



**Statement of Results
of the Sava Insurance Group
for January–March 2024**

Ljubljana, 7 May 2024

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Financial highlights

EUR	1–3/2024	1–3/2023	Change	Index
Business volume	307,783,254	259,941,408	47,841,846	118.4
Insurance revenue	186,237,085	153,211,935	33,025,150	121.6
Insurance service result	35,288,364	23,824,892	11,463,472	148.1
Finance result	5,835,157	4,187,311	1,647,846	139.4
Net other operating expenses	-3,095,575	-3,717,551	621,976	83.3
Net profit for the period	29,803,681	20,091,036	9,712,645	148.3
	31 March 2024	31 December 2023	Change	Index
Equity	610,610,645	585,663,613	24,947,032	104.3
Contractual service margin (CSM)	166,739,915	155,307,485	11,432,430	107.4
Investment portfolio	1,532,139,104	1,503,282,095	28,857,009	101.9
Total assets	2,649,829,300	2,568,546,136	81,283,164	103.2
Assets under management	2,518,600,009	2,324,952,679	193,647,330	108.3
	1–3/2024	1–3/2023	Change	Index
Combined ratio	83.8%	88.9%	-5.1 pp	-
Return on equity (ROE)	18.0%	13.4%	+4.6 pp	-
Return on investment portfolio	2.7%	2.2%	+0.5 pp	-
Solvency ratio	193%–199%	180%–186%	-	-

The terms and ratios are defined in the appended glossary.

Macroeconomic environment

According to Eurostat's first estimates, euro area GDP grew by only 0.4% year on year in the first quarter of 2024. Unemployment in the euro area remains low and employment at historically high levels. Annual inflation (2.4% in March) is moderating amid weak GDP growth but remains above the European Central Bank's target. With the US economy remaining robust and inflation above target, expectations of interest rate cuts are receding further into the future. The European Central Bank also left interest rates unchanged but indicated that if inflation turns favourable in the coming months, it will be time for rate cuts.

The yield on risk-free bonds rose again in the first quarter of 2024. Rising required yields are negative for bond prices, but they make bonds more attractive for investors.

Equity markets continued to rise in the first quarter of 2024. The optimism in the financial markets and the higher equity valuations mainly reflect strong corporate earnings and stable inflation expectations.

The macroeconomic environment is also affected by geopolitics, where risks remained elevated in the first quarter of 2024, with no significant progress in resolving conflicts. The focus is on the conflicts in the Middle East and the escalating war in Ukraine.

Group results

The Group's **business volume** increased by 18.4% to EUR 307.8 million. Business volumes grew in all segments, with the strongest growth in the non-life and life segments. The non-life business grew through both price increases and organic growth, whereas the life business expanded through strong sales. The reinsurance segment also showed strong growth in both proportional and non-proportional reinsurance.

These were the main factors contributing to the 21.6% increase in **insurance revenue**.

The **insurance service result** of EUR 35.3 million improved by 48.1%, driven by price increases in non-life insurance, organic growth and a very favourable claims experience.

This also led to an improvement in the **combined ratio** of 5.1 percentage points to an extremely favourable 83.8%.

The **finance result** of EUR 5.8 million was EUR 1.6 million better due to higher interest income resulting from the investment of operating cash flow and maturing investments at higher interest rates.

Net profit for the period¹ was EUR 29.8 million, an increase of a remarkable 48.3% over the same period last year. The increase was mainly driven by an improvement in the insurance service result. Strong growth in net profit also resulted in a significant increase in the **return on equity** to 18.0%.

Equity totalled EUR 610.6 million, an increase of 4.3% compared to the end of the previous year, reflecting the increased net profit for the period, partially offset by the change in other comprehensive income.

The **contractual service margin (CSM)** increased by EUR 11.4 million, or 7.4%, particularly in the reinsurance segment, where it increased by EUR 6.3 million, and in the life segment, by EUR 5.1 million. Growth was achieved through new business written, reflecting the continued profitability of the life and reinsurance portfolios. Higher expected future profits in the reinsurance segment were also driven by higher than originally expected realised premiums and in the life segment by additional premium payments on existing policies.

The **investment portfolio** totalled EUR 1,532.1 million, up 1.9% from year-end. Fixed-rate financial investments remained the largest asset class, at 85.7%. The **return on the investment portfolio** rose to 2.7% as a result of improved financial markets and higher interest rates on investments.

