without the consent of the creditor; (vi) limitation on incurrence of liens; (vii) limitations on incurrence, repayment and prepayment of indebtedness, and (viii) other clauses that are generally applicable to securities of a similar type. A breach of these covenants may require the early repayment of the underlying indebtedness. At 30 June 2022 and 31 December 2021 the Group was in compliance with all covenants under its debt agreements.

In this regard, it should be noted that Exor is a holding company at the head of a diversified and non-integrated group and does not exercise management and coordination activities over its subsidiaries, which operate in full autonomy.

It should also be noted that Exor has not assumed any guarantees in relation to the indebtedness of its investee operating companies.

The financial debt is also affected by the assets-backed financing (almost entirely related to CNH Industrial and Iveco Group) that represents the amount of financing received through factoring transactions which do not meet the asset derecognition requirements and which are recognised as assets for the same amount in the consolidated statement of financial position. The composition of the gross debts is as presented below.

| (€ million) | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| Financial debt | 31,756 | 28,684 |
| Derivative liabilities | 502 | 266 |
| **Gross debt** | **32,258** | **28,950** |

The composition of gross debt is as follows:

| (€ million) | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| Notes | 13,464 | 13,283 |
| Borrowings from banks | 3,798 | 2,880 |
| Asset-backed financing | 11,972 | 10,661 |
| Lease liabilities | 539 | 504 |
| Payables represented by securities | 1,730 | 1,081 |
| Other financial debt | 253 | 275 |
| Derivative liabilities | 502 | 266 |
| **Gross debt** | **32,258** | **28,950** |

The composition of gross debt by entity is as follows:

| (€ million) | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| Exor | 5,134 | 4,310 |
| CNH Industrial | 20,651 | 18,817 |
| Iveco Group | 3,325 | 2,752 |
| Ferrari | 2,836 | 2,666 |
| Juventus | 223 | 239 |
| GEDI | 89 | 161 |
| Shang Xia | — | 5 |
| **Gross debt** | **32,258** | **28,950** |

## Cash flow

Exor depends largely on access to cash flows from investee companies in the form of distributions, and as part of its daily operations and in its ordinary course of business, uses available credit facilities to manage its cash flow needs. The following table sets out the Exor Group's cash flows and cash and cash equivalents positions for the periods indicated.

| | Six months ended 30 June | |
|---|---|---|
| € million | 2022 | 2021[(a)] |
| Cash flow from operating activities: | 670 | 1,102 |
| *- continuing operations* | *94* | *1,980* |
| *- discontinued operations* | *576* | *(878)* |
| Cash flow used in investing activities | (2,894) | (2,801) |
| *- continuing operations* | *(2,614)* | *(1,891)* |
| *- discontinued operations* | *(280)* | *(910)* |
| Cash flow from (used in) financing activities | 854 | (2,075) |
| *- continuing operations* | *865* | *(1,929)* |
| *- discontinued operations* | *(10)* | *(146)* |
| Translation exchange differences | 269 | 334 |
| Net change in cash and cash equivalents | (1,101) | (3,440) |
| **Cash and cash equivalents at the beginning of the period** | **7,905** | **35,561** |
| Cash and cash equivalents at the beginning of the period included in Assets held for sale | 584 | 27 |
| Deconsolidation of FCA at 16 January 2021 | — | (22,532) |
| Cash and cash equivalents at the end of the period included in Assets held for sale | (745) | (777) |
| **Cash and cash equivalents at the end of the period** | **6,643** | **8,839** |

(a) Adjusted following the classification of PartnerRe as a discontinued operation.

For the six months ended 30 June 2022 group companies generated positive cash flows from operating activities for €670 million, while the cash flow used in investing activities is €2,894 million, mainly related to the investments in property, plant and equipment and intangible assets for €809 million, in subsidiaries and associates for €363 million and to other net changes in financial receivables for €1,653 million.

For the six months ended 30 June 2022 net cash from financing activities was €854 million, mainly related to the positive change in short-term debt and other financial assets/liabilities (€1,796 million), issues of new notes (€457 million), partially offset by repayment of notes and other long-term debt for a total of €1,137 million.

For the six months ended 30 June 2021 group companies generated positive cash flows from operating activities for €1,102 million, while the cash flow used in investing activities was €2,801 million, mainly related to the investments in property, plant and equipment and intangible assets for €665 million and in subsidiaries and associates for €789 million and to other net changes in financial receivables for €377 million

For the six months ended 30 June 2021 net cash used in financing activities was €2,075 million, primarily related to the repayment of notes and other long-term debt for a total of €2,488 million, partially offset by issues of new notes (€993 million).

# ALTERNATIVE PERFORMANCE MEASURES (APM)

Exor applies the European Securities and Markets Authority (ESMA) guidelines to present financial measures other than a financial measure defined or specified in the applicable financial reporting framework (IFRS), which are defined as Alternative Performance Measures (APM).

This section presents the APM identified by Exor's management to facilitate the understanding of the economic and financial performance of Exor and the Group, which are listed below:

- Net Asset Value (NAV) and, as a component of NAV: Gross Asset Value (GAV) and Gross debt of the Holdings System
- Net financial position of the Holdings System
- Share of the profit (loss) from investments in subsidiaries and associates
- Loan-to-Value (LTV) ratio

This section includes a definition of each APM and the reconciliation with the most directly reconcilable line item, total or subtotal presented in the IFRS financial statements.

## ALTERNATIVE PERFORMANCE MEASURES (APM)

To facilitate the understanding of the economic and financial performance of the Company and of the Group, the management of the Company has identified a number of Alternative Performance Measures (APM), which are used to identify operational trends and to make investment and resource allocation decisions. To ensure that the APM are correctly interpreted, it is emphasized that these measures are not indicative of the future performance of the Group. The APM are not part of international reporting standards (IFRS) and are unaudited. They should not be taken as replacements of the measures required under the reference financial reporting standards.

Since they are not based on the reference financial reporting standards, the APM used by the Company may not be consistent and comparable with those used by other companies or groups. The APM used by the Company have been consistently calculated and presented for all the reporting periods for which financial information is presented in this report.

Set out below are the main APM identified by Exor:

a. Net Asset Value and, as a component of Net Asset Value, Gross Asset Value and Gross Debt of the Holdings System;

b. Net financial position of the Holdings System (determined using the shortened consolidation criterion);

c. Share of the profit (loss) from investments in subsidiaries and associates (determined using the shortened consolidation criterion); and

d. Loan-to-Value (LTV) Ratio.

The APM should be read together with the consolidated financial information prepared applying the shortened consolidation criterion.

The shortened consolidation data is prepared by the Company on the basis of a “shortened” method of consolidation in which the data derived from the IFRS-compliant financial statements of the Company and of the subsidiaries of the Holdings System: Exor Nederland N.V. (the Netherlands); Exor S.A. (Luxembourg); Ancom USA Inc. (USA); Exor SN LLC (USA); Exor Investments Limited (United Kingdom) are included in the financial statements of the parent company, namely Exor, using the line-by-line method, while the data derived from the financial statements prepared in accordance with IFRS of the Company’s investee companies (PartnerRe, Ferrari, CNH Industrial, Exor Seeds, Juventus, Iveco Group, GEDI, Shang Xia, Exor Capital, Stellantis, Christian Louboutin, The Economist Group, Welltec, Lifenet and Nuo) are included in the financial statements of Exor using the equity method.

The data and information prepared using the shortened consolidation method are recognized by the financial community, by financial counterparties and by the rating agencies, and the Company believes that these data and information facilitate better analysis of the financial position and results of the Company than the equivalent IFRS measures (which are reconciled below for reference), by virtue of Exor’s business as a holding company. However, such data do not fully represent, nor should be treated as, the consolidated financial position of the Group prepared in accordance with IFRS. In fact, the shortened consolidation method is not contemplated in the reference accounting standards on the presentation of consolidated financial statements and may not be consistent with the methods adopted by other groups and, therefore, such data may not be comparable with the data reported by such groups.

Additionally, the consolidated data prepared in shortened form are not audited by the independent auditors.

### Net Asset Value (including Gross Asset Value and Gross Debt of the Holdings System as components)

*Definition and Methodology*

Net Asset Value (NAV) corresponds to the total value of assets (Gross Asset Value or GAV) net of the gross debt of the Holdings System (Gross Debt of the Holdings System) and other liabilities of the Holdings System.

Net Asset Value is identified as an APM and reported by the Company because it indicates the value of the Company to shareholders and investors. In particular the Company reports on the NAV per share whose performance is tracked against the MSCI World Index, a financial target of the Company.

Gross Asset Value and Gross Debt of the Holdings System are the components constituting Net Asset Value and by which it is calculated; they accordingly contribute in providing the aforementioned useful information to shareholders and investors. Further, Gross Debt of the Holdings System is a useful analytical metric for measuring the Company's outstanding debt.

To determine the value of an asset:

- Listed equity investments and other listed securities are valued at official market prices.
- Unlisted equity investments are valued on the basis of the valuation method that better reflects their most recent fair value which can be either (i) a valuation determined at least annually by independent experts, (ii) a valuation of a recent round or arms-length transaction or (iii) a valuation at cost if the investment has been completed recently.
- Investments in funds or other investment vehicles are valued at NAV or Exor's share of the value reported by the fund.
- Financial assets are valued in accordance with the methodologies applied in the consolidated financial statement (amortized cost or fair value).
- Treasury stock includes the shares held in treasury designated to service stock option plans (measured at the option exercise price under the plan if this is less than the market price). Treasury stock does not include the shares bought back under the 2018-2020 share buyback program and under the first tranche of the 2022-2024 share buyback program. Starting from 31 December 2021, shares held in treasury and not allocated to stock option plans are excluded from the NAV calculation.

The sum of the aforesaid values constitutes the total value of assets (Gross Asset Value or GAV). Gross Debt corresponds to the total amount of the financial debt of the Holdings System and Other liabilities include liabilities not included in the net financial position.

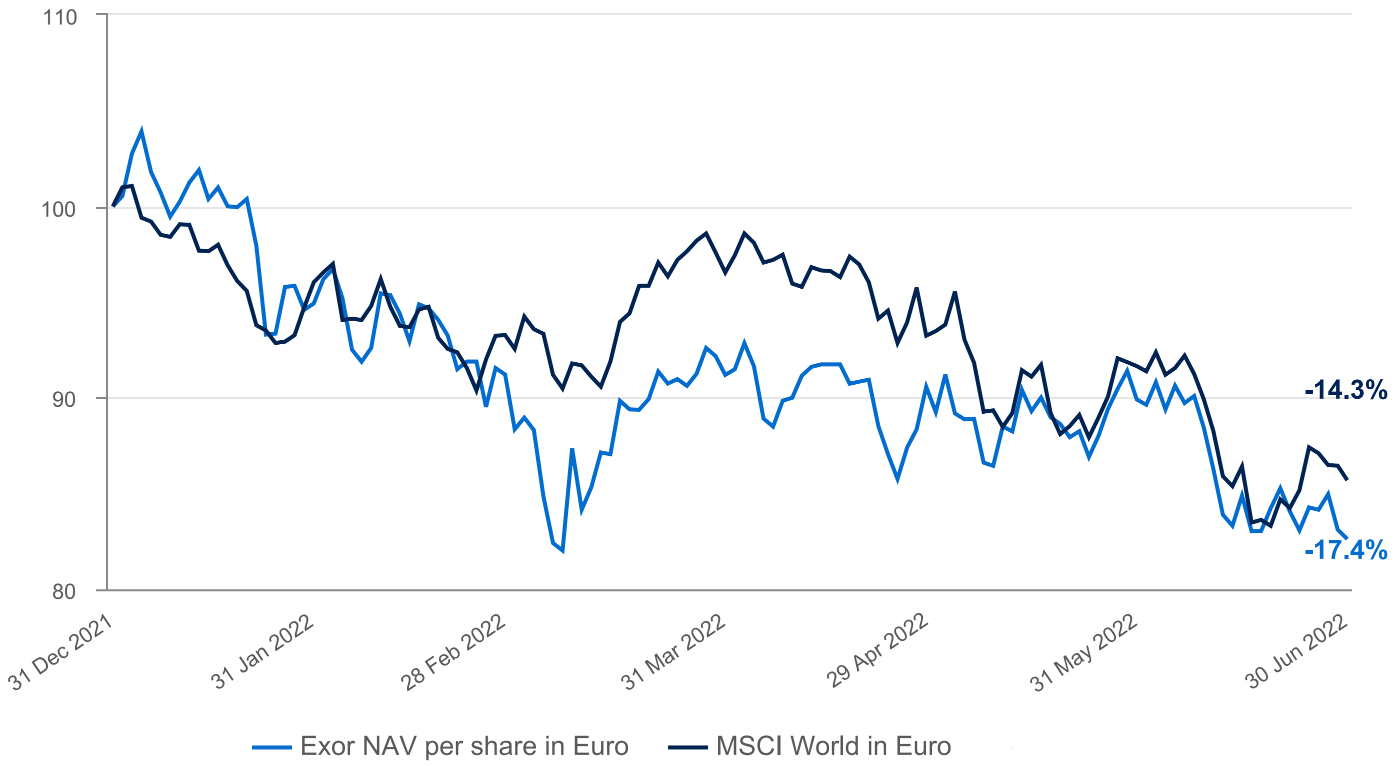
Items included in the calculation of Gross Asset Value and Gross Debt which are denominated in foreign currencies are converted at the official exchange rates at the corresponding reporting date.

*Highlights*

- At 30 June 2022 Exor's NAV is €25,505 million compared to €31,069 million at 31 December 2021.
- At 30 June 2022 Exor's NAV per share amounts to €109.41 compared to €132.41 at 31 December 2021, a decrease of €23.00/share or 17.4%. This compares to a decrease of 14.3% for the MSCI World Index in Euro.

NAV per share is based on 233,121,788 shares at 30 June 2022 and 234,645,891 shares at 31 December 2021. At 30 June 2022, this is calculated based on 241,000,000 issued shares excluding (i) the 5,483,361 shares bought back in the context of the 2018-2020 share buyback program, (ii) the 1,524,103 shares bought back under the first tranche of the 2022-2024 share buyback program and (iii) the 870,748 shares held in treasury and not allocated to stock option plans.

*Change in NAV per share compared to the MSCI World Index in Euro*



## *Breakdown of Net Asset Value*

| € million | Ownership % at 30 June 2022 | 30 June 2022 | 31 December 2021 | Change vs. 31 December 2021 | |
|---|---|---|---|---|---|
| | | | | Amount | % |
| **Companies** | | **28,373** | **34,314** | (5,941) | (17.3)% |
| PartnerRe[a] | 100.0% | 8,311 | 8,109 | 202 | 2.5 % |
| Ferrari | 22.9% | 7,785 | 10,109 | (2,324) | (23.0)% |
| Stellantis | 14.3% | 5,299 | 7,499 | (2,200) | (29.3)% |
| CNH Industrial[b] | 26.9% | 4,044 | 5,481 | (1,437) | (26.2)% |
| Juventus | 63.8% | 582 | 556 | 26 | 4.7 % |
| Iveco Group[b] | 27.1% | 370 | 819 | (449) | (54.8)% |
| Other companies[c] | | 1,982 | 1,741 | 241 | 13.8 % |
| **Others** | | **1,470** | **1,095** | 375 | 34.2 % |
| Seeds | | 610 | 489 | 121 | 24.7 % |
| Funds[d] | | 423 | 337 | 86 | 25.5 % |
| Financial investments[e] | | 161 | 42 | 119 | 283.3 % |
| Other assets[f] | | 181 | 132 | 49 | 37.1 % |
| Treasury stock[g] | | 95 | 95 | — | — % |
| **Cash, cash equivalents and listed securities** | | **804** | **738** | 66 | 8.9 % |
| Cash | | 385 | 283 | 102 | 36.0 % |
| Financial assets and receivables[h] | | 205 | 100 | 105 | 105.0 % |
| Listed securities[i] | | 214 | 355 | (141) | (39.7)% |
| **Gross Asset Value** | | **30,647** | **36,147** | (5,500) | (15.2)% |
| **Gross Debt** | | **(5,136)** | **(4,307)** | (829) | 19.2 % |
| **Other liabilities[j]** | | **(6)** | **(771)** | 765 | n.a. |
| **Net Asset Value (NAV)** | | **25,505** | **31,069** | (5,564) | (17.9)% |
| **NAV per Share in Euro[k]** | | **109.41** | **132.41** | (23.00) | (17.4)% |

(a) At 30 June 2022 the fair value is equal to the total cash consideration received on 12 July 2022 at the closing of the sale under the terms of the agreement with Covéa, excluding the dividend already paid by PartnerRe to Exor as a special dividend in March 2022. The fair value is equal to the sum of $4.636 billion (converted into Euro at the official exchange rate at 30 June 2022) plus €3.847 billion. At 31 December 2021 the fair value was equal to the price under the terms of the definitive agreement signed with Covéa on 16 December 2021, equal to $9 billion plus a price adjustment of $0.3 billion.

(b) At 31 December 2021 Iveco Group was part of CNH Industrial, with an aggregate valuation equal to €6,300 million. Iveco Group became an independently listed company following the separation of its business from CNH Industrial effective from 1 January 2022. For comparative purposes, the aggregate valuation of CNH Industrial at 31 December 2021 has been split in order to present Iveco Group separately using the demerger ratio calculated based on the opening price at 3 January 2022 (first date of listing on Euronext Milan).

(c) Other companies at 30 June 2022 includes Christian Louboutin (€643 million), Via Transportation (€465 million), The Economist (€382 million), GEDI (€201 million), Welltec (€141 million), Shang Xia (€83 million) and Lifenet (€67 million). Other companies at 31 December 2021 included Christian Louboutin (€541 million), Via Transportation (€449 million), The Economist (€364 million), GEDI (€202 million), Welltec (€101 million) and Shang Xia (€84 million).

(d) Funds correspond to a portfolio of minority investments managed by Exor Capital. At 30 June 2022 it includes investments in public positions (€322 million) and private positions (€101 million). At 31 December 2021 it included investments in public positions (€337 million).

(e) The item Financial investments includes investments in minority stakes held directly by Exor. At 30 June 2022 these investments are reported on a single line item, whilst they were previously reported under "Other assets". Figures at 31 December 2021 have been reclassified accordingly.

(f) Other assets includes loans, receivables, assets and accounting items not included in the net financial position.

(g) Treasury stock includes shares held in treasury at the service of stock option plans, valued at the option strike price if less than market price.

(h) This item includes loans, investment-grade and high-yield bonds purchased by Exor, included in the net financial position.

(i) Listed securities at 30 June 2022 include Faurecia (€188 million) among others. Listed securities at 31 December 2021 included Faurecia (€320 million) among others.

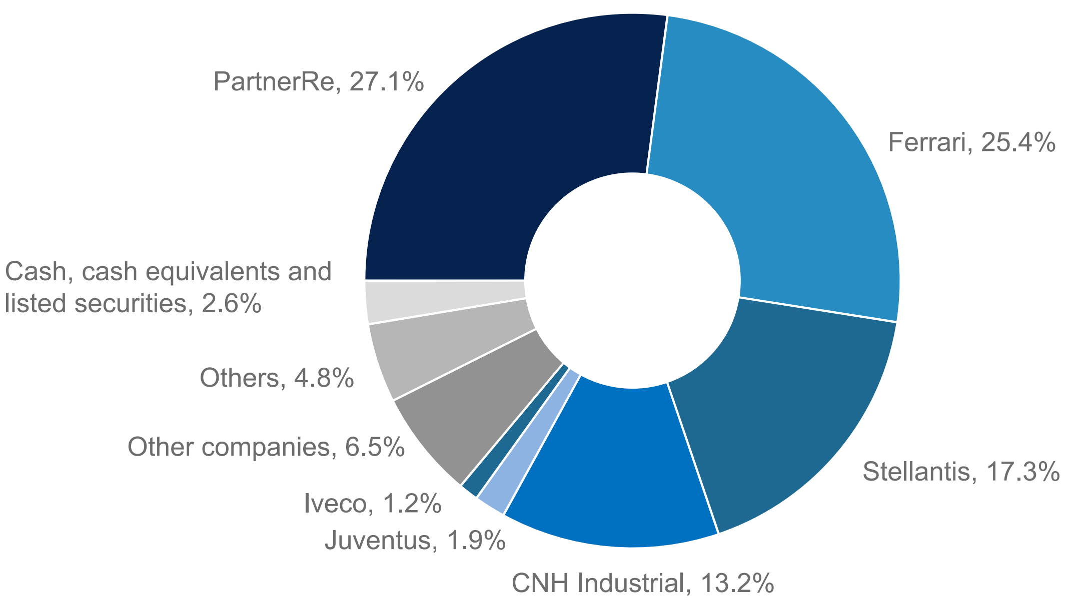
(j) Other liabilities at 31 December 2021 are mainly related to the tax claim settled on 18 February 2022.

(k) Based on 233,121,788 shares at 30 June 2022 and 234,645,891 shares at 31 December 2021.

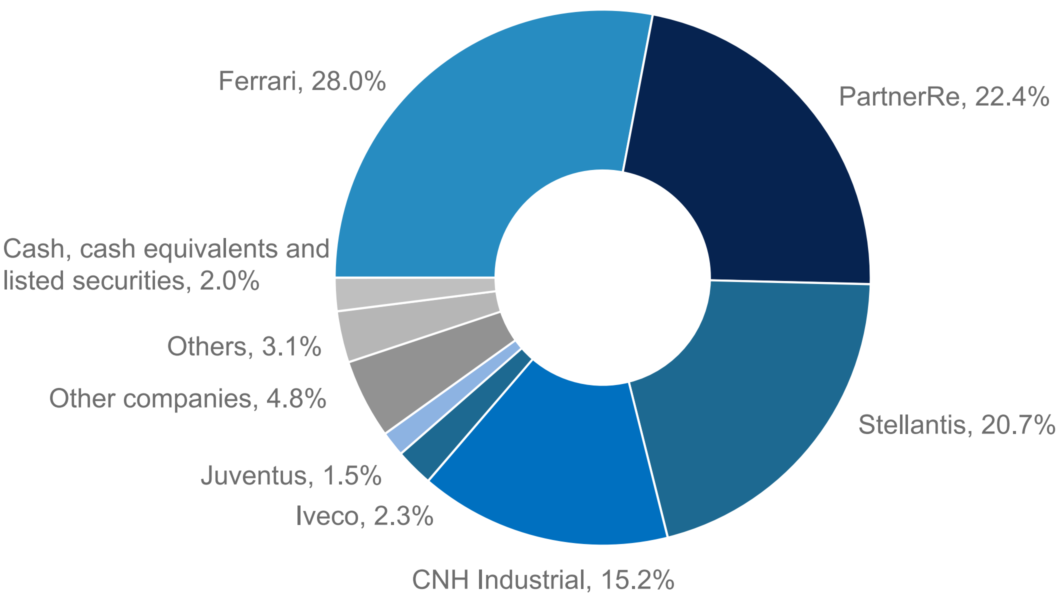
*Gross Asset Value composition*

The following chart illustrates the GAV composition at 30 June 2022 (€30,647 million), compared to 31 December 2021 (€36,147 million).

**30 June 2022**




**31 December 2021**



*Reconciliation with the IFRS financial statements*

The following table shows the reconciliation between the Net Asset Value (NAV), the Gross Asset Value (GAV) and the issued capital and reserves attributable to owners of the parent.

| € million | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| **Issued capital and reserves attributable to owners of the parent** | **18,061** | 16,759 |
| Difference between the market value and the book value of the investments | 7,349 | 14,215 |
| Treasury stock and other | 95 | 95 |
| **Net Asset Value (NAV)** | **25,505** | **31,069** |
| Gross debt of the Holding System | 5,136 | 4,307 |
| Other liabilities of the Holdings System | 6 | 771 |
| **Gross Asset Value (GAV)** | **30,647** | **36,147** |

The following table shows the difference between the market value and the book value of investments:

| | At 30 June 2022 | | At 31 December 2021 | |
|---|---|---|---|---|
| € million | Book value[a] | Market value | Book value[a] | Market value |
| PartnerRe | 6,488 | 8,311 | 7,139 | 8,109 |
| Ferrari | 549 | 7,785 | 533 | 10,109 |
| Stellantis | 9,922 | 5,299 | 8,624 | 7,499 |
| CNH Industrial | 1,622 | 4,044 | 1,342 | 5,481 |
| Exor Seeds | 610 | 610 | 489 | 489 |
| Juventus | 109 | 582 | 194 | 556 |
| Christian Louboutin[b] | 580 | 643 | 562 | 541 |
| The Economist Group | 314 | 382 | 317 | 365 |
| Iveco Group[c] | 616 | 370 | 620 | 819 |
| GEDI | 151 | 201 | 171 | 202 |
| Others[d] | 1,646 | 1,729 | 692 | 728 |
| **Total** | **22,607** | **29,956** | **20,683** | **34,898** |
| **Difference** | | **7,349** | | **14,215** |

(a) Correspond to the Exor's share of the net equity attributable to the owner of the parent of each entity. The values in the item Others correspond to the carrying amounts in the financial statements.
(b) The accounting acquisition date was 30 April 2021.
(c) At 31 December 2021 Iveco Group was part of CNH Industrial and became an independently listed company following the separation of its business from CNH Industrial effective from 1 January 2022. For comparative purposes, the aggregate book and market value of CNH Industrial at 31 December 2021 has been split in order to present Iveco Group separately. The market value has been split using the demerger ratio calculated based on the opening price at 3 January 2022 (first date of listing on Euronext Milan), while the opening balances at 1 January 2022 (book value) correspond to the carrying amounts of net equity included within the financial statements of CNH Industrial pre-demerger.
(d) In 2021 mainly included the book value of other minor investments (€1,432 million), partially offset by the liability related to the payment of the Italian exit tax (€740 million).

## Net financial position of the Holdings System

The net financial position of the Holdings System, determined by applying the shortened consolidation criterion, is a representative measure of the financial resources and commitments directly attributable to and managed by Exor. This non-IFRS measure is a metric used to indicate to shareholders and investors the financial resources and indebtedness directly attributable to Exor, rather than the consolidated financial resources and indebtedness of the Group.

The following table shows the net financial position of the Holdings System and details the composition thereof, namely cash, cash equivalents and financial assets less gross debt of the Holdings System.

| € million | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| Financial assets and financial receivables | 205 | 100 |
| Cash and cash equivalents | 385 | 283 |
| **Cash, cash equivalents and financial assets** | **590** | **383** |
| Exor bonds | (4,084) | (4,069) |
| Bank debt | (959) | (150) |
| Commercial paper | (15) | — |
| Other financial liabilities | (78) | (88) |
| **Gross debt** | **(5,136)** | **(4,307)** |
| **Net financial position** | **(4,546)** | **(3,924)** |

*Reconciliation with the IFRS financial statements*

Considering that the net financial position of the Holdings System is a non-IFRS measure, the reconciliation with the IFRS financial statements is presented for the components of the net financial position of the Holdings System, meaning cash, cash equivalents and financial assets and gross debt.

The reconciliation of cash, cash equivalents and financial assets of the Holdings System against the nearest IFRS-measure is as follows.

| € million | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| **Cash and cash equivalents**[(a)] | **6,643** | **7,905** |
| (Less) Cash and cash equivalents of the operating subsidiaries accounted for using the equity method in the Holdings System | (6,258) | (7,622) |
| Financial assets and financial receivables | 205 | 100 |
| **Cash, and cash equivalents and financial assets of the Holdings System** | **590** | **383** |

(a) IFRS measure.

The reconciliation of the consolidated gross debt of the Holdings System against the nearest IFRS measure is as follows.

| € million | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| **Gross debt**[(a)] | **(32,258)** | **(28,950)** |
| (Less) Gross debt of the operating subsidiaries accounted for using the equity method in the Holdings System | 27,122 | 24,643 |
| **Gross debt of the Holdings System** | **(5,136)** | **(4,307)** |

(a) IFRS measure. Corresponding to the item financial debt and derivative liabilities in the consolidated financial statement.

### Share of the profit (loss) from investments in subsidiaries and associates

The share of the profit (loss) from investments in subsidiaries and associates is determined using the shortened consolidation criterion and measures the profitability of Exor's investments. This non-IFRS measure is a metric used to indicate the profits or losses directly attributable to Exor's proportionate shareholding in its subsidiaries and associates, rather than the consolidated profits or losses attributable to the Group. The composition is as follows.

| € million | Six months ended 30 June 2022 | 2021 | Change |
|---|---|---|---|
| PartnerRe | (1,060) | 219 | (1,279) |
| Ferrari | 118 | 99 | 19 |
| Stellantis[a] | 1,133 | 842 | 291 |
| CNH Industrial[b] | 189 | 180 | 9 |
| Exor Seeds | 31 | 43 | (12) |
| Juventus | (84) | (49) | (35) |
| Christian Louboutin | 17 | 6 | 11 |
| The Economist Group | 9 | 2 | 7 |
| Iveco Group[b] | 4 | 34 | (30) |
| GEDI | (19) | (10) | (9) |
| Welltec | 11 | (1) | 12 |
| Other | 4 | 10 | (6) |
| **Share of the profit (loss) from investments in subsidiaries and associates** | **353** | **1,375** | (1,022) |

(a) In the six months ended 30 June 2021 the result referred to the period 17 January to 30 June.
(b) Data of the first half 2021 re-presented for comparative purpose.

*Reconciliation with the IFRS financial statements*

The reconciliation of the share of the profit from investments in subsidiaries and associates with the profit (loss) attributable to owners of the parent is as follows:

| € million | Six months ended 30 June 2022 | 2021 | Change |
|---|---|---|---|
| **Profit (loss) attributable to owners the parent[a]** | **265** | **838** | (573) |
| Less: | | | |
| – Profit from investments at FVTOCI | — | (8) | 8 |
| – Profit from investments at FVTPL | 15 | (48) | 63 |
| – Net financial income/expenses | 60 | 67 | (7) |
| – Net recurring general expenses | 9 | 8 | 1 |
| – Net non-recurring other income/expenses[b] | 3 | 507 | (504) |
| – Income taxes and other taxes and duties | 1 | 11 | (10) |
| **Share of the profit (loss) from investments in subsidiaries and associates** | **353** | **1,375** | (1,022) |

(a) IFRS measure.
(b) Six months ended 30 June 2021 included €504 million arising from the deconsolidation of FCA, following the merger of PSA with and into FCA, in particular, €490 million relate to the reversal to the income statement of Exor's share in the FCA items previously recognized in other comprehensive income reserve.

## Loan-To-Value (LTV) Ratio

Exor focuses on managing its leverage and keeping indebtedness below 20% of Loan-to-Value (LTV) ratio as a target. LTV ratio is a measure used to assess the financial risk profile of an investment holding company, and, in respect of Exor, is calculated by the sum of the net financial position of the Holdings System and other liabilities of the Holdings System, and dividing it by the sum of the Gross Asset Value of the Company net of cash, cash equivalents and other financial assets of the Holdings System, expressed as a percentage.

The Company's LTV ratio at 30 June 2022 and 31 December 2021 was equal to 15% and 13% respectively. The current LTV ratio is not applicable as the Company's financial position is net cash. This APM is a ratio used to provide shareholders and investors with a metric which shows the relationship between the Company's net debt and the value of its assets, which are mainly participations in companies.

The table below sets out the breakdown of the Company's LTV ratio at 30 June 2022 and at 31 December 2021.

| (€ million) | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| Net financial position of the Holdings System | **(4,546)** | (3,924) |
| Other liabilities of the Holdings System[a] | **(6)** | (771) |
| **Numerator** | **(4,552)** | (4,695) |
| Gross Asset Value | **30,647** | 36,147 |
| Cash, cash equivalents and financial assets of the Holdings System | **590** | 383 |
| **Denominator** | **30,057** | 35,764 |
| **LTV Ratio** | **15.14 %** | 13.13 % |

(a) At 31 December 2021 the LTV ratio had been adjusted to reflect the tax claim accrued at that date and paid in February 2022.

# REVIEW OF THE CONSOLIDATED RESULTS OF THE EXOR GROUP – SHORTENED

This section includes the results of the Exor Group based on the “shortened” criterion of consolidation.

According to this method, the Holdings System companies are consolidated line-by-line and the operating subsidiaries and associates are consolidated using the equity method.

While the presentation of such data is not contemplated in the reference accounting standards, Exor believes that this information facilitates the analysis of the results and the financial position of Exor Group.

## REVIEW OF THE CONSOLIDATED RESULTS OF THE EXOR GROUP - SHORTENED

As described above in the APM section, Exor applies a shortened consolidation criterion to facilitate the analysis of the financial position and results of Exor.

