Dear Shareholders,

I finalised this year's Letter while nearing the end of a trip to Asia, which I last visited in 2019. During these past four years, we have faced many adversities and, rather than easing, these have continued to intensify with the ongoing war in Ukraine, the geopolitical tension between America and China and global inflation rising to 9%, triggering significant losses in both bonds and stocks.

As I depart India, the wisdom of Mahatma Gandhi is very much on my mind. He is often quoted to have said: "Peace is not the absence of conflict, but the ability to cope with it".

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EXOR IN 2022

In 2022, Exor's Net Asset Value per share, or NAV per share, decreased by 7.6% outperforming by 6.6 p.p. our benchmark, the MSCI World Index (both denominated in EUR).

EXOR NAV PER SHARE PERFORMANCE vs. THE MSCI WORLD INDEX (in EUR)

Annual percentage change

Year	1 - Exor NAV per share in EUR	2 - MSCI World Index in EUR	Relative results (1-2)
2009	87.1	37.8	49.3
2010	44.2	17.2	27.0
2011	(23.8)	(4.5)	(19.3)
2012	19.3	11.4	7.9
2013	15.8	18.7	(2.9)
2014	14.5	17.2	(2.7)
2015	20.8	8.3	12.5
2016	13.2	8.5	4.7
2017	37.9	5.5	32.4
2018	(9.5)	(5.9)	(3.6)
2019	37.1	27.5	9.6
2020	3.5	4.6	(1.1)
2021	29.7	29.3	0.4
2022	(7.6)	(14.2)	6.6
Compound annual rate	17.6	10.8	6.8

Note: data in 2009 starts from March 1st, the date before Exor's listing on Borsa Italiana (Euronext Milan).

The main driver of our outperformance this year has been our cash, which made up around 20% of our Gross Asset Value (GAV) in July 2022 after we sold PartnerRe to Covéa for a total cash consideration of €8.6 billion.

On the closing date, we received cash proceeds of $3.9 billion paid in USD (net of our investment in the reinsurance vehicles managed by PartnerRe for $0.7 billion and net of the extraordinary dividend received for $0.2 billion) and €3.8 billion paid in EUR.

The €10.1 billion decrease in the value of our Companies was mainly driven by the sale of PartnerRe together with the negative market performance of our listed Companies.

The doubling in the size of our Investments resulted from our redeployment of some of the cash from the PartnerRe sale. Given that Investments now makes up a greater share of our GAV, it has a dedicated section both in our NAV breakdown and this Letter to provide more details on what is a growing part of Exor. Investments primarily represents the funds directly managed by our colleagues Matteo Scolari (Public), Nikhil Srinivasan (Private) and Noam Ohana (Ventures).

Most of the remaining PartnerRe proceeds are held in Others, including mainly liquidity, reinsurance vehicles and other assets.

NET ASSET VALUE AT 31 DECEMBER 2022

€ million	31-Dec-2022	31-Dec-2021	Change vs. 31-Dec-2021	
			Amount	%
Companies	24,262	34,336	(10,074)	(29.3)%
Investments	1,782	826	956	115.7%
Others	6,443	985	5,458	554.1%
Gross Asset Value (GAV)	**32,487**	**36,147**	**(3,660)**	**(10.1)%**
Gross Debt	(4,234)	(4,307)	73	(1.7)%
Bonds and bank debt	(3,625)	(4,219)	594	(14.1)%
Other financial liabilities	(609)	(88)	(521)	592.0%
Other Liabilities	(20)	(771)	751	(97.4)%
Net Asset Value (NAV)	**28,233**	**31,069**	**(2,836)**	**(9.1)%**
NAV per Share (EUR)	**122.3**	**132.4**	**(10.1)**	**(7.6)%**

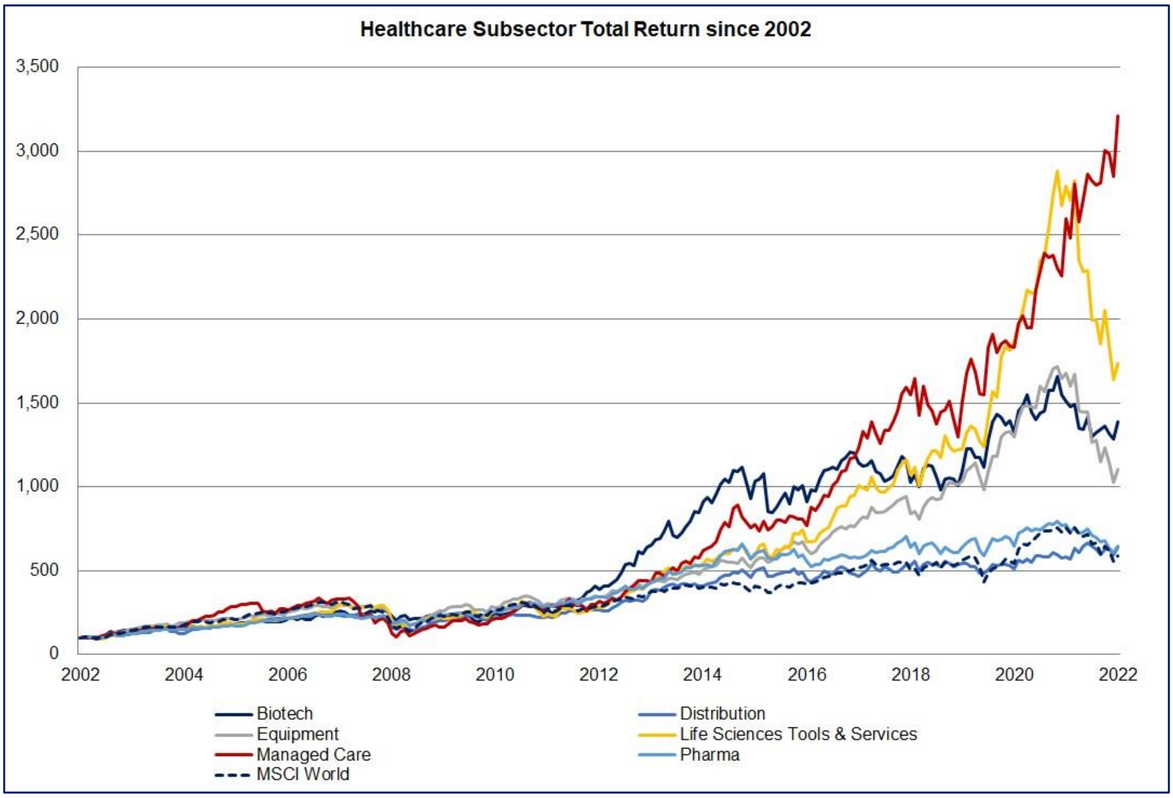
Companies (75% of GAV)