Assets under management stood at EUR 2,518.6 million, up by 8.3%, driven by higher net inflows and favourable developments in the financial markets. In the pensions and asset management segment, growth was achieved across all businesses.

The estimated solvency position as at 31 March 2024 shows that the Group is well capitalised, with an estimated **solvency ratio** between 193% and 199% (31 December 2023: 191%).

¹ On 1 January 2024, an amendment to the Act on Reconstruction, Development and Provision of Financial Resources (ZORZFS) came into force, which provides for a temporary increase in the corporate income tax rate by 3 percentage points to 22% (for the period 2024–2028).

Non-life segment

EUR	1–3/2024	1–3/2023	Change	Index
Gross premiums written	190,152,346	161,310,098	28,842,247	117.9
EU	164,569,170	139,626,386	24,942,784	117.9
Non-EU	25,583,176	21,683,712	3,899,464	118.0
Insurance revenue	144,385,746	117,140,763	27,244,983	123.3
EU	120,615,968	98,371,948	22,244,020	122.6
Non-EU	23,769,778	18,768,815	5,000,963	126.6
Insurance service result	20,611,995	14,810,126	5,801,869	139.2
EU	18,744,979	13,174,009	5,570,969	142.3
Non-EU	1,867,016	1,636,117	230,899	114.1
Finance result	3,045,142	1,355,276	1,689,865	224.7
EU	2,374,773	837,444	1,537,329	283.6
Non-EU	670,368	517,832	152,536	129.5
Net other operating expenses	-1,720,413	-2,956,666	1,236,253	58.2
EU	-781,002	-1,911,222	1,130,219	40.9
Non-EU	-939,411	-1,045,445	106,034	89.9
Profit before tax	21,936,724	13,208,736	8,727,987	166.1
EU	20,338,750	12,100,232	8,238,517	168.1
Non-EU	1,597,974	1,108,504	489,470	144.2
Combined ratio	86.9%	89.8%	-2.9 pp	-
EU	85.1%	88.5%	-3.4 pp	-
Non-EU	95.9%	96.7%	-0.8 pp	-

Gross written premiums grew at a strong rate of 17.9%. Growth was achieved in both the EU (17.9%) and non-EU markets (18.0%) and was mainly driven by price increases. In addition, the Group was able to increase the number of policies sold. The strongest growth in the EU markets was achieved in motor insurance, particularly in the private car segment. Gross written premiums also increased in property insurance, in both the personal and commercial lines. In the non-EU markets, in addition to motor premiums, property premiums grew significantly as a result of new policyholders. However, most other lines are also seeing growth in gross written premiums.

Insurance revenue grew by 23.3%, driven by growth in gross premiums. It increased by 22.6%, or EUR 22.2 million, in the EU markets and by 26.6%, or EUR 5.0 million, in the non-EU markets.

The **insurance service result** improved by 39.2% year on year. In the EU markets, it improved by a robust 42.3%, driven by higher insurance revenue and a favourable claims experience in the first quarter of the year. In the non-EU markets, the increase of 14.1% in the insurance service result was mainly achieved by growth in insurance revenue.

The **combined ratio** was 86.9%, an improvement of 2.9 percentage points. In particular, the EU markets improved (by 3.4 percentage points) as a result of improvements in both the loss ratio and the expense ratio. The loss ratio improved due to higher insurance revenue and a more favourable claims experience; the expense ratio improved due to higher insurance revenue. The ratio improved by 0.8 percentage points in the non-EU markets.

The **finance result** was up by EUR 1.7 million, with increases in both the EU and non-EU markets. The higher finance result was driven by higher realised interest income as a result of a larger investment portfolio and more favourable financial market conditions that allowed investments at higher interest rates in 2023, as well as a higher net income from the revaluation of FVTPL investments.

Net other operating expenses decreased by EUR 1.2 million. The decrease is due to lower non-attributable costs and higher other operating income.

As a result of the above, **profit before tax** was 66.1% higher year on year (68.1% higher in the EU markets and 44.2% higher in the non-EU markets).