Using the shortened consolidation criterion, rather than the line-by-line method of consolidation required by law and under IFRS, the data derived from the financial statements or accounting data prepared in accordance with IFRS by Exor and by the subsidiaries constituting the Holdings System are consolidated in the financial statements of the parent company Exor using the line-by-line method, while the data derived from the financial statements or accounting data prepared in accordance with IFRS of the operating subsidiaries (PartnerRe, Ferrari, CNH Industrial, Juventus, Iveco Group, GEDI, Exor Seeds, Shang Xia and Exor Capital LLP) and associates (Stellantis, Christian Louboutin, The Economist Group, Welltec, Lifenet and Nuo) are included in the consolidated financial statements of the parent company Exor using the equity method.

### Demerger between CNH Industrial and Iveco Group

Effective 1 January 2022 the Commercial and Specialty Vehicles, Powertrain and related Financial Services businesses of CNH Industrial were separated from CNH Industrial. Iveco Group (the vehicle housing the aforementioned businesses as the Iveco Group business) became a public-listed company independent from CNH Industrial and, from 3 January 2022, its common shares are traded on Euronext Milan. Each holder of common shares in the share capital of CNH Industrial received one common share of Iveco Group for every five CNH Industrial common shares held. Exor, which continues to be the shareholder of reference in both entities following completion of the spin-off process, holding 366,927,900 CNH Industrial common shares, received 73,385,580 Iveco Group common shares (a 27.06% stake) and the same number of special voting shares. As the demerger is a “business combination involving entities or businesses under common control”, it is outside the scope of application of IFRS 3 – Business Combinations and IFRIC 17 – Distributions of Non-cash Assets to Owners. Accordingly, in Exor's 2022 Consolidated Financial Statements, the opening balances at 1 January 2022 related to Iveco Group correspond to the carrying amounts of the assets and liabilities included within the financial statements of CNH Industrial pre-demerger at 31 December 2021.

In the shortened consolidated statement financial position at 30 June 2022 Iveco Group is presented in a separate line of the item subsidiaries and associates, while in the income statement the share of the result is presented in a separate line of the item profit (loss) from investments in subsidiaries and associates.

The following table shows the scope of consolidation under the shortened method:

| | Reporting currency | % of consolidation | | |
|---|---|---|---|---|
| | | **At 30 June 2022** | **At 31 December 2021** | **At 30 June 2021** |
| **Holding Company** | | | | |
| – EXOR N.V. (the Netherlands) | € | 100 | 100 | 100 |
| **Companies in the Holdings System consolidated line-by-line** | | | | |
| – Exor Nederland N.V. (the Netherlands) | $ | 100 | 100 | 100 |
| – Exor S.A. (Luxembourg) | € | 100 | 100 | 100 |
| – Ancom USA Inc. (USA) | $ | 100 | 100 | 100 |
| – Exor SN LLC (USA) | $ | 100 | 100 | 100 |
| – Exor Investments Limited (United Kingdom) | £ | 100 | 100 | 100 |
| **Investments in operating subsidiaries and associates, accounted for using the equity method** | | | | |
| – PartnerRe | $ | 100 | 100 | 100 |
| – Ferrari | € | 24.30 | 24.17 | 24.09 |
| – Stellantis | € | 14.29 | 14.35 | 14.35 |
| – CNH Industrial | $ | 27.11 | 27.06 | 27.09 |
| – Exor Seeds | $ | 82.43 | 79.96 | 80.97 |
| – Juventus | € | 63.77 | 63.77 | 63.77 |
| – Christian Louboutin | € | 24.03 | 24.03 | 24.03 |
| – The Economist Group | £ | 43.40 | 43.40 | 43.40 |
| – Iveco Group[a] | € | 27.06 | — | — |
| – GEDI | € | 89.62 | 89.62 | 89.62 |
| – Shang Xia | CNY | 82.30 | 77.30 | 77.30 |
| – Welltec | $ | 47.62 | 47.62 | 47.62 |
| – Nuo | € | 50.00 | 50.00 | — |
| – Lifenet | € | 45.00 | — | — |
| – Exor Capital LLP | £ | 100 | 99.67 | 99.67 |

(a) Iveco Group became an independent group following the separation of its business from CNH Industrial, effective from 1 January 2022.

The exchange rates used to translate foreign currencies into Euro are as follows:

| | **Six months ended 30 June 2022 Average** | **At 30 June 2022** | At 31 December 2021 | Six months ended 30 June 2021 Average | At 30 June 2021 |
|---|---|---|---|---|---|
| U.S. dollar | **1.093** | **1.039** | 1.133 | 1.205 | 1.188 |
| British pound | **0.842** | **0.858** | 0.840 | 0.868 | 0.858 |
| Chinese Renminbi | **7.082** | **6.962** | 7.195 | — | — |

Exor closed the first half of 2022 with a consolidated profit of €265 million; the first half of 2021 ended with a consolidated profit of €838 million. The net decrease of €573 million is mainly attributable to the share of the result of subsidiaries and associates (€1,022 million), including unrealized losses of the fixed income porfolio of PartnerRe. The result of the first half 2021 included a non-recurring loss (€507 million) arising from the deconsolidation of FCA, following the merger with PSA.

At 30 June 2022 the consolidated equity attributable to owners of the parent amounts to €18,061 million, with a net increase of €1,302 million, compared to €16,759 million at 31 December 2021. Additional details are provided in Note 8.

The consolidated net financial position of the Holdings System at 30 June 2022 is a negative €4,546 million and reflects a negative change of €622 million compared to the negative financial position of €3,924 million at 31 December 2021, mainly due to: payments of the Exit Tax to the Italian Tax Authorities (€746 million), investments (€355 million), dividend distributed (€100 million), buyback (€100 million), partially offset by dividends received from investments (€794 million). Additional details are provided in Note 9.

The shortened consolidated income statement and statement of financial position and notes on the most relevant line items are presented below.

## EXOR GROUP – Consolidated Income Statement – Shortened

| € million | Note | Six months ended 30 June 2022 | Six months ended 30 June 2021 | Change |
|---|---|---|---|---|
| Profit (loss) from investments in subsidiaries and associates: | | | | |
| Share of the profit (loss) | 1 | 353 | 1,375 | (1,022) |
| Dividends received | 1 | 794 | 1,456 | (662) |
| Dividends eliminated[(a)] | | (794) | (1,456) | 662 |
| Profit (loss) from investments in subsidiaries and associates | | **353** | 1,375 | (1,022) |
| Profit (loss) from investments at FVTOCI | | — | 8 | (8) |
| Profit (loss) from investments at FVTPL[(b)] | | (15) | 48 | (63) |
| Net financial income (expenses): | | | | |
| Profit (loss) from cash, cash equivalents and financial assets | 2 | 3 | 2 | 1 |
| Cost of debt[(c)] | 2 | (56) | (73) | 17 |
| Exchange gains (losses), net | 2 | (7) | 4 | (11) |
| Net financial income (expenses) | | **(60)** | (67) | 7 |
| Net recurring general expenses | 3 | (9) | (8) | (1) |
| Net non - recurring other income (expenses) | 4 | (3) | (507) | 504 |
| Income taxes and other taxes and duties | | (1) | (11) | 10 |
| **Profit (loss) attributable to owners of the parent** | | **265** | **838** | (573) |

(a) Dividends from investments in subsidiaries and associates which are included in the share of the profit (loss) are eliminated in the consolidation process.
(b) Mainly includes the change in fair value related to cash invested in financial assets managed by Exor Capital LLP through a Luxembourg SICAV Fund.
(c) 2021 included the one-off losses on partial bond cancellation (€21 million).

## EXOR GROUP – Consolidated Statement of Financial Position – Shortened

| € million | Note | At 30 June 2022 | At 31 December 2021 | Change |
|---|---|---|---|---|
| Investments in subsidiaries and associates | 5 | 21,220 | 20,159 | 1,061 |
| Investments at FVTOCI | 6 | 803 | 853 | (50) |
| Investments at FVTPL[(a)] | | 436 | 350 | 86 |
| Other assets (liabilities), net | 7 | 148 | (679) | 827 |
| **Invested capital** | | **22,607** | **20,683** | 1,924 |
| Issued capital and reserves attributable to owners of the parent | 8 | 18,061 | 16,759 | 1,302 |
| Cash, cash equivalents and financial assets | 9 | (590) | (383) | (207) |
| Gross debt | 9 | 5,136 | 4,307 | 829 |
| **Equity and net financial position** | | **22,607** | **20,683** | 1,924 |

(a) The item mainly includes the fair value of financial assets managed by Exor Capital LLP mainly through a Luxembourg SICAV Fund.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - SHORTENED

### 1. Profit (loss) from investments in subsidiaries and associates

Share of the profit (loss)

The share of the results from investments in subsidiaries and associates in the six months ended 30 June 2022 is a profit of €353 million, with a decrease of €1,022 million compared to the profit of the six months ended 30 June 2021 (€1,375 million). The decrease is mainly attributable to the net loss of PartnerRe driven by the unrealized losses of the fixed income portfolio, partially offset by the robust performance of Stellantis.

| | **Result[(a)]** | | **Exor's share[(b)]** | | Change |
|---|---|---|---|---|---|
| | **Six months ended 30 June** | | **Six months ended 30 June** | | |
| € million | **2022** | **2021** | **2022** | **2021** | |
| PartnerRe | (1,060) | 226 | (1,060) | 219 | (1,279) |
| Ferrari | 487 | 411 | 118 | 99 | 19 |
| Stellantis[(c)] | 7,960 | 6,780 | 1,133 | 842 | 291 |
| CNH Industrial[(d)] | 697 | 666 | 189 | 180 | 9 |
| Juventus[(e)] | (132) | (77) | (84) | (49) | (35) |
| Christian Louboutin | 69 | 23 | 17 | 6 | 11 |
| The Economist Group[(f)] | 20 | 4 | 9 | 2 | 7 |
| Iveco Group[(d)] | 13 | 124 | 4 | 34 | (30) |
| Exor Seeds | 27 | 58 | 31 | 43 | (12) |
| GEDI | (22) | (11) | (19) | (10) | (9) |
| Welltec | 24 | (3) | 11 | (1) | 12 |
| Other[(g)] | — | — | 4 | 10 | (6) |
| **Share of the profit (loss)** | | | **353** | **1,375** | (1,022) |

(a) Results attributable to owners of the parents, prepared by each subsidiary and associate for Exor consolidation purposes, which may differ from those published by each reporting entity in its own financial report. Results reported in foreign currencies have been converted into Euro at the average exchange rate of the period.
(b) Including consolidation adjustments.
(c) Six months ended 30 June 2021 result referred to the period 17 January - 30 June 2021.
(d) Data re-presented for comparative purpose of the First Half 2021.
(e) The result refers to the accounting data prepared for consolidation in Exor for the period 1 January – 30 June.
(f) The result refers to the period 1 October – 31 March.
(g) Mainly includes the share of the results of Exor Capital LLP and Shang Xia. The result for the six months ended 30 June 2021 included also the share of the result of FCA from 1 January to 16 January 2021.

For comments on the performance of the principal operating subsidiaries, please refer to the section “Review of performance of the main companies”.

## Dividends

| € million | Six months ended 30 June 2022 | 2021 | Change |
|---|---|---|---|
| Dividends from investments accounted for using the equity method: | | | |
| – PartnerRe | 163 | — | 163 |
| – Ferrari | 61 | 39 | 22 |
| – Stellantis[a] | 467 | 550 | (83) |
| – CNH Industrial | 103 | 40 | 63 |
| – FCA[b] | — | 827 | (827) |
| **Dividends included in the net financial position** | **794** | **1,456** | (662) |
| Less: Dividends included in the share of the (loss) profit of investments accounted for using the equity method | **(794)** | **(1,456)** | 662 |
| **Dividends included in the income statement** | — | — | — |

(a) Six months ended 30 June 2021 included €363 million, corresponding to 7,653,004 ordinary shares of Faurecia, distributed as a part of the merger of PSA with and into FCA.
(b) Six months ended 30 June 2021 included an extraordinary dividend distributed in the context of the merger between PSA and FCA.

## 2. Net financial (expenses) income

In the six months ended 30 June 2022 net financial expenses amount to €60 million (net financial expenses of €67 million in the six months ended 30 June 2021).

| € million | Six months ended 30 June 2022 | 2021 | Change |
|---|---|---|---|
| Profit (loss) from cash, cash equivalents and financial assets: | | | |
| Interest income on: | | | |
| – bank current accounts and deposits | — | — | — |
| – debt securities | 2 | 2 | — |
| – financial receivables | — | — | — |
| Other | 1 | — | 1 |
| **Total** | **3** | **2** | 1 |
| Cost of debt: | | | |
| Bonds[a] | (51) | (71) | 20 |
| Bank debt and other[b] | (5) | (2) | (3) |
| **Total** | **(56)** | **(73)** | 17 |
| Exchange gains (losses) | (7) | 4 | (11) |
| **Net financial income (expenses) recorded in the income statement** | **(60)** | **(67)** | 7 |

(a) Six months ended 30 June 2021 included the one-off losses on partial bond cancellation (€21 million).
(b) Six months ended 30 June 2022 includes interest expenses on the Italian tax claim (€3 million).

## 3. Net recurring general expenses

Net recurring general expenses in the six months ended 30 June 2022 amount to €9 million, with an increase of €2 million compared to the amount for the six months ended 30 June 2021 (€8 million), mainly due to the increase in Exor employees, partially offset by lower costs relating to stock option plans.

The main items are detailed below:

| € million | Six months ended 30 June 2022 | 2021 | Change |
|---|---|---|---|
| Personnel costs | (4) | (2) | (2) |
| Compensation and other costs relating to directors | (1) | (1) | 0 |
| Service costs, net | (4) | (3) | (1) |
| **Net recurring general expenses included in net financial position** | **(9)** | **(6)** | (3) |
| Share based compensation plan costs | — | (2) | 2 |
| **Net recurring general expenses recorded in the income statement** | **(9)** | **(8)** | (1) |

## 4. Net non-recurring other (expenses) income

In the six months ended 30 June 2022 net non-recurring expenses amount to €3 million of which consulting fees related to investment and disinvestment projects (€2 million) and contributions to cultural and charitable associations (€1 million).

In the six months ended 30 June 2021 net non-recurring expenses amounted to €507 million of which €504 million arising from the deconsolidation of FCA, following the merger of PSA with and into FCA. In particular, €490 million relate to the reversal to the income statement of Exor's share in the FCA items previously recognized in other comprehensive income reserve.

## 5. Investments in subsidiaries and associates

| € million | At 30 June 2022 | At 31 December 2021 | Change |
|---|---|---|---|
| PartnerRe | 6,488 | 7,139 | (651) |
| Ferrari | 549 | 533 | 16 |
| Stellantis | 9,922 | 8,624 | 1,298 |
| CNH Industrial[(a)] | 1,622 | 1,342 | 280 |
| Exor seeds | 610 | 489 | 121 |
| Juventus | 109 | 194 | (85) |
| Christian Louboutin[(b)] | 580 | 562 | 18 |
| The Economist Group | 314 | 317 | (3) |
| Iveco Group[(a)] | 616 | 620 | (4) |
| GEDI | 151 | 171 | (20) |
| Welltec | 89 | 73 | 16 |
| Shang Xia | 57 | 68 | (11) |
| Lifenet | 67 | — | 67 |
| Other[(c)] | 46 | 27 | 19 |
| **Investments in subsidiaries and associates** | **21,220** | **20,159** | 1,061 |

(a) Data at 31 December 2021 have been re-presented for comparative purposes following the spin off of Iveco Group from CNH Industrial, effective from 1 January 2022.
(b) The acquisition date was 30 April 2021.
(c) Mainly includes investments in Nuo and Exor Capital.

The negative change in Exor’s investment in PartnerRe (€651 million) is mainly attributable to Exor’s share of the loss (€1,059 million, mainly due to the negative change in the fair value of financial assets), dividend distributions (€163 million), partially offset by positive translation exchange differences (€571 million).

The positive change in Exor’s investment in Ferrari (€16 million) is primarily due to Exor’s share of the profit (€118 million), partially offset by the payment of dividends (€61 million) and the buy-back of treasury stock (€53 million).

The positive change in Exor's investment in Stellantis (€1,298 million), is mainly attributable to Exor's share of the profit (€1,133 million), to the positive translation exchange differences (€525 million), and the positive change in the remeasurement of defined benefit plans reserve (€162 million), partially offset by dividend distributions (€467 million).

The positive change in Exor's investment in CNH Industrial (€280 million) can be ascribed primarily to the Exor's share of the positive result (€189 million) and the positive translation exchange differences (€199 million), partially offset by the payment of dividends (€102 million).

The negative change in Exor's investment in Iveco Group (€4 million) can be ascribed primarily to the negative movement on the fair value and cash flow hedges (€29 million and €8 million, respectively), partially offset by the positive translation exchange differences (€18 million), the Exor's share of the positive result (€4 million) and the positive change in the share based payments reserve (€3 million).

## 6. Investments measured at fair value through other comprehensive income

The investments measured at fair value through other comprehensive income amount to €803 million (€853 million at 31 December 2021) and include principally investments in equity instruments.

| € million | At 30 June 2022 | At 31 December 2021 | Change |
|---|---|---|---|
| VIA Transportation[(a)] | 466 | 449 | 17 |
| Faurecia[(b)] | 188 | 320 | (132) |
| Zegna | 25 | 23 | 2 |
| Other investments | 124 | 61 | 63 |
| **Investments measured at fair value through other comprehensive income** | **803** | **853** | (50) |

(a) Change in fair value, of which €41 million due to a positive exchange rate effect.
(b) Of which €36 million as increase in investment and -€168 million as negative change in fair value.

## 7. Other assets (liabilities), net

At 30 June 2022 other assets (liabilities) amount to €148 million, with a decrease of €827 million compared to the amount at 31 December 2021 (€679 million), mainly due to the payment of Exit Tax.

On 18 February 2022 Exor settled with the Italian Tax Authorities ("Agenzia delle Entrate") a complex tax issue, specifically related to the exit tax due by the Italian registered company Exor S.p.A. which in December 2016 was merged with its Dutch subsidiary Exor Holding N.V. to create today's Exor domiciled fiscally in the Netherlands.

Exor agreed to enter into a settlement with the Agenzia delle Entrate and paid €746 million, of which €104 million represented by interest.

The effects of the settlement, which was paid in full on 18 February 2022, have been reflected in the Company's 2021 and 2022 financial statements, to the extent applicable.

## 8. Issued capital and reserves attributable to owners of the parent

| € million | At 30 June 2022 | At 31 December 2021 | Change |
|---|---|---|---|
| Share capital | 7 | 2 | 5 |
| Reserves | 18,452 | 17,055 | 1,397 |
| Treasury stock | (398) | (298) | (100) |
| **Issued capital and reserves attributable to owners of the parents** | **18,061** | **16,759** | 1,302 |

Details of changes during at 30 June 2022 are as follows:

| € million | Six months ended 30 June | |
|---|---|---|
| | 2022 | 2021 |
| **Initial amount** | **16,759** | **13,090** |
| Movements attributable to Exor and Holding System: | | |
| – Buyback Exor treasury stock | (100) | — |
| – Dividend paid by Exor | (100) | (100) |
| – Fair value adjustment to investments and other financial assets | (154) | (38) |
| – Measurement derivative financial instruments | 12 | 3 |
| – Exchange differences on translation | 11 | 4 |
| – Other net | (6) | 10 |
| Movements attributable to operating companies accounted for using the equity method: | | |
| – Reversal OCI reserve of FCA to profit and loss | — | 490 |
| – Exchange differences on translation | 1,354 | 524 |
| – Remeasurement of defined benefit plans | 163 | 218 |
| – Fair value | (47) | 16 |
| – Buyback treasury stock | (62) | (27) |
| – Cash flow hedge | (55) | 15 |
| – Other net | 21 | (21) |
| Consolidated profit attributable to owners of the parent[(a)] | 265 | 838 |
| **Net change during the period** | **1,302** | **1,932** |
| **Final amount** | **18,061** | **15,022** |

(a) The result for the six months ended 30 June 2021 included the negative impact due to the reclassification to the income statement of the amount previously recognized in other comprehensive income (mainly exchange differences on translation) related to FCA (€490 million).

## 9. Net financial position of the Holdings System

The net financial position of the Holdings System at 30 June 2022 is a negative €4,546 million and shows a negative change of €622 million compared to the balance at 31 December 2021 (a negative €3,924 million).

| € million | At 30 June 2022 | At 31 December 2021 | Change |
|---|---|---|---|
| Financial assets | 100 | 100 | — |
| Financial receivables | 105 | — | 105 |
| Cash and cash equivalents | 385 | 283 | 102 |
| **Cash, cash equivalents and financial assets[(a)]** | **590** | **383** | 207 |
| Exor bonds | (4,084) | (4,069) | (15) |
| Bank debt | (959) | (150) | (809) |
| Commercial paper | (15) | — | (15) |
| Other financial liabilities | (78) | (88) | 10 |
| **Gross debt** | **(5,136)** | **(4,307)** | (829) |
| **Net financial position of the Holdings System** | **(4,546)** | **(3,924)** | (622) |

(a) Cash, cash equivalents and financial assets available amount to €730 million (€768 million at 31 December 2021) considering also the undrawn committed credit lines for €140 million (€385 million at 31 December 2021).

Financial assets include principally financial instruments accounted for at FVTPL and debt securities listed on an active market measured at amortized cost. Cash and cash equivalents include short-term deposits spread over an appropriate number of counterparties chosen according to their creditworthiness and their reliability since the primary objective is to hold investments which can readily be converted into cash.

Financial receivables consist of the loan granted to the subsidiary GEDI for €105 million.

Bonds issued by Exor and outstanding at 30 June 2022 are as follows:

| Issue date | Maturity date | Issue price | | Fixed Rate (%) | | | Nominal amount (million) | | At 30 June 2022 | At 31 December 2021 | Change |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | (€ million) | | |
| 03-Dec-15 | 02-Dec-22 | 99.499 | | 2.125 | | € | 602 | (a) | (609) | (602) | (7) |
| 08-Oct-14 | 08-Oct-24 | 100.090 | | 2.500 | | € | 500 | (b) | (509) | (503) | (6) |
| 07-Dec-12 | 31-Jan-25 | 97.844 | | 5.250 | | € | 100 | | (101) | (104) | 3 |
| 22-Dec-15 | 22-Dec-25 | 100.779 | (c) | 2.875 | | € | 450 | (c) | (457) | (451) | (6) |
| 20-May-16 | 20-May-26 | 99.650 | | 4.398 | | $ | 170 | | (164) | (151) | (13) |
| 18-Jan-18 | 18-Jan-28 | 98.520 | | 1.750 | | € | 500 | | (498) | (502) | 4 |
| 29-Apr-20 | 29-Apr-30 | 98.489 | | 2.250 | | € | 500 | | (495) | (500) | 5 |
| 19-Jan-21 | 19-Jan-31 | 99.089 | | 0.875 | | € | 500 | | (496) | (498) | 2 |
| 09-May-11 | 09-May-31 | 100.000 | | 2.800 | (d) | ¥ | 10,000 | | (72) | (77) | 5 |
| 14-Oct-19 | 14-Oct-34 | 99.725 | | 1.750 | | € | 500 | (e) | (484) | (479) | (5) |
| 15-Feb-18 | 15-Feb-38 | 98.183 | | 3.125 | | € | 200 | | (199) | (202) | 3 |
| | | | | | | | | | **(4,084)** | **(4,069)** | (15) |
| – **Current portion** | | | | | | | | | **(645)** | **(640)** | (5) |
| – **Non - current portion** | | | | | | | | | **(3,439)** | **(3,429)** | (10) |

(a) After the repurchase settlement dated 20 January 2021; originally €750 million.
(b) After the repurchase settlement dated 20 January 2021; originally €650 million.
(c) Originally €250 million; the amount was increased by another €200 million on 10 May 2016. The issue price corresponds to the weighted average of the prices calculated on the entire amount of €450 million.
(d) To protect against currency fluctuations, a hedging transaction was put in place using a cross currency swap. The cost in Euro is fixed at 6.012% per year.
(e) Originally €300 million; the amount was increased by another €200 million with settlement date 23 June 2020.

Exor intends to repay the bonds in cash at maturity using available liquid resources and undrawn credit lines.

Exor may, from time to time, buy back bonds on the market also for purposes of their cancellation. The decision to buy back bonds will depend on, among other factors, market conditions and Exor's financial situation.

Bank debt includes €150 million term loan with maturity 2024 and the draw down of committed and uncommitted credit lines of €345 million and €464 million, respectively.

At 30 June 2022 Exor has undrawn committed credit lines in Euro of €140 million, of which €55 million expiring after 30 June 2023, as well as undrawn uncommitted credit lines of €51 million.

Other financial liabilities (€78 million) mainly includes the fair value of cash flow hedge derivative instruments (€24 million) and the put option on certain minority stakes in GEDI and Shang Xia (€23 million and €18 million, respectively).

Exor's long-term and short-term debt ratings from Standard & Poor's are "BBB+" and "A-2" respectively, with a "stable outlook".

The net change for the six months ended 30 June 2022, a negative €622 million, can be analysed as follows:

| | | Six months ended 30 June | |
|---|---|---|---|
| € million | | 2022 | 2021 |
| **Net financial position of the Holdings System - Initial amount** | Note | **(3,924)** | **(3,251)** |
| Dividends received from investments | 1 | 794 | 1,101 |
| Investments[(a)] | | (355) | (862) |
| Asset disposals | | 11 | 12 |
| Dividends paid by Exor | | (100) | (100) |
| Buyback Exor treasury stock | | (100) | — |
| Other changes | 2 | (872) | (29) |
| **Net change during the period** | | **(622)** | **122** |
| **Net financial position of the Holdings System - Final amount** | | **(4,546)** | **(3,129)** |

(a) The six months ended 30 June 2022 includes the acquisition of the 45% of Lifenet (€67 million), the increase of the investment in Faurecia (€36 million), in Exor Seeds (€42 million), other investments in financial instruments at FVTOCI (€108 million) and in financial instruments at FVTPL (€102 million). The six months ended 30 June 2021 included the acquisition of the 24% of Christian Louboutin (€541 million), the increase of the investment in Via Transportation (€126 million), in Exor Seeds (€122 million) and other investments (€73 million).

| | Six months ended 30 June | |
|---|---|---|
| € million | 2022 | 2021 |
| **1. Dividends received from investments** | **794** | **1,101** |
| PartnerRe | 163 | — |
| Ferrari | 61 | 39 |
| Stellantis[(a)] | 467 | 187 |
| CNH Industrial | 103 | 40 |
| FCA[(b)] | — | 827 |
| Other | — | 8 |
| **2. Other changes** | **(872)** | **(29)** |
| Net recurring general expenses | (9) | (6) |
| Net non - recurring other income (expenses)[(c)] | (3) | (3) |
| Net financial (expenses) income generated by the financial position[(d)] | (60) | (67) |
| Other net changes[(e)] | (800) | 47 |

(a) The six months ended 30 June 2021 included €144 million as ordinary annual dividend and €43 million as cash from the distribution of Faurecia. The 7,653,004 ordinary shares of Faurecia (equal to €363 million), distributed as a part of the merger of PSA with and into FCA, did not generate a change in the net financial position.

(b) In the six months ended 30 June 2021 extraordinary dividend resulting from the merger between PSA and FCA.

(c) In the six months ended 30 June 2021 excluding the items reclassified to income statement due to the deconsolidation of FCA.

(d) In the six months ended 30 June 2022 related to: cost of debt (-€53 million), net exchange gains (-€9 million) and profit from cash, cash equivalents and financial assets (€2 million). In the six months ended at 30 June 2021 related to: cost of debt (€73 million), net exchange gains (€4 million) and other financial income (€2 million).

(e) In the six months ended 30 June 2022 includes the payment of the Exit tax to the Italian Tax Authorities (€746 million).

# REVIEW OF THE PERFORMANCE OF THE MAIN COMPANIES

(The share capital and voting rights percentages are based on data at 30 June 2022)

Set out below is a summary of the key highlights from the interim reports of the operating subsidiaries and associates , including their Management Reports.

In order to facilitate the readers' use and cross reference, the data have been extracted from the financial statements of the respective subsidiary and associate and presented using the original reporting currency and accounting principles.

Therefore, data presented in this section may differ from those prepared for Exor consolidation purposes.

Further information and details of significant events of subsidiaries are shown in the respective companies' reports.

The section "Review of Performance of the main companies", contains forward-looking statements. These statements are not guarantees of future performance. Rather, they are based on the Group's subsidiaries and associates current state of knowledge, future expectations and projections about future events and are, by their nature, subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: the effect of the of the continuing conflict between Russia and Ukraine, the impact of the Covid-19 pandemic on the Groups' production and distribution channels, demand in the Group's end markets, and the broader impact on financial markets and the global economy; change in the global financial markets, the general economic environment, changes in local economic and political conditions, changes in trade policy, the enactment of tax reforms or other changes in tax laws and regulations, volatility and deterioration of capital and financial markets, including possible effects of Brexit, terror attacks, weather, floods, earthquakes or other natural disasters, changes in government regulation, production difficulties, including capacity and supply constraints and many other risks and uncertainties, most of which are outside of the control of the Group's subsidiaries and associates.

PartnerRe

(100% interest in common shareholder’s equity and 99.76% of voting rights; through Exor Nederland N.V.)

Data presented and commented below are derived from PartnerRe’s consolidated financial information for the six months ended 30 June 2022 and 2021, and for the year ended 31 December 2021 prepared in accordance with US GAAP.

| | 1 Half | |
|---|---|---|
| $ million | **2022** | **2021** |
| Net premiums written | 4,254 | 3,843 |
| Non-life combined ratio[(a)] | 81.9 % | 92.4 % |
| Life and Health allocated underwriting result[(b)] | 44 | 43 |
| Net investment return | (7.9)% | 1.5 % |
| Other expenses | 183 | 184 |
| Net (loss) income attributable to PartnerRe common shareholders[(c)] | (1,146) | 248 |
| Net Income ROE[(d)] | (34.3)% | 7.2 % |

(a) PartnerRe uses a combined ratio to measure results for the Non-life P&C and Specialty segments. The combined ratio is the sum of the technical and other expense ratios.
(b) PartnerRe uses allocated underwriting result as a measure of underwriting performance for its Life and Health segment. This metric is defined as net premiums earned, other income or loss and allocated net investment income less life policy benefits, acquisition costs and other expenses.
(c) Net income/loss attributable to PartnerRe common shareholders is defined as net income/loss attributable to PartnerRe less preferred dividends.
(d) Net income ROE is calculated as net income return on average common shareholders’ equity.

Non-life net premiums written were up 13% for the half year 2022 compared to the same period of 2021, driven by the P&C segment, which increased by 19%, due to growth in the current underwriting year and additional premium from prior underwriting years.
The Non-life underwriting profit was $481 million (combined ratio of 81.9%) for the half year 2022. This compares to Non-life underwriting profit of $190 million (combined ratio of 92.4%) for the half year 2021.

Large losses, net of retrocession and reinstatement premiums, were $131 million for the half year 2022 and included $50 million related to the ongoing conflict between Russia and Ukraine, $41 million related to the Natal Floods and $40 million related to the Australian Floods. These events adversely impacted the P&C and Specialty combined ratios by 3.5 points and 7.9 points, respectively. This compared to losses for Winter Storm Uri of $120 million for the half year 2021, which had an adverse impact of 5.6 points and 3.2 points on the P&C and Specialty combined ratios, respectively. The conflict between Russia and Ukraine is an ongoing event with minimal loss reporting from cedants at this time. PartnerRe continues to evaluate and quantify the full extent of its impact.

The P&C segment reported a combined ratio of 80.2% for the half year 2022, compared to 95.5% for the half year 2021. Excluding the impact of large losses, the improvement in the combined ratio across both comparative periods was driven by prior years' reserve development, which is 6.4 points favourable for the half year 2022, an improvement of 9.4 points for the same period in 2021. The combined ratio for the half year 2022 also benefited from an improvement in the current accident year attritional loss ratio, driven by rate increases and reductions in less profitable lines.

The Specialty segment reported a combined ratio of 85.5% for the half year 2022, respectively, compared to 86.9% for the half year 2021. Excluding the impact of large losses, the combined ratio across both comparative periods benefited from a change in the business mix, which resulted in an improvement in the current accident year attritional loss ratio, partially offset by an increase in the acquisition cost ratio. Prior year development was 2.6 points favourable for the half year 2022, compared to 1.5 points favourable for the same period of 2021.