Entering a new sector: healthcare

We deepened our knowledge of the healthcare sector and invested close to €1 billion in 2022.

This sector will continue to expand over the coming decades as it works to meet the needs of ageing populations across the globe. For example, while US healthcare spending for those aged 0 – 44 is between $3,000 and $5,000 per year, these costs increase eightfold for those aged 85 or above. As we live in a world with a growing population that is also living longer, there is a pressing need to reduce the cost and improve the quality of healthcare systems and this is creating interesting opportunities to deploy capital.

For Exor, not only do investments in healthcare resonate with our sense of purpose, they also reward those with long-term horizons. As the graph below shows, over the last twenty years all healthcare subsectors outperformed the MSCI World Index in terms of annualised total returns.



Source: Société Générale data, Exor analysis

Our largest healthcare investment in 2022 was in Institut Mérieux. We were delighted to initiate a privileged partnership with the Mérieux family and our investment of €833 million will represent a 10% shareholding in the company.

When we began our first conversations with the Mérieux family, we were impressed by their purpose which has guided them over the past 125 years in providing solutions and services in the fight against infectious diseases and cancers to improve medicine and public health across the globe.

Their story began in 1894 when Marcel Mérieux joined Institut Pasteur and was inspired by Louis Pasteur's teachings to create Institut Biologique Mérieux in 1897. His son, Charles, would then take over in 1937 and would bring the relatively small-scale virology into the industrial era. Alain would follow in the footsteps of his father, Charles, and lead the international expansion as the company became the world leader in human and veterinary vaccines. In 1994, the company then started a new chapter when it sold its vaccines business, creating a new bio-industrial cluster focused at the beginning on diagnostics with bioMérieux, a company founded in 1963 by Alain Mérieux. The new group next expanded into immunotherapy and food safety. Today Alexandre, his son, is at the helm of bioMérieux, the flagship of the group, and he has very clearly stated his approach as a leader: "We need ambition because the task is immense. And we need humility, because the task is immense".

With Alexandre and Alain

Given the Mérieux family's very successful entrepreneurial journey in the healthcare sector, this is a special opportunity to build a relationship with Alain and Alexandre. We are looking forward to working with them and their colleagues and learning from their considerable expertise and insights on the trends shaping the future of healthcare.

Institut Mérieux consists of a unique collection of five companies: Mérieux NutriSciences is the second largest player in food safety inspection, ABL conducts R&D and contract biomanufacturing in the fields of cancer and infectious diseases, Transgene's immunotherapy products are designed to support the immune response against specific tumours or infected cells and Mérieux Développement invests in innovative entrepreneurs that could be trailblazers in the healthcare of tomorrow.

The majority of Institut Mérieux's Gross Asset Value, however, lies in its fifth company: bioMérieux. This company, a leading in-vitro diagnostics player, focuses on clinical diagnostics for infectious diseases. COVID-19 accelerated innovation in this area and today growth is being driven by three factors: (i) the need for fast diagnostics to fight the "silent pandemic" of antimicrobial resistance that, if unchecked, could cause up to 10 million deaths per year by 2050, (ii) the demand for companion diagnostics to enable individualised treatments and (iii) the requirement for ever more rapid diagnostics will extend beyond the hospital laboratory to all the various points of care, including at home.

Thanks to our close and ever-strengthening relationship with Institut Mérieux and the Mérieux family, we look forward both to supporting the development of their five companies and to benefitting from their deep knowledge and expertise in our search for future healthcare opportunities, in particular within the fields of genomics, proteomics, life science tools, imaging and instruments.

Earlier on in 2022, we also made another healthcare investment, acquiring 45% of Lifenet Healthcare, an Italian company focused on the management of hospitals and outpatient clinics. This company was founded in early 2018 by Nicola Bedin, a young and talented entrepreneur, who decided to take on the challenge of creating a new healthcare provider in Italy, having been CEO of the country's leading hospital group, Gruppo Ospedaliero San Donato, for 12 years.

Lifenet Healthcare has since developed through a combination of acquisitions, reorganisations and organic growth and now comprises ten facilities including hospitals and large outpatient centres in four Italian regions (Lombardy, Piedmont, Emilia-Romagna and Lazio), with a headcount of more than 1,500 people. We see more opportunities, within the next decade, to deploy capital to support the company's growth, as it becomes known within its sector for innovating and improving both healthcare services and the patient journey, and coupling this with good financial results.