Life segment

EUR	1–3/2024	1–3/2023	Change	Index
Gross premiums written	54,643,300	44,661,102	9,982,198	122.4
EU	51,345,832	41,723,997	9,621,836	123.1
Non-EU	3,297,467	2,937,105	360,362	112.3
Insurance revenue	17,439,802	15,740,145	1,699,657	110.8
EU	15,661,935	14,534,813	1,127,122	107.8
Non-EU	1,777,867	1,205,332	572,535	147.5
Insurance service result	5,211,571	5,009,487	202,085	104.0
EU	4,722,370	4,972,630	-250,259	95.0
Non-EU	489,201	36,857	452,344	1,327.3
Finance result	1,205,109	1,578,009	-372,900	76.4
EU	1,086,144	1,380,839	-294,695	78.7
Non-EU	118,965	197,170	-78,205	60.3
Net other operating expenses	-1,507,026	-1,188,627	-318,398	126.8
EU	-1,213,293	-1,049,458	-163,835	115.6
Non-EU	-293,733	-139,169	-154,564	211.1
Profit before tax	4,909,655	5,398,869	-489,214	90.9
EU	4,595,222	5,304,011	-708,789	86.6
Non-EU	314,433	94,858	219,575	331.5
	31 March 2024	31 December 2023	Change	Index
Contractual service margin (CSM)	146,720,334	141,629,289	5,091,045	103.6
EU	137,232,238	132,599,225	4,633,013	103.5
Non-EU	9,488,096	9,030,064	458,032	105.1

Gross written premiums grew by 23.1% in the EU markets, driven by strong sales in all segments, particularly single premium policies. The 12.3% growth in non-EU gross written premiums was also driven by continued strong sales.

Insurance revenue grew by 10.8% as a result of increased sales. In the EU markets, insurance revenue grew more slowly than premiums written because of the considerable growth in the unit-linked business, where the investment component is not recognised in revenue. In the non-EU markets, insurance revenue increased by 47.5% due to methodological changes.

The **insurance service result** of EUR 5.2 million remained roughly the same year on year, despite the higher insurance revenue, because of the impact of onerous contracts in 2023: due to the favourable movement of the financial markets, a number of onerous contracts became profitable in the first quarter of 2023, resulting in a one-off income of EUR 0.7 million. Onerous contracts represent a very small share of the overall portfolio (the loss component is only 3% of the contractual service margin). In the non-EU markets, the insurance service result improved, reflecting the higher insurance revenue mentioned above.

The **finance result** was lower by EUR 0.4 million due to higher insurance finance expenses owing to higher interest rates and, in the EU markets, lower investment income. This is due to gains realised on the sale of investments and a higher positive impact from the change in the fair value of FVTPL investments in the first quarter of 2023.

Other net operating expenses increased by EUR 0.3 million, largely due to an increase in non-attributable expenses (higher costs of development projects).

The 9.1% decline in the **pre-tax profit** was mainly due to a weaker finance result and higher other operating expenses.

The 3.6% increase in the **contractual service margin** was driven by new business, reflecting the continued profitability of the life portfolio. Expected future profits were also higher due to additional single premiums on existing unit-linked policies, which increased the value of unit-linked assets and hence future asset management revenue. The contractual service margin on new business written was EUR 6.7 million, exceeding the CSM release to profit (EUR 4.6 million) by 45.8%.

Reinsurance segment

EUR	1–3/2024	1–3/2023	Change	Index
Gross premiums written	55,036,513	47,508,860	7,527,653	115.8
Insurance revenue	24,276,972	20,238,723	4,038,249	120.0
Insurance service result	9,381,707	4,008,647	5,373,060	234.0
Finance result	572,734	373,266	199,468	153.4
Net other operating expenses	-951,927	-727,379	-224,547	130.9
Profit before tax	9,002,514	3,654,534	5,347,980	246.3
Combined ratio	65.3%	83.8%	-18.5 pp	-
	31 March 2024	31 December 2023	Change	Index
Contractual service margin (CSM)	11,717,139	5,455,348	6,261,791	214.8

Gross written premiums increased by 15.8%, which was driven by growth in both proportional and non-proportional reinsurance. The January renewals saw an improvement in terms and conditions, following the hardening of the reinsurance market in previous periods and in response to losses in previous periods (such as the earthquake in Turkey and the floods in Norway). Some of this growth was also achieved through organic volume growth. As a result, **insurance revenue** grew by 20.0%.

The **insurance service result** improved by 134.0%, driven by higher insurance revenue, whereas claims expenses remained at approximately the same level year on year.

As a result, the **combined ratio** improved significantly over the same period last year to a very favourable 65.3%.

The **finance result** was 53.4% higher. The net investment result improved by EUR 0.6 million due to higher interest income, whereas the insurance finance result decreased by EUR 0.4 million due to higher discount rates reflecting the changed situation in the financial markets.

Net other operating expenses increased by EUR 0.2 million owing to an increase in non-attributable expenses.

Profit before tax grew by 146.3% for the reasons described above.