Life and Health net premiums written were up 3% for the half year 2022, compared to the same period of 2021, reflecting growth in long-term protection and longevity business.

The Life and Health allocated underwriting results is a profit of $44 million for the half year 2022, compared to a profit of $43 million for the half year 2021. The increase in the Life and Health allocated underwriting result was driven by an improvement in year-over-year experience related to Covid-19 and improvements in the short-term protection and longevity business. This was partially offset by higher losses on the long-term protection business, driven partially by non-recurring prior year recapture gains occurring in the first quarter of 2021, and adverse impacts on the guaranteed minimum death benefits line of business from less favourable equity market activity in 2022 compared to 2021.

Net investment return for the half year 2022 was a loss of $1,526 million, or 7.9%, which included net realized and unrealized investment losses of $1,725 million of which $1,712 million was unrealized, partially offset by net investment income of $183 million and interest in earnings of equity method investments of $16 million. This compares to a net investment return of $302 million, or 1.5%, for the half year 2021, which included net investment income of $182 million, net realized and unrealized investment gains of $80 million and interest in earnings of equity method investments of $40 million.

Net investment income increased by $1 million, or 0.4%, for the half year 2022, compared to the same period of 2021. Net investment income in the comparative period benefited from higher reinvestment rates, due to increases in worldwide risk-free rates and credit spreads, as well as lower external management fees. However these benefits were offset by the inclusion of two non-recurring income items in the comparative period.

Net realized and unrealized investment losses of $1,725 million for the half year 2022 (2021: $80 million gain) included:

– Net realized and unrealized investment losses on fixed maturities and short-term investments were $1,411 million for the half year 2022 (2021: $255 million loss). These losses, of which $1,413 million for the half year were unrealized, were driven by increases in worldwide risk-free rates, a widening of worldwide credit spreads and losses on real estate sector investments in the Company's Asia high yield portfolio.
– Net realized and unrealized investment losses on equities are $228 million for the half year 2022 (2021: $228 million gain). These losses, of which $204 million for the half year were unrealized, were driven by mark-to-market losses on public equity funds resulting from decreases in worldwide equity markets.
– Net realized and unrealized investment losses on other invested assets and investments in real estate were $86 million for the half year 2022 (2021: $107 million gain). These losses, of which $95 million for the half year were unrealized, were driven by mark-to-market losses on the US bank loan portfolio. The half year 2022 also includes unrealized losses on certain private equity funds.

### Other income statement items

The other expense ratio was 5.2% for the half year 2022. This compared to an other expense ratio 5.5% for the same period of 2021. During a period of growth in net premiums earned, other expenses were held flat for the half year 2022.

Net foreign exchange gains were $13 million for the half year 2022, driven by the appreciation of the U.S. dollar against all major currencies, partially offset by the cost of hedging. This compared to net foreign exchange losses of $59 million for the half year 2021, driven by depreciation of the U.S. dollar against certain major currencies, primarily the Canadian dollar, and appreciation against the Euro, and the cost of hedging.

Interest expense was $28 million for the half year 2022 and 2021.

Preferred dividends expense was $5 million for the half year 2022, compared to $18 million for the same period of 2021. The decrease was due to PartnerRe fully redeeming its Series G, H and I preferred shares in May 2021. Following the redemption, only Series J preferred shares remain outstanding.

Income tax expense was $1 million on pre-tax losses of $1,139 million for the half year 2022 compared to an expense of $23 million on pre-tax income of $310 million for the half year 2021.

### Balance sheet and capitalization

Total investments and cash and cash equivalents were $18.7 billion at 30 June 2022, down 8.3% compared to 31 December 2021. The decrease was primarily driven by unrealized investment losses due to an increase in worldwide risk-free rates, the widening of worldwide credit spreads, mark-to-market losses on public and private equities, and the impact of the strengthening U.S. dollar on foreign currencies.

Cash and cash equivalents, fixed maturities, and short-term investments, which are government issued or investment grade fixed income securities, were $13.3 billion at 30 June 2022, representing 71% of the total investments and cash and cash equivalents.

Cash provided by operating activities was $684 million for the half year 2022, compared to $431 million for the second half year 2021. The increase was primarily driven by cash flows from underwriting operations on Non-life business, even while the comparative prior year figures are net of the premium paid for the loss portfolio transfer and adverse development cover entered into during the second quarter of 2021. Cash flows from Life underwriting for the half year 2022 decreased as a result of lower premium collected and an increase in losses paid compared to the same period of 2021.

The average credit rating of the fixed income portfolio was AA- at 30 June 2022. The expected average duration of the public fixed income portfolio at 30 June 2022 was 4.0 years, while the average duration of the PartnerRe’s liabilities was 4.1 years.

Common shareholder's equity (or book value) of $6.0 billion and tangible book value of $5.5 billion at 30 June 2022 decreased by 18.2% and 19.6%, respectively, compared to 31 December 2021, primarily due to the comprehensive loss for the half year 2022 and by dividends on common and preferred shares.

Total capital was $8.0 billion at 30 June 2022, down 14.8% compared to 31 December 2021, primarily due to the decrease in book value described above and the decrease in the U.S dollar value of PartnerRe's Euro denominated debt, as the U.S dollar strengthened against the Euro during the first half of 2022.

On 12 July 2022, Covéa Coopérations S.A. (Covéa) completed the acquisition of PartnerRe Ltd. from Exor Nederland N.V. (Exor). Preferred shares issued by PartnerRe Ltd. were not included in the transaction. Concurrent with the close of the transaction, PartnerRe sold a portion of its ownership in Exor public equity funds to Exor for a total consideration of $772 million. Third-party capital managed by PartnerRe remains unchanged as a result of the transaction, as Exor acquired Covéa's interest in PartnerRe's third-party capital vehicles.

### Dividend paid to Exor

PartnerRe declared and paid to Exor Nederland N.V common share dividends of $178 million, compared to $107 million for 2021.

### Reconciliation of reported US GAAP financial information to IFRS financial information used for line-by-line consolidation purposes

The differences between the US GAAP net loss ($1,146 million) and the IFRS net loss ($1,158 million) are immaterial and related only to the economic effects of the application of the acquisition method by Exor to account for the acquisition.

(22.91% stake and 34.54% of voting rights on issued capital)

Key consolidated data reported by Ferrari in the six months ended 30 June 2022 are as follows:

| | Six months ended 30 June | | Change | |
|---|---|---|---|---|
| € million | 2022 | 2021 | | |
| Shipments (in units) | **6,706** | 5,456 | 1,250 | 23 % |
| Net revenues | **2,477** | 2,046 | 431 | 21 % |
| EBIT | **630** | 540 | 90 | 17 % |
| Net profit | **490** | 412 | 78 | 19 % |
| Net industrial debt[(a)] | **387** | 552 | (165) | — |

(a) Defined as net debt less net debt of financial services activities. Comparative data refers to 31 December 2021.

## Global business condition

Despite new waves of Covid-19 in certain parts of the world, including Mainland China which has reimposed various restrictions in certain regions in 2022, there were no significant effects on the supply chain or shipments during the first half of 2022 and overall impacts were limited. Ferrari's leadership is continuously monitoring the evolution of Covid-19 as new information becomes available, as well as the related effects on the results of operations and financial position of Ferrari.

As a result of the ongoing conflict in Ukraine that started in February 2022, many governments and supranational organizations around the world have announced the imposition of various sanctions on certain industries, individuals and entities in Russia, Belarus and the Ukrainian regions of Donetsk and Luhansk, as well as export controls on certain industries and products, including on luxury goods, and the exclusion of certain Russian financial institutions from the SWIFT messaging system. In early March 2022 Ferrari decided to suspend any shipment or delivery of vehicles to the Russian market until further notice. The effects of these sanctions and other measures on Ferrari's business, including its supply chain, have been limited in the first half of 2022, despite the continued rise in energy and commodity prices, which has been exacerbated by the conflict. Management is carefully monitoring the geopolitical environment and its potential implications on Ferrari's business globally to appropriately address the impacts on its new order intake, operating costs and financial expenses.

## Shipments

Total shipments increased by 1,250 cars, or 22.9%, from 5,456 cars in the first half of 2021 to 6,706 cars in the first half of 2022. The product portfolio in the first half of 2022 included eight internal combustion engine (ICE) models and three hybrid engine models (excluding track cars), which represented respectively 83% and 17% of shipments. The increase in shipments was driven by the Ferrari Portofino M and the F8 family, together with the SF90 family and the 812 GTS, as well as the first deliveries of the 296 GTB and the ramp up of the 812 Competizione, partially offset by the 812 Superfast, as well as the phase-out of the 488 Pista family. Shipments of the Ferrari Monza SP1 and SP2 were lower compared to the first half 2021 and reached the end of their limited-series run at the end of the first quarter 2022.

| Units[a] | Six months ended 30 June | | Change | |
|---|---|---|---|---|
| | 2022 | 2021 | | |
| EMEA | | | | |
| Germany | 764 | 665 | 99 | 14.9 % |
| UK | 478 | 476 | 2 | 0.4 % |
| Italy | 388 | 327 | 61 | 18.7 % |
| Switzerland | 280 | 253 | 27 | 10.7 % |
| France | 245 | 250 | (5) | (2.0)% |
| Middle East | 200 | 172 | 28 | 16.3 % |
| Other EMEA | 785 | 653 | 132 | 20.2 % |
| **Total EMEA** | 3,140 | 2,796 | 344 | 12.3 % |
| Americas | 1,711 | 1,404 | 307 | 21.9 % |
| Mainland China, Hong Kong and Taiwan | 643 | 360 | 283 | 78.6 % |
| Rest of APAC | 1,212 | 896 | 316 | 35.3 % |
| **Shipments** | **6,706** | **5,456** | 1,250 | 22.9 % |

(a) Excluding the XX Programme, racing cars, Fuori Serie, one-off and pre-owned cars.

## Net revenues

Net revenues for the six months ended 30 June 2022 were €2,477 million, an increase of €431 million or 21.1% (an increase of 18.9% on a constant currency basis), from €2,046 million for the six months ended 30 June 2021. The change in net revenues was attributable to the combination of €376 million increase in cars and spare parts, €44 million increase in sponsorship, commercial and brand and a €23 million increase in other net revenues, partially offset by a €12 million decrease in engines.

Net revenues generated from cars and spare parts were €2,112 million for the six months ended 30 June 2022, an increase of €376 million or 21.7 %, from €1,736 million for the six months ended 30 June 2021. The increase was primarily attributable to higher car volumes and personalizations. It was also supported by the positive contribution from the appreciation of certain foreign currencies compared to the Euro, mainly the U.S. Dollar and the Chinese Yuan, partially offset by the impact of hedging transactions.

Net revenues generated from sponsorship, commercial agreements and brand management activities were €226 million for the six months ended 30 June 2022, an increase of €44 million or 24.5% from €182 million for the six months ended 30 June 2021, mainly attributable to a better prior year Formula 1 ranking, lifestyle-related activities and positive foreign currency exchange impact, partially offset by lower sponsorships.

Net revenues generated from engines were €78 million for the six months ended 30 June 2022, a decrease of €12 million or 13.2%, from €90 million for the six months ended 30 June 2021. The decrease was mainly attributable to a decrease in engines sold to Maserati, which is approaching contract expiration in 2023.

| € million | Six months ended 30 June | | Change | |
|---|---|---|---|---|
| | 2022 | 2021 | | |
| Car and spare parts | 2,112 | 1,736 | 376 | 21.7 % |
| Sponsorship, commercial and brand | 226 | 182 | 44 | 24.2 % |
| Engines | 78 | 90 | (12) | (13.3)% |
| Other | 61 | 38 | 23 | 60.5 % |
| **Net revenues** | **2,477** | **2,046** | 431 | 21.1 % |

## EBIT

EBIT for the six months ended 30 June 2022 was €630 million, an increase of €90 million or 16.6%, from €540 million for the six months ended 30 June 2021. EBIT margin for the six months ended 30 June 2022 was 25.4% compared to 26.4 % for the six months ended 30 June 2021.

The increase in EBIT was primarily attributable to the combined effects of: (i) positive volume impact of €149 million, (ii) negative product mix impact of €3 million including the effects of fewer shipments of the Ferrari Monza SP1 and SP2 during the period, (iii) negative contribution of €55 million from higher industrial costs (including the effects of rising energy and certain raw materials prices), (iv) an increase in research and development costs of €12 million, (v) an increase in selling, general and administrative costs of €40 million, (vi) positive contribution of €20 million from a better prior year Formula 1 ranking and higher contribution from lifestyle and other supporting activities, partially offset by lower sponsorships, reduced engine shipments to Maserati (in line with plans), improved Formula 1 in-season ranking assumptions and other miscellaneous expenses, and (vii) positive foreign currency exchange impact of €31 million (including foreign currency hedging instruments).

## Net industrial debt

Net industrial debt at 30 June 2022 was €387 million, compared to €297 million at 31 December 2021 with an increase of €90 million.

| € million | At 30 June 2022 | At 31 December 2021 | Change |
|---|---|---|---|
| **Debt** | (2,765) | (2,630) | (135) |
| of which: Lease liabilities as per IFRS 16 (simplified approach) | (61) | (56) | (5) |
| Cash and cash equivalents | 1,206 | 1,344 | (138) |
| **Net debt** | **(1,559)** | **(1,286)** | (273) |
| Net debt of financial services activities | (1,172) | (989) | (183) |
| **Net industrial debt**[(a)] | **(387)** | **(297)** | (90) |

(a) Net industrial debt is defined as net debt excluding the funded portion of the self-liquidating financial receivables portfolio.

## 2022 Outlook

2022 guidance of Ferrari, subject to trading conditions unaffected by Covid-19 pandemic restrictions and based on the following assumptions:

- Carefully leveraging strong demand;
- Richer model mix being more than offset by the negative impact from the Ferrari Monza SP1 and SP2 phase out;
- Ferrari Daytona SP3 and Ferrari Purosangue will commence production in 2022 with deliveries starting in 2023;
- Formula 1 revenues reflecting more diversified but lower sponsorship, partially offset by better prior year ranking;
- Increasing depreciation and amortization in line with the start of production of new models;
- Industrial free cash flow generation sustained by Daytona SP3 advances collection;
- Disciplined capital expenditures to fuel long term development.

| (Euro billion, unless otherwise stated) | 2020A | 2021A | 2022 GUIDANCE |
|---|---|---|---|
| **Net revenues** | **3.5** | **4.3** | **~4.8** |
| Adjusted. EBITDA (margin %) | 1.14<br>33.0% | **1.53**<br>**35.9%** | **1.65 - 1.70**<br>**34.5% - 35.5%** |
| **Adjusted EBIT (margin %)** | **0.72**<br>**20.7%** | **1.08**<br>**25.2%** | **1.10 - 1.15**<br>**23% - 24%** |
| Adjusted diluted EPS (€) | 2.88 | **4.50** | **4.55-4.75** |
| **Industrial free cash flow** | **0.17** | **0.6** | **≥0.60** |

JUVENTUS

(63.77% of share capital, 77.87% of voting rights on issued capital)

The following information refers to the accounting data for the period 1 January – 30 June 2022 drawn up by Juventus for the purposes of the preparation of the Half-year Condensed Consolidated Financial Statements of Exor at 30 June 2022.

| € million | Six months ended 30 June | | Change |
|---|---|---|---|
| | **2022** | **2021** | |
| Revenues | **219** | 222 | (3) |
| Operating costs | **(241)** | (186) | (55) |
| Operating result | **(122)** | (73) | (49) |
| Loss for the period | **(132)** | (77) | (55) |

| € million | At 30 June 2022 | At 31 December 2021 | Change |
|---|---|---|---|
| Shareholders' equity | **171** | 303 | (132) |
| Net financial debt | **153** | 79 | 74 |

For a correct interpretation of the data, it should be noted that the financial year of Juventus does not coincide with the calendar year, but covers the period 1 July–30 June, which corresponds to the football season. The accounting data under examination thus represents the first half of operations for the financial year 2022/2023.
Interim data are prepared only for Exor consolidated reporting purpose and cannot be construed as representing the basis for a Juventus full-year projection.
Result performance is characterized by the highly seasonal nature typical of the sector, determined mainly by the calendar of football events and the two phases of the players' Transfer Campaign.
The financial position and cash flows are also affected by the seasonal nature of the income components; in addition, some revenue items are collected in a period different from the period to which they refer.

## Covid-19

For the last two years the national and international scenario has been dominated by the strong impacts of the Covid-19 pandemic and the resulting restrictive measures to contain it imposed by administrative, health and sports authorities.

In the financial year 2021/2022 the protraction of the pandemic has compelled the authorities to maintain in place some of the containment measures, including the restrictions on the use of stadium capacity with reductions of 50% to 70% for most of the half-year period under review. These measures taken together had a direct negative impact on revenues (mainly on those from matches and products) as well as having an indirect impact on income from the management of players' registration rights.

## Revenues

Revenues for the period from 1 January to 30 June 2022 amounted to €219 million, a decrease of €3 million compared to €222 million for the period from 1 January to 30 June 2021. The decrease is mainly attributable to lower income from broadcasting rights and media for €27 million, partially offset by higher revenues from ticket sales for €17 million and other net positive effects for €7 million.

## Operating costs

Operating costs for the period from 1 January to 30 June 2022 amounted to €241 million, an increase of €55 million compared to €186 million for the period from 1 January to 30 June 2021. The increase is mainly attributable to higher players' wages and technical staff costs, partially offset by a lower charge for amortization and write-downs of players registration rights and lower provisions.

### Audit by Consob

Juventus was subject to an inspection by Consob from July 2021 to April 2022 concerning the acquisition of documentation and information relating to the item "Income from players' registration rights" recorded in Juventus' financial statements at 30 June 2020 and 30 June 2021 and received a series of requests for information by Consob regarding this matter and the accounting of certain "costs of personnel". Based on the information available to date, Juventus might be subject to the adoption of measures by Consob in respect of certain aspects of the line items "players' registration rights" and "cost of personnel" contained in the Juventus' financial statements at 30 June 2020, 30 June 2021 and 31 December 2021.

### Requests for information from sports Authorities and disciplinary proceedings

In a letter dated 4 October 2021, Co.Vi.So.C. (an Italian sport Authority), on the basis of press reports, requested Juventus to provide information about the requests for inquiries regarding the separate and consolidated financial statements of Juventus received in 2021 from inspection bodies and, in particular, information about the expected response time and the elements of assessment regarding the facts subject to the said requests for inquiries; subsequently, in a letter dated 29 November 2021, Co.Vi.So.C. requested Juventus to provide further information, in particular with regard to the news published in the press concerning the criminal proceedings pending before the Turin Judicial Authority (see next paragraph).

On 24 November 2021, the *Procura Federale* (Federal Prosecutor's Office) of the F.I.G.C. (*Federazione Italiana Giuoco Calcio*) made a request to Juventus for documentation concerning the transfer of the rights to the performances of various football players, in the framework of proceedings opened by the same Prosecutor's Office. Juventus provided these documents and all the information requested.

On 21 February 2022, Juventus received, together with 10 other Italian football companies and respective senior managers, a "*Comunicazione di conclusione delle indagini*" (Communication of termination of investigations) from the Federal Prosecutor's Office of the F.I.G.C. with regard to the valuation of the effects of certain transfers of players' rights on the financial statements and the accounting treatment of gains, following the "*segnalazione*" (report) by Co.Vi.So.C., for the postulated breach of article 31, paragraph 1, and articles 6 and 4 of the "*Codice di Giustizia Sportiva*" (Sport Justice Code). The communication served, concerning certain transfers completed in the financial years 2018/19, 2019/20 and 2020/21, does not constitute the exercise of the disciplinary action by the Federal Prosecutor's Office. Juventus had access to the records and articulated its defences in accordance with the terms set forth in the code and trusts it will be in a position to demonstrate the correctness of its conduct. The Federal Prosecutor's Office of the F.I.G.C. then exercised the disciplinary action by referring Juventus and senior managers to the *Tribunale Federale Nazionale* which, however, on 15 April 2022 acquitted Juventus and the senior managers. The Federal Prosecutor's Office made an appeal against the *Tribunale Federale Nazionale*'s decision which was rejected by the *Corte di Appello Federale* on 27 May 2022.

### Criminal proceedings pending before the Turin Judicial Authority

On 26 November 2021 and 1 December 2021, search and seizure orders were served on Juventus, through the Officers of the "*Guardia di Finanza* of the *Nucleo di Polizia Economico-Finanziaria*" of Turin.
In the same date, Juventus was informed of the existence of an investigation by the Public Prosecutor's Office of the Court of Turin, against itself and some of its current and former representatives, concerning the item "Income from players' registration rights" recorded in the financial statements at 30 June 2019, 2020 and 2021 for the offences referred to in Article 2622 of the Italian Civil Code (False corporate communications by listed companies) and art. 8 of Legislative Decree no. 74/2000 (Issue of invoices or other documents for non-existent transactions) and, as far as the Company is concerned, for the offence envisaged by articles 5 (Liability of the legal entity) and 25-ter (Corporate offences) of Legislative Decree no. 231/2001.

The investigation launched by the Public Prosecutor's Office at the Court of Turin is ongoing and to date, no notice of conclusion of the preliminary investigations pursuant to art. 415-bis of the Decree of the President of the Republic of 22 September 1988, no. 447 (the "*Codice di procedura penale*", or the "Code of Criminal Procedure") has been served. Juventus is cooperating with the investigators and trusts that it will clarify any aspect of interest to them, believing that it has operated in compliance with the laws and regulations governing the preparation of financial reports, in accordance with accounting principles and in line with international football industry practice and market conditions.

## Outlook

Results and operating cash flow for 2022/2023 - while still under the influence of the unfavourable external economic context - are at present expected to be noticeably better than those for 2021/2022, a period which was penalized to a significant extent by the direct and indirect effects of the pandemic.
This improvement – which does not at this stage justify forecasting a break-even result – is expected to come both from the cessation of the main direct and indirect negative effects of the pandemic and from the incisive measures taken in 2020/2021 to reduce costs and recover revenues, the effects of which are felt in the medium term.

It should be noted, finally, that in the second half of the financial year the first phase of the 2022/2023 Transfer Campaign will be concluded and the sporting season will commence with, in particular, the qualifying rounds phase of the UEFA Champions League; the impact of these two factors on the Company's results for 2022/2023 could be significant.

(14.29% stake, 14.29% of voting rights on issued capital)

The key consolidated data of Stellantis in the six months ended 30 June 2022 are presented below:

| € million | I Half | | | Change 2022 vs. 2021 Pro-forma | |
|---|---|---|---|---|---|
| | **2022** | **2021 Pro-forma[a]** | **2021** | amount | % |
| Net revenues | **87,999** | 75,310 | 72,610 | 12,689 | +17 |
| Adjusted operating income[b] | **12,374** | 8,622 | 8,438 | 3,752 | +44 |
| Net profit (loss) | **7,960** | 5,936 | 5,800 | 2,024 | +34 |

(a) H1 2021 Pro-forma results are presented as if the merger had occurred on 1 January 2020 and include results of FCA for the period 1 January – 16 January 2021.

(b) Adjusted operating income is a non-GAAP financial measure used to measure performance. Adjusted operating income/(loss) excludes from Net profit/(loss) from continuing operations adjustments comprising restructuring, impairments, asset write-offs, disposals of investments and unusual operating income/(expense) that are considered rare or discrete events and are infrequent in nature, as inclusion of such items is not considered to be indicative of Stellantis's ongoing operating performance, and also excludes Net financial expenses/(income), Tax expense/(benefit) and Share of the profit of equity method investees. For the six months ended 30 June 2021, Pro-forma Adjusted operating income includes the Adjusted operating income of FCA for the period 1 January – 16 January 2021.

## Global business condition

In response to the on-going Russia-Ukraine conflict, various governments around the world have applied economic, trade and financial sanctions against Russia.

In Russia, Stellantis has a joint venture assembly plant, accounted for as a joint operation, as well as, national sales companies. In March and April 2022, the import and export of vehicles to and from Russia and operations at the joint venture assembly plant were suspended, respectively. In Ukraine Stellantis has a national sales company. The activities in Russia and Ukraine are not material to Stellantis net assets, financial position or results of operations.

## Net revenues and Adjusted operating income

| **Net revenues** | | € million | **Adjusted operating income** | |
|---|---|---|---|---|
| **I Half** | | | **I Half** | |
| **2022** | **2021 Pro-forma[a]** | | **2022** | **2021 Pro-forma[a]** |
| 42,443 | 32,447 | North America | 7,683 | 5,236 |
| 31,319 | 32,040 | Enlarged Europe | 3,267 | 2,829 |
| 7,233 | 4,936 | South America | 1,002 | 326 |
| 3,039 | 2,547 | Middle East & Africa | 472 | 247 |
| 2,152 | 1,883 | China and India & Asia Pacific | 289 | 206 |
| 941 | 885 | Maserati | 62 | 29 |
| 872 | 572 | Other activities, unallocated items and eliminations | (401) | (251) |
| **87,999** | **75,310** | **Total** | **12,374** | **8,622** |

*North America*
The increase in North America Net revenues on an IFRS basis in the six months ended 30 June 2022 compared to the IFRS and Pro Forma basis for the corresponding period in 2021 is primarily due to higher volumes, strong net pricing, favourable vehicle mix and positive foreign exchange translation effects.

The increase in North America Adjusted operating income in the six months ended 30 June 2022 compared to the same period in 2021 Pro Forma was driven by higher Net revenues, including non-repeat of reduction in dealer stock levels in the prior period, and favourable foreign exchange translation and transaction effects, partially offset by increased raw materials and logistics costs.

*Enlarged Europe*
Favourable net pricing, improved vehicle mix, primarily related to an increase in BEVs and PHEVs, and lower volumes with buyback commitments, was more than offset by reduced new vehicle volumes resulting in a decrease in Enlarged Europe Net revenues on an IFRS basis in the six months ended 30 June 2022 compared to the IFRS and Pro Forma basis for the corresponding period in 2021.

The increase in Enlarged Europe Adjusted operating income in the six months ended 30 June 2022 compared to the same period in 2021 Pro Forma was primarily due to positive net pricing, favourable vehicle mix, cost containment actions and lower buyback volumes, partially offset by higher raw material and energy costs.

*South America*
The increase in South America Net revenues on an IFRS basis in the six months ended 30 June 2022 compared to the IFRS and Pro Forma basis for the corresponding period in 2021 was mainly due to very strong net pricing, favourable vehicle mix and positive foreign exchange translation effects, mainly Brazilian Real, partially offset by lower volumes.

The increase in South America Adjusted operating income in the six months ended 30 June 2022 compared to the same period in 2021 Pro Forma was primarily due to higher Net revenues and favourable foreign exchange translation and transaction effects, more than offsetting higher raw materials and logistics costs.

*Middle East & Africa*
The increase in Middle East & Africa Net revenues on an IFRS basis in the six months ended 30 June 2022 compared to the IFRS and Pro Forma basis for the corresponding period in 2021 was primarily due to higher net pricing, including pricing actions for Turkish lira devaluation and improved vehicle mix, partially offset by negative foreign exchange translation effects, mainly from Turkish lira.

The increase in Middle East & Africa Adjusted operating income in the six months ended 30 June 2022 compared to the same period in 2021 Pro Forma was mainly due to increased Net revenues, partially offset by negative foreign exchange transaction and translation effects.

*China and India & Asia Pacific*
The increase in China and India & Asia Pacific Net revenues on an IFRS basis in the six months ended 30 June 2022 compared to the IFRS and Pro Forma basis for the corresponding period in 2021 was primarily due to favourable foreign exchange translation effects, positive net pricing and vehicle line mix.

The increase in China and India & Asia Pacific Adjusted operating income in the six months ended 30 June 2022 compared to the same period in 2021 Pro Forma was mainly driven by favourable net pricing and vehicle mix, primarily related to Ram 1500 and Jeep brand vehicles, partially offset by unfavourable market mix.

*Maserati*
The increase in Maserati Net revenues on an IFRS basis in the six months ended 30 June 2022 compared to the IFRS and Pro Forma basis for the corresponding period in 2021 was primarily due to positive model mix driven by all-new MC20 Model Year 2022 pricing actions and favourable foreign exchange both in U.S. Dollar and Chinese Renmimbi more than offsetting lower volumes, mainly in China.

The increase in Maserati Adjusted operating income in the six months ended 30 June 2022 compared to the same period in 2021 Pro Forma was mainly due to higher net pricing, favourable vehicle mix, driven by all-new MC20, and positive foreign exchange transaction effects, partially offset by increased depreciation and amortization for new vehicle launches.

The following table is the reconciliation of Net profit to Pro-forma Adjusted operating income (non-GAAP measure).

| | I Half | |
|---|---|---|
| € million | 2022 | 2021 Pro-forma[(a)] |
| **Net profit from continuing operations** | **7,960** | **5,800** |
| Tax expense | 1,985 | 1,729 |
| Net financial expenses | 431 | 217 |
| Share of the profit of equity method investees | (56) | (402) |
| **Operating income** | **10,320** | **7,344** |
| FCA operating income 1 January -16 January 2021 | — | 77 |
| Pro-forma adjustments | — | 96 |
| **Operating income** | **10,320** | **7,517** |
| Adjustments: | | |
| Reversal of inventory fair value adjustment in purchase accounting[(a)] | — | 522 |
| Restructuring and other costs, net of reversal[(b)] | 838 | 541 |
| Impairment expense and supplier obligations | 67 | 21 |
| CAFE penalty rate[(c)] | 660 | — |
| Takata recall campaign[(d)] | 562 | — |
| Patents litigation[(e)] | 134 | — |
| Brazilian indirect tax - reversal of liability/recognition of credits[(f)] | — | (222) |
| Other[(g)] | (207) | 243 |
| **Total adjustments** | **2,054** | **1,105** |
| **Adjusted operating income** | **12,374** | **8,622** |

(a) Reversal of fair value adjustment recognized in purchase accounting on FCA inventories.
(b) Primarily related to workforce reductions, mainly in Enlarged Europe, North America and South America.
(c) Increase in provision related to Model Year 2019-2021 CAFE (fuel efficiency) penalty rate adjustment.
(d) Extension of Takata airbags recall campaign in Enlarged Europe, Middle East & Africa and South America.
(e) Provision related to litigation by certain patent owners related to the use of certain technologies in prior periods.
(f) Primarily related to disposal of Changan PSA Auto Company Ltd ("CAPSA"), which was a joint venture in China.
(g) Benefit related to final decision of Brazilian Supreme Court on calculation of state value added tax.

## Reconciliation of cash flows from operating activities to Pro-forma Industrial free cash flows

| (€ million) | I Half 2022 | I Half 2021 |
|---|---|---|
| **Cash flows from operating activities** | **9,843** | **5,615** |
| Less: Cash flows from operating activities – discontinued operations | — | — |
| **Cash flows operating activities – continuing operations** | **9,843** | **5,615** |
| *Less*: operating activities not attributable to industrial activities | 129 | (22) |
| *Less*: capital expenditures and capitalized research and development expenditures and change in amounts payable on property, plant and equipment and intangible assets for | 4,388 | 4,982 |
| *Add*: proceeds from disposal of assets and other changes in investing activities | 251 | 100 |
| *Less:* contributions of equity to joint ventures and minor acquisitions of consolidated subsidiaries and equity method investments | 293 | 141 |
| *Add*: net intercompany payments between continuing operations and discontinued operations | — | — |
| *Add*: defined benefit pension contribution, net of tax | 35 | 36 |
| **Industrial free cash flows** | **5,319** | **650** |
| *Add*: FCA Industrial free cash flows 1 January - 16 January 2021 | **n.a.** | **(1,813)** |
| **Pro-forma Industrial free cash flows** | **n.a.** | **(1,163)** |

## Debt to Industrial net Financial position

| (€ million) | 30 June 2022 | 31 December 2021 |
|---|---|---|
| Debt | (28,164) | (33,582) |
| Current financial receivables from jointly-controlled financial services companies | 332 | 103 |
| Derivative financial assets (liabilities), net and collateral deposits | 14 | (9) |
| Financial securities | 1,779 | 1,499 |
| Cash and cash equivalents | 46,355 | 49,629 |
| **Net Financial Position** | **20,316** | **17,640** |
| Less: Net Financial position of financial services | (1,738) | (1,450) |
| **Industrial net financial position** | **22,054** | **19,090** |

(a) Industrial net financial position is calculated as debt plus derivative financial liabilities related to industrial activities less (i) cash and cash equivalents, (ii) financial securities that are considered liquid, (iii) current financial receivables from the company or its jointly controlled financial services entities and (iv) derivative financial assets and collateral deposits; therefore, debt, cash and cash equivalents and other financial assets/ liabilities pertaining to Stellantis' financial services entities are excluded from the computation of the Industrial net financial position. Industrial net financial position includes the Industrial net financial position classified as held for sale.