Through Exor Ventures (whose evolution from Exor Seeds I will discuss later), we are also developing partnerships with healthcare companies at a much earlier stage in their lifecycle. We believe that emerging companies at the intersection of biology and technology will create significant value by addressing core inefficiencies in the healthcare industry through greater personalisation, improved manufacturing and increased decentralisation of healthcare.

The ability to engineer biology is transforming how human disease is diagnosed and treated, allowing increased personalisation. Next-generation therapies like gene editing and cell therapies will enable us to programme biology with greater precision and sophistication, with applications that go well beyond the initial successes of mRNA vaccines. In 2022, Ventures partnered with a startup that is extending such therapies to areas like rare diseases and oncology.

New challenges created by personalised therapeutics, including complex manufacturing processes that are costly and inaccessible for many, are also creating opportunities within the pharmaceutical industry. We recently partnered with a startup that is developing robotic systems for the mass manufacturing of patient-specific therapies.

Finally, digital tools are enabling the decentralisation of healthcare, through home-based care, improved patient engagement and remote patient monitoring. We have made four early-stage investments in this area and are exploring others.

Reflecting on 2022, I can confidently share with you that our work on healthcare has reinforced our view that there are real opportunities for us in this sector and our interest has only grown. We are excited by what we have learned so far and encouraged by our first investments.

Our biggest Companies

I will now share with you an update on our three biggest Companies – Ferrari, Stellantis and CNH Industrial – all of which presented new strategic plans in 2022.

Ferrari, our most valuable Company, continues to strengthen and the year started spectacularly with the Ferrari Daytona SP3 being awarded the Grand Prize: Most Beautiful Supercar 2022 at the Paris Festival Automobile International. This award highlights the beauty of the works of art that are being so passionately crafted at Maranello.

Ferrari Daytona SP3

Later on in the year, Benedetto Vigna and his team presented Ferrari's new strategic plan for 2022 – 2026: Pushing the Boundaries. The plan outlined their intention to have fifteen new launches, between 2023 and 2026, including the highly anticipated new Supercar and, in 2025, the first fully electric Ferrari. By 2026, internal combustion engines will represent 40% of the powertrains offering, while hybrid and fully electric will make up the remaining 60%. Ferrari's aim is to have an offering that can adapt to consumer preferences while respecting regulations and continuing to be distinctive in terms of performance and sound. As Ferrari races ahead with its evolving portfolio, it anticipates that revenues will increase up to €6.7 billion by 2026 and its adjusted EBITDA margin will reach close to 40%, which is well in line with best in class luxury companies.

Ferrari closed the year with record results including revenues of €5.1 billion (up 19% on the previous year) and an adjusted EBITDA of €1.8 billion (35% margin). While profound change is happening within the walls of Maranello, particularly to strengthen its racing activity on the track and to develop its lifestyle lines on the catwalks, the will to progress that our founder, Enzo Ferrari, held close to his heart continues to keep the people of Ferrari humble and ambitious as they shape the Prancing Horse's future.

After just two years, Stellantis continues to deliver record results. The company closed 2022 with net revenues of €179.6 billion (up 18% on the previous year's pro forma) and excellent profitability with an adjusted operating income of €23.3 billion (13% margin). Stellantis has already established its presence in the automotive world as the third largest player by revenue as well as margin and bearing in mind the disclosure differences across global OEMs, the market leader in absolute operating income. These are all very encouraging indications for a young company with deep roots and a fierce competitive spirit.

As Stellantis pursues its transition, it plans to continue to deliver excellent financial results with ambitions to double net revenues to €300 billion by 2030 (as compared to 2021) while sustaining double-digit adjusted operating income margins throughout the decade.

Since revealing its Dare Forward 2030 strategic plan in March of last year, Stellantis has used both joint ventures and carefully chosen investments to deepen its expertise in technologies that will shape the future of sustainable mobility. These include its partnerships with LG Energy Solution and Samsung SDI to create large-scale lithium-ion battery production plants in North America, its acquisition (through Free2move) of the car sharing company Share Now, and its acquisition of aiMotive to bolster its artificial intelligence and autonomous driving technologies. Stellantis is also looking at mobility above the ground and has agreed to manufacture Archer's flagship electric vertical take-off and landing (eVTOL) vehicle and to further invest up to $150 million. The recent presentation by Carlos Tavares and his team at CES gave a clear idea of the future Stellantis is building.

Last year, I promised that I would share with you more detail about CNH Industrial. This company boasts a rich portfolio of historic brands – Case, New Holland, Fiat and Ford – that trace their origins back to four 19th and 20th century entrepreneurs.

Case was founded in 1842 thanks to Jerome Increase Case's determination to build a more effective threshing machine (a piece of farming equipment that removes seeds from grain) in Racine (Wisconsin, USA). In 1895, Abe Zimmerman started the New Holland Machine Works to develop high-performance freeze-proof stationary engines in New Holland (Pennsylvania, USA) that could stand up to the bitterly cold winters there. On the other side of the world, in 1899, my great, great grandfather Giovanni Agnelli turned his passion for motors into a lifetime endeavour, by founding the Fiat car company (Turin, Italy), which in 1918 created its first tractor, the model 702. Henry Ford founded the Ford Motor Company and would then produce his first tractor, the Model F, in 1917 – the world's first mass-produced tractor. These are four of the company's 'founding fathers' whose ambitions and products became the cornerstones of mechanised agriculture and construction, and the foundation of today's CNH Industrial.