The **contractual service margin** as at 31 March 2024 was EUR 11.7 million, an increase of EUR 6.3 million or 114.8%. The new business CSM recognised was EUR 2.3 million higher than the CSM release, reflecting the fact that reinsurance treaties were largely renewed at the beginning of the year. The CSM also increased as a result of higher-than-expected premium realisation.

Pensions and asset management segment

EUR	1–3/2024	1–3/2023	Change	Index
Business volume	6,609,585	5,566,824	1,042,761	118.7
Asset management revenue	5,462,306	4,600,779	861,527	118.7
Gross premiums written (annuities)	1,147,279	966,045	181,234	118.8
Expenses	-3,685,093	-3,115,012	-570,080	118.3
Cost-to-income ratio	65.6%	65.3%	+0.3 pp	-
Profit before tax	2,142,851	2,030,022	112,830	105.6
EUR	31 March 2024	31 December 2023	Change	Index
Assets under management	1,849,070,819	1,716,417,279	132,653,540	107.7

Business volume increased by 18.7%, driven by higher asset management fees as a result of increased assets under management and higher gross annuity premiums because of an increase in the number of policyholders reaching retirement eligibility.

The **cost-to-income ratio (CIR)** rose by 0.3 percentage points due to the effects of inflation on expense levels.

The **pre-tax result** was EUR 0.1 million higher but would have been EUR 0.4 million higher without the sale of a property last year. The improvement was mainly due to higher income from the asset management business and partly due to an improved insurance service result for annuities.

Assets under management increased by 7.7%, driven by returns and net new inflows from all the businesses in the segment.

“Other” segment

EUR	1–3/2024	1–3/2023	Change	Index
Revenue	2,118,613	1,608,797	509,816	131.7
Expenses	2,082,411	1,606,306	476,106	129.6
Profit before tax	36,202	2,491	33,710	1,453.2

Pre-tax profit was higher due to a better result in healthcare and assistance services.

Financial position

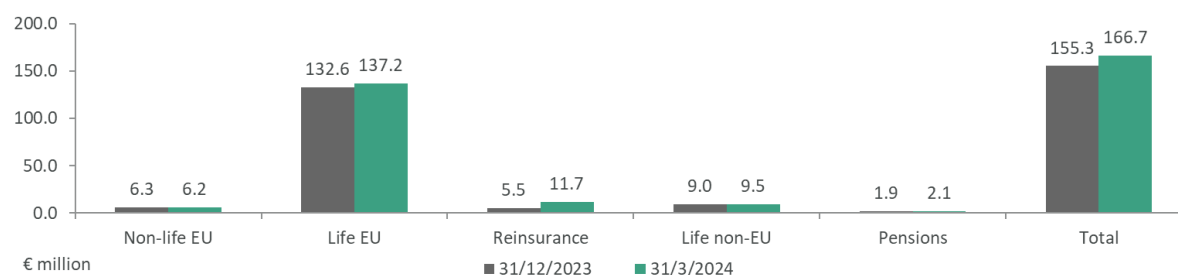
EUR	31 March 2024	31 December 2023	Change	Index
Equity	610,610,645	585,663,613	24,947,032	104.3
Contractual service margin (CSM)	166,739,915	155,307,485	11,432,430	107.4
Risk margin	95,144,169	90,366,848	4,777,321	105.3
Investment portfolio	1,532,139,105	1,503,282,095	28,857,010	101.9
Total assets	2,649,829,300	2,568,546,136	81,283,164	103.2
Assets under management	2,518,600,009	2,324,952,679	193,647,330	108.3

Equity and solvency

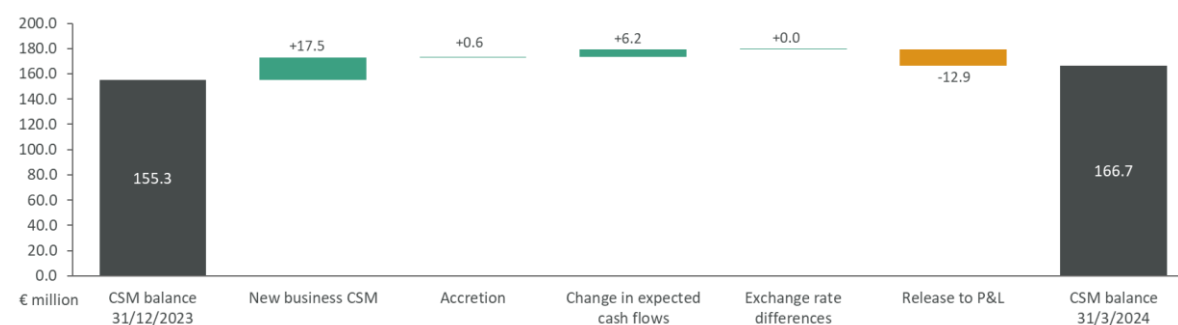
Equity totalled EUR 610.6 million, up 4.3% compared to the end of the previous year. It increased due to this year's profit, partially offset by the change in other comprehensive income.