## 2022 Outlook

2022 Industry Outlook North America -8% (from Stable), Enlarged Europe -12% (from -2%), Middle East & Africa Stable, South America Stable (from +3%), India & Asia Pacific +5%,China Stable.
2022 Industry Outlook changed for North America , Enlarged Europe and South America compared to outlook provided on 5 May 2022.

FY 2022 Guidance confirmed:

- Adjusted Operating Income Margin: Double-Digit
- Industrial Free Cash Flows: Positive.

Assumes economic and COVID-19 conditions remain substantially unchanged.

(26.89% stake, 41.68% of voting rights on issued capital)

Key consolidated figures of CNH Industrial in the six months ended 30 June 2022 as follows:

| $ million | Six months ended 30 June | | Change |
|---|---|---|---|
| | **2022** | **2021**[(a)] | |
| Revenues | **10,707** | 9,255 | 1,452 |
| *Revenues in €* | **9,792** | *7,679* | *2,113* |
| Adjusted EBIT of Industrial Activities[(b)] | **1,071** | 939 | 132 |
| Net (loss) income | **791** | 979 | (188) |
| Net Cash(Debt) of Industrial Activities[(c)] | **1,892** | 1,374 | 518 |

(a) The data for the six months ended 30 June 2021 have been restated, consistent with Iveco Group's classification as a discontinued operation for the year ended 31 December 2021. The spin-off of Iveco Group took effect on 1 January 2022.

(b) Adjusted EBIT is a non-GAAP financial measure used to measure performance. Adjusted EBIT is defined as profit/(loss) before taxes, financial services results, industrial activities financial expenses, restructuring costs and certain non- recurring items.

(c) Net Cash (Debt) of Industrial Activities is defined is defined as total Debt plus Derivative liabilities, net of Cash and cash equivalents, Current securities, Derivative assets and Other current financial assets (primarily current securities, short-term deposits and investments towards high-credit rating counterparties). Comparative data refer to 31 December 2021

## Global Business Conditions

The effects of the Covid-19 pandemic and the related actions of governments and other authorities to contain Covid-19 spread have affected and may continue to affect CNH Industrial's business, results, cash flow and outlook. Governments in many countries where CNH Industrial operates, designated part of its businesses as essential critical infrastructure businesses. This designation allowed them to operate in support of our dealers and customers to the extent possible. CNH Industrial also continues to prioritize the health, safety and well-being of its employees.

Covid-19 pandemic and other economic and geopolitical factors, including inflation, increased raw material prices and the war in Ukraine, continue to create volatility in the global economy, including supply chain disruptions, as well as increased transportation costs. These factors along with intermittent sub-component availability (notably for semiconductors) leads to pressure on production in CNH Industrial's facilities. CNH Industrial continues to work to mitigate the impact of these issues in order to meet end-market demand and it will continue to monitor the situation as conditions remain fluid and evolve throughout the year.

During the first quarter of 2022, CNH Industrial announced it was suspending non-domestic operations in Russia. CNH Industrial is supporting its businesses in this market through the continuation of employee salaries and payment of other administrative expenses. As a result of the suspension, CNH Industrial evaluated the carrying value of its assets held in Russia. Upon completion of the evaluation, in the six months ended 30 June 2022, it recorded charges of $71 million related to asset write downs, financial receivable allowances and a valuation allowance against deferred tax assets. The Russia-Ukraine conflict and the ensuing sanctions to Russia and Belarus and Russian counter-sanctions might create additional tensions in the commodity markets. CNH Industrial has no critical supplier in the affected countries, but prices for certain commodities, including natural gas, might increase creating further volatility. Further escalation in the war in Ukraine could have further adverse effects on CNH Industrial and its operations in Russia.

## Revenues

Net revenues were $10,707 million in the six months ended 30 June 2022, an increase of 15.7% compared to the six months ended 30 June 2021 (up 17.8% on a constant currency basis). Net revenues of Industrial Activities were $9,793 million in the six months ended 30 June 2022, an increase of 15.5% (up 17.7% on a constant currency basis) compared to the six months ended 30 June 2021, mainly due to favourable price realization.

Net revenues for Agriculture were $8,099 million for the six months ended 30 June 2022, an increase of 15.4% compared to the six months ended 30 June 2021 (up 17.8% on a constant currency basis). The increase was mainly due to favourable price realization and better mix, mostly driven by North America and South America.

Net revenues for Construction were $1,694 million in the six months ended 30 June 2022, an increase of 15.7% compared to the six months ended 30 June 2021 (up 17.3% on a constant currency basis), as a result of positive price realization and contribution from the Sampierana business.

Financial Services' net revenues totalled $933 million in the six months ended 30 June 2022, an increase of 18.7% compared to the six months ended 30 June 2021 (up 19.3% on a constant currency basis), due to higher used equipment sales, higher base rates in South America and higher average portfolios in all regions, partially offset by lower retail yields in North America.

| | **Six months ended 30 June** | | % change | % change on a constant currency basis |
|---|---|---|---|---|
| $ million | **2022** | **2021** | | |
| Agriculture | 8,099 | 7,018 | 15.4 | 17.8 |
| Construction | 1,694 | 1,464 | 15.7 | 17.3 |
| Elimination and other | — | (1) | n.s. | n.s. |
| **Total net revenues Industrial Activities** | **9,793** | **8,481** | 15.5 | 17.7 |
| Financial Services | 933 | 786 | 18.7 | 19.3 |
| Eliminations and other | (19) | (12) | n.s. | n.s. |
| **Total net Revenues** | **10,707** | **9,255** | — | 17.8 |

## Adjusted EBIT of Industrial Activities

Adjusted EBIT of Industrial Activities was $1,071 million in the six months ended 30 June 2022, compared to an adjusted EBIT of $939 million during the six months ended 30 June 2021. The increase in adjusted EBIT was primarily attributable to increases in both the Agriculture and Construction segments year on year.

Adjusted EBIT of Agriculture was $1,083 million in the six months ended 30 June 2022, an increase of $120 million compared to the six months ended 30 June 2021. This increase was driven by higher gross profit, partially offset by higher SG&A costs and increased R&D spend.

Adjusted EBIT of Construction was $61 million in the six months ended 30 June 2022, an increase of $14 million compared to the six months ended 30 June 2021. The improvement was due to favourable volume and mix and positive price realization, partially offset by higher costs.

| | **Six months ended 30 June** | | Change | **Adjusted EBIT margin** | |
|---|---|---|---|---|---|
| $ million | **2022** | **2021** | | **2022** | **2021** |
| Agriculture | 1,083 | 963 | 120 | 13.4 % | 13.7 % |
| Construction | 61 | 47 | 14 | 3.6 % | 3.2 % |
| Unallocated items, elimination and other | (73) | (71) | (2) | — | — |
| **Adjusted EBIT of Industrial Activities** | **1,071** | **939** | 132 | **10.9 %** | **11.1 %** |

The following table shows the reconciliation of Adjusted EBIT of Industrial Activities (non-GAAP financial measure), to consolidated profit, for the six months ended 30 June 2022 and 2021.

| $ million | Six moths ended 30 June 2022 | 2021 |
|---|---|---|
| **Consolidated profit (loss)** | **791** | **807** |
| Less: | | |
| Consolidated income tax (expense) benefit | 365 | 252 |
| Financial services | (227) | (219) |
| Add back: | | |
| Financial expenses | 76 | 79 |
| Adjustments: | | |
| Restructuring costs | 8 | 8 |
| Other discrete items[(a)] | 58 | 12 |
| **Adjusted EBIT of Industrial Activities** | **1,071** | **939** |

(a) In the six months ended 30 June 2022 this item includes $44 million of asset write-downs, $6 million of separation costs incurred in connection with the spin-off of Iveco Group and $8 million of loss from the activity of the two Raven businesses held for sale, including the loss on the sale of the Raven Engineered Films Division. In the six months ended 30 June 2021, this item included $9 million of separation costs in connection with the spin-off of the Iveco Group business.

## Net debt

Excluding positive exchange rate differences effect of $551 million, Net debt at 30 June 2022 increased by $2,133 million compared to 31 December 2021, reflecting a free cash flow absorption from Industrial Activities of $744 million during the six months and the increase in portfolio receivables of Financial Services of $1.4 billion.

| $ million | At 30 June 2022 | At 31 December 2021 | Change |
|---|---|---|---|
| Third party debt | (21,126) | (21,186) | 60 |
| Payables to Iveco Group[(a)] | (73) | (503) | 430 |
| **Debt** | **(21,199)** | **(21,689)** | 490 |
| Receivables from Iveco Group[(b)] | 281 | — | 281 |
| Cash and cash equivalents | 2,855 | 5,044 | (2,189) |
| Restricted cash | 729 | 801 | (72) |
| Other/financial asset/(liabilities)[(c)] | (88) | 4 | (92) |
| **(Net debt)/Cash** | **(17,422)** | **(15,840)** | (1,582) |
| **Industrial Activities** | **(1,892)** | **(1,374)** | (518) |
| **Financial Services** | **(15,530)** | **(14,466)** | (1,064) |

(a) At 30 June 2022 this item includes payables related to purchases of receivables or collections with settlement in the following days. At 31 December 2021 the amount payable to Iveco Group has been re-presented (net of the receivables) to show, in a clearer view, the amounts of financial payables and receivables vs. Iveco Group after the spin-off of Iveco Group.
(b) At 30 June 2022 this item includes receivables related to sales of receivables or collections with settlement in the following days.
(c) Including short term deposits, investments towards high-credit rating counterparties and fair value of derivative financial instruments.

## 2022 Outlook (US GAAP)

CNH Industrial manages its operations, assesses its performance and makes decisions about allocation of resources based on financial results prepared only in accordance with U.S. GAAP, and, accordingly, its full year guidance presented below has been prepared under U.S. GAAP.

CNH Industrial's updated 2022 outlook for its Industrial Activities is follows:

– Net sales[(*)] up between 12% and 14% year on year including currency translation effects;
– SG&A expenses lower/equal to 7.5% of net sales;
– Free cash flow positive in excess of $1.0 billion;
– R&D expenses and capital expenditures at around $1.4 billion.

Significant uncertainties remain in all regions, linked to rising inflation, geopolitical instability, the war in Ukraine and continuing COVID-19 infection waves, all these factors may affect our forecast for the year.

(*) Net sales reflecting the exchange rate of 1.05 EUR/USD.

I V E C O • G R O U P

(27.06.% stake,42.49% of voting rights on issued capital)

Key consolidated data reported by Iveco Group in the six months ended 30 June 2022 are as follows:
On 1 January 2022 the demerger between CNH Industrial and Iveco Group took legal effect. The 2021 figures presented relate to activities transferred to Iveco Group and are derived from CNH Industrial consolidated financial statements for the six months ended 30 June2021 and for the year ended 31 December 2021.

| | Six months ended 30 June | | Change |
|---|---|---|---|
| $ million | **2022** | **2021** | |
| Revenues | **6,419** | 6,319 | 100 |
| Adjusted EBIT | **220** | 260 | (40) |
| Net (loss) income | **21** | 143 | (122) |
| Net Industrial cash (Debt)[b)] | **625** | 1,063 | (438) |

### Global business conditions

The Covid-19 pandemic and the related actions of governments and other authorities to contain the spread of Covid-19 continue to affect Iveco Group's business, results and cash flow.
Iveco Group remains cautious about future impacts on its end-markets and business operations of restrictions on social interactions and business operations to limit the resurgence of the pandemic. Iveco Group is closely monitoring the impact of the Covid-19 pandemic on all aspects of its business, its employees and its results of operations, financial condition and cash flows.

The geopolitical situation and the Russia-Ukraine conflict escalated since the end of February 2022. Iveco Group has operations in both Russia and Ukraine, which have been suspended during the first quarter of 2022. In the six months ended 30 June 2022, Iveco Group recorded a negative after-tax impact of €51 million in connection with its operations in Russia and Ukraine, primarily due to the impairment of certain assets and EU sanctions preventing further commercial activities with Russian legal entities and individuals. On 20 July 2022, Iveco Group executed a dissolution agreement with the Russian joint venture, IVECO AMT, also formally presenting its withdrawal from the legal entity. Accordingly, the Iveco Group stake (33.3%) was returned to IVECO AMT. While Russia and Ukraine do not constitute a material portion of Iveco Group business, a significant escalation or expansion of economic disruption could have a material adverse effect on Iveco Group results of operations. Iveco Group is closely monitoring the impact of the Russia-Ukraine conflict on all aspects of its business, its employees and its results of operations, financial condition and cash flows.

### Revenues

Net revenues of Iveco Group were €6,419 million in the six months ended 30 June 2022, an increase of 1.6% compared to the six months ended 30 June 2021. Net revenues of Industrial Activities were €6,339 million in the six months ended 30 June 2022, an increase of 1.3% compared to the six months ended 30 June 2021, mainly due to positive price realization.

Commercial and Specialty Vehicles' net revenues were €5,294 million in the six months ended 30 June 2022, an increase of 5.9% compared to the six months ended 30 June 2021, primarily driven by positive price realization and favourable volume and mix. During the six months ended 30 June 2022, the European truck market (GVW ≥3.5 tons), excluding U.K. and Ireland, decreased 16% compared to the same period in 2021. In Europe, the LCV market (GVW 3.5-7.49 tons) decreased 22% and the M&H truck market (GVW ≥7.5 tons) decreased 1%. In South America, new truck registrations (GVW ≥3.5 tons) increased 1% over the same period of 2021, flat in Brazil and with an increase of 5% in Argentina. In Rest of World, new truck registrations decreased by 7%.

Powertrain's net revenues were €1,998 million in the six months ended 30 June 2022, a decrease of 4.7% compared to the six months ended 30 June 2021, due to lower volumes towards third parties. Sales to external customers accounted for 55% of total net revenues (62% in the six months ended 30 June 2021).

During the six months ended 30 June 2022, Powertrain sold approximately 247,200 engines, a decrease of 23% compared to the six months ended 30 June 2021. In terms of customers, 39% of engine units were supplied to Commercial and Specialty Vehicles and 61% to external customers. Additionally, Powertrain delivered approximately 34,800 transmissions, a decrease of 8% compared to the six months ended 30 June 2021 and approximately 106,200 axles, a decrease of 2% compared to the six months ended 30 June 2021

Financial Services' net revenues totalled €109 million in the six months ended 30 June 2022, up 14.7% compared to the six months ended 30 June 2021, mainly due to higher wholesale originations and higher base rates.

| | Six months ended 30 June | | % change |
|---|---|---|---|
| $ million | 2022 | 2021 | |
| Commercial and Specialty Vehicles | 5,294 | 5,001 | 5.9 |
| Powertrain | 1,998 | 2,096 | -4.7 |
| Elimination and Other | (953) | (840) | n.s. |
| **Total net revenues Industrial Activities** | **6,339** | **6,257** | 1.3 |
| Financial Services | 109 | 95 | 14.7 |
| Eliminations and other | (29) | (33) | n.s. |
| **Total net Revenues** | **6,419** | **6,319** | 1.6 |

## Adjusted EBIT

Adjusted EBIT of Industrial Activities was €173 million for the six months ended 30 June 2022, compared to €226 million for the six months ended 30 June 2021. The decrease was primarily attributable to higher raw material and energy costs more than offsetting positive price realization.

Adjusted EBIT of Commercial and Specialty Vehicles was €171 million in the six months ended 30 June 2022, up €18 million compared to the six months ended 30 June 2021. The improvement was driven by positive price realization more than offsetting raw material cost increase.

Adjusted EBIT of Powertrain was €92 million for the six months ended 30 June 2022, down €56 million compared to the six months ended 30 June 2021. The decrease was mainly due to higher raw material costs and unfavourable volumes, partially offset by positive price realization.

Adjusted EBIT of financial services was €47 million in the six months ended 30 June 2022, an increase of €13 million compared to the six months ended 30 June 2021, primarily due to the higher wholesale portfolio and better collection performances on managed receivables.

| | Six months ended 30 June | | % change | Adjusted EBIT margin | |
|---|---|---|---|---|---|
| $ million | 2022 | 2021 | | 2022 | 2021 |
| Commercial and Specialty Vehicles | 171 | 153 | 11.8 | 3.2% | 3.1% |
| Powertrain | 92 | 148 | -37.8 | 4.6% | 7.1% |
| Unallocated items, eliminations and other | (90) | (75) | n.s. | — | — |
| **Adjusted EBIT of Industrial Activities** | **173** | **226** | (23.5) | **2.7%** | **3.6%** |
| Financial Services | 47 | 34 | 38.2 | 43.1% | 35.8% |
| Eliminations and other | — | — | — | — | — |
| **Total Adjusted EBIT** | **220** | **260** | -15.4 | **3.4%** | **4.1%** |

## Net debt

Net debt at 30 June 2022 increased by €694 million compared to 31 December 2021, mainly reflecting €277 million negative free cash flow of Industrial Activities, and €186 million of cash out from the 2021 restructuring of the Chinese joint ventures. Net Industrial debt at 30 June 2022 decreased by $312 million compared to 31 December 2021 (€2,661 million).

| $ million | At 30 June 2022 | At 31 December 2021 | Change |
|---|---|---|---|
| Third party debt | (3,268) | (2,709) | (559) |
| Debt payable to CHN industrial[(a)] | (261) | (3,076) | 2,815 |
| Cash and cash equivalents | 1,431 | 897 | 534 |
| Financial receivables from CNH Industrial[(b)] | 70 | 3,520 | (3,450) |
| Other current financial asset[(c)] | 41 | 54 | (13) |
| Derivative asset/(liabilities) | (14) | 7 | (21) |
| **(Net debt)/Cash** | **(2,001)** | **(1,307)** | (694) |
| **Industrial Activities** | **625** | **1,063** | (438) |
| **Financial Services** | **(2,626)** | **(2,370)** | (256) |

(a) At 30 June 2022 it includes payables related to purchase of receivables or collections with settlement in the following days. At 31 December 2021, it mainly included overdraft and advances/utilizations under cash management and/or cash pooling arrangements and loans granted by the CNH Industrial central treasury.
(b) At 30 June 2022 it includes receivables related to sales of receivables or collections with settlement in the following days. At 31 December 2021, it mainly referred to cash balances deposited with the CNH Industrial central treasury, including cash management and/or cash pooling arrangements.
(c) Includes short-term deposits and investments towards high-credit rating counterparties.
(d) Includes fair value of derivative financial instruments.

## 2022 Outlook[(i)]

Iveco Group expects the global supply chain to continue to represent the main challenge for the year, with increased cost and availability of energy, raw material price increases and components availability.

Based on current visibility, the Company is providing the following 2022 preliminary financial outlook:

- Consolidated Adjusted EBIT between €400 million and €420 million;
- Net revenues of Industrial Activities[(ii)] up from 3% to 4% versus full year 2021;
- SG&A costs of Industrial Activities lower than 6.5% of net revenues;
- Net cash of Industrial Activities at ~€1.2 billion.

i. A significant escalation or expansion of economic disruption due to Covid-19 pandemic, Russia / Ukraine war, supply chain issues, and energy price and supply could have a material adverse effect on Iveco Group financial results.

ii. Including currency translation effects.

GEDI
GRUPPO EDITORIALE

(89.62% of share capital)

The financial data prepared for EXOR consolidated reporting purposes differs from those reported by GEDI since the data consolidated by Exor reflects the effects of the application by Exor of the acquisition method to account for its acquisition of GEDI.

The following information refers to the key consolidated figures of GEDI.

| € million | Six months ended 30 June 2022 | 2021 | Change |
|---|---|---|---|
| Net revenues | **238** | 248 | (10) |
| Gross operating profit (loss) | **2** | 7 | (5) |
| Adjusted operating (loss) profit | **(17)** | (6) | (11) |
| Net loss | **(13)** | (11) | (2) |

| € million | At 30 June 2022 | At 31 December 2021 | Change |
|---|---|---|---|
| Shareholders' equity | **158** | 173 | (15) |
| Net financial debt | **110** | 103 | 7 |

### Global business conditions

The start of 2022 was characterised by the ongoing public health emergency and the spread of the Omicron variant of Covid-19. However, in February, the situation began to improve and there was a significant lifting of restrictions.

After the economic downturn of 2020, there was a recovery in 2021, although it was accompanied by an increase in the prices of transport and raw materials such as paper and energy, with supply chain issues in certain cases. From late February 2022, this difficult scenario was made even more complex as a result of problems caused by the Russia-Ukraine conflict and the economic and financial sanctions imposed on Russia by Europe, the USA and other countries. This has led to a decline in world trade and further increases in the prices of raw materials and energy.

In general, after several years of price stability, in 2021 the national consumer price index saw more significant growth than in the recent past. The first half of 2022 was characterised by high inflation, which in June peaked at 8%, a level not seen in Italy over the past 30 years.

At GEDI level, this economic situation has had an impact on the costs of production, specifically paper and energy, and may also affect the trend in the advertising market and print media sales as it will influence the spending propensity of advertisers and readers.

GEDI monitors the evolution of the situation daily in order to minimize its effects on the business, both in terms of workplace health and safety and of GEDI's economic performance and financial position. GEDI has established and promptly implemented the necessary action plans, while continuing at the same time to invest in accordance with the individual strategies identified.

### Revenues

| € million | Six months ended 30 June 2022 | 2021 | Change |
|---|---|---|---|
| Circulation | 104 | 111 | (7) |
| Advertising | 118 | 115 | 3 |
| Add-ons and others | 16 | 22 | (6) |
| **Total** | **238** | **248** | (10) |

In this scenario, consolidated revenues totalled €238 million, which is a drop of 4.1% compared to the six months ended 30 June 2021. Revenue from digital activities represented 17.2% of consolidated revenues (21.1% from la Repubblica brand).

Revenue from the circulation of traditional media products and digital subscriptions were €104 million, which is 5.8% less compared to the same period in the previous year.

The customer base of digital subscribers further expanded in the six months ended 30 June 2022, recording a growth of 11% compared to end of year 2021, largely achieved before mid-April because of the strong interest in news linked to the start of the war in Ukraine. The profitability of subscriptions also showed a marked increase of +7% compared to 2021, as most of the growth in the customer base came from premium products, while subscriptions of more expensive replica products remained globally constant.

With an average of around 4.9 million unique users a day and 25.4 million unique users a month on its websites (Audiweb, average data for January - May 2022), GEDI is the seventh largest operator on the Italian digital market.

### Strategic developments

In January 2022, GEDI launched OnePodcast, a new approach on digital audio: a production company creating more than 400 podcast episodes per month, mixing entertaining and news contents; an App, which aggregates all GEDI's digital audio production from Repubblica, La Stampa, HuffPost, Radio Deejay, Radio Capital, m2o, GEDI Visual and all the GEDI's websites. OnePodcast contents have a strong presence on Spotify and Apple Podcast charts with up to 15 in the TOP 100.

In the first half of 2022, GEDI completed the acquisition of 30% of the share capital of Stardust, another fundamental part of the strategy to grow its offer of digital content through social media. Stardust currently produces 1,200 items of original content per day, attracting more than 500 creators, influencers and ambassadors whose work generates more than 15 billion views annually, with 20 million interactions per month. Thanks to a brand-new approach to influencer marketing and communication, in 2021 alone, Stardust handled 300 social campaigns for 70 brands, which has led to a rapid rise in revenues.
The agreement will allow GEDI to increase its shareholding to between 60 and 100% during the 2023-2025 period, and it can already exert broad powers of representation in the company's governance. The operation was completed by acquiring equity stakes from various angel businesses and from Alchimia S.p.A., the company's initial venture capital backer, who will retain a shareholding and representation on the Stardust governance board.

GEDI completed also the sale of L'Espresso. Under the new ownership, headed by BFC Media, a solid editorial group which has boosted the publication's value and which is looking to develop periodicals, the weekly news magazine L'Espresso will be better aligned with the company's strategy, compared to the direction followed by GEDI over many years, which is focused on delivering real-time information to the public and on developing digital and multimedia content for newspapers and radio. To support this transition, it has been agreed that the weekly magazine will still be sold with the Sunday edition of la Repubblica.

On social media, GEDI properties maintained its leadership in six months ended 30 June 2022, recording significant growth on Instagram, particularly with video formats, and Facebook. On Instagram, la Repubblica recorded a +10% organic growth of fans, to 1.8 million fans, with 31 million video views and over 305 million Reel views. Interactions generated on this channel were 34 million, +23% vs the same period of 2021. La Stampa performed very well on Instagram, generating over 5 million interactions with 513,000 fans, +46% compared to 2021, 34 million video views, and 40 million Reel views. Growth of interactions was also strong for Radio Deejay, which generated more than 7.5 million interactions, +49% vs 2021, with 1.2 million fans. Clear dominance among radio brands for Deejay in the video world: 42 million video views, +219%, and 106 million of reel views. Radio Deejay grew on Facebook as well, with 3.8 million interactions, +105% compared to the previous year.

Advertising revenues amounted to €118 million, representing a growth of 2.2% compared to the six months ended 30 June 2021. Looking at the different businesses, print advertising has risen by 1.8%, radio advertising revenues by 9.3% and internet ads by 3.7%.

### Net loss

The consolidated net result showed a loss of €13 million, which included the extraordinary events connected to Covid-19 that produced an impact of €0.3 million. The six months ended 30 June 2022 included also the sale of the business unit that publishes the regional paper La Nuova Sardegna and the press centre, along with the divestment of the building that houses the publication's production site and editorial offices. This operation brought a net gain of €6.5 million.

For the six months ended 30 June 2021, the consolidated net result showed a loss of €11.3 million, including the extraordinary events connected to Covid-19, with an impact of €1 million. The shareholding in the company Editoriale Corriere di Romagna was also sold during the half-year, bringing a gain of €0.1 million. An agreement was signed for the divestment of the stakes held in Editoriale La Libertà, Telelibertà and Altrimedia with a write down of €0.7 million.

### Net financial debt

Looking at the financial situation, on 30 December 2020 GEDI S.p.A. and a pool of banks signed a €70 million medium-long term finance agreement (backed by a SACE guarantee) to meet operational and cash flow requirements. Repayments started at the end of 2021, with the commitment to quarterly instalments of €6 million. The revolving credit facility from the same group of banks, originally €100 million and later reduced to €50 million, expired on 16 April 2022. This has significantly restricted the funding available to GEDI, also considering the ruling of the Court of Rome on 9 December 2021 in the penal proceedings for alleged national insurance fraud.

In order to source new funding, GEDI and the parent company Exor signed, under market conditions, a 4-year shareholder loan agreement for a maximum of €120 million, to be paid on a revolving basis in two or more instalments. The amount due to Exor at 30 June 2022 was €105 million.

### 2022 Outlook

There is only limited visibility of the market trend for the rest of 2022. The situation is characterised by widespread uncertainty, with concerns about developments in the pandemic (which at the end of May saw a significant up tick in the infection rate due to the diffusion of a new sub-variant of Covid-19) and the trend in the prices of raw materials, logistics and supply costs, and a potential slowdown in economic growth is expected in the target markets.

To mitigate the effects of these external events, GEDI's management is implementing a series of incisive actions to contain the main cost categories. The aim is to achieve further savings while at the same time continuing to invest based on the individual strategies identified, in particular, seizing all the opportunities offered by the digital revolution to make the transformation needed to reach an ever-larger customer base on any platform. Despite this, 2022 has been marked by some important projects aimed at developing the monetisation of content produced by the GEDI's brands as outlined above.

With regard to future evolutions, considering the actions put in place and those yet to be implemented, GEDI believes - assuming the absence of a renewed spike in infections and the subsequent imposition of containment measures and/or the worsening of the international context and the increases in the prices of energy supplies and raw materials compared to their current levels - to have the managerial and financial leverage needed to guarantee a positive future outlook in the medium and long term.

# RISK FACTORS
# SUBSEQUENT EVENTS AND
# 2022 OUTLOOK

## RISK FACTORS

The management of Exor Group believes that the risk factors identified for the six months ended 30 June 2022 are in line with the main risks to which Exor is exposed. Those risks were identified and discussed in the 2021 Annual Report, in the Risk factors section, that already included the conflict between Russia and Ukraine and the Covid-19 risk description.

The geopolitical situation and the conflict between Russia and Ukraine escalated since the end of February 2022. In response to these events, certain regions (including the EU, the United States and the United Kingdom) have imposed sanctions against Russia, as well as certain Russian individuals and entities.
In particular, sanctions have been imposed on the export of Russian oil and gas internationally, with the consequence of limited supply and increased prices. Moreover, there is further disruption imposed on people and economic activity both at a regional and global scale across all sectors such as supply chains, commodity prices and exchange rates, in addition to volatility of the global markets and financial system. Primarily, all of the key investee companies (Stellantis, Ferrari, CNH Industrial and Iveco Group) are and could be impacted by supply chain interruptions, increased prices of oil and gas, costs of raw materials and shipping challenges caused by the sanctions, as well as inflationary pressures in general and volatility in the capital markets.
Exor and its investee companies will continue to comply with and implement sanction regimes or other similar laws or regulations.

Exor acknowledges the high uncertainty regarding the duration, outcome and long-lasting consequences of the conflict and will continue to monitor developments closely. The overall effect of these factors may have a negative impact on the business, financial condition, results of operations and prospects of Exor and its investee companies.

The organizational structure and management of accounting and financial information for the preparation of the 2022 First Half-year Report are in line with the structure and processes applicable for the 2021 annual closing, as disclosed in the Risk management, risk and control system section of the 2021 Annual Report.

## SUBSEQUENT EVENTS AND 2022 OUTLOOK

### Creation of the new long-term partnership between Exor and Institut Mérieux in global healthcare

On 1 July 2022 Exor and Institut Mérieux, the privately held global healthcare holding company of the Mérieux family, signed a long-term partnership agreement under which Exor would obtain, by way of a reserved capital increase, a 10% shareholding in Institut Mérieux.

On 29 July 2022 Exor paid an initial amount of €278 million, corresponding to one third of the €833 million total investment, by way of a reserved capital increase. The remaining amount is expected to be contributed within the following 12 months. As part of the partnership sealed with the Mérieux family, John Elkann and Benoît Ribadeau-Dumas have joined Institut Mérieux's board of directors.

The partnership with Exor will provide further resources to support Institut Mérieux's growth as it continues its work to provide ever more innovative solutions to today's and tomorrow's complex global health issues.

### Completion of the disposal of PartnerRe

On 12 July 2022 Exor completed the sale of PartnerRe to Covéa for a total cash consideration of $9.3 billion (approximately €8.6 billion), as agreed in the Definitive Agreement signed on 16 December 2021.

The cash consideration is split as follows: $4.8 billion in USD (including a net price adjustment of which $0.18 billion was already paid by PartnerRe as a special dividend to Exor in March 2022) and €3.8 billion in Euro. The Euro portion of the proceeds was fixed at the signing of the Memorandum of Understanding in October 2021 and the USD portion has not been hedged.

Following the disposal, Exor will recognize in the consolidated income statement the difference between the sale price and the carrying amount of PartnerRe at the date of loss of control over the subsidiary, preliminarily estimated in a range of €2 billion.

Following the closing of the transaction, Exor and Covéa will continue their reinsurance cooperation. At closing, Exor acquired from Covéa interests in special purpose reinsurance vehicles managed by PartnerRe for approximately $725 million. These vehicles invest in property catastrophe and other short-tail reinsurance contracts underwritten by PartnerRe. Covéa, Exor and PartnerRe will also continue to invest jointly in Exor-managed funds with reinforced alignment of interests.

### Transfer of stock exchange listing to Euronext Amsterdam

On 29 July 2022, Exor's Board of Directors approved the transfer of the listing of the Company's ordinary shares to Euronext Amsterdam, a regulated market organised and managed by Euronext Amsterdam N.V., which hosts some of Europe's leading corporations.

The listing and trading of the Exor's ordinary shares on Euronext Amsterdam commenced on 12 August 2022, after receiving the formal approvals from the Euronext Listing Board and the Dutch Authority for the Financial Markets (the "AFM").

The move aligns the Company's listing venue with its established legal structure as a Dutch registered holding company. This further simplification of Exor's organisational structure will result in the Company being overseen by a single country regulatory authority, namely the Dutch Authority for the Financial Markets (AFM).

The delisting of Exor's ordinary shares from Euronext Milan will be effective from 27 September 2022.