A century later, the powerful machines CNH Industrial produces are equipped with the latest innovations such as industry-leading machine automation, advanced artificial intelligence and machine learning. This marks a shift from building ever-more powerful – and usually ever-bigger – equipment to machines that could make farmers' and builders' lives easier and more comfortable. These advances, alongside the advent of connectivity – linking machines to the farm or site office – mean better informed decisions, often using real-time data, can be automatically implemented in the field to improve operational efficiency.

At the start of 2022, Scott W. Wine and his team presented their 2024 strategic plan, which focuses on marrying Great Iron and Great Tech. Today, CNH Industrial's technology makes full autonomy a reality for certain applications: using endless terabytes of data, its equipment can maximise productivity while respecting the soil.

New Holland T4 E

The company is continuing to develop its digital and precision technologies, explore alternative power sources and create more customised approaches to construction. To support this, in 2021 CNH Industrial acquired the precision agriculture leader, Raven, for $2.1 billion. Raven brings significant expertise in digital agriculture, precision technology and the development of autonomous farming systems. This has helped fast track the company's ability to support farmers, enabling them to reap more from their land with less time, effort and cost. These autonomous technologies mean that farmers do not even need to be in the cab to operate their machines but can instead use mobile devices to supervise them remotely.

As a result of these innovations, precision technology components generated a $0.9 billion revenue contribution for the company in 2022, with these revenues forecast to grow 10 – 15% annually in the years to come. This promising new growth platform builds upon CNH Industrial's established foundations: strong global brands supported by a disciplined regional focus, an impeccable reputation for great iron borne out by market-leading harvesting equipment, and over 40,000 employees devoted to serving customers and driving continuous improvement.

Within its construction segment, CNH Industrial has been investing, both organically and through acquisitions such as the purchase of Sampierana (a specialist in excavators and special undercarriages), to bridge historic gaps in its product portfolio. Decisive action has driven the business's return to profitable growth, including implementing a regional structure to bring it closer to its customers, enhancing its R&D capabilities and optimising its manufacturing footprint.

Alongside these changes, the company is continuing to deliver strong results. In 2022, CNH Industrial reported consolidated revenues of $23.6 billion (up 21% on the previous year) with an adjusted industrial activities operating income up 38% at $2.4 billion (11% margin).

Iveco Group became our newest public Company – and completed the latest step of the simplification of the Fiat Group – when it began its standalone life at the start of 2022 with its shares being listed on Euronext Milan. As I touched on last year, we believe that Iveco Group is well placed to capture the significant opportunities within the transportation and propulsion industries which are undergoing fundamental changes.

The company closed its first year with improving financial results. Gerrit Marx and his team are making consistent progress on the objectives they set at their Investor Day of over €16.5 billion in net revenues and a 5% – 6% operating income margin in 2026.

A difficult year for Juventus

To a greater extent than many of our Companies, Juventus found itself facing increasing internal and external adversities in 2022, which the Club struggled to deal with.

In general, continental European football is failing to keep up with the growing financial power of the Premier League whose revenues are expected to outpace Serie A by threefold by the end of this current season. The effects of this dominance are seen in the transfer market which in turn can play a key role in the success of clubs: in the 2022 summer window, the Premier League gross transfer expenditure was as much as the aggregate spend of Serie A, LaLiga, Bundesliga and Ligue 1 combined and this continued into the winter window with Chelsea alone spending more than the total spend of all the clubs from those four leagues. Football is still in its transition to a fully professionalised industry as there remains a lack of widespread clarity, which is creating financial and regulatory tensions.

Against this backdrop, Juventus had a significant loss of €239 million in the year and for the first time since 2011, the men's Team did not win a title. However, it was legal proceedings against the club that ended up occupying the company's Board, which met 18 times during the year. The level of pressure increased to the point where the Board decided to resign to enable the company to protect itself in the most effective way against charges ranging from allegedly inappropriate accounting to inaccurate communications to the financial markets related to mainly transfers of players and agreements on players' salaries. Juventus denies any wrongdoing.

I would like to thank the Juventus Board for acting with responsibility and particularly its Chairman Andrea Agnelli, who guided Juventus during a transformative and winning era.

The Club has been remarkably successful winning everything in Italy and internationally and has housed 27 men's world champions – more than any club in history. This level of sporting success, which brings great joy to our fans also creates, however, considerable animosity, which can manifest itself when the Club faces challenges.

Juventus now has a new Chairman, Gianluca Ferrero, and a new CEO, Maurizio Scanavino, who is also at the helm of our media company GEDI where he is leading a successful turnaround. At Juventus, Gianluca and Maurizio will be supported by a new Board, and they are off to a good start in ensuring Juventus addresses its many current challenges while safeguarding its reputation to enable it to come back stronger both on and off the pitch.

How we value our Companies

Our Companies represent the majority of our Gross Asset Value and their valuations are key components in assessing how well Exor is performing. We measure our progress in building great companies through tracking Exor's NAV per share, which we compare to the MSCI World Index. In calculating our NAV, we value our listed Companies at the official market price of the relevant stock exchange.

Our private Companies are valued at least annually by an independent expert, based on standard valuation methodologies which reflect the most recent market multiples and the companies' business plans, among other factors. Other ways in which we determine the fair value of a private company is: (i) at cost, if the investment was completed recently (in the last 12 or 18 months) and there are no impairment indicators, or (ii) based on the most recent investment rounds or arms-length transactions which provide clear indications of fair value. All of this work is overseen by our Audit Committee which is composed of only independent Directors.