### Exor buyback program

On 29 July 2022, Exor announced its intention to continue with the execution of the buyback with a second tranche of up to €250 million to be executed on Euronext Amsterdam and Euronext Milan. The shares repurchased under the second tranche may be used to meet the obligations arising from the Company's new equity incentive plan 2022-2024. The second tranche will be conducted in the framework of the resolution adopted at the AGM held on 24 May 2022.

In the period from the announcement of the second tranche to the date of this report, Exor purchased 581,451 ordinary shares for a total invested amount of €37.1 million, holding in total 11,378,632 ordinary shares in treasury (4.72% of total issued share capital).

### 2022 Outlook

Exor N.V. does not prepare budgets or business plans, nor does it publish forecast data or data on the basis of which it is possible to calculate forecast data.

Certain Exor operating subsidiaries and associates (Ferrari, Stellantis, CNH Industrial and Iveco Group) publish forecast data on their performance. Other operating subsidiaries (Juventus) publish information on the foreseeable outlook. Additional information is provided under "Review of performance of the main companies" in the Board Report.

The forecast data and information of the above mentioned operating companies and associates are drawn up autonomously and communicated by the respective companies and are not homogeneous. Quantitative forecast disclosures prepared by these operating companies and the type of information provided, as well as the underlying assumptions and calculation methods vary according to the accounting principles applicable to each subsidiary and the conventional application practices in the respective sector of reference.

Exor N.V. in fact, is a holding company without a specific business of reference, head of a diversified and non integrated group that operates in different segments and does not exercise direction and coordination activities over its subsidiaries, which operate in a completely independent manner.

Exor N.V. deems that the forecasted data and information of the subsidiaries and associates are not significant or suitable for the purposes of providing indications about the prospective economic trend of Exor N.V.'s operations, nor represent a forecast or estimate of the company's results. Therefore, in assessing Exor N.V.'s future prospects it is not possible to rely on the data and prospective information published by the aforesaid operating subsidiaries and associates.

7 September 2022

The Board of Directors

Ajay Banga

John Elkann

Andrea Agnelli

Ginevra Elkann

Alessandro Nasi

Marc Bolland

Melissa Bethell

Laurence Debroux

Axel Dumas

# Half-year Condensed Consolidated Financial Statements at 30 June 2022

## HALF-YEAR CONDENSED CONSOLIDATED INCOME STATEMENT (unaudited)

| | | First Half | |
|---|---|---|---|
| (€ million) | Note | 2022 | 2021[1] |
| Net revenues | 5 | 18,683 | 16,140 |
| Cost of sales | 6 | (14,427) | (12,319) |
| Selling, general and administrative expenses | | (1,488) | (1,247) |
| Research and development costs | | (989) | (873) |
| Other income (expenses), net | 7 | (126) | (106) |
| Result from investments | 13 | 1,228 | 908 |
| Net financial expenses | 8 | (205) | (109) |
| **Profit (loss) before taxes** | | **2,676** | **2,394** |
| Tax expense | 9 | (506) | (389) |
| **Profit (loss) from continuing operations** | | **2,170** | **2,005** |
| Profit (loss) from discontinued operations, net of tax | 3 | (1,053) | (263) |
| **Profit (loss) for the period** | | **1,117** | **1,742** |
| | | | |
| **Profit (loss) attributable to:** | | | |
| *Owners of the parent* | | *265* | *838* |
| *Non-controlling interests* | | *852* | *904* |
| | | | |
| **Profit (loss) from continuing operations attributable to:** | | | |
| *Owners of the parent* | | 1,322 | *1,114* |
| *Non-controlling interests* | | *848* | *891* |
| | | | |
| **Earnings per share (in €)** | 10 | | |
| Basic earnings per share | | 1.147 | 3.627 |
| Diluted earnings per share | | 1.143 | 3.622 |
| | | | |
| **Earnings per share from continuing operations (in €)** | 10 | | |
| Basic earnings per share | | 5.722 | 4.820 |
| Diluted earnings per share | | 5.718 | 4.815 |

1. Adjusted following the classification of PartnerRe Group as a discontinued operation.

(The accompanying notes are an integral part of these condensed consolidated financial statements)

## HALF-YEAR CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(unaudited)

| (€ million) | First Half 2022 | First Half 2021[1] |
|---|---|---|
| Profit (loss) for the period from continuing operations | 2,170 | 2,005 |
| Profit (loss) for the period from discontinued operations | (1,053) | (263) |
| **Profit (loss) for the period (A)** | **1,117** | **1,742** |
| *Items that will not be reclassified to the Consolidated Income Statement in subsequent periods:* | | |
| Gains (losses) on remeasurement of defined benefit plans | (1) | — |
| Share of gains (losses) on remeasurement of defined benefit plans for equity method investees | 162 | 167 |
| Gains (losses) on financial assets at fair value through other comprehensive income | (259) | 21 |
| Gains (losses) on financial assets at fair value through other comprehensive income for equity method investees | (1) | — |
| Related tax effect | (63) | 1 |
| Items relating to discontinued operations, net of tax | | 177 |
| **Total items that will not be reclassified to the Consolidated Income Statement in subsequent periods, net of tax (B1)** | **(162)** | **366** |
| *Items that may be reclassified to the Consolidated Income Statement in subsequent periods:* | | |
| Gains (losses) on cash flow hedging instruments | 2 | (78) |
| Foreign exchange translation gains (losses) | 902 | 502 |
| Share of other comprehensive income (loss) of equity method investees | 445 | 102 |
| Related tax effect | 3 | 9 |
| Items relating to discontinued operations, net of tax | 587 | 2,096 |
| **Total items that may be reclassified to the Consolidated Income Statement in subsequent periods, net of tax (B2)** | **1,939** | **2,631** |
| | | |
| **Total Other Comprehensive Income (Loss), net of tax (B)=(B1)+(B2)** | **1,777** | **2,997** |
| | | |
| **Total Comprehensive Income (A)+(B)** | **2,894** | **4,739** |
| **Total Comprehensive Income (Loss) attributable to:** | | |
| Owners of the parent | 1,533 | 2,056 |
| Non-controlling interests | 1,361 | 2,683 |
| | | |
| **Total Comprehensive Income (Loss) attributable to owners of the parent:** | | |
| Continuing operations | 2,503 | 1,706 |
| Discontinued operations | (971) | 350 |

1. Adjusted following the classification of PartnerRe Group as a discontinued operation.

(The accompanying notes are an integral part of these condensed consolidated financial statements)

## HALF-YEAR CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (unaudited)

| *(€ million)* | Note | At 30 June 2022 | At 31 December 2021 |
|---|---|---|---|
| **Non current assets** | | | |
| Intangible assets | 11 | 9,195 | 8,639 |
| Property, plant and equipment | 12 | 7,870 | 7,777 |
| Investments and other financial assets | 13 | 12,826 | 11,478 |
| Deferred tax assets | | 1,280 | 1,165 |
| Other non current assets | | 93 | 78 |
| **Total Non current assets** | | **31,264** | **29,137** |
| **Current assets** | | | |
| Inventories | 14 | 9,464 | 6,951 |
| Trade receivables | | 837 | 726 |
| Receivables from financing activities | 15 | 20,357 | 17,689 |
| Current tax receivables | | 139 | 137 |
| Investments and other financial assets | 13 | 1,662 | 1,268 |
| Other current assets | | 1,354 | 1,415 |
| Cash and cash equivalents | 16 | 6,643 | 7,905 |
| **Total Current assets** | | **40,456** | **36,091** |
| Assets held for sale | | 27,140 | 25,883 |
| **Total Assets** | | **98,860** | **91,111** |
| **Equity and Liabilities** | | | |
| Equity attributable to owners of the parent | 17 | 18,061 | 16,759 |
| Non-controlling interests | | 8,359 | 7,611 |
| **Total Equity** | | **26,420** | **24,370** |
| **Liabilities** | | | |
| Provisions for employee benefits | | 1,310 | 1,592 |
| Other provisions | 19 | 3,633 | 3,384 |
| Deferred tax liabilities | | 373 | 358 |
| Financial debt and derivative liabilities | 20 | 32,258 | 28,950 |
| Trade payables | | 7,846 | 7,040 |
| Tax liabilities | | 598 | 1,205 |
| Other liabilities | 21 | 5,984 | 5,987 |
| Liabilities held for sale | | 20,438 | 18,225 |
| **Total Liabilities** | | **72,440** | **66,741** |
| **Total Equity and Liabilities** | | **98,860** | **91,111** |

(The accompanying notes are an integral part of these condensed consolidated financial statements)

## HALF- YEAR CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)

| | | Half years ended 30 June | |
|---|---|---|---|
| *(€ million)* | Note | 2022 | 2021[1] |
| **Cash flows from operating activities:** | | | |
| Profit (loss) from continuing operations | | 2,170 | 2,005 |
| Amortisation and depreciation | | 893 | 836 |
| Gains on disposal of non-current assets | | (26) | (39) |
| Other non-cash items[2] | | (1,063) | (1,236) |
| Dividends received | | 31 | 305 |
| Change in provisions | | (150) | 151 |
| Change in deferred taxes | | (94) | (4) |
| Change in inventories, trade and other receivables and payables | | (1,667) | (38) |
| Cash flows from operating activities – discontinued operations | | 576 | (878) |
| **Total** | | **670** | **1,102** |
| **Cash flows used in investing activities:** | | | |
| Investments in property, plant and equipment and intangible assets | | (809) | (665) |
| Investments in joint ventures, associates, unconsolidated subsidiaries and financial assets | | (363) | (789) |
| Proceeds from disposal of investments, tangible, intangible and financial assets | | 350 | 34 |
| Net change in financial receivables | | (1,653) | (377) |
| Net change in securities | | (97) | (208) |
| Net cash proceeds from disposal of discontinued operations | | — | — |
| Other changes | | (43) | 114 |
| Cash flows used in investing activities – discontinued operations | | (280) | (910) |
| **Total** | | **(2,894)** | **(2,801)** |
| **Cash flows used in financing activities:** | | | |
| Issuance of notes | 20 | 457 | 993 |
| Repayment of notes | 20 | (533) | (1,520) |
| Proceeds of other long-term debt | | 647 | 881 |
| Repayments other long-term debt | | (604) | (968) |
| Net change in short-term debt and other financial assets/liabilities | | 1,796 | (876) |
| Capital increases by subsidiaries | | — | — |
| Exercise of stock options | | 1 | 8 |
| Buyback of treasury shares | | (100) | — |
| Dividends paid | | (548) | (322) |
| Other changes | | (251) | (125) |
| Cash flows used in financing activities – discontinued operations | | (10) | (146) |
| **Total** | | **854** | **(2,075)** |
| **Translation exchange differences** | | **269** | **334** |
| **Total Change in Cash and Cash Equivalents** | | **(1,101)** | **(3,440)** |
| **Cash and cash equivalents at beginning of the period** | | **7,905** | **35,561** |
| Cash and cash equivalents at the beginning of the period included in Assets held for sale | | **584** | **27** |
| Deconsolidation of FCA Group | 3 | — | (22,532) |
| Cash and cash equivalents at the end of the period included in Assets held for sale | | (745) | (777) |
| **Cash and cash equivalents at the end of the period** | | **6,643** | **8,839** |

1. Adjusted following the classification of PartnerRe Group as a discontinued operation.
2. Mainly related to the share in the profit (loss) of the investments accounted by the equity method.

(The accompanying notes are an integral part of these condensed consolidated financial statements)

## HALF-YEAR CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)

| *(€ million)* | Share Capital | Treasury Stock Reserve | Other reserves | Cash flow hedge reserve | Currency translation differences | Financial assets measured at FVTOCI | Remeasure-ment of defined benefit plans | Cumulative share of OCI of equity method investments | Total Owners of the parent | Non-controlling interests | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **At 1 January 2021** | **2** | **(298)** | **15,347** | **11** | **(1,259)** | **(24)** | **(298)** | **(391)** | **13,090** | **24,570** | **37,660** |
| Share-based compensation | — | — | 36 | — | — | — | — | — | **36** | 24 | **60** |
| Buyback of treasury shares | — | — | — | — | — | — | — | — | **—** | — | **—** |
| Capital increase by subsidiaries | — | — | — | — | — | — | — | — | **—** | — | **—** |
| Dividends | — | — | (100) | — | — | — | — | — | **(100)** | (2,301) | **(2,401)** |
| Total comprehensive income | — | — | 838 | 20 | 808 | (22) | 51 | 361 | **2,056** | 2,683 | **4,739** |
| Loss of control of FCA Group and recognition of Stellantis | — | — | — | — | — | — | 124 | (124) | **—** | (18,044) | **(18,044)** |
| Effect of the change in the percentage ownership of companies[1] | — | — | (13) | — | — | — | — | — | **(13)** | (9) | (22) |
| Other changes | — | — | (57) | — | 1 | — | — | 9 | **(47)** | (364) | **(411)** |
| **At 30 June 2021** | **2** | **(298)** | **16,051** | **31** | **(450)** | **(46)** | **(123)** | **(145)** | **15,022** | **6,559** | **21,581** |

1. Of which -€23 million relates to the Welltec Group, +€1 million relates to the Ferrari Group and +€9 million relates to Exor Seeds.

| *(€ million)* | Share Capital | Treasury Stock Reserve | Other reserves | Cash flow hedge reserve | Currency translation differences | Financial assets measured at FVTOCI | Remeasure-ment of defined benefit plans | Cumulative share of OCI of equity method investments | Total Owners of the parent | Non-controlling interests | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **At 1 January 2022** | **7** | **(298)** | **16,900** | **46** | **(108)** | **34** | **(75)** | **254** | **16,759** | **7,611** | **24,370** |
| Share-based compensation | — | — | 25 | — | — | — | — | — | **25** | 40 | **65** |
| Buyback of treasury shares | — | (110) | — | — | — | — | — | — | **(110)** | — | **(110)** |
| Capital increase by subsidiaries | — | — | — | — | — | — | — | — | **—** | 7 | **7** |
| Dividends | — | — | (99) | — | — | — | — | — | **(99)** | (467) | **(566)** |
| Total comprehensive income | — | — | 265 | — | 794 | (199) | 1 | 672 | **1,533** | 1,361 | **2,894** |
| Effect of the change in the percentage ownership of companies[2] | — | — | (7) | — | 1 | — | — | (2) | **(8)** | (21) | (29) |
| Other changes | — | — | (39) | — | | — | — | | **(39)** | (172) | **(211)** |
| **At 30 June 2022** | **7** | **(408)** | **17,045** | **46** | **686** | **(165)** | **(74)** | **924** | **18,061** | **8,359** | **26,420** |

2. Of which +€29 million relates to the Stellantis Group, -€3 million relates to the Ferrari Group, -€3 million to the CNH Industrial Group and -€15 million to Exor Seeds.

(The accompanying notes are an integral part of these condensed consolidated financial statements)

# NOTES TO THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. General information on the activities of the Group

EXOR N.V. (“Exor” or the “Company” and together with its subsidiaries the “Exor Group” or the “Group”), was incorporated as a public limited company (*naamloze vennootschap*) under the laws of the Netherlands on 30 September 2015 and in 2016 became the holding company for the Exor Group following the cross-border merger with EXOR S.p.A. (the “Merger”).

Exor is one of Europe’s largest diversified holding companies and is controlled by Giovanni Agnelli B.V. which holds approximately 52.01% of its economic rights and 85.62% of its voting rights.

Exor and its subsidiaries operate through CNH Industrial N.V. and its subsidiaries (“CNH Industrial” or the “CNH Industrial Group”) in agricultural equipment and construction equipments, Iveco Group N.V. and its subsidiaries ("Iveco" or the "Iveco Group") in commercial vehicles, Ferrari N.V. and its subsidiaries (“Ferrari” or the “Ferrari Group”) in luxury performance sports car, Juventus Football Club S.p.A. and its subsidiaries (“Juventus” or the "Juventus Group") in the professional football sector and GEDI Gruppo Editoriale S.p.A. and its subsidiaries ("GEDI" or the "GEDI Group") in the media sector.

## 2. Basis of preparation and significant accounting policies

### Authorization of Half-year Condensed Consolidated Financial Statements and compliance with International Financial Reporting Standards

The accompanying Half-year condensed consolidated financial statements together with the notes thereto (the “Half-year Condensed Consolidated Financial Statements”) of Exor at 30 June 2022 were authorized for issuance on 7 September 2022 and have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and as adopted by the European Union (EU-IFRS). The designation “IFRS” also includes International Accounting Standards (“IAS”), as well as all interpretations of the IFRS Interpretations Committee (“IFRIC”).

The Half-year Condensed Consolidated Financial Statements, which have been prepared in accordance with IAS 34 – Interim Financial Reporting, do not include all of the information and notes required for complete financial statements and should be read in conjunction with the audited annual consolidated financial statements at and for the year ended 31 December 2021 included within the 2021 Annual Report (the “Exor Consolidated Financial Statements at 31 December 2021”). The accounting policies are consistent with those used at 31 December 2021, except as described in the section “New standards and amendments effective from 1 January 2022” below.

### Basis of preparation

The Half-year Condensed Consolidated Financial Statements are prepared under the historical cost convention, except where the use of fair value is required for the measurement of certain financial assets and derivatives, as well as on the going concern assumption. Despite operating in a continuously difficult economic and financial environment negatively impacted by the continuing spread of the Covid-19 pandemic, the effects of the conflict between Russia and Ukraine, the Group's assessment is that no material uncertainties (as defined in paragraph 25 of IAS 1 – Presentation of Financial Statements) exist about its ability to continue as a going concern, in view also of the measures already undertaken by Exor and its subsidiaries and associates to preserve cash, contain costs, preserve industrial and financial flexibility and a strong liquidity position.

The Group’s presentation currency is the Euro, which is also the functional currency of the Company and, unless otherwise stated, information is presented in millions of Euro.

Certain totals in the tables included in the Half-year Condensed Consolidated Financial Statements may not add due to rounding.

### Format of the financial statements

The Group presents the income statement using a classification based on the function of expenses, rather than a presentation based on the nature of expenses, as it is more representative of the format used for internal reporting and management purposes and consistent with international practice.

As permitted by IAS 1 paragraph 60, until 31 December 2015, the statement of financial position was prepared using a mixed format for the presentation of current and non-current assets and liabilities. After the acquisition of PartnerRe Group in 2016, management made an assessment to verify whether the application of the mixed format was still the best solution, considering that the consolidated financial statements included both industrial companies and financial services companies (in particular PartnerRe operating in the reinsurance sector). While a separate classification of current and non-current in the statement of financial position provided useful information for industrial business, for the entities that had diverse operations and for which financial services activities were significant (in particular considering the reinsurance business of PartnerRe), a presentation of assets and liabilities in increasing or decreasing order of liquidity provided information that was reliable and more relevant. On this basis, starting from 31 December 2016, the statement of financial position was presented in decreasing order of liquidity as permitted by IAS 1 paragraph 60.

Following the classification of PartnerRe as a discontinued operation pursuant to IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations in the consolidated financial statements at 31 December 2021 and 30 June 2022, the management made an assessment to verify whether the presentation in decreasing order of liquidity was still applicable for a group with subsidiaries that operate in the industrial business and have diverse operations and for which the financial activities are significant (in particular CNH Industrial, Iveco Group and Ferrari) and concluded that the application of a separate classification of current and non-current assets in the statement of financial position provides more useful information.
In particular, management has adopted (as in the past before the acquisition of PartnerRe) the mixed format where only the assets are classified as current and non-current. The investment portfolio of the financial services companies of CNH Industrial, Iveco Group and Ferrari are included within current assets as the investments are realized in their normal operating cycle. However, the financial services structure of such group does not allow for the separation between current and non-current of liabilities funding the financial services operations and those funding the industrial operations. The structure of financial services within the Group means that any attempt to separate current and non-current liabilities in the consolidated statement of financial position is not meaningful.

Furthermore, certain line items within the prior periods' statements of financial position have been reclassified to other line items. These reclassifications had no effect on the Group's consolidated results of operations, financial position or cash flows.

The tables below summarize all changes from the prior period to the current period's presentation (amount is €/ million).

| At 31 December 2021 (as previously reported) | | Reclassified in Current investments and other current financial assets | Reclassified from other assets to non current and current other assets | Other reclassification | At 31 December 2021 | |
|---|---|---|---|---|---|---|
| (€ million) | | | | | | |
| **Assets** | | | | | | **Assets** |
| Intangible assets | 8,639 | | | | 8,639 | Intangible assets |
| Property, plant and equipment | 7,777 | | | | 7,777 | Property, plant and equipment |
| Investments and other financial assets | 12,746 | (12,746) | | | — | |
| | | 11,478 | | | 11,478 | Investments and other financial assets - Non-current |
| Investments of reinsurance companies | — | | | | — | Investments of reinsurance companies |
| | | | 78 | | 78 | Other non current assets |
| Deferred tax assets | 1,165 | | | | 1,165 | Deferred tax assets |
| | | (1,268) | 78 | — | **29,137** | **Total Non-current assets** |
| Inventories | 6,951 | | | | 6,951 | Inventories |
| Trade and other receivables | 18,415 | | | (17,689) | 726 | Trade receivables |
| | | | | 17,689 | 17,689 | Receivable from financing activities |
| | | | 137 | | 137 | Current tax receivables |
| | | 1,268 | | | 1,268 | Investments and other financial assets - Current |
| Other assets | 1,630 | | (1,630) | | — | |
| | | | 1,415 | | 1,415 | Other current assets |
| Cash and cash equivalents | 7,905 | | | | 7,905 | Cash and cash equivalents |
| | | 1,268 | (78) | — | **36,091** | **Total Current assets** |
| Assets held for sale | 25,883 | | | | 25,883 | Assets held for sale |
| **Total Assets** | **91,111** | — | — | — | **91,111** | **Total Assets** |
| **Equity and Liabilities** | | | | | — | **Equity and Liabilities** |
| Equity attributable to owners of the parent | 16,759 | | | | 16,759 | Issued capital and reserves attributable to owners of the parent |
| Non-controlling interests | 7,611 | | | | 7,611 | Non-controlling interests |
| **Total Equity** | **24,370** | — | — | — | **24,370** | **Total Equity** |
| **Liabilities** | | | | | — | **Liabilities** |
| Provisions for employee benefits | 1,592 | | | | 1,592 | Provisions for employee benefits |
| Other provisions | 3,384 | | | | 3,384 | Other provisions |
| Technical reserves reinsurance companies | — | | | | — | Technical reserves reinsurance companies |
| Deferred tax liabilities | 358 | | | | 358 | Deferred tax liabilities |
| Financial debt and derivative liabilities | 28,950 | | | | 28,950 | Financial debt and derivative liabilities |
| Trade liabilities | 7,040 | | | | 7,040 | Trade payables |
| Tax liabilities | 1,205 | | | | 1,205 | Tax liabilities |
| Other liabilities | 5,987 | | | | 5,987 | Other liabilities |
| Liabilities held for sale | 18,225 | | | | 18,225 | Liabilities held for sale |
| **Total Liabilities** | **66,741** | — | — | — | **66,741** | **Total Liabilities** |
| **Total Equity and Liabilities** | **91,111** | — | — | — | **91,111** | **Total Equity and Liabilities** |

The statement of cash flows is presented using the indirect method.

### Use of accounting estimates and management's assumptions

The preparation of the Half-year Condensed Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent liabilities. Furthermore, certain valuation procedures, in particular those of a more complex nature, are only carried out in full during the preparation of the annual financial statements, when all the information required is available, other than in the event that there are indications of impairment when an immediate

assessment is necessary. In the same way, the actuarial valuations that are required for the determination of employee benefit provisions are also usually carried out during the preparation of the annual financial statements.
The recoverability of deferred tax assets is assessed quarterly using historical financial results and figures from budget and plans for subsequent years. Income taxes are recognized based upon the best estimate of the actual income tax rate expected for the full financial year.
Due to the currently unforeseeable global consequences of the Covid-19 pandemic, Russia-Ukraine conflict, supply chain issues, raw material price increases, cost and availability of gas and energy, and components availability, these estimates and assumptions are subject to increased uncertainty. Actual results could differ materially from the estimates and assumptions used in preparation of the financial statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Half-year Condensed Consolidated Financial Statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

These Half-year Condensed Consolidated Financial Statements include all updates of estimates and assumptions considered necessary by management to fairly state the Group's results of operations, financial position and cash flows. See note 2 "Basis of preparation and significant accounting policies", paragraph "Use of estimates", in the Exor Consolidated Financial Statements at 31 December 2021 for a description of the significant estimates, judgments and assumptions at that date.

Exor Group is exposed to operational financial risks such as credit risk, liquidity risk and market risk, mainly relating to exchange rates and interest rates. These Half-year Condensed Consolidated Financial Statements do not include all the information and notes about financial risk management required in the preparation of annual financial statements. Exor Group believes that the risks and uncertainties identified are in line with the main risks and uncertainties to which the Group is exposed and that were presented in the Consolidated Financial Statements at 31 December 2021. For a detailed description of this information, see the "Risk factor" section and Note 34 "Qualitative and quantitative Information on financial risks" of Exor Consolidated Financial Statements at 31 December 2021. Those risks and uncertainties should be read in conjunction with this Half-year Report, including its notes and disclosures. Additional risks and uncertainties not currently known or that are currently judged to be immaterial may also materially affect the Group's business, financial condition or operating results.

### New standards and amendments effective from 1 January 2022

The following amendments and interpretations, which were effective from 1 January 2022, were adopted by the Group. The adoption of these amendments had no material impact on the Half-year Condensed Consolidated Financial Statements.

#### *Amendments to IFRS 3 — Business combinations*

In May 2020 the IASB issued amendments to IFRS 3 — Business combinations to update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

#### *Amendments to IAS 16 — Property, Plant and Equipment*

In May 2020 the IASB issued amendments to IAS 16 — Property, Plant and Equipment. The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company should recognize such sales proceeds and the related cost in the income statement.

#### *Amendments to IAS 37 — Provisions, Contingent Liabilities and Contingent Assets*

In May 2020 the IASB issued amendments to IAS 37 — Provisions, Contingent Liabilities and Contingent Assets, which specify which costs a company includes when assessing whether a contract will be loss-making.

#### *Annual Improvements to IFRSs 2018 - 2020 Cycle*

In May 2020 the IASB issued Annual Improvements to IFRSs 2018 - 2020 Cycle. The improvements have amended four standards with effective date 1 January 2022: i) IFRS 1 — First-time Adoption of International Financial Reporting Standards in relation to allowing a subsidiary to measure cumulative translation differences using amounts reported by its parent, ii) IFRS 9 — Financial Instruments in relation to which fees an entity includes when applying the '10 percent' test for derecognition of financial liabilities, iii) IAS 41 — Agriculture in relation to the exclusion of taxation cash flows when measuring the fair value of a biological asset, and iv) IFRS 16 — Leases in relation to an illustrative example of reimbursement for leasehold improvements.

### Accounting standards, amendments and interpretations not yet applicable and not yet adopted by the Group

Reference should be made to the paragraph "New standards and amendments not yet effective" within the Exor Consolidated Financial Statements at 31 December 2021 for a description of other new standards not yet effective and not adopted at 30 June 2022.

### Consolidation of foreign entities

The principal exchange rates used to translate other currencies into Euro are as follows:

| | H1 2022 | | At 31 December | H1 2021 | |
|---|---|---|---|---|---|
| | Average | At 30 June | 2021 | Average | At 30 June |
| U.S. dollar | 1.093 | 1.039 | 1.133 | 1.205 | 1.188 |
| Brazilian real | 5.556 | 5.484 | 6.310 | 6.489 | 5.905 |
| Chinese renminbi | 7.082 | 6.962 | 7.195 | 7.796 | 7.674 |
| Polish zloty | 4.635 | 4.681 | 4.597 | 4.537 | 4.521 |
| Argentinian peso | 130.056 | 130.056 | 116.239 | 115.383 | 113.766 |
| British pound | 0.842 | 0.858 | 0.840 | 0.868 | 0.858 |
| Swiss franc | 1.032 | 0.996 | 1.033 | 1.094 | 1.098 |
| Canadian dollar | 1.390 | 1.343 | 1.439 | 1.503 | 1.472 |
| Hong Kong dollar | 8.556 | 8.149 | 8.833 | 9.355 | 9.229 |
| Danish krone | 7.440 | 7.439 | 7.436 | 7.437 | 7.436 |
| Singapore Dollar | 1.492 | 1.448 | 1.528 | 1.606 | 1.598 |
| Australian Dollar | 1.520 | 1.510 | 1.562 | 1.563 | 1.585 |
| Japanese Yen | 134.410 | 141.540 | 130.380 | 129.870 | 131.430 |
| Czeck Koruna | 24.648 | 24.739 | 24.858 | 25.854 | 25.488 |
| Turkish lira | 17.386 | 17.386 | 15.234 | 9.523 | 10.321 |

*Seasonality of the business*

The activities of the PartnerRe Group and Juventus are affected by the highly seasonal nature of their businesses. In particular:

– The results of PartnerRe are exposed to low frequency and high severity risk events. Some of these risk events are seasonal, such that results for certain periods may include unusually low loss experience, while results for other periods may include modest or significant catastrophe losses. In addition, PartnerRe’s investment results are exposed to changes in interest rates and credit spreads, which result from fluctuations in general economic and financial market conditions. As a result, PartnerRe’s profitability in any one period or year is not necessarily predictive or indicative of future profitability or performance.

– The financial year of Juventus does not coincide with the calendar year but covers the period 1 July – 30 June, which corresponds to the football season. Economic performance is characterized by the highly seasonal nature typical of the sector, determined mainly by the calendar of football events (to which the main revenue items are related and recognized in the income statement) and by the phases of the players’ Transfer Campaign, carried out during the first phase (usually in July and August but in September and October in this year due to the Covid-19 pandemic) and the second phase in January, which can result in significant economic and financial effects at the beginning and during the course of the season. The main cost items not referable to individual football events (such as players’ wages and amortization relative to registration rights) are instead recorded in the income statement on a straight-line basis.

## 3. Scope of consolidation

The consolidated financial statements include the companies over which Exor exercises control, and from which, directly or indirectly, Exor is able to derive benefit by virtue of its power to govern their corporate financial and operating policies. The companies/groups included in the scope of consolidation at 30 June 2022 are the following:

| Company/Group | Country | Ownership | |
|---|---|---|---|
| | | Group | Non-controlling interest |
| **Operating subsidiaries / Segment entities** | | | |
| CNH Industrial | the Netherlands | 27.11 % | 72.89 % |
| Iveco Group | the Netherlands | 27.06 % | 72.94 % |
| Ferrari | the Netherlands | 24.30 % | 75.70 % |
| PartnerRe | Bermuda | 100 % | — % |
| Juventus | Italy | 63.77 % | 36.23 % |
| GEDI | Italy | 89.62 % | 10.38 % |
| Exor Seeds | USA | 82.43 % | 17.57 % |
| Shang Xia[a] | People's Rep.of China | 82.30 % | 17.70 % |
| Exor Capital LLP | United Kingdom | 100.00 % | — % |
| **Other Exor entities** | | | |
| Exor Nederland N.V. | the Netherlands | 100 % | — % |
| Exor S.A. | Luxembourg | 100 % | — % |
| Exor Investments Limited | United Kingdom | 100 % | — % |
| Exor SN LLC | USA | 100 % | — % |
| Ancom USA Inc. | USA | 100 % | — % |

(a) Owned through the holding Company Full More Group (Hong Kong).

### Changes in the Scope of Consolidation

2022 Demerger between CNH Industrial and Iveco Group

Effective 1 January 2022 the Commercial and Specialty Vehicles, Powertrain and related Financial Services businesses were separated from CNH Industrial. Iveco Group became a public listed company independent from CNH Industrial and, from 3 January 2022, its common shares are traded on Euronext Milan. Each holder of common shares in the share capital of CNH Industrial received one common share of Iveco Group for every five CNH Industrial common shares held. Exor, which continues to be the shareholder of reference in both entities following completion of the spin-off process, holding 366,927,900 CNH Industrial common shares, received 73,385,580 Iveco Group common shares (a 27.06% stake) and the same number of special voting shares. As the demerger is a "business combination involving entities or businesses under common control", it is outside the scope of application of IFRS 3 – Business Combinations and IFRIC 17 – Distributions of Non-cash Assets to Owners. Accordingly, in Exor's 2022 Consolidated Financial Statements, the opening balances at 1 January 2022 related to Iveco Group correspond to the carrying amounts of the assets and liabilities included within the financial statements of CNH Industrial pre-demerger at 31 December 2021.
In certain disclosures where the composition of the balances are presented by entity, the comparative data at 31 December 2021 were re-presented to consider Iveco Group's assets and liabilities as single line items.