At the end of 2022, our private Companies constituted around 9% of our GAV.

Our progress on ESG

Last year I outlined how our ESG strategy is focused around three elements: foundations, passions and communication. We have identified one passion within each of the ESG pillars and are pursuing these both at Exor and with our Companies. Our passions are emissions reduction (within the E pillar), using education to decrease inequalities and promote innovation (the S pillar) and increasing diversity and inclusion (the G pillar).

Our Companies have made strong contributions to these passions over the last year and will keep doing so.

Several of our Companies have set ambitious climate targets with clear deadlines that are aligned with global standards such as the Science-Based Targets initiative while others are looking at how to improve their emissions inventories.

In the field of education, The Economist Educational Foundation reached over 200,000 students last year and is on track for its challenging goal of reaching 1,000,000 children globally by 2026 with >50% of the school communities they work with serving high numbers of children from socioeconomically-disadvantaged homes. Iveco Group and CNH Industrial are meanwhile continuing their excellent TechPro2 programme which gives talented young people exposure to real industrial tools and environments. This forms part of Iveco Group's commitment to increase by more than 50% (vs 2019) the number of students involved in its education activities by 2026.

On the topic of diversity and inclusion, Ferrari received confirmation of the Equal-Salary Certificate in both Italy and North America for providing equal pay to men and women with the same qualifications and positions in the company. Ferrari was the first Italian company to achieve this certification in 2020.

At Exor we were excited to launch Matabì in 2022, an educational initiative run in collaboration mainly with Fondazione Agnelli, with the aim to enhance spatial abilities and reduce the gender gap in STEM subjects at schools via construction play with LEGO bricks. After a trial from September 2022 to January 2023 with seventeen classes, this programme is being rolled out to almost eighty classes from eighteen schools in four Italian regions: Piedmont, Veneto, Tuscany and Campania.

Matabì – imparare un mattoncino alla volta (learning one little brick at a time)

We are proud of the many ESG activities across our Companies as well as of the strong ESG network we have grown over the last few years. We use this network to facilitate conversations between our Companies so that we can share expertise and amplify our impact.

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Investments (5% of GAV)

As noted above, following the sale of PartnerRe, and the subsequent increase in the size of our Investments by approximately €1 billion in 2022, we are now presenting them separately from Companies and Others. I would like to use this section to share with you more details about the funds managed by Matteo Scolari (Public) and Nikhil Srinivasan (Private) as well as Noam Ohana's Ventures activities.

Public funds

The largest part of our Investments is managed by Matteo and his team. Their portfolio has delivered a cumulative gross return of 191.9% in USD or 19.3% annualised with no down years, thanks to hedging activity. In comparison, the performance of the MSCI World Total Return index over the same period was 68.8% or 9.0% annualised (with negative returns in 2018 and 2022).

Matteo's investments in the oil services sector were the biggest winners in 2022. He had originally started investing in the sector at the end of 2019 and was able to increase his positions significantly over 2020, making it the largest strategy in his portfolio.

On the other hand, the biggest detractor to performance in 2022 was Ocado. Having performed strongly during the pandemic, the company continued to experience headwinds as online grocery shopping normalised with consumers returning to work. Notwithstanding this challenging environment, the company unveiled a series of bold innovations, which together result in a notable reduction in cost, improved flexibility and increased productivity, putting Ocado's solution far ahead of competition. Matteo has taken this opportunity to add to his investment at what he believes are attractive prices.

Currently the team's largest investment is in the gold mining sector. After a prolonged period of low capital investment and negligible new deposit discoveries, the supply and demand picture looks very supportive for gold prices. At the same time, gold mining companies are priced at multi-decade lows on a number of valuation metrics. This is particularly true for junior gold development companies, which are the primary investment target. In addition to being attractive on a standalone basis, the gold position serves as a hedge for the broader portfolio should financial stability and/or geopolitical risks flare up.

Private funds

Turning to Nikhil, despite the general drawdowns across private markets, he and his team have seen fundraising rounds at higher valuations for their investments and a few examples are highlighted below.

Founded in 2015 and based in London, ClearBank is the UK's first digital clearing bank and the first to receive a new clearing license in the UK in more than 250 years. Thanks to its industry first cloud-based system, that is much more flexible than competitor legacy systems, it has received £3.8 billion in customer deposits at the Bank of England and has a stable of well-known clients. Acquiring large-scale customers and scaling up its technology have seen ClearBank revenues grow nearly three times year-over-year to close to £60 million in FY2022 and these are expected to keep increasing for FY2023. In March 2022, ClearBank raised £175 million from Apax Digital Partners at a valuation of well over £400 million.

India has also continued to provide us with yet more interesting opportunities. Last year we highlighted TVS Supply Chain Solutions (TVS SCS) which is part of TVS, the diversified Indian conglomerate. This year we invested in myTVS, which has grown to become the country's largest offline-to-online digital platform in automotive aftermarket parts & services. Nikhil's conviction arises from myTVS having a full stack offering for consumers for services along with parts and digital solutions for retailers and garages. All the services and parts data records are stored on its captive service and parts applications and hosted on its cloud. myTVS is also disrupting the traditional supply chain for multi-brand parts with its e-catalogue (85+ brands) and 200k SKUs. In December 2022, Castrol (a subsidiary of British Petroleum) invested $60 million in myTVS for a 7% stake and their retail network will increase engagement and the market penetration of myTVS service and parts platforms.

Exor Ventures

2022 also saw Exor Seeds continue to establish itself within the VC ecosystem. Noam Ohana and his team rebranded to Exor Ventures, reflecting our ambition to partner with the best founders from early to later stages. We have invested around $500 million across 75 companies to date through Exor Ventures, primarily in mobility, fintech, and healthcare (which is increasingly a priority for us today as I discussed earlier). We also began exploring opportunities in climatetech, primarily focused on reducing greenhouse gas emissions where we believe companies in the space can benefit from Exor's knowledge of scaling industrial assets. As I noted last year, ESG is not only important in how we operate; it is also an interesting angle for investment opportunities.

An exciting milestone in 2022 for the Ventures team was the launch of Vento, our Italian founder-focused seed stage and company-building effort, which funded over 30 startups in the last year and is now one of the most active VCs in Italy. We have seen encouraging results so far and expect to produce some breakout successes in the years ahead.

While only two of our companies in the Ventures portfolio had down rounds last year, we proactively marked down our portfolio by around 25% (assessing each position individually) to reflect the changing market environment of higher rates, less liquidity, and lower valuations. After this adjustment, we remain approximately at a 10% gross IRR and 1.2x MOIC since inception.

Looking back on 2022 as a whole, Ventures made twelve new investments and led three deals. We have remained disciplined, adapting to the current environment while actively seeking to invest in the best companies at reasonable valuations. Our approach resonates with ambitious founders more than ever today: we are patient investors with permanent capital that can steward the best long-term outcome for our companies.

Last year, we also graduated Casavo from our Ventures portfolio to become one of our Companies. It followed the footsteps of Via and proves that the Ventures portfolio has the potential to nurture early-stage businesses that can transition into our Companies. As I mentioned last year, we define Companies as those situations where: we have significant ownership, we play a role within their governance and work with management to support their path to greatness.

Casavo simplifies real-estate transactions via an end-to-end digital journey. The company enables home sellers to get an instant offer or sell through Casavo's qualified broker network, while providing additional services such as renovations, mortgages and insurance. We originally invested in Casavo in early 2021, which gave us both a minority ownership stake and a Board seat. Following this, we continued to build conviction in Casavo's business model, the market outlook and its management team. In July 2022, we led the €100 million Series D round through which we increased our ownership to nearly 20% and gained a second Board seat.

In early 2023, we supported the company in approving a revised business plan to accelerate their path to profitability and their transition to a more asset-light business model. We are excited to continue partnering with Giorgio Tinacci, Casavo's CEO, and his passionate team.

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Others (20% of GAV)

At 31 December 2022, the single largest component of our GAV outside our largest three Companies was cash and cash equivalents, equal to 15% of our GAV or €5.0 billion, deriving from the PartnerRe sale proceeds received in July.

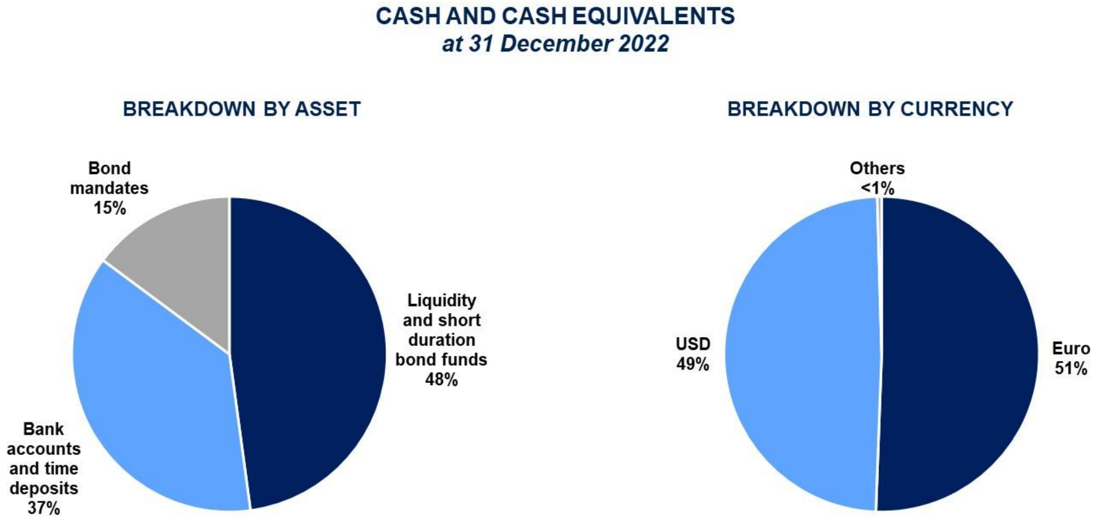
As we identify opportunities to deploy our cash resources into Companies and Investments, our goal is to manage cash conservatively to preserve its principal amount and prioritise liquidity while generating a positive return.

Our cash investments were highly diversified among asset classes, counterparties and duration:

- Cash invested in liquidity and short duration bond funds managed by globally recognised asset managers, represented 48% or €2.4 billion of the total balance with weighted average duration around 4 months and high liquidity requirements;

- Cash in bank accounts and time deposits represented 37% or €1.9 billion of the total cash balance, spread across maturities between 1 and 6 months and diversified across global banking institutions with strong credit ratings;

- Bond mandates focused on capital preservation represented 15% or €0.7 billion of the total balance, investing in investment grade securities with a duration below 24 months and average portfolio duration at year-end of 15 months.