2022 Investments held for sale and Discontinued operations

*PartnerRe Group*

On 16 December 2021 Exor and Covéa signed a Definitive Agreement for the sale of PartnerRe, the global reinsurer wholly-owned by Exor. Subject to obtaining approvals from the applicable regulatory and competition authorities, it was expected that the transaction would be completed in mid-2022.

At 31 December 2021, the sale within the next twelve months became highly probable and PartnerRe Group operations met the criteria to be classified as a disposal group held for sale. It also met the criteria to be classified as a discontinued operation pursuant to IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations.

At 30 June 2022, PartnerRe is still a subsidiary of Exor (disposal executed on 12July 2022) and therefore the presentation of the PartnerRe Group is as follows:

- The net results of PartnerRe are excluded from the Group's continuing operations and are presented net of taxes as a single line item within the Consolidated Income Statement for the six months ended 30 June 2022 and 2021. In order to present the financial effects of a discontinued operation, revenues and expenses arising from intercompany transactions are eliminated except for those revenues and expenses that are considered to continue after the disposal of the discontinued operation. However, no profit or loss impact is recognized for intercompany transactions.
- Cash flows arising from PartnerRe are presented separately as discontinued cash flows from operating, investing and financing activities within the Consolidated Statements of Cash Flows for the six months ended 30 June 2022 and 2021. These cash flows represent those arising from transactions with third parties.

The following table summarizes the economic balances of PartnerRe Group for the six months ended 30 June 2021 that are excluded from the continuing operations and reclassified as discontinued operations in the Half-year Condensed Consolidated Income Statement.

| | First Half year ended 30 June | | | |
|---|---|---|---|---|
| *(€ million)* | **2021 as reported** | **PartnerRe** | **Intercompany eliminations** | **2021** |
| Net revenues | 19,121 | (2,988) | 7 | 16,140 |
| Cost of sales | (14,852) | 2,534 | (1) | (12,319) |
| Selling, general and administrative expenses | (1,409) | 163 | — | (1,247) |
| Research and development costs | (873) | — | — | (873) |
| Other income (expenses), net | (98) | (8) | — | (106) |
| Result from investments | 940 | (31) | — | 908 |
| Net financial expenses | (182) | 73 | — | (109) |
| **Profit (loss) before taxes** | **2,645** | **(258)** | **6** | **2,394** |
| Tax expense | (408) | 19 | — | (389) |
| **Profit (loss) from continuing operations** | **2,238** | **(239)** | **6** | **2,005** |
| Profit (loss) from discontinued operations, net of tax | (496) | 239 | (6) | (263) |
| **Profit (loss) for the period** | **1,742** | **—** | **—** | **1,742** |
| *Owners of the parent* | *838* | — | — | *838* |
| *Non-controlling interests* | *904* | — | — | *904* |
| **Profit (loss) from continuing operations attributable to:** | | | | |
| *Owners of the parent* | *1,334* | *(226)* | *6* | *1,114* |
| *Non-controlling interests* | *904* | *(13)* | — | *891* |
| **Earnings per share (in €)** | | | | |
| Basic earnings per share | 3.627 | | | 3.627 |
| Diluted earnings per share | 3.622 | | | 3.622 |
| **Earnings per share from continuing operations (in €)** | | | | |
| Basic earnings per share | 5.815 | (0.995) | | 4.820 |
| Diluted earnings per share | 5.810 | (0.995) | | 4.815 |

The following table summarizes the economic balances of PartnerRe Group for the six months ended 30 June 2021 that are excluded from the continuing operations and reclassified as discontinued operations in the Half-year Condensed Consolidated Statement of Comprehensive Income.

| | First half year ended 30 June | | |
|---|---|---|---|
| *(€ million)* | **2021 as reported** | **PartnerRe** | **2021** |
| Profit (loss) for the period from continuing operations | 2,238 | (233) | 2,005 |
| Profit (loss) for the period from discontinued operations | (496) | 233 | (263) |
| **Profit (loss) for the period (A)** | **1,742** | **—** | **1,742** |
| **Items that will not be reclassified to the Consolidated Income Statement in subsequent periods:** | | | |
| Gains (losses) on remeasurement of defined benefit plans | — | — | — |
| Share of gains (losses) on remeasurement of defined benefit plans for equity method investees | 167 | — | 167 |
| Gains (losses) on financial assets at fair value through other comprehensive income | 21 | — | 21 |
| Related tax effect | 1 | — | 1 |
| Items relating to discontinued operations, net of tax | 177 | — | 177 |
| **Total items that will not be reclassified to the Consolidated Income Statement in subsequent periods, net of tax (B1)** | **366** | **—** | **366** |
| **Items that may be reclassified to the Consolidated Income Statement in subsequent periods:** | | | |
| Gains (losses) on cash flow hedging instruments | (78) | — | (78) |
| Foreign exchange translation gains (losses) | 668 | (166) | 502 |
| Share of other comprehensive income (loss) of equity method investees | 20 | 82 | 102 |
| Related tax effect | 9 | — | 9 |
| Items relating to discontinued operations, net of tax | 2,012 | 84 | 2,096 |
| **Total items that may be reclassified to the Consolidated Income Statement in subsequent periods, net of tax (B2)** | **2631** | **0** | **2631** |
| **Total Other Comprehensive Income (Loss), net of tax (B)=(B1)+(B2)** | **2,997** | **—** | **2,997** |
| **Total Comprehensive Income (A)+(B)** | **4,739** | **—** | **4,739** |
| **Total Comprehensive Income (Loss) attributable to:** | | | |
| Owners of the parent | 2,056 | — | 2,056 |
| Non-controlling interests | 2,683 | — | 2,683 |
| **Total Comprehensive Income (Loss) attributable to owners of the parent:** | | | |
| Continuing operations | 1,932 | (226) | 1,706 |
| Discontinued operations | 124 | 226 | 350 |

The following table summarizes the cash-flows of PartnerRe Group that for comparative purposes are presented as discontinued cash-flows for the six months ended 30 June 2021:

| | First half year ended 30 June | | |
|---|---|---|---|
| *(€ million)* | **2021 as reported** | **PartnerRe** | **2021** |
| **Cash flows from operating activities:** | | | |
| Profit from continuing operations | 2,238 | (233) | 2,005 |
| Amortisation and depreciation | 853 | (17) | 836 |
| Gains on disposal of non-current assets | (142) | 103 | (39) |
| Other non-cash items | (1,295) | 59 | (1,236) |
| Dividends received | 305 | — | 305 |
| Change in provisions | 151 | — | 151 |
| Change in deferred taxes | (92) | 88 | (4) |
| Change in inventories, trade and other receivables and payables | (160) | 122 | (38) |
| Cash flows from operating activities – discontinued operations | (756) | (122) | (878) |
| **Total** | **1,102** | **—** | **1,102** |
| **Cash flows used in investing activities:** | | | |
| Investments in property, plant and equipment and intangible assets | (665) | — | (665) |
| Investments in joint ventures, associates, unconsolidated subsidiaries and financial assets | (698) | (91) | (789) |
| Net change in Investments of Reinsurance companies (PartnerRe Group) | (1,189) | 1,189 | — |
| Proceeds from disposal of investments, tangible, intangible and financial assets | 34 | — | 34 |
| Net change in financial receivables | (377) | — | (377) |
| Net change in securities | (208) | — | (208) |
| Other changes | 114 | — | 114 |
| Cash flows used in investing activities – discontinued operations | 188 | (1,098) | (910) |
| **Total** | **(2,801)** | **—** | **(2,801)** |
| **Cash flows used in financing activities:** | | | |
| Issuance of notes | 993 | | 993 |
| Repayment of notes | (1,520) | | (1,520) |
| Issuance of other long-term debt | 881 | | 881 |
| Repayment of other long-term debt | (968) | | (968) |
| Net change in short-term debt and other financial assets/liabilities | (876) | | (876) |
| Capital increase of subsidiaries | — | | — |
| Dividends paid | (322) | | (322) |
| Exercise of stock options | 8 | | 8 |
| Other changes | (125) | | (125) |
| Cash flows used in financing activities – discontinued operations | (146) | | (146) |
| **Total** | **(2,075)** | **—** | **(2,075)** |
| Translation exchange differences | 334 | | 334 |
| **Total Change in Cash and Cash Equivalents** | **(3,440)** | **—** | **(3,440)** |

The following table represents the assets and liabilities of the PartnerRe business which are classified as held for sale at 30 June 2022 and 31 December 2021:

| *(€ million)* | Note | 30 June 2022 | 31 December 2021 |
|---|---|---|---|
| **Assets classified as held for sale** | | | |
| Intangible assets | | 1,299 | 1,192 |
| Property plant and equipment | | 67 | 66 |
| Investments and other financial assets | | 1,132 | 1,153 |
| Deferred tax assets | | 58 | 75 |
| Inventories | | — | — |
| Trade and other receivables | | 5,794 | 4,476 |
| Investments of reinsurance companies | a | 16,676 | 16,821 |
| Other assets | | 1,245 | 1,062 |
| Assets held for sale | | — | — |
| Cash and cash equivalents | | 745 | 584 |
| **Total Assets held for sale** | | **27,016** | **25,429** |
| **Liabilities classified as held for sale** | | | |
| Provisions for employee benefits | | 111 | 136 |
| Other provisions | | — | — |
| Technical reserves reinsurance companies | b | 17,256 | 15,175 |
| Deferred tax liabilities | | 2 | 102 |
| Financial debt and derivative liabilities | c | 2,039 | 1,937 |
| Trade payables | | 748 | 658 |
| Tax payables | | 32 | 11 |
| Other liabilities | | 147 | 95 |
| **Total Liabilities held for sale** | | **20,335** | **18,114** |

## a. Investments of reinsurance companies

Investments of reinsurance companies at 30 June 2022 and 31 December 2021 are as follows:

| *(€ million)* | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| Fixed maturities, at fair value | 12,009 | 12,425 |
| Funds held by reinsured companies | 468 | 500 |
| Equities, at fair value | 1,516 | 1,547 |
| Short-term investments, at fair value | 376 | 180 |
| Accrued investment income, at fair value | 95 | 84 |
| Other invested assets | 2,212 | 2,086 |
| **Total investments of reinsurance companies** | **16,676** | **16,821** |

At 30 June 2022 approximately €106 million (€93 million at 31 December 2021) of cash and cash equivalents and €4,977 million (€4,841 million at 31 December 2021) of securities of the PartnerRe Group were deposited, pledged or held in escrow accounts in favour of ceding companies and other counterparties of government authorities to comply with regulations on reinsurance contracts and insurance laws.

## b. Technical reserves reinsurance companies

Technical reserves of reinsurance companies at 30 June 2022 and at 31 December 2021 are as follows:

| *(€ million)* | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| Unpaid losses and Loss expenses | 11,496 | 10,637 |
| Life and health technical reinsurance reserves | 2,439 | 2,329 |
| Unearned premium reserves | 3,321 | 2,209 |
| **Total Technical reinsurance reserves** | **17,256** | **15,175** |

*Unpaid Losses and Loss Expenses*

Unpaid losses and loss expenses are categorised into three types of reserves: Case reserve, ACRs and IBNR reserves. Case reserves represent unpaid losses reported by the Company's cedants and recorded by the Company. ACRs are established for particular circumstances where, on the basis of individual loss reports, the Company estimates that the particular loss or collection of losses covered by a treaty may be greater than those advised by the cedant. IBNR reserves represent a provision for claims that have been incurred but not yet reported to the Company, as well as future loss development on losses already reported, in excess of the case reserves and ACRs.

The reconciliation of the beginning and ending gross and net liability for unpaid losses and loss expenses for the six months ended 30 June 2022 is as follows:

| | At 30 June | |
|---|---|---|
| *(€ million)* | 2022 | 2021 |
| Gross liability at the begin of the period | 10,638 | 9,286 |
| Reinsurance recoverable at the begin of the period | (1,296) | (638) |
| **Net liability at the begin of the period** | **9,342** | **8,648** |
| Net incurred losses | 1,304 | 1,400 |
| Net paid losses | (1,109) | (1,147) |
| Retroactive reinsurance recoverable | (33) | — |
| Translation differences and other changes | 613 | (26) |
| **Net liability at the end of the period** | **10,117** | **8,875** |
| Reinsurance recoverable at the end of the period | 1,379 | 929 |
| **Gross liability at the end of the period** | **11,496** | **9,804** |

*Life and health technical reinsurance reserves*

The reconciliation of the beginning and ending gross and net liability for life and health technical reinsurance reserves for the six months ended at 30 June 2022 is as follows:

| | At 30 June | |
|---|---|---|
| *(€ million)* | 2022 | 2021 |
| Gross liability at the begin of the period | 2,329 | 2,204 |
| Reinsurance recoverable at the begin of the period | (18) | (29) |
| **Net liability at the begin of the period** | **2,311** | **2,175** |
| Net incurred losses | 689 | 598 |
| Net paid losses | (634) | (559) |
| Translation differences | 35 | 66 |
| **Net liability at the end of the period** | **2,401** | **2,280** |
| Reinsurance recoverable at the end of the period | 38 | 22 |
| **Gross liability at the end of the period** | **2,439** | **2,302** |

## c. Financial debt and other financial liabilities

The composition of financial debt is as follows:

| (€ million) | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| Notes | 1,767 | 1,675 |
| Lease liabilities | 75 | 75 |
| Payables represented by securities | 161 | 179 |
| Other financial debt | 13 | 8 |
| **Total financial debt** | **2,016** | **1,937** |
| Other financial liabilities | 23 | — |
| **Total financial debt and other financial liabilities** | **2,039** | **1,937** |

Notes includes the Senior notes due 2026 issued for €750 million aggregate principal amount at 1.25% for €745 million, the Senior notes due 2029 issued for $500 million aggregate principal amount at 5.5% for €438 million, the Junior subordinate notes due 2050 issued for $500 million aggregate principal amount at 4.5% for €437 million and the Capital Efficient notes (CENts) due 2066 for €55 million.

## 2021 Investments held for sale and Discontinued operations

*Deconsolidation of former FCA Group*

On 17 December 2019, FCA and PSA entered into a combination agreement providing for the combination of FCA and PSA through a cross-border merger, with FCA as the surviving legal entity in the merger.

On 14 September 2020, FCA and PSA agreed to amend the combination agreement. According to the combination agreement amendment, the FCA extraordinary dividend, to be paid to former FCA shareholders was reduced to €2.9 billion, with PSA's 46% stake in Faurecia planned to be distributed to all Stellantis shareholders promptly after closing following approval by the Stellantis board and shareholders.

On 4 January 2021, PSA and FCA extraordinary general shareholders meetings approved the merger and on 16 January 2021, PSA merged with and into FCA. By virtue of the merger, FCA issued 1.742 FCA common shares for each outstanding PSA ordinary share and each PSA ordinary share ceased to exist. Each issued and outstanding common share of FCA remained unchanged as one common share in FCA.

The surviving entity changed its name to Stellantis on 17 January 2021, which was the accounting acquisition date for the business combination. Following the merger, Exor continues to hold 449,410,092 common shares of Stellantis, corresponding to 14.4% of the outstanding capital.

On 29 January 2021, the extraordinary dividend of approximately €2.9 billion (Exor's share €827 million) was paid to holders of FCA common shares of record as of the close of business on 15 January 2021.

As part of the merger, Stellantis distributed to its shareholders its 39.34% stake in Faurecia and the proceeds amounting to approximately €308 million generated by the sales of ordinary shares of Faurecia effected in 2020. On 22 March 2021 Exor received 7,653,004 Faurecia ordinary shares and €43 million.

Exor accounted for the former FCA Group applying the line-by-line consolidation method for the period from 1 January 2021 to 16 January 2021 (the date of the completion of the merger). At that date, Exor lost control over FCA and therefore derecognized the former FCA Group net assets at 16 January 2021 and reclassified to the income statement, in the item Profit (loss) from discontinued operations, the amounts previously recognized in other comprehensive income related to the subsidiary.

At the date of completion of the merger, Exor assessed to have significant influence on Stellantis and started applying the equity method according to IAS 28 – Investments in Associates and Joint Ventures. On initial recognition the investment was accounted for at cost, equal to €6,660 million, to be attributed to Exor's share of Stellantis' net fair value as part of the purchase price allocation, to be completed within one year from the initial recognition. At 31 December 2021 the purchase price allocation process had been completed.

The presentation of the FCA Group is as follows:

- The net results of FCA have been excluded from the Group's continuing operations and are presented net of taxes as a single line item within the Consolidated Income Statement for the years ended 31 December 2021 and 2020. In order to present the financial effects of a discontinued operation, revenues and expenses arising from intercompany transactions were eliminated except for those revenues and expenses that are considered to continue after the disposal of the discontinued operation. However, no profit or loss impact is recognized for intercompany transactions.
- The assets and liabilities of the FCA Group at 16 January 2021 have been derecognized. The assets and liabilities of FCA Group at 31 December 2020, presented for comparative purposes, have not been reclassified.
- Cash flows arising from FCA have been presented separately as discontinued cash flows from operating, investing and financing activities within the Consolidated Statements of Cash Flows for the years ended 31 December 2021 and 2020. These cash flows represent those arising from transactions with third parties.

The following table represents the results of the discontinued operations in the condensed consolidated income statement of Exor Group.

| | First Half | |
|---|---|---|
| (€ million) | **2022** | **2021** |
| **PartnerRe[a]** | | |
| Net revenues | 1,863 | 2,988 |
| Expenses | (2,863) | (2,697) |
| Other income (expenses) and Result of investments | (39) | 40 |
| Net financial expenses | (14) | (73) |
| **Profit (loss) before taxes from discontinued operations** | **(1,053)** | **258** |
| Tax expense | (2) | (19) |
| Adjustments | 2 | (6) |
| **Total** | **(1,053)** | **233** |
| **FCA** | | |
| FCA Profit (loss) | | |
| Exor Share of the FCA profit loss | — | 8 |
| Reversal of Exor's share in FCA OCI reserve | — | (490) |
| Other adjustments | — | (14) |
| **Total** | **—** | **(496)** |
| **Profit (loss) from discontinued operation, net of tax** | **(1,053)** | **(263)** |

(a) Amounts presented are not representative of the income statement of PartnerRe on a stand-alone basis

## Business Combinations

### *Acquisition of Raven Industries*

On 30 November 2021, CNH Industrial completed the acquisition of Raven Industries, Inc. ("Raven"), a U.S.-based leader in precision agriculture technology. CNH Industrial acquired 100% of the capital stock of Raven for $58 per share. Cash consideration paid to Raven shareholders and Raven equity award holders totalled $2.1 billion.

The acquisition of Raven has been accounted for as a business combination using the acquisition method of accounting in accordance with IFRS 3 – Business Combinations. The valuation of assets acquired and liabilities assumed was preliminary at 31 December 2021 and will be finalized during the one-year measurement period from the acquisition date. As a result, CNH Industrial recorded preliminary estimates for the fair value of assets acquired and liabilities assumed as of the acquisition date, including $1.3 billion and $0.5 billion in preliminary goodwill and intangible assets. The valuation of assets acquired and liabilities assumed has not yet been finalized as of 30 June 2022. The results of the Applied Technology division of Raven for the six months ended 30 June 2022 are included in the CNH Industrial Agriculture segment. On 30 June 2022 and 31 July 2022 respectively, the Engineered Films division and the Aerostar division were sold, respectively. During the six months ended 30 June 2022, CNH Industrial recorded certain measurement period adjustments as it further refined certain valuations and recorded the sale of the Engineered Films division.

Acquisition of Sampierana

On 30 December 2021, CNH Industrial completed the purchase of 90% of the capital stock of Sampierana S.p.A ("Sampierana"). The acquisition of the remaining 10% of the capital stock in Sampierana will occur over the next four years through predetermined mechanisms. Sampierana is an Italian company specializing in the development, manufacture and commercialization of earthmoving machines, undercarriages and spare parts. The acquisition of Sampierana has been accounted for as a business combination using the acquisition method of accounting in accordance with IFRS 3 – Business Combinations. The valuation of assets acquired and liabilities assumed was preliminary at 31 December 2021 and will be finalized during the one-year measurement period from the acquisition date. As a result, CNH Industrial recorded preliminary estimates for the fair value of assets acquired and liabilities assumed as of the acquisition date, including approximately $51 million in preliminary goodwill. The valuation of assets acquired and liabilities assumed has not yet been finalized at 30 June 2022 and no measurement period adjustments have been recorded in the six months ended 30 June 2022. The results of Sampierana are included in the CNH Industrial Construction segment.

Acquisition of Specialty Enterprises LLC

On 16 May 2022, CNH Industrial acquired Specialty Enterprises LLC (Specialty), a manufacturer of agricultural spray booms and sprayer boom accessories. The results of Specialty Enterprises will be included in the Company's Agriculture segment. The acquisition of Specialty has been accounted for as a business combination using the acquisition method of accounting in accordance with IFRS 3 – Business Combinations. The valuation of assets acquired and liabilities assumed was preliminary at 30 June 2022 and will be finalized during the one-year measurement period from the acquisition date. As a result, CNH Industrial recorded preliminary estimates for the fair value of assets acquired and liabilities assumed as of the acquisition date, including approximately $43 million in preliminary goodwill.

Acquisition of Shang Xia

At the end of December 2020, Exor acquired a 77.30% stake in Shang Xia (through the holding company Full More Group) for a total consideration of €79 million. The transaction was accounted for in accordance with IFRS 3 – Business Combinations, by applying the acquisition method on the basis of the financial statements prepared in accordance with IFRS at 31 December 2020 (the acquisition date) and therefore did not have any effect on the 2020 income statement. In 2021 Exor finalized the purchase price allocation process, identifying trademark of €48 million and a residual goodwill of €49 million.

## 4. Segment reporting

Reportable segments reflect the operating segments of the Group that are regularly reviewed by the Chief Executive Officer, who is the Chief Operating Decision Maker ("CODM"), as defined under IFRS 8 – Operating Segments, for making strategic decisions and allocating resources and assessing performance, and that exceed the quantitative threshold provided in IFRS 8, or the disclosure of which is considered useful for the users of the financial statements.

The Exor Group reportable segments coincide with the consolidated data of its principal investments, each of which represents an investment in a major business segment: Stellantis, CNH Industrial, Iveco Group, Ferrari, Juventus and GEDI. The column "Other and adjustments" includes unallocated income and expenses, share of profit in equity investments of Exor, results of Exor and other entities which are not included within the reportable segments, as well as assets and liabilities held for sale and of the Holdings System entities.

As required by IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations, PartnerRe was classified and presented as discontinued operations in these Consolidated Financial Statements and therefore the segment reporting disclosures were appropriately adjusted.

The following tables summarize selected financial information by reporting segment for the six-months ended 30 June 2022 and 2021. Data presented are prepared by each subsidiary for the Exor consolidation process and may differ from data published by each subsidiary in its financial report.

| (€ million) | Revenues from external customers | Revenues from other operating segments | Net revenues | Profit (loss) from continuing operation | Profit (loss) attributable to owner of the parent(2) |
|---|---|---|---|---|---|
| **I HALF 2022** | | | | | |
| Stellantis(1) | — | — | — | 1,133 | 1,133 |
| CNH Industrial | *9,589* | *203* | 9,792 | 723 | 189 |
| Iveco Group | *5,760* | *659* | 6,419 | 21 | 4 |
| Ferrari | *2,437* | *40* | 2,477 | 490 | 118 |
| Juventus | *197* | *22* | 219 | (132) | (84) |
| GEDI | *237* | *1* | 238 | (22) | (19) |
| Other and adjustments(3) | *25* | *(487)* | (462) | (43) | (1,076) |
| **Consolidated data** | **18,246** | **438** | **18,683** | **2,170** | **265** |
| **I HALF 2021** | | | | | |
| Stellantis(1) | — | — | — | 842 | 842 |
| CNH Industrial | *7,204* | *475* | 7,679 | 670 | 180 |
| Iveco Group | *5,523* | *796* | 6,319 | 143 | 34 |
| Ferrari | *1,991* | *55* | 2,046 | 412 | 99 |
| Juventus | *201* | *21* | 222 | (79) | (49) |
| GEDI | *247* | *1* | 248 | (11) | (10) |
| Other and adjustments(3) | *23* | *(397)* | (374) | 28 | (258) |
| **Consolidated data** | **15,189** | **951** | **16,140** | **2,005** | **838** |

| (€ million) | Cash and cash equivalents | Total Assets | Total financial debt and derivative liabilities(4) | Total equity | Issued capital and reserves attributable to owners of the parent(2) |
|---|---|---|---|---|---|
| **At 30 June 2022** | | | | | |
| Stellantis(1) | — | 9,922 | — | 9,922 | 9,922 |
| CNH Industrial | 3,450 | 35,047 | 20,723 | 6,189 | 1,622 |
| Iveco Group | 1,431 | 14,755 | 3,591 | 2,290 | 616 |
| Ferrari | 1,206 | 7,321 | 2,836 | 2,264 | 549 |
| Juventus | 70 | 923 | 223 | 171 | 109 |
| GEDI | 39 | 670 | 194 | 170 | 151 |
| Other and adjustments(3) | 447 | 30,222 | 4,691 | 5,414 | 5,092 |
| **Consolidated data** | **6,643** | **98,860** | **32,258** | **26,420** | **18,061** |
| **At 31 December 2021** | | | | | |
| Stellantis(1) | — | 8,624 | — | 8,624 | 8,624 |
| CNH Industrial | 5,161 | 31,922 | 19,310 | 5,129 | 1,342 |
| Iveco Group | 897 | 16,560 | 5,828 | 2,311 | 620 |
| Ferrari | 1,344 | 6,863 | 2,667 | 2,211 | 533 |
| Juventus | 160 | 962 | 239 | 303 | 194 |
| GEDI | 14 | 675 | 161 | 193 | 171 |
| Other and adjustments(3) | 329 | 25,505 | 745 | 5,599 | 5,275 |
| **Consolidated data** | **7,905** | **91,111** | **28,950** | **24,370** | **16,759** |

(1) Consolidated with the equity method starting from 16 January 2021.
(2) Exor share of the result or equity attributable to the owners of the parent of each segment entity.
(3) The item includes the consolidation adjustments and data of Exor and entities of the Holdings System, as well as the result from discontinued operations
(4) Corresponding to the item gross debt in the Board Report.

## 5. Net revenues

Net revenues for the six months ended 30 June 2022 and 2021 are as follows:

| | Six months ended 30 June | |
|---|---|---|
| *(€ million)* | **2022** | **2021** |
| Revenues from sales of goods and services | 18,007 | 15,645 |
| Interest income of financial services activities | 413 | 333 |
| Other | 263 | 162 |
| **Total net revenues** | **18,683** | **16,140** |

## 6. Cost of sales

Cost of sales for the six months ended 30 June 2022 and 2021 are as follows:

| | Six months ended 30 June | |
|---|---|---|
| *(€ million)* | **2022** | **2021** |
| Cost of goods | 14,175 | 12,164 |
| Interest cost and other financial expenses from financial services companies | 252 | 155 |
| **Total cost of sales** | **14,427** | **12,319** |

In the six months ended 30 June 2022, cost of sales includes €88 million related to the write-down and allowances of certain assets in connection with the operations in Russia and Ukraine, of which €45 million charged by CNH Industrial and €43 million by Iveco Group.

## 7. Other income (expense), net

Other net expenses for the half-year ended 30 June 2022 amount to €126 million (€106 million for the half-year ended 30 June 2021) and includes €11 million (€10 million in the half-year ended 30 June 2021) of restructuring costs and €115 million of other income and expenses which cannot be allocated to specific functional areas.

Other income and expenses not allocated include €36 million recognized by CNH Industrial that included legal costs, indirect taxes and the benefit cost for former employees and €7 million of loss on the sale of Raven Engineered Films, net of income from the Raven businesses held for sale during the period, €42 million recognized by Iveco Group that includes primarily legal costs and indirect taxes and €14 million related to the first time adoption of hyperinflation accounting in Turkey, in accordance with IAS 29 – Financial reporting in hyperinflationary economies, effective from 1 January 2022. After that date, transactions of Iveco Group for entities with the Turkish lira as the functional currency were translated using the closing spot rate (at 30 June 2022 the exchange rate to translate Turkish lira into Euro was 17.386).

## 8. Net financial expenses

Net financial expenses for the six months ended 30 June 2022 and 2021 are as follows:

| | Six months ended 30 June | |
|---|---|---|
| *(€ million)* | **2022** | **2021** |
| **Financial Income:** | | |
| Interest and other financial income | 38 | 21 |
| Financial services income | 413 | 333 |
| **Total financial income** | **451** | **354** |
| *Related to:* | | |
| *Industrial companies (A)* | *38* | *21* |
| *Financial services companies (reported within net revenues)* | *413* | *333* |
| **Financial Expenses:** | | |
| Interest expenses and other financial expenses | (377) | (225) |
| Write-downs and losses on financial assets and securities | (64) | (10) |
| Net interest expenses on employee benefits provisions | (5) | (4) |
| **Total interest and other financial expenses** | **(446)** | **(239)** |
| **Net expenses from derivative financial instruments and exchange rate differences** | **(49)** | **(47)** |
| **Total financial expenses** | **(495)** | **(286)** |
| *Related to:* | | |
| *Industrial companies (B)* | *(243)* | *(131)* |
| *Financial services companies (reported within cost of revenues)* | *(252)* | *(155)* |
| **Net financial expenses relating to industrial companies (A+B)** | **(205)** | **(109)** |

## 9. Tax expense

Tax expense for the six months ended 30 June 2022 and 2021 is as follows:

| | Six months ended 30 June | |
|---|---|---|
| *(€ million)* | **2022** | **2021** |
| Current tax expense | 560 | 369 |
| Deferred tax (benefit) expense | (93) | 1 |
| Tax (benefit) expense relating to prior periods | 39 | 19 |
| **Total tax expense** | **506** | **389** |

## 10. Earnings per share

The following table summarises the composition of earnings per share:

| | | Six months ended 30 June | |
|---|---|---|---|
| | | **2022** | **2021** |
| **Average number of ordinary shares outstanding** | | **231,027,146** | **231,099,753** |
| **Profit (loss) attributable to owners of the parent** | **€ million** | **265** | **838** |
| basic earnings per share | **€** | 1.147 | 3.627 |
| diluted earnings per share | **€** | 1.143 | 3.622 |
| **Profit (loss) from continuing operations attributable to owners of the parent** | **€ million** | **1,322** | **1,114** |
| basic earnings per share | **€** | 5.722 | 4.820 |
| diluted earnings per share | **€** | 5.718 | 4.815 |
| **Profit from discontinued operations attributable to owners of the parent** | **€ million** | **(1,057)** | **(276)** |
| basic earnings per share | **€** | (4.575) | (1.193) |
| diluted earnings per share | **€** | (4.579) | (1.197) |

In order to calculate the diluted earnings per share, the profit attributable to owners of the parent was adjusted to take into account the dilutive effects arising from the theoretical exercise of the stock option plans granted by the subsidiaries using their own equity instruments.

## 11. Intangible assets

The analysis of goodwill by segment is as follows:

| *(€ million)* | **At 30 June 2022** | **At 31 December 2021** |
|---|---|---|
| **Goodwill** | | |
| *Agricultural* | *2,999* | *2,704* |
| *Construction* | *43* | *42* |
| *Financial Services* | *111* | *106* |
| CNH Industrial | 3,153 | 2,852 |
| *Commercial and Specialty Vehicles* | *53* | *53* |
| *Powertrain* | *5* | *5* |
| *Financial Services* | *12* | *12* |
| Iveco Group | 70 | 70 |
| Ferrari | 785 | 785 |
| Shang Xia | 49 | 49 |
| Juventus | 2 | 2 |
| GEDI | 7 | 6 |
| Other | 19 | 19 |
| **Total goodwill** | **4,085** | **3,783** |
| **Other intangible assets** | **5,110** | **4,856** |
| **Total Intangible assets** | **9,195** | **8,639** |

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually or more frequently if a triggering event occurs and impairment indicators are identified. Exor and its subsidiaries performed their most recent annual impairment review at 31 December 2021 and concluded there was no impairment loss. During the six months ended 30 June 2022, no impairment indicators were identified.

The acquisitions of Specialty Enterprises LLC (Specialty) by the CNH Industrial Group during the second quarter of 2022 led to the increase in goodwill for Agriculture of €41 million ($43 million). Goodwill related to the acquisitions was calculated as the excess of the consideration transferred over the net assets recognized and represents the future economic benefits arising from the other assets acquired that could not be individually identified and separately recognized.