Our cash was also diversified across currencies, with 51% of the total cash balance held in EUR and the remaining 49% in USD.

As we moved out from a decade of low interest rates in many parts of the world, yields have risen significantly above zero following four rate hikes by the ECB and seven rate hikes by the Fed in 2022. As a result, there has been exceptional volatility in 2022 with bonds having their worst annual performance in a century. For this reason, we have decided to keep the duration of our cash investments in funds and bond portfolios short (the weighted average duration is below 12 months) to minimise mark-to-market volatility while benefiting from rising yields.

At year-end, the average yield to maturity of our cash investments was approximately 2% in EUR and 4% in USD.

The remaining 5% of our GAV under Others consisted of reinsurance vehicles (€0.6 billion) and other assets (€0.8 billion).

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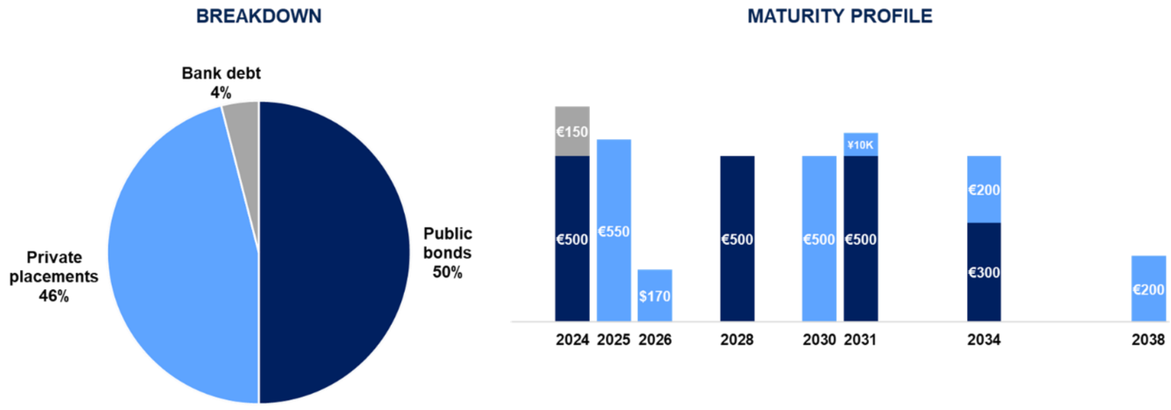
GROSS DEBT AT 31 DECEMBER 2022

In 2022, we also used a portion of the PartnerRe proceeds to deleverage by €0.6 billion by redeeming the bond maturing in December 2022, using our pre-maturity call option.

GROSS DEBT – BONDS AND BANK DEBT
at 31 December 2022



Note: Gross Debt composition including bonds (public and private) and bank debt. All figures are expressed in millions and in the original currency of issuance

At 31 December 2022 our Gross Debt was equal to €4.2 billion, of which €3.6 billion consisted of bonds (96%) and bank debt (4%) while the remaining €0.6 billion was the outstanding commitment in Institut Mérieux. Bonds were balanced between public bonds (50%) and private placements (46%) with an average maturity of close to seven years and an average fixed cost of 2.5%, while bank debt included a €0.2 billion term loan with 2024 maturity. In addition, we had available committed credit lines of €0.5 billion, and uncommitted credit lines of €0.6 billion, all of which were undrawn.

We now have a net cash position and bond maturities spread out between 2024 and 2038. We intend to continue to manage debt efficiently, stay disciplined and keep a stable and strong credit rating.

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2023

We have continued evolving our organisation in 2023, a process that we started in 2022 to enable us to manage more effectively our growth and scope of activities while keeping our organisation efficient, with operating costs below 10bps of our GAV.

Suzanne Heywood was promoted to COO taking on more responsibilities with our Companies after having managed many adversities with courage and success over the last few years.

Enrico Vellano, our CFO, has become the new CEO of Lingotto. I am very grateful to Enrico for all that he has done and the difficult issues he solved during his seventeen years as our CFO.

Under Enrico's leadership, Lingotto will start its life this year as a fully owned alternative asset management company with around €2.5 billion in assets under management, contributed equally by Covéa and Exor. This will provide a home for our colleagues Matteo, Nikhil and their teams who have already demonstrated the dedication that Adam Smith noted to be rare when he said that "managers of other people's money rarely watch over it with the same anxious vigilance with which they watch over their own". The creation of a company is a very special moment and I know Enrico is determined to build a great one based on accountability and cooperation, welcoming talented investment professionals who want to act as principals rather than agents.

Staying on the theme of founding new companies, we look forward to supporting our former colleague Mario Bonaccorso (previously Managing Director at Exor and then CFO of PartnerRe) to become an entrepreneur as he starts Investlinx. In creating Investlinx, Mario is determined to fight the inefficiency of the traditional investment management industry: according to S&P Global, more than 70% of actively managed funds in the United States have underperformed their comparison index in 38 out of 39 categories of asset classes over a 15-years period. This market inefficiency is something that both Lingotto and Investlinx, in different ways, intend to address.

Within Exor, I would also like to welcome two new colleagues. Following our listing in Amsterdam and inclusion in the AEX index, Guido de Boer has succeeded Enrico, who passed to him a strong corporate organisation and a solid balance sheet, as our new CFO. Benoît Ribadeau-Dumas has also joined us last year as a Managing Director for our Companies. Since his arrival, Benoît has focused on increasing our knowledge and finding interesting opportunities within the Healthcare and ESG sectors, where his background in both the public and private sectors is proving very useful.

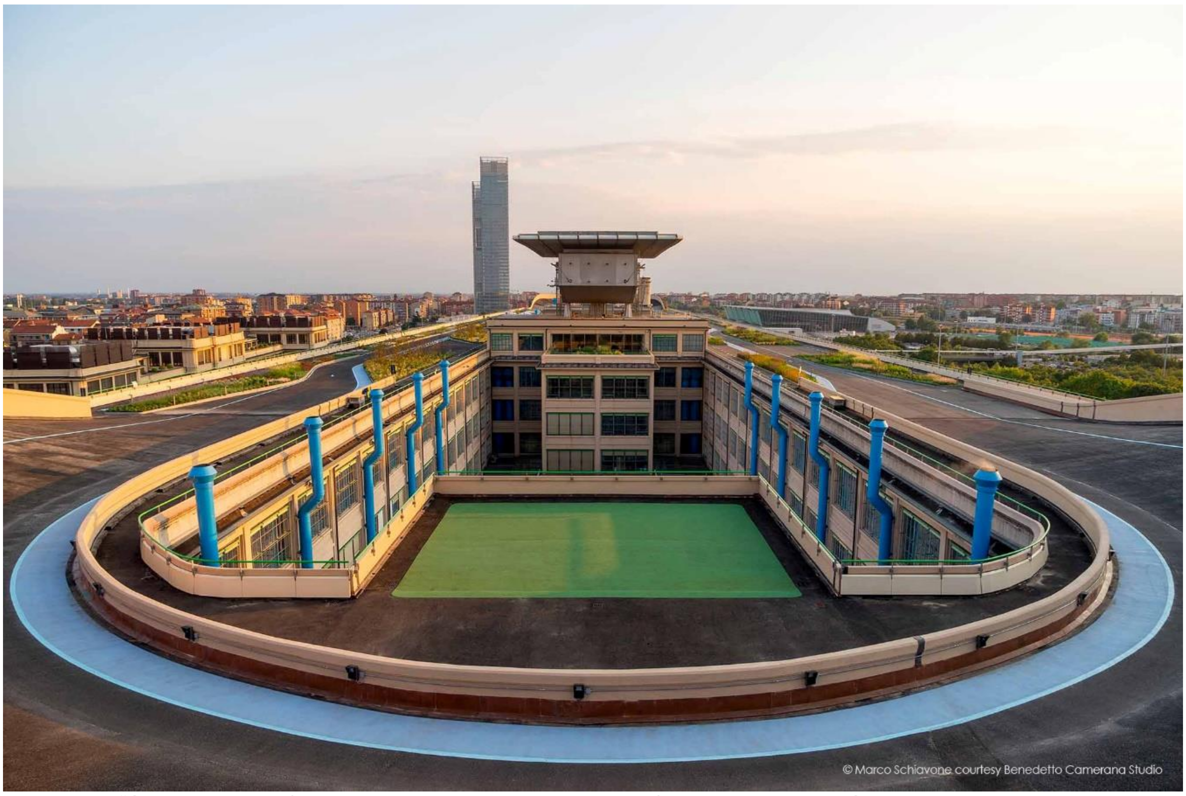
We have also evolved our governance structure. As I described in my 2018 Letter, we have developed a set of governance principles that we use for our Companies: “We prefer to keep the roles of Chair and CEO separate within our operating companies as we believe that this creates the space for healthy challenge and support […] We will continue to evaluate and improve our governance framework, while ensuring that we don’t become bureaucratic, complacent and rigid in the process.”

These principles apply not only to our Companies but also to Exor itself. I was therefore delighted to welcome Ajay Banga as our new Chair last year. It has been a pleasure to work with Ajay since then and I am grateful for all the contributions he has made. However, unfortunately for us – but fortunately for the world – Ajay has now become the sole nominee to lead the World Bank and will therefore not be standing for re-election to our Board. We will miss him and wish him the best for his new role.

To succeed Ajay, I am thrilled that Nitin Nohria has agreed to join our Board at our next AGM and become our new Chair. Nitin served as Harvard Business School’s tenth dean from 2010 to 2020. He is the Chairman of Thrive Capital and sits on the Boards of several other companies, including Anheuser-Busch InBev. It will be a privilege for me and my colleagues to work with Nitin on our next phase of growth and I am sure he will chair our Board with wisdom, providing us with challenge in good times and care in hard ones.

With the structural changes we have made this year, our Investments are now concentrated within Lingotto and our Ventures team. With our Companies headed by talented leaders who have clear plans and resources to pursue their paths to greatness, at Exor we are focusing on deploying our capital within the healthcare, luxury and technology sectors, although we remain open to opportunities outside those industries where we can build great companies with great people. We believe there are many interesting companies, particularly in the public markets, for Exor to become their reference shareholder seeking to align ownership, governance and leadership to go from good to great.

Our ability to apply a long-term and committed perspective, being active within the governance of our Companies, while not being an activist, is proving to be both differentiating and welcomed by them.



Lingotto – "Certainly one of the most impressive spectacles of the industry" (Le Corbusier)

We look forward to discussing all of this with you in Torino on November 30th. We will be meeting this year in Lingotto, the Fiat gigafactory that was inaugurated a century ago in 1923. We are conscious that Lingotto means "ingot", which hopefully makes this historic name an auspicious choice for our asset management company. The magnificent building itself, which was praised by the world-renowned architect Le Corbusier, has become a symbol of renewal over the past decades, so we look forward to sharing its beautiful story and its future with you.

See you at Lingotto!

John Elkann