The valuation of assets acquired and liabilities assumed has not yet been finalized as of 30 June 2022. Thus, goodwill associated with the acquisitions is subject to adjustment during the measurement period.

The acquisitions of Raven and Sampierana by the CNH Industrial Group during the fourth quarter of 2021 led to an increase in goodwill for Agriculture and Construction of €1.1 billion and €45 million ($1.3 billion and $51 million), respectively. Goodwill related to the acquisitions was calculated as the excess of the consideration transferred over the net assets recognized and represents the future economic benefits arising from the other assets acquired that could not be individually identified and separately recognized. The valuation of assets acquired and liabilities assumed has not yet been finalized as of 30 June 2022. Thus, goodwill associated with the acquisitions is subject to adjustment during the measurement period. Measurement period adjustments were recorded in the second quarter of 2022 that increased Goodwill by €10 million and other intangible assets by €19 million for Agriculture, primarily related to updates of certain valuations.

## 12. Property, plant and equipment

| *(€ million)* | **At 30 June 2022** | **At 31 December 2021** |
|---|---|---|
| Other tangible assets | 7,335 | 7,275 |
| Right-of-use assets | 535 | 502 |
| **Total Property, plant and equipment** | **7,870** | **7,777** |

## 13. Investments and other financial assets

Investments and other financial assets at 30 June 2022 and 31 December 2021 are as follows:

| | **At 30 June 2022** | | **At 31 December 2021** | |
|---|---|---|---|---|
| *(€ million)* | Non current | Current | Non Current | Current |
| Equity method investments | 11,672 | — | 10,214 | — |
| Investments at FVTOCI | 919 | — | 1,077 | — |
| Other investments | 80 | 731 | 76 | 568 |
| **Total investments** | **12,672** | **731** | **11,367** | **568** |
| Financial receivables | 62 | 48 | 50 | 46 |
| Debt securities | 68 | 552 | 61 | 479 |
| Derivative assets | — | 318 | — | 175 |
| Other financial assets | 25 | 13 | — | — |
| **Total other investments and other financial assets** | **12,826** | **1,662** | **11,478** | **1,268** |

Equity method investments at 30 June 2022 are as follows:

| *(€ million)* | **At 31 December 2021** | **Revaluations/ (Write-downs)** | **Acquisition and capitalizations** | **Fair value re-measurements** | **Translation differences** | **Disposals and other changes** | **At 30 June 2022** |
|---|---|---|---|---|---|---|---|
| Investments in joint ventures | 357 | 39 | 26 | — | (3) | (34) | 385 |
| Investments in associates | 9,857 | 1,136 | 76 | (1) | 617 | (398) | 11,287 |
| **Equity method investments** | **10,214** | **1,175** | **102** | **(1)** | **614** | **(432)** | **11,672** |

Results from equity method investments amount to €1,175 million for the six months ended 30 June 2022 and are mainly related to Exor's share of Stellantis (€1,133 million).

*Investments in associates*

Investments in associates at 30 June 2022 and 31 December 2021 are as follows:

| *(€ million, except percentages)* | | At 30 June 2022 | At 31 December 2021 |
|---|---|---|---|
| **Investments in associates** | | | |
| Stellantis | 14.35 % | 9,922 | 8,624 |
| Christian Louboutin | 24.03 % | 580 | 562 |
| The Economist | 43.40 % | 314 | 317 |
| Other | | 471 | 354 |
| **Total Investments in associates** | | **11,287** | **9,857** |

Investments at FVTOCI include:

- The fair value, for a total of €118 million, of the approximately 5.9% investment held by Iveco Group in Nikola Corporation ("Nikola"), made in the context of the strategic partnership with Nikola to industrialize fuel-cell and battery electric Heavy-Duty trucks. During the six months ended 30 June 2022, Iveco Group recorded in Other comprehensive income a pre-tax loss of €106 million (a pre-tax gain of €71 million during the six months ended 30 June 2021). Iveco Group and Nikola are jointly developing cab over battery-electric vehicle (“BEV”) and hydrogen fuel cell electric vehicle (“FCEV”) trucks, which will be manufactured in the U.S. by Nikola and in Europe through a legal entity 50/50 owned by Iveco Group and Nikola.
- The fair value of the Faurecia ordinary shares for a total of €188 million. In the first half 2022 Exor increased the investment for €36 million and recorded in Other comprehensive income a pre-tax loss of €167 million.
- The fair value of the Via Transportation shares for a total of €466 million. In the first half 2022 Exor recorded in Other comprehensive income a pre-tax gain of €16 million.

## 14. Inventories

Inventories at 30 June 2022 and 31 December 2021 are as follows:

| *(€ million)* | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| Raw materials | 2,784 | 2,050 |
| Work-in progress | 1,433 | 1,078 |
| Finished goods | 5,248 | 3,823 |
| **Total inventories** | **9,465** | **6,951** |

At 30 June 2022, Inventories included assets of CNH Industrial and Iveco Group which are no longer subject to operating lease arrangements or buy-back commitments and were held for sale for a total amount of €17 million and €23 million, respectively (at 31 December 2021 €26 million and €49 million, respectively).

## 15. Receivables from financing activities

Receivables from financing activities at 30 June 2022 and 31 December 2021 are as follows:

| *(€ million)* | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| **Retail** | | |
| Retail financing | 10,788 | 9,547 |
| Finance leases | 547 | 503 |
| **Total Retail** | **11,335** | **10,050** |
| **Wholesale** | | |
| Dealer financing | 8,964 | 7,560 |
| **Total Wholesale** | **8,964** | **7,560** |
| Other | 58 | 79 |
| **Total receivables from financing activities** | **20,357** | **17,689** |

The detail of the receivables from financing activities is as follows:

| *(€ million)* | **At 30 June 2022** | **At 31 December 2021** |
|---|---|---|
| CNH Industrial | 15,972 | 13,636 |
| Iveco Group | 3,030 | 2,909 |
| Ferrari | 1,355 | 1,144 |
| **Total receivables from financing activities** | **20,357** | **17,689** |

Receivables from financing activities mainly refer to CNH Industrial and Iveco Group which account for credit risk by appropriately providing for expected credit losses on a timely basis.

CNH Industrial and Iveco Group provide and administer financing for retail purchases of new and used equipment and vehicles sold through their dealer networks. The terms of retail and other notes and finance leases generally range from two to six years, and interest rates on retail and other notes and finance leases vary depending on prevailing market interest rates and certain incentive programs offered by Industrial Activities.

Wholesale receivables arise primarily from the sale of goods to dealers and distributors and, to a lesser extent, the financing of dealer operations.

Under the standard terms of the wholesale receivable agreements, these receivables typically have "interest-free" periods of up to twelve months and stated original maturities of up to twenty-four months, with repayment accelerated upon the sale of the underlying equipment by the dealer.

Financing receivables are considered past due if the required principal and interest payments have not yet been received as of the contractual payment due date. Delinquency is reported in financing receivables greater than 30 days past due. Non-performing financing receivables represent loans for which CNH Industrial and Iveco Group have ceased accruing finance income. These receivables are generally 90 days delinquent. Finance income for non-performing receivables is recognized on a cash basis. Accrued interest is charged-off to Interest income. Interest income charged-off was not material for the six months ended 30 June 2022 and 2021. Accrual of finance income is resumed when the receivable becomes contractually current and collections are reasonably assured. Previously suspended income is recognized at that time.

CNH Industrial

The ageing of Receivables from financing activities of CNH Industrial at 30 June 2022 and 31 December 2021 is as follows:

| | **At 30 June 2022** | | | | | |
|---|---|---|---|---|---|---|
| *(€ million)* | **Total current** | **31-60 Days Past Due** | **61-90 Days Past Due** | **Total Performing** | **Non-Performing** | **Total** |
| **Retail** | | | | | | |
| North America | 6,684 | 15 | — | **6,699** | — | **6,699** |
| South America | 2,063 | 31 | — | **2,094** | — | **2,094** |
| Asia Pacific | 1,085 | 8 | 10 | **1,103** | 5 | **1,108** |
| Europe, Middle East, Africa | 8 | — | — | **8** | 16 | **24** |
| **Total Retail** | **9,840** | **54** | **10** | **9,904** | **21** | **9,925** |
| **Wholesale** | | | | | | |
| North America | 2,597 | — | — | **2,597** | — | **2,597** |
| South America | 926 | — | — | **926** | — | **926** |
| Asia Pacific | 459 | 3 | 1 | **463** | 6 | **469** |
| Europe, Middle East, Africa | 2,018 | 5 | — | **2,023** | — | **2,023** |
| **Total Wholesale** | **6,000** | **8** | **1** | **6,009** | **6** | **6,015** |
| Other | | | | | | **32** |
| **Total CNH Industrial** | | | | | | **15,972** |

| (€ million) | At 31 December 2021<br>Total current | 31-60 Days Past Due | 61-90 Days Past Due | Total Performing | Non-Performing | Total |
|---|---|---|---|---|---|---|
| **Retail** | | | | | | |
| North America | 5,845 | 10 | — | **5,855** | — | **5,855** |
| South America | 1,836 | — | — | **1,836** | — | **1,836** |
| Asia Pacific | 1,094 | 9 | 7 | **1,110** | 5 | **1,115** |
| Europe, Middle East, Africa | 37 | 4 | — | **41** | — | **41** |
| **Total Retail** | **8,812** | **22** | **7** | **8,842** | **5** | **8,847** |
| **Wholesale** | | | | | | |
| North America | 2,065 | — | — | **2,065** | — | **2,065** |
| South America | 553 | — | — | **553** | 19 | **572** |
| Asia Pacific | 396 | 2 | — | **397** | — | **397** |
| Europe, Middle East, Africa | 1,709 | — | — | **1,709** | — | **1,709** |
| **Total Wholesale** | **4,723** | **2** | **—** | **4,725** | **19** | **4,744** |
| Other | | | | | | **45** |
| **Total CNH Industrial** | | | | | | **13,636** |

Iveco Group

The ageing of Receivables from financing activities of Iveco Group at 30 June 2022 and 31 December 2021 is as follows:

| (€ million) | At 30 June 2022<br>Total current | 31-60 Days Past Due | 61-90 Days Past Due | Total Performing | Non-Performing | Total | Allowance | Total net allowance |
|---|---|---|---|---|---|---|---|---|
| **Total Retail** | **113** | **—** | **—** | **113** | **35** | **148** | **(78)** | **70** |
| **Total Wholesale** | **2,986** | **10** | **4** | **3,000** | **63** | **3,063** | **(125)** | **2,938** |
| Other | — | — | — | — | — | **22** | | **22** |
| **Total Iveco Group** | | | | | | **3,233** | **(203)** | **3,030** |

| (€ million) | At 31 December 2021<br>Total current | 31-60 Days Past Due | 61-90 Days Past Due | Total Performing | Non-Performing | Total | Allowance | Total net allowance |
|---|---|---|---|---|---|---|---|---|
| **Total Retail** | **115** | **1** | | **116** | **43** | **159** | **(89)** | **70** |
| **Total Wholesale** | **2,837** | **5** | **2** | **2,844** | **59** | **2,903** | **(98)** | **2,805** |
| Other | — | — | — | — | — | **34** | | **34** |
| **Total Iveco Group** | | | | | | **3,096** | **(187)** | **2,909** |

CNH Industrial and Iveco Group utilize three categories for receivables from financing activities that reflect their credit risk and how the loss allowance is determined.

| Internal risk grade | IFRS 9 classification | Definition | Basis for recognition of expected credit loss provision |
|---|---|---|---|
| Performing | Stage 1 | Low risk of default; payments are generally less than 30 days past due | 12 month expected credit losses |
| Performing | Stage 2 | Significant increase in credit risk; payments generally between 31 and 90 days past due | Lifetime expected credit losses |
| Non-performing | Stage 3 | Accounts are credit impaired and/or a legal action has been initiated; payments generally greater than 90 days past due | Lifetime expected credit losses |

Charge-off of principal amounts of receivables outstanding are deducted from the allowance at the point when it is estimated that amounts due are deemed uncollectible. CNH Industrial and Iveco Group continue to engage in collection efforts to attempt to recover the receivables. When recoveries are collected, these are recognized as income.

*Allowance for Credit Losses*

CNH Industrial and Iveco Group segregated their allowance for credit losses into two portfolio segments: retail and wholesale. A portfolio segment is the level at which such companies develop a systematic methodology for determining their allowance for credit losses. Further, CNH Industrial evaluates its retail and wholesale portfolio segments by class of receivable: North America, Europe, Middle East, Africa, South America and Asia Pacific regions. Typically, CNH Industrial's receivables within a geographic region have similar risk profiles and methods for assessing and monitoring risk. These classes align with management reporting.

These companies account for their credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, CNH Industrial and Iveco Group consider historical loss rates for each category of customers and adjusts for forward looking macroeconomic data. The calculations depend also on whether the receivable has been individually identified as being impaired. The first component of the allowance for credit losses covers the receivables specifically reviewed by management for which companies have determined it is probable that it will not collect all of the contractual principal and interest. Receivables are individually reviewed for impairment based on, among other items, amounts outstanding, days past due and prior collection history.

Expected credit losses are measured by considering: the unbiased and probability-weighted amount; the time value of money; and reasonable and supportable information (available without undue costs or effort) at the reporting date about past events, current conditions and forecasts of future economic conditions. Expected credit losses are measured as the probability-weighted present value of all cash shortfalls over the expected life of each financial asset.

The second component of the allowance for credit losses covers all receivables that have not been individually reviewed for impairment. The allowance for these receivables is based on aggregated portfolio evaluations, generally by financial product. The allowance for wholesale and retail credit losses is based on loss forecast models that consider a variety of factors that include, but are not limited to, historical loss experience, collateral value, portfolio balance and delinquency. The loss forecast models are updated on a quarterly basis. The calculation is adjusted for forward looking macroeconomic factors. In addition, qualitative factors that are not fully captured in the loss forecast models are considered in the evaluation of the adequacy of the allowance for credit losses. These qualitative factors are subjective and require a degree of management judgment.

CNH Industrial

Allowance for credit losses activity for the year ended 30 June 2022 is as follows:

| | Six months ended 30 June 2022 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Retail | | | | Wholesale | | | |
| *(€ million)* | **Stage 1 12 months ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** | **Stage 1 12 months ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| Opening balance | 50 | 21 | 66 | **137** | 19 | — | 38 | **57** |
| Provision (benefit) | 11 | 5 | 19 | **35** | 6 | — | (4) | **2** |
| Charge-off net of recoveries | 1 | — | (10) | **(9)** | — | — | (5) | **(5)** |
| Transfers | 6 | (13) | 6 | **(1)** | — | 2 | (2) | **—** |
| Foreign currency translation and other | 7 | 4 | 11 | **22** | — | — | 3 | **3** |
| **Ending balance** | **75** | **17** | **92** | **184** | **25** | **2** | **30** | **57** |
| Receivables | | | | | | | | |
| **Ending balance** | **9,707** | **145** | **73** | **9,925** | **5,920** | **20** | **75** | **6,015** |

Allowance for credit losses activity for the year ended 31 December 2021 is as follows:

| | Year ended 31 December 2021 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Retail | | | | Wholesale | | | |
| *(€ million)* | **Stage 1 12 months ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** | **Stage 1 12 months ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| Opening balance | 39 | 21 | 76 | **136** | 13 | | 38 | **51** |
| Provision (benefit) | (12) | 3 | 27 | **18** | 2 | — | 3 | **5** |
| Charge-off net of recoveries | (3) | — | (16) | **(19)** | — | — | — | **—** |
| Transfers | 21 | (3) | (18) | **—** | 2 | | (2) | **—** |
| Foreign currency translation | 5 | | (3) | **2** | 2 | — | (1) | **1** |
| **Ending balance** | **50** | **21** | **66** | **137** | **19** | **—** | **38** | **57** |
| Receivables | | | | | | | | |
| **Ending balance** | **8,633** | **169** | **45** | **8,847** | **4,627** | **46** | **71** | **4,744** |

## Iveco Group

Allowance for credit losses activity for the year ended 30 June 2022 is as follows:

| | Six months ended 30 June 2022 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Retail | | | | Wholesale | | | |
| (€ million) | Stage 1 12 months ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total | Stage 1 12 months ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| Opening balance | 3 | — | 86 | **89** | 8 | — | 90 | **98** |
| Provision (benefit) | — | — | (6) | **(6)** | 8 | — | 19 | **27** |
| Charge-off net of recoveries | — | — | (5) | **(5)** | — | — | — | **—** |
| Transfers | — | — | — | **—** | — | — | — | **—** |
| Foreign currency translation and other | — | — | — | **—** | — | — | — | **—** |
| **Ending balance** | **3** | **—** | **75** | **78** | **16** | **—** | **109** | **125** |
| Receivables | | | | | | | | |
| **Ending balance** | **54** | **1** | **15** | **70** | **2,910** | **3** | **25** | **2,938** |

Allowance for credit losses activity for the year ended 31 December 2021 is as follows:

| | Year ended 31 December 2021 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Retail | | | | Wholesale | | | |
| (€ million) | Stage 1 12 months ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total | Stage 1 12 months ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| Opening balance | 32 | — | 80 | **112** | 8 | 1 | 82 | **91** |
| Provision (benefit) | — | — | (2) | **(2)** | 1 | — | 9 | **10** |
| Charge-off net of recoveries | — | — | (21) | **(21)** | — | — | (9) | **(9)** |
| Transfers | (29) | — | 29 | **—** | (1) | (1) | 2 | **—** |
| Foreign currency translation and other | — | — | — | **—** | — | — | 6 | **6** |
| **Ending balance** | **3** | **—** | **86** | **89** | **8** | **—** | **90** | **98** |
| Receivables | | | | | | | | |
| **Ending balance** | **44** | **—** | **26** | **70** | **2,718** | **6** | **81** | **2,805** |

### *Troubled Debt Restructuring*

A restructuring of a receivable constitutes a troubled debt restructuring ("TDR") when the lender grants a concession it would not otherwise consider to a borrower that is experiencing financial difficulties. As a collateral-based lender, CNH Industrial typically will repossess collateral in lieu of restructuring receivables. As such, for retail receivables, concessions are typically provided based on bankruptcy court proceedings. For wholesale receivables, concessions granted may include extended contract maturities, inclusion of interest-only periods, modification of a contractual interest rate to a below market interest rate and waiving of interest and principal.

TDRs are reviewed along with other receivables as part of management's ongoing evaluation of the adequacy of the allowance for credit losses. The allowance for credit losses attributable to TDRs is based on the most probable source of repayment, which is normally the liquidation of the collateral. In determining collateral value, CNH Industrial estimates the current fair market value of the equipment collateral and considers credit enhancements such as additional collateral and third-party guarantees.

Before removing a receivable from TDR classification, a review of the borrower is conducted. If concerns exist about the future ability of the borrower to meet its obligations based on a credit review, the TDR classification is not removed from the receivable.

As of 30 June 2022 and 2021, the CNH Industrial's retail and wholesale TDRs were immaterial.

*Transfers of financial receivables*

The CNH Industrial and Iveco Group transfer a number of their financial receivables to securitization programs or factoring transactions.

A securitization transaction entails the sale of a portfolio of receivables to a securitization vehicle. This structured entity finances the purchase of the receivables by issuing asset-backed securities (i.e. securities whose repayment and interest flow depend upon the cash flow generated by the portfolio). Asset-backed securities are divided into classes according to their degree of seniority and rating: the most senior classes are placed with investors on the market; the junior class, whose repayment is subordinated to the senior classes, is normally subscribed for by the seller.

The residual interest in the receivables retained by the seller is therefore limited to the junior securities it has subscribed for. In accordance with IFRS 10 – Consolidated Financial Statements, all securitization vehicles are included in the scope of consolidation because the subscription of the junior asset-backed securities by the seller implies its control in substance over the structured entity.

Furthermore, factoring transactions may be either with recourse or without recourse; certain without recourse transfers include deferred payment clauses (for example, when the payment by the factor of a minor part of the purchase price is dependent on the total amount collected from the receivables), requiring first loss cover, meaning that the transferor takes priority participation in the losses, or require a significant exposure to the cash flows arising from the transferred receivables to be retained. These types of transactions do not comply with the requirements of IFRS 9 – Financial Instruments for the derecognition of the assets, since the risks and rewards connected with collection are not substantially transferred and, accordingly, the Group continues to recognize the receivables transferred by this means in its consolidated statement of financial position and recognizes a financial liability of the same amount under Asset-backed financing (see Note 19 Financial Debt and derivative liabilities). The gains and losses arising from the transfer of these assets are only recognized when the assets are derecognized.

At 30 June 2022 and at 31 December 2021, the carrying amount of CNH Industrial transferred financial assets not derecognized and the related liability and the respective fair values were as follows:

| *(€ million)* | **At 30 June 2022** | **At 31 December 2021** |
|---|---|---|
| Restricted receivables: | | |
| Retail financing and finance lease receivables | 6,712 | 6,073 |
| Wholesale receivables | 3,775 | 3,040 |
| **Total restricted receivables** | **10,487** | **9,113** |

CNH Industrial has discounted receivables and bills without recourse having due dates beyond 30 June 2022 amounting to €15 million (€29 million at 31 December 2021, with due dates beyond that date), exclusively referred to trade receivables and other receivables.

At 30 June 2022 and at 31 December 2021, the carrying amount of Iveco Group transferred financial assets not derecognized and the related liability and the respective fair values were as follows:

| *(€ million)* | **At 30 June 2022** | **At 31 December 2021** |
|---|---|---|
| Restricted receivables: | | |
| Retail financing and finance lease receivables | 31 | 33 |
| Wholesale receivables | 2,220 | 1,926 |
| **Total restricted receivables** | **2,251** | **1,959** |

Iveco Group has discounted receivables and bills without recourse having due dates beyond 30 June 2022 amounting to €136 million (€141 million at 31 December 2021, with due dates beyond that date), which refer to trade receivables.

### 16. Cash and cash equivalents

Cash and cash equivalents at 30 June 2022 and at 31 December 2021 are as follows:

| *(€ million)* | **At 30 June 2022** | **At 31 December 2021** |
|---|---|---|
| Cash at banks | 5,380 | 6,997 |
| Money market securities | 341 | 15 |
| Restricted cash | 922 | 893 |
| **Total cash and cash equivalents** | **6,643** | **7,905** |

Cash and cash equivalents include cash at bank and other easily marketable securities that are readily convertible into cash and are subject to an insignificant risk of changes in value.

Restricted cash mainly includes bank deposits that may be used exclusively for the repayment of the debt relating to securitizations classified as Asset-backed financing

### 17. Equity

*Share capital*

At 30 June 2022 the total issued capital of Exor N.V. was equal to Euro 7,398,809, divided into no. 241,000,000 ordinary shares each with a nominal value of Euro 0.01 and no.124,717,163 Special Voting Shares A each with a nominal value of Euro 0.04.
At 30 June 2022 Giovanni Agnelli B.V. owns 85.62% of the voting rights on Exor's outstanding capital.

Exor N.V. adopted a loyalty voting structure designed to incentivize long-term share ownership, on the basis of which for each Exor N.V. ordinary share held without interruption for a period of five years, shareholders will be entitled to five voting rights at the end of that period, and for each Exor N.V. ordinary share held without interruption for a period of ten years, shareholders will be entitled to ten voting rights at the end of that period.

*AGM resolution*

The Exor Annual General Meeting held on 24 May 2022 adopted the 2021 Annual Report, expressed a positive advice with respect to the 2021 remuneration report and approved the dividend distribution of €0.43 per outstanding share, for a maximum distribution of approximately €99 million. The Annual General Meeting also approved the authorization for the purchase of Exor shares on the market for 18 months from the date of the Shareholders' resolution, for a maximum number of shares such as not to exceed the limit set by law, with a maximum disbursement of €500 million.

*Treasury stock*

At 30 June 2022 10,797,181 ordinary shares with a nominal value of €0.01 per share are held as treasury stocks (9,291,244 at 31 December 2021). The movements are as follows:

| | **No. of shares** | **(€ thousand)** | **% of class** |
|---|---|---|---|
| **Balance at 1 January 2021** | **9,993,244** | **297,579** | **4.147** |
| Buyback of treasury shares | 0 | 0 | |
| Exercise of stock options | (702,000) | (7) | |
| **Balance at 31 December 2021** | **9,291,244** | **297,572** | **3.860** |
| Buyback of treasury shares | 1,524,103 | 100,185 | |
| Exercise of stock options | (18,166) | 0 | |
| **Balance at 30 June 2022** | **10,797,181** | **397,757** | **4.480** |

*Other comprehensive income*

Other comprehensive income for the six months ended 30 June 2022 and 2021 is as follows:

| | At 30 June | |
|---|---|---|
| *(€ million)* | **2022** | **2021** |
| Items that will not be reclassified to the Consolidated Income Statement in subsequent periods: | | |
| Gains (losses) on remeasurement of defined benefit plans | (1) | — |
| Share of gains (losses) on remeasurement of defined benefit plans for equity method investees | 162 | 167 |
| Gains (losses) on financial assets at FVTOCI | (259) | 21 |
| Gains (losses) on financial assets at FVTOCI for equity method investees | (1) | |
| Items relating to discontinued operations | — | 234 |
| **Total items that will not be reclassified to the Consolidated Income Statement in subsequent periods, before tax effect (B1)** | **(99)** | **422** |
| Items that may be reclassified to the Consolidated Income Statements in subsequent periods: | | |
| Gains (losses) on cash flow hedging instruments arising during the period | (32) | (50) |
| Gains (losses) on cash flow hedging instruments reclassified to the income Statement | 34 | (28) |
| **Gains (losses) on cash flow hedging instruments** | **2** | **(78)** |
| Foreign exchange translation gains (losses) arising during the period | 902 | 502 |
| Foreign exchange translation gains (losses) reclassified to the income Statement | — | — |
| **Foreign exchange translation gains (losses)** | **902** | **502** |
| Share of other comprehensive income of equity method investees arising during the period | 445 | 102 |
| Share of other comprehensive income (loss) of equity method investees reclassified to the income statement | — | — |
| **Share of other comprehensive income (loss) of equity method investees** | **445** | **102** |
| Items relating to discontinued operations | 587 | 2,092 |
| **Total Items that may be reclassified to the Consolidated Income Statement in subsequent periods, before tax effect (B2)** | **1,936** | **2,618** |
| **Total Other Comprehensive Income, before tax effect (B1)+(B2)=(B)** | **1,837** | **3,040** |
| Tax effect | (60) | 10 |
| Tax effect - discontinued operations | — | (53) |
| **Total Other Comprehensive Income (Loss), net of tax** | **1,777** | **2,997** |

With reference to the defined benefit plans of the Group, the gains and losses arising from the remeasurement mainly include actuarial gains and losses arising during the period, the return on plan assets (net of interest income recognized in the income statement) and any changes in the effect of the asset ceiling.

The tax effect relating to other comprehensive income for the six months ended 30 June 2022 and 2021 is as follows:

| | At 30 June | | | | | |
|---|---|---|---|---|---|---|
| *(€ million)* | 2022 | | | 2021 | | |
| | **Pre-tax balance** | **Tax benefit (expense)** | **Net-of-tax balance** | **Pre-tax balance** | **Tax benefit (expense)** | **Net-of-tax balance** |
| Gains (losses) on remeasurement of defined benefit plans | 161 | 1 | 162 | 167 | — | 167 |
| Gains (losses) on financial assets at FVTOCI | (260) | (64) | (324) | 21 | — | 21 |
| Gains (losses) on cash flow hedging instruments | 2 | 3 | 5 | (78) | 10 | (68) |
| Foreign exchange translation gains (losses) | 902 | — | 902 | 502 | — | 502 |
| Share of other comprehensive income (loss) of equity method investees | 445 | — | 445 | 102 | — | 102 |
| Items relating to discontinued operations | 587 | — | 587 | 2,326 | (53) | 2,273 |
| **Total Other Comprehensive Income (Loss)** | **1,837** | **(60)** | **1,777** | **3,040** | **(43)** | **2,997** |

## 18. Share-based compensation

The subsidiaries of the Group have various stock option plans which amongst others include the award of performance share units (“PSU”) and restricted share units (“RSU”). The PSU and RSU represent the right to receive one common share of the relevant entity. PSU awards have financial performance targets whilst the RSU awards have a service condition only. The total number of shares that will be issued may therefore vary from the original award. During the six months ended 30 June 2021 and 2020 the Group recognized share-based compensation expense as follows:

### CNH Industrial

CNH Industrial recognized total share-based compensation expense of €36 million for the six months ended 30 June 2022 (€19 million in the six months ended 30 June 2021).

### Iveco Group

Iveco Group recognized total share-based compensation expense of €8 million and €6 million for the six months ended 30 June 2022 and 2021, respectively.

As part of the demerger between CNH Industrial and Iveco Group, any awards outstanding under the CNH Industrial Equity Incentive Plan ("CNH Industrial EIP"), and held by directors, officers and other employees vesting in 2022 were accelerated in December 2021, and the related equity incentives were issued by CNH Industrial in CNH Industrial N.V. stock. As a result of the demerger, remaining outstanding awards vesting in 2023 and 2024 were converted to the entity the participant is employed with post demerger. As such, for Iveco Group employees, the underlying stock awards under the CNH Industrial EIP vesting in 2023 and 2024 were converted at the effective date of the demerger, subject to its terms, to common shares of Iveco Group N.V. The conversion of the CNH Industrial EIP included appropriate adjustment mechanisms to ensure that the value of the unvested awards granted to all the beneficiaries under such plan remained unchanged pre and post demerger for employees in both Iveco Group and CNH Industrial. No incremental cost has been recognized as a consequence of the conversion.

With reference to the 2021-2023 Long-Term Incentive Plan, under the CNH Industrial EIP, 1.9 million of non-vested PSUs and 1.0 million of non-vested RSUs on CNH Industrial N.V.'s shares related to Iveco Group key executive officers and select employees were outstanding at 31 December 2021. As a result of the demerger, such non-vested PSUs and non-vested RSUs outstanding were converted to 3.0 million and 1.6 million awards, respectively, on Iveco Group N.V.'s shares.

On 25 February 2022, the board of directors of Iveco Group adopted the Iveco Group Equity Incentive Plan that relates to the grant of stock-based awards to eligible top performers and key leaders of the Iveco Group and its subsidiaries.

At 30 June 2022, Iveco Group granted approximately 1.8 million and 1.0 million Performance Share Units (“PSUs”) and Restricted Share Units (“RSUs”), respectively. The PSUs will vest on 28 February 2025, with financial performance goals covering the three-year period from 1 January 2022 to 31 December 2024. The RSUs will vest in full on 28 February 2025.

### Ferrari

Equity Incentive Plan 2022-2024

Under a new Equity Incentive Plan 2022-2024 approved in 2022, Ferrari awarded approximately 72 thousand 2022-2024 PSUs to the Executive Chairman, CEO, members of the Ferrari Leadership Team and other employees of the Ferrari Group, and approximately 26 thousand 2022-2024 RSUs to members of the Ferrari Leadership Team and other employees of the Ferrari Group. The PSUs and RSUs cover the three-year performance and service periods from 2022 to 2024. The PSU awards and RSU awards under the Equity Incentive Plan 2022-2024 vest in 2025 based on the level of achievement of the related performance targets or service conditions.

For the six months ended 30 June 2022 and 2021, Ferrari recognized €8 million and €7 million, respectively, as share-based compensation expense and an increase to other reserves in equity in relation to the PSU awards and RSU awards of the Ferrari’s equity incentive plans. At 30 June 2022 unrecognized compensation expense amounted to €25 million and is expected to be recognized over the remaining vesting periods through 2024.

For the six months ended 30 June 2022 Ferrari Group also recognized share-based compensation expense of €2.4 million as part of commercial agreements with certain suppliers.

## 19. Other provisions

Other provisions at 30 June 2022 and at 31 December 2021 are as follows:

| *(€ million)* | **At 30 June 2022** | **At 31 December 2021** |
|---|---|---|
| Warranty and recall campaigns | 1,009 | 980 |
| Restructuring provisions | 67 | 75 |
| Investments provisions | 5 | 5 |
| Other charges and risks | 2,552 | 2,324 |
| **Total other provisions** | **3,633** | **3,384** |

Provisions for other charges and risks include primarily provisions for contractual and commercial risks and disputes.

## 20. Financial debt and derivative liabilities

Total financial debt and derivative liabilities at 30 June 2022 and 31 December 2021 are as follows:

| *(€ million)* | **At 30 June 2022** | **At 31 December 2021** |
|---|---|---|
| Financial debt | 31,756 | 28,684 |
| Derivative liabilities | 502 | 266 |
| **Total financial debt and derivative liabilities** | **32,258** | **28,950** |

The composition is as follows:

| (€ million) | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| Notes | 13,464 | 13,283 |
| Borrowings from banks | 3,798 | 2,880 |
| Asset-backed financing | 11,972 | 10,661 |
| Lease liabilities | 539 | 504 |
| Payables represented by securities | 1,730 | 1,081 |
| Other financial debt | 253 | 275 |
| Derivative liabilities | 502 | 266 |
| **Total financial debt and derivative liabilities** | **32,258** | **28,950** |

The composition by entity is as follows:

| (€ million) | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| Exor | 5,134 | 4,310 |
| CNH Industrial | 20,651 | 18,817 |
| Iveco Group | 3,325 | 2,752 |
| Ferrari | 2,836 | 2,666 |
| Juventus | 223 | 239 |
| GEDI | 89 | 161 |
| Shang Xia | — | 5 |
| **Total financial debt and derivative liabilities** | **32,258** | **28,950** |

The composition of notes by entity is as follows:

| (€ million) | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| Exor | 4,084 | 4,069 |
| CNH Industrial | 7,722 | 7,548 |
| Ferrari | 1,481 | 1,487 |
| Juventus | 177 | 179 |
| **Total notes** | **13,464** | **13,283** |

The new notes issued and notes repaid during the first six months of 2022 were as follows:

| New Issues | Currency | Nominal Amount (in millions) | Coupon | Issue Date | Maturity |
|---|---|---|---|---|---|
| **Company** | | | | | |
| CNH Industrial | Usd | 500 | 3.950 % | 23 May 2022 | 23 May 2025 |

| Repayments | Name of Notes | Currency | Amount (in millions) | Repayment date |
|---|---|---|---|---|
| **Company** | | | | |
| CNH Industrial | Euo Medium Term Notes | Eur | 75 | 29 Mar 2022 |
| CNH Industrial | Other Bonds | Usd | 500 | 5 April 2022 |

*Borrowings from banks*

Borrowings from banks at 30 June 2022 amount to €3,798 million (€2,880 million at 31 December 2021). The composition is as follows:

| *(€ million)* | **At 30 June 2022** | **At 31 December 2021** |
|---|---|---|
| Exor | 959 | 150 |
| CNH Industrial | 1,961 | 1,989 |
| Iveco Group | 740 | 501 |
| Ferrari | 127 | 154 |
| Juventus | 11 | 14 |
| GEDI | 1 | 71 |
| **Total borrowings from banks** | **3,798** | **2,880** |

Exor

At 30 June 2022 borrowings from banks of Exor include a €150 million term loan with maturity 2024 (€150 million at 31 December 2021) and committed and uncommitted credit lines drawn down of €345 million and €464 million, respectively.

At 30 June 2022 Exor has undrawn committed credit lines in Euro of €140 million, of which €55 million expiring after 30 June 2023, as well as undrawn uncommitted credit lines of €51 million.

CNH Industrial

CNH Industrial has borrowings from banks which are at various terms and rates.
In March 2019, CNH Industrial signed a five-year committed revolving credit facility for €4 billion ($4.5 billion at 31 March 2019 exchange rate) due to mature in 2024 with two extension options of 1-year each, exercisable on the first and second anniversary of the signing date. CNH Industrial exercised the first of the two extension options at 28 February 2020 and the second extension option at 26 February 2021. The facility is now due to mature in March 2026 for €3,950.5 million; the remaining €49.5 million will mature in March 2025.

Available committed unsecured facilities expiring after twelve months amounted to approximately $5.0 billion at 30 June 2022 ($5.2 billion at 31 December 2021). Total committed secured facilities expiring after twelve months amounted to approximately $2.8 billion at 30 June 2022 ($3.9 billion at 31 December 2021, $3.0 billion excluding Iveco Group), of which $0.6 billion was available at 30 June 2022 ($1.1 billion at 31 December 2021, $1.0 billion excluding Iveco Group).

Iveco Group

On 4 January 2022, Iveco Group signed a €1.9 billion syndicated facility, which included a €1.4 billion committed revolving credit facility with a 5-year tenor with two extension options of 1-year each, as well as a €0.5 billion committed term facility with a 12-months tenor, extendable for up to an additional 12 months at the company's sole option.

Ferrari

Bank borrowings of Ferrari include a term loan of €50 million borrowed in June 2021 for a tenor of 36 months and bearing fixed interest at 0.118% and financial liabilities to support financial services operations comprising €77 million (€62 million at 31 December 2021) drawn down under a US$ denominated credit facility for up to $100 million (drawn down for $80 million at 30 June 2022) for a tenor of 24 months and bearing interest at LIBOR plus 75 basis points.

Juventus

Bank borrowings of Juventus at 30 June 2022 mainly relate to €11 million drawn down (€14 million at 31 December 2021) under revocable credit lines.

GEDI

The Loan agreement finalized on 30 December 2020 for a duration of 4 years and drawn down for the total amount of €71 million at 31 December 2021 was repaid.

*Asset-backed financing*

The item Asset-backed financing represents the financing received through both asset-backed commercial paper and factoring transactions which do not meet IFRS 9 derecognition requirements and are recognized as assets in the statement of financial position. The composition of Asset-backed financing is as follows:

| *(€ million)* | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| CNH Industrial | 8,664 | 7,835 |
| Iveco Group | 2,259 | 1,926 |
| Ferrari | 1,048 | 900 |
| **Total asset-backed financing** | **11,972** | **10,661** |

## 21. Other liabilities

Total other liabilities at 30 June 2022 and 31 December 2021 are as follows:

| *(€ million)* | At 30 June 2022 | At 31 December 2021 |
|---|---|---|
| Contracts liabilities | 1,545 | 1,507 |
| Payables for buy-back agreements | 1,011 | 1,012 |
| Accrued expenses and deferred income | 2,312 | 2,171 |
| Other payables and advances | 1,116 | 1,297 |
| **Total other liabilities** | **5,984** | **5,987** |

Payables for buy-back agreements refers to buy-back agreements entered into by the Group and includes the price received for the product recognized as an advance at the date of the sale, and subsequently, the repurchase price and the remaining lease instalments yet to be recognized.

Accrued expenses and deferred income include the remaining portion of government grants that will be recognized as income in the consolidated income statement over the same periods as the related costs which they are intended to offset.

## 22. Guarantees granted, commitments and contingent liabilities

*Guarantees granted by the CNH Industrial Group*

CNH Industrial provided guarantees on the debt or commitments of third parties and performance guarantees on non-consolidated affiliates at 30 June 2022 and 31 December 2021 totalling of €17 million and €13 million, respectively.

*Guarantees granted by the Iveco Group*

At 30 June 2022 the Iveco Group provided guarantees on the debt or commitments of third parties and performance guarantees mainly in the interest of a joint venture related to commercial commitments on defence vehicles totalling €438 million (€452 million at 31 December 2021).

*Guarantees granted by the PartnerRe Group*

At 30 June 2022 approximately €106 million (€93 million at 31 December 2021) of cash and cash equivalents and €4,977 million (€4,841 million at 31 December 2021) of securities of the PartnerRe Group were deposited, pledged or held in escrow accounts in favour of ceding companies and other counterparties of government authorities to comply with regulations on reinsurance contracts and insurance laws.

*Commitments of Juventus*

The commitments of Juventus included guarantees received from leading credit institutions of €95 million (€40 million at 31 December 2021) issued to guarantee the payables arising from the acquisition of players' registration rights (€87 million) and other commitments (€8 million).

*Pending litigation and contingent liabilities*

As a global group with a diverse business portfolio, Exor Group is exposed to numerous legal risks, particularly in the areas of product liability, competition and antitrust law, environmental risks and tax matters, dealer and supplier relationships and intellectual property rights. The outcome of any proceedings cannot be predicted with certainty. These risks arise from pending legal proceedings or requests received by the Group seeking recovery for damage to property, personal injuries and in some cases include a claim for exemplary or punitive damages. It is therefore possible that legal judgments could give rise to expenses that are not covered, or not fully covered, by insurers' compensation payments and could affect the Group's financial position and results.

The Group's reinsurance subsidiaries, and the insurance and reinsurance industry in general, are subject to litigation and arbitration in the normal course of their business operations. In addition to claims litigation, the Group may be subject to lawsuits and regulatory actions in the normal course of business that do not arise from or directly relate to claims on reinsurance treaties. This category of business litigation typically involves, among other things, allegations of underwriting errors or omissions, employment claims or regulatory activity. While the outcome of business litigation cannot be predicted with certainty, the Group will dispute all allegations against the Group and/or its subsidiaries that management believes are without merit.

*Contingent liabilities of the Iveco Group*

*Follow-up on Damages Claims*

In 2011 Iveco S.p.A. which, following the demerger between CNH Industrial and Iveco Group, is now part of Iveco Group, and its competitors in the European Union were subject to an investigation by the European Commission (the "Commission") into certain business practices in the European Union (in the period 1997-2011) in relation to Medium & Heavy trucks. On 19 July 2016, the Commission announced a settlement with CNH Industrial ("the Decision") including a settlement with Iveco S.p.A. In particular, Iveco S.p.A. received a reduction in its fine for cooperating with the European Commission throughout the investigation, and received a fine of €494.6 million. Similar decisions were taken, by the Commission, with reference to the other competitors. Following the Decision, CNH Industrial N.V., Iveco S.p.A. and Iveco Magirus AG ("IMAG") have been named as defendants in many proceedings across Europe and Israel. These damage claims could result in substantial liabilities for Iveco Group as well as incurring significant defence costs, which may have a material adverse effect on its operations and financial condition. The extent and outcome of these claims, in the absence of any final judgement, cannot be predicted at this time and, therefore, Iveco Group did not recognize any specific provision for these claims; however, it may reassess the need to do so in the future if the risk analysis in the most relevant proceedings suggests that chances to successfully defend the claims are reduced. In accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets (paragraph 92), no further information is disclosed so as not to prejudice the Iveco Group's position.

*FPT Emissions Investigation*

On 22 July 2020, a number of CNH Industrial's offices in Europe were visited by investigators in the context of a request for assistance by the public prosecutors of Frankfurt am Main, Germany and Turin, Italy in relation to alleged noncompliance of two engine models produced by FPT Industrial S.p.A. ("FPT"), which is now part of the Iveco Group, installed in certain Ducato (a vehicle manufactured and distributed by Stellantis) and Iveco Daily vehicles. FPT is providing its full cooperation to properly address the requests received. FPT, other companies of the Iveco Group, and in certain instances CNH Industrial and other third parties have received various requests for compensation by German and Austrian customers on various contractual and tort grounds, including requests for damages arising out of the termination of the purchase contracts, or in the form of requests for an alleged lower residual value of their vehicles as a consequence of the alleged non-compliance with type approval regulations regarding emissions. In certain instances, other customers have brought judicial claims on the same legal and factual bases. Although, at the date hereof, the Iveco Group has no evidence of any wrongdoing, it cannot predict at this time the extent and outcome of these requests and directly or indirectly related legal proceedings, including customer claims or potential class actions alleging emissions non-compliance. Therefore, the Iveco Group did not recognize any specific provision in relation to this investigation.

### *Contingent liabilities of the Juventus Group*

*Audit by Consob [to be updated]*

Juventus was subject to an inspection by Consob from July 2021 to April 2022 concerning the acquisition of documentation and information relating to the item “Income from players’ registration rights” recorded in Juventus’ financial statements at 30 June 2020 and 30 June 2021 and received a series of requests for information by Consob regarding this matter and the accounting of certain “costs of personnel”. Based on the information available to date, Juventus might be subject to the adoption of measures by Consob in respect of certain aspects of the line items “players’ registration rights” and “cost of personnel” contained in the Juventus’ financial statements at 30 June 2020, 30 June 2021 and 31 December 2021.

*Requests for information from sports Authorities and disciplinary proceedings*

In a letter dated 4 October 2021, Co.Vi.So.C. (an Italian sport Authority), on the basis of press reports, requested Juventus to provide information about the requests for inquiries regarding the separate and consolidated financial statements of Juventus received in 2021 from inspection bodies and, in particular, information about the expected response time and the elements of assessment regarding the facts subject to the said requests for inquiries; subsequently, in a letter dated 29 November 2021, Co.Vi.So.C. requested Juventus to provide further information, in particular with regard to the news published in the press concerning the criminal proceedings described in the following section. On 24 November 2021, the *Procura Federale* (Federal Prosecutor's Office) of the F.I.G.C. (*Federazione Italiana Giuoco Calcio*) made a request to Juventus for documentation concerning the transfer of the rights to the performances of various football players, in the framework of proceedings opened by the same Prosecutor's Office. Juventus provided these documents and all the information requested.

On 21 February 2022, Juventus received, together with 10 other Italian football companies and respective senior managers, a “*Comunicazione di conclusione delle indagini*” (Communication of termination of investigations) from the Federal Prosecutor’s Office of the F.I.G.C. with regard to the valuation of the effects of certain transfers of players’ rights on the financial statements and the accounting treatment of gains, following the “*segnalazione*” (report) by Co.Vi.So.C., for the postulated breach of article 31, paragraph 1, and articles 6 and 4 of the “*Codice di Giustizia Sportiva*” (Sport Justice Code). The communication served, concerning certain transfers completed in the financial years 2018/19, 2019/20 and 2020/21, does not constitute the exercise of the disciplinary action by the Federal Prosecutor’s Office. Juventus had access to the records and articulated its defences in accordance with the terms set forth in the code and trusts it will be in a position to demonstrate the correctness of its conduct.

The Federal Prosecutor’s Office of the F.I.G.C. then exercised the disciplinary action by referring Juventus and senior managers to the *Tribunale Federale Nazionale* which, however, on 15 April 2022 acquitted Juventus and the senior managers. The Federal Prosecutor’s Office made an appeal against the *Tribunale Federale Nazionale*’s decision which was rejected by the *Corte di Appello Federale* on 27 May 2022.

*Criminal proceedings pending before the Turin Judicial Authority*

On 26 November 2021 and 1 December 2021, search and seizure orders were served on Juventus, through the Officers of the "*Guardia di Finanza of the Nucleo di Polizia Economico-Finanziaria"* of Turin.

In the same date, Juventus was informed of the existence of an investigation by the Public Prosecutor's Office of the Court of Turin, against itself and some of its current and former representatives, concerning the item "Income from players' registration rights" recorded in the financial statements at 30 June 2019, 2020 and 2021 for the offences referred to in Article 2622 of the Italian Civil Code (False corporate communications by listed companies) and art. 8 of Legislative Decree no. 74/2000 (Issue of invoices or other documents for non-existent transactions) and, as far as the Company is concerned, for the offence envisaged by articles 5 (Liability of the legal entity) and 25-ter (Corporate offences) of Legislative Decree no. 231/2001.

The investigation launched by the Public Prosecutor's Office at the Court of Turin is ongoing and to date, no notice of conclusion of the preliminary investigations pursuant to art. 415-bis of the Code of Criminal Procedure has been served. Juventus is cooperating with the investigators and trusts that it will clarify any aspect of interest to them, believing that it has operated in compliance with the laws and regulations governing the preparation of financial reports, in accordance with accounting principles and in line with international football industry practice and market conditions.

## 23. Fair value measurement by hierarchy

Fair value measurements are categorized within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the entire measurement:

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 — Inputs are not based on observable market data when available.

This hierarchy requires the use of observable market data when available.

*Assets and liabilities measured at fair value on a recurring basis*

The following table shows the fair value hierarchy the assets and liabilities measured at fair value on a recurring basis at 30 June 2022 and 31 December 2021:

| *(€ million)* | **Level 1** | **Level 2** | **Level 3** | **Total** |
|---|---|---|---|---|
| Debt securities and equity investments measured at fair value through other comprehensive income | 331 | 5 | 605 | 941 |
| Debt securities and equity instruments measured at FVTPL | 39 | — | 1,220 | 1,259 |
| Derivative financial assets | — | 317 | 1 | 318 |
| Collateral deposits | — | — | — | — |
| Investments of reinsurance companies measured at FVTPL | — | — | — | — |
| Money market securities | 232 | — | — | 232 |
| **Total Assets at 30 June 2022** | **602** | **322** | **1,826** | **2,750** |
| Derivative financial liabilities | 461 | — | 41 | 502 |
| **Total Liabilities at 30 June 2022** | **461** | **—** | **41** | **502** |
| Debt securities and equity investments measured at fair value through other comprehensive income | 567 | 23 | 509 | 1,099 |
| Debt securities and equity instruments measured at FVTPL | 33 | — | 974 | 1,007 |
| Derivative financial assets | — | 175 | — | 175 |
| Collateral deposits | — | — | — | — |
| Investments of reinsurance companies measured at FVTPL | — | — | — | — |
| Money market securities | 16 | — | — | 16 |
| **Total Assets at 31 December 2021** | **616** | **198** | **1,483** | **2,297** |
| Derivative financial liabilities | — | (220) | (46) | (266) |
| **Total Liabilities at 31 December 2021** | **—** | **(220)** | **(46)** | **(266)** |

Investments classified as Level 3 include, among others: inactively traded fixed maturities including U.S. State, territory and municipal bonds, unlisted or private equities, fund investments, derivative instruments and other invested assets. Fair value is determined using valuation models widely accepted; the valuation technique generally used is discounted cash flow, considering counterparty credit risk.

The fair value of derivative financial assets and liabilities is measured by taking into consideration market parameters at the balance sheet date and using valuation techniques widely accepted in the financial business environment, as described below.

The following table provides the reconciliation of the changes in items measured at fair value classified within Level 3 for the first half at 30 June 2022:

| | | Gains (losses) recognized | | | | |
|---|---|---|---|---|---|---|
| *(€ million)* | **At 1 January 2022** | **In the income statement** | **In other comprehensive income** | **Increase (decrease)** | **Net transfers into/(out of) Level 3** | **At 30 June 2022** |
| Debt securities and equity instruments measured at FVTOCI | 509 | — | 12 | 84 | — | **605** |
| Debt securities and equity instruments measured at FVTPL | 974 | 12 | — | 238 | (4) | **1,220** |
| Derivative financial assets | — | 1 | — | — | — | **1** |
| Receivables from financing activities | — | — | — | — | — | **—** |
| Other receivables | — | — | — | — | | **—** |
| Investments of reinsurance companies measured at FVTPL | — | — | — | — | — | **—** |
| **Total Assets** | **1,483** | **13** | **12** | **322** | **(4)** | **1,826** |
| Derivative financial liabilities | (46) | — | — | 5 | — | **(41)** |
| **Total Liabilities** | **(46)** | **—** | **—** | **5** | **—** | **(41)** |

*Assets and liabilities not measured at fair value on a recurring basis*

The following tables present the carrying amount and the fair value of financial assets and liabilities not measured at fair value on a recurring basis and the classification in the fair value level:

| *(€ million)* | **At 30 June 2022** | | **At 31 December 2021** | |
|---|---|---|---|---|
| | **Carrying amount** | **Fair value** | **Carrying amount** | **Fair value** |
| **Financial assets** | | | | |
| Dealer financing receivables | 8,965 | 8,962 | 7,560 | 7,554 |
| Retail financing receivables | 10,788 | 10,519 | 9,547 | 9,692 |
| Finance lease receivables | 547 | 545 | 503 | 504 |
| Other | 106 | 106 | 126 | 123 |
| **Total financial assets** | **20,406** | **20,132** | **17,736** | **17,873** |
| **Financial liabilities** | | | | |
| Notes | (13,464) | (12,919) | (13,283) | (13,853) |
| Borrowing from banks, payables represented by securities and other financial debt | (5,781) | (5,699) | (4,236) | (4,151) |
| Asset-backed financing | (11,972) | (11,778) | (10,661) | (10,568) |
| Lease liabilities | (539) | (539) | (504) | (504) |
| **Total financial liabilities** | **(31,756)** | **(30,935)** | **(28,684)** | **(29,076)** |

| *(€ million)* | At 30 June 2022 | | | | At 31 December 2021 | | | |
|---|---|---|---|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Fair value** | **Level 1** | **Level 2** | **Level 3** | **Fair value** |
| **Financial assets** | | | | | | | | |
| Dealer financing receivables | — | 11 | 8,951 | 8,962 | — | 11 | 7,543 | 7,554 |
| Retail financing receivables | — | 1,047 | 9,472 | 10,519 | — | 879 | 8,813 | 9,692 |
| Finance lease receivables | — | 294 | 251 | 545 | — | 254 | 250 | 504 |
| Other | — | 4 | 102 | 106 | — | 1 | 122 | 123 |
| **Total financial assets** | **—** | **1,356** | **18,776** | **20,132** | **—** | **1,145** | **16,728** | **17,873** |
| **Financial liabilities** | | | | | | | | |
| Notes | (9,388) | (3,531) | — | (12,919) | (10,355) | (3,498) | — | (13,853) |
| Borrowing from banks, payables represented by securities and other financial debt | (562) | (5,090) | (47) | (5,699) | (198) | (3,836) | (117) | (4,151) |
| Asset-backed financing | — | (11,778) | — | (11,778) | — | (10,568) | — | (10,568) |
| Lease liabilities | (20) | (61) | (458) | (539) | (22) | (56) | (426) | (504) |
| **Total financial liabilities** | **(9,970)** | **(20,460)** | **(505)** | **(30,935)** | **(10,575)** | **(17,958)** | **(543)** | **(29,076)** |

The fair value of receivables from financing activities, which are classified in Level 2 and Level 3 of the fair value hierarchy, is based on the discounted values of their related cash flow at market discount rates that reflect conditions applied in various reference markets on receivables with similar characteristics, adjusted to take into account the credit risk of the counterparties.

Notes that are traded in active markets for which close or last trade pricing is available are classified in Level 1 of the fair value hierarchy. Notes for which such prices are not available are valued at the last available price or based on quotes received from third parties and are classified in Level 2 of the fair value hierarchy.

The fair value of asset-backed financing, borrowing from banks, payables represented by securities and other financial debt, classified principally in Level 2, has been estimated based on discounted cash flow analysis using the current market interest rates at period-end adjusted for the Group non-performance risk over the remaining term of the financial liabilities. The fair value of the debt that requires significant adjustment using unobservable inputs is classified in Level 3.

The fair value of lease liabilities principally classified within Level 3 of the fair value hierarchy has been estimated using discounted cash flow models that require significant adjustments using unobservable inputs.

*Other financial asset*

The carrying amount of debt securities measured at amortized cost, cash at banks, restricted cash, other cash equivalents, trade receivables, other current receivables and financial assets, trade payables and other current liabilities included in the condensed consolidated statement of financial position approximates their fair value, due to the short maturity of these items.

## 24. Related party transactions

The entities of each consolidated Group put in place transactions with subsidiaries, joint ventures, associates and other related parties, on commercial terms that are normal in the respective markets, considering the characteristics of the goods or services involved.

Pursuant to IAS 24 the related parties of the Exor Group are Giovanni Agnelli, the CNH Industrial Group, the Iveco Group, the Ferrari Group, the PartnerRe Group, the GEDI Group, the Juventus Group and their respective unconsolidated subsidiaries, associates or joint ventures, the Stellantis Group, The Economist Group, the Welltec Group, the Christian Louboutin Group and their subsidiaries. In addition, members of the Board of Directors of Exor and its parent Giovanni Agnelli and their families are also considered related parties.

Transactions carried out by the Group with unconsolidated subsidiaries, joint ventures, associates and other related parties are primarily those of a commercial nature, which have had an effect on revenues, cost of sales, and trade receivables and payables.

In accordance with IAS 24, transactions with related parties also include compensation payable to directors, statutory auditors and executives with strategic responsibilities.

The effects of transactions with related parties recognized in the consolidated income statement of the Group for the six months ended 30 June2022 and 2021 are as follows:

| | Six months ended 30 June | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *(€ million)* | 2022 | | | | 2021 | | | |
| | **Net revenues** | **Cost of sales** | **Selling, general and other (income) expenses** | **Financial income (expenses)** | **Net revenues** | **Cost of sales** | **Selling, general and other (income) expenses** | **Financial income (expenses)** |
| Total joint ventures | 277 | 182 | (9) | — | 459 | 165 | 1 | — |
| Total associates | 149 | 52 | 18 | — | 490 | 141 | 44 | 43 |
| Total other related parties | 12 | — | — | — | 2 | — | — | — |
| Total unconsolidated subsidiaries | — | — | (16) | (9) | — | — | 1 | — |
| **Total related parties** | **438** | **234** | **(7)** | **(9)** | **951** | **306** | **46** | **43** |

Non-financial assets and liabilities originating from related party transactions at 30 June 2022 and 31 December 2021 are as follows:

| | At 30 June 2022 | | | | At 31 December 2021 | | | |
|---|---|---|---|---|---|---|---|---|
| *(€ million)* | **Trade receivables** | **Trade payables** | **Other assets** | **Other liabilities** | **Trade receivables** | **Trade payables** | **Other assets** | **Other liabilities** |
| Total joint ventures | 10 | 61 | — | 130 | 4 | 84 | — | 250 |
| Total associates | 48 | 77 | 7 | 4 | 62 | 90 | 1 | 6 |
| Total other related parties | 2 | 2 | — | 7 | 1 | 5 | — | 9 |
| Total unconsolidated subsidiaries | — | 3 | — | — | — | 3 | — | — |
| **Total related parties** | **60** | **143** | **7** | **141** | **67** | **182** | **1** | **265** |

Financial assets and liabilities originating from related party transactions at 30 June 2022 and 31 December 2021 are as follows:

| (€ million) | At 30 June 2022<br>Receivables from financing activities | <br>Financial debt | At 31 December 2021<br>Receivables from financing activities | <br>Financial debt |
|---|---|---|---|---|
| Total joint ventures | — | — | — | — |
| Total associates | 3 | 3 | 3 | 3 |
| Total other related parties | — | — | — | — |
| Total unconsolidated subsidiaries | — | 1 | — | 1 |
| **Total related parties** | **3** | **4** | **3** | **4** |

*Commitments and guarantees pledged in favour of related parties of the Iveco Group*

At 30 June 2022 the Iveco Group had provided guarantees on commitments of its joint ventures, mainly related to Iveco - Oto Melara Società Consortile, for an amount of €155 million (€186 million at 31 December 2021).

## 25. Subsequent events

Exor has evaluated subsequent events through 7 September 2022, which is the date the condensed financial statements at 30 June 2022 were authorised for issuance, and identified the following:

– On 1 July 2022 Exor and Institut Mérieux, the privately held global healthcare holding company of the Mérieux family, signed a long-term partnership agreement under which Exor would obtain, by way of a reserved capital increase, a 10% shareholding in Institut Mérieux. On 29 July 2022 Exor paid an initial amount of €278 million, corresponding to one third of the €833 million total investment, by way of a reserved capital increase. The remaining amount is expected to be contributed within the following 12 months. As part of the partnership sealed with the Mérieux family, John Elkann and Benoît Ribadeau-Dumas have joined Institut Mérieux's board of directors.

– On 12 July 2022 Exor completed the sale of PartnerRe to Covéa for a total cash consideration of $9.3 billion (approximately €8.6 billion), as agreed in the Definitive Agreement signed on 16 December 2021. The cash consideration is split as follows: $4.8 billion in USD (including a net price adjustment of which $0.179 billion was already paid by PartnerRe as a special dividend to Exor in March 2022) and €3.8 billion in Euro. The Euro portion of the proceeds was fixed at the signing of the Memorandum of Understanding in October 2021 and the USD portion has not been hedged. Following the disposal, Exor will recognize in the consolidated income statement the difference between the sale price and the carrying amount of PartnerRe at the date of loss of control over the subsidiary, preliminarily estimated in a range of €2 billion. Following the closing of the transaction, Exor and Covéa will continue their reinsurance cooperation. At closing, Exor acquired from Covéa interests in special purpose reinsurance vehicles managed by PartnerRe for approximately $725 million. These vehicles invest in property catastrophe and other short-tail reinsurance contracts underwritten by PartnerRe. Covéa, Exor and PartnerRe will also continue to invest jointly in Exor-managed funds with reinforced alignment of interests.

– On 29 July 2022, Exor's Board of Directors approved the transfer of the listing of the Company's ordinary shares from Euronext Milan to Euronext Amsterdam, a regulated market organised and managed by Euronext Amsterdam N.V., which hosts some of Europe's leading corporations. The listing and trading of the Exor's ordinary shares on Euronext Amsterdam commenced on 12 August 2022, after receiving the formal approvals from the Euronext Listing Board and the Dutch Authority for the Financial Markets (the "AFM"). The move aligns the Company's listing venue with its established legal structure as a Dutch registered holding company. This further simplification of Exor's organisational structure will result in the Company being overseen by a single country regulatory authority, namely the Dutch Authority for the Financial Markets (AFM). The delisting of Exor's ordinary shares from Euronext Milan will be effective from 27 September 2022.

– On 29 July 2022, Exor announced its intention to continue with the execution of the buyback with a second tranche of up to €250 million to be executed on Euronext Amsterdam and Euronext Milan. The shares repurchased under the second tranche may be used to meet the obligations arising from the Company's new equity incentive plan 2022-2024. The second tranche will be conducted in the framework of the resolution adopted at the AGM held on 24 May 2022. In the period from the announcement of the second tranche to the date of this report, Exor purchased 581,451 ordinary shares for a total invested amount of €37.1 million, holding in total 11,378,632 ordinary shares in treasury (4.72% of total issued share capital).

### Responsibility statement

The Board of Directors is responsible for preparing the 2022 First Half-year Report, inclusive of the Half-year Condensed Consolidated Financial Statements and the Half-year Board Report, in accordance with the Dutch Financial Supervision Act and IAS 34 – Interim Financial Reporting as endorsed by the European Union.

In accordance with Section 5:25d, paragraph 2 of the Dutch Financial Supervision Act, the Board of Directors states that, to the best of its knowledge, the Half-year Condensed Consolidated Financial Statements prepared in accordance with applicable accounting standards provide a true and fair view of the assets, liabilities, financial position and profit or loss of Exor N.V. and its subsidiaries, and the undertakings included in the consolidation as a whole, and the Half-year Board Report provides a fair review of the information required pursuant to Section 5:25d, paragraphs 8 and 9 of the Dutch Financial Supervision Act.

7 September 2022

The Board of Directors

Ajay Banga

John Elkann

Andrea Agnelli

Ginevra Elkann

Alessandro Nasi

Marc Bolland

Melissa Bethell

Laurence Debroux

Axel Dumas

# Independent auditor's review report

To: the shareholders and the board of directors of EXOR N.V.

## Our conclusion

We have reviewed the half-year condensed consolidated financial statements included in the accompanying half-year report of EXOR N.V. based in Amsterdam for the period from January 1, 2022 to June 30, 2022.

Based on our review, nothing has come to our attention that causes us to believe that the half-year condensed consolidated financial statements of EXOR N.V. for the period from January 1, 2022 to June 30, 2022, are not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

The half-year condensed consolidated financial statements comprise of:

- The half-year condensed consolidated statement of financial position as at June 30, 2022
- The following half-year condensed consolidated statements for the period from January 1, 2022 to June 30, 2022: the income statement, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity
- The notes comprising of a summary of the significant accounting policies and selected explanatory information

## Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410, "Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit" (Review of interim financial information performed by the independent auditor of the entity). A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the Our responsibilities for the review of the condensed interim financial information section of our report.

We are independent of EXOR N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Responsibilities of management and the audit committee for the half-year condensed consolidated financial statements

Management is responsible for the preparation and presentation of the half-year condensed consolidated financial statements in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the half-year condensed consolidated financial statements that is free from material misstatement, whether due to fraud or error.

The audit committee is responsible for overseeing the entity's financial reporting process.

## Our responsibilities for the review of the half-year condensed consolidated financial statements

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a review engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the review, in accordance with Dutch Standard 2410. Our review included among others:

- Updating our understanding of the entity and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the half-year condensed consolidated financial statements where material misstatements are likely to arise due to fraud or error, designing and performing analytical and other review procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion
- Obtaining an understanding of internal control as it relates to the preparation of half-year condensed consolidated financial statements
- Making inquiries of management and others within the entity
- Applying analytical procedures with respect to information included in the half-year condensed consolidated financial statements
- Obtaining assurance evidence that half-year condensed consolidated financial statements agrees with, or reconciles to, the entity's underlying accounting records
- Evaluating the assurance evidence obtained
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle
- Considering whether management has identified all events that may require adjustment to or disclosure in the half-year condensed consolidated financial statements
- Considering whether the half-year condensed consolidated financial statements has been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement.

Amsterdam, September 7, 2022

Ernst & Young Accountants LLP

signed by O.E.D. Jonker