The **contractual service margin** as at 31 March 2024 was EUR 166.7 million (the net contractual service margin: EUR 161.7 million).

Contractual service margin by segment



Movement in contractual service margin

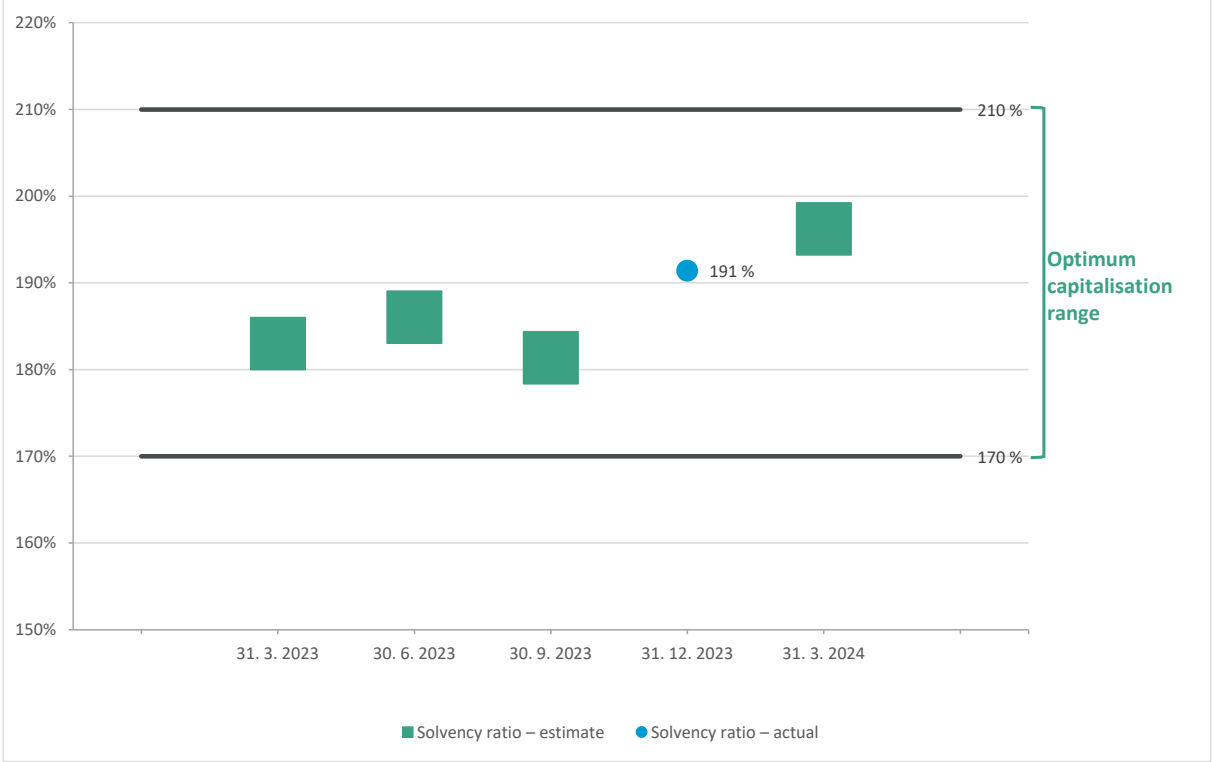


In the first quarter of 2024, the contractual service margin grew by EUR 11.4 million, or 7.4%, of which the reinsurance segment contributed EUR 6.3 million and the life segment EUR 5.1 million. The contractual service margin on new contracts exceeded the CSM release to the income statement, resulting in an increase in the contractual service margin. In the reinsurance segment, the contractual service margin also increased due to higher premiums than originally expected (by EUR 3.7 million), whereas in the life segment it increased mainly due to additional single premiums on existing policies (by EUR 2.6 million).

The Group's estimated solvency position as at 31 March 2024, which takes into account foreseeable dividend payments in 2024, shows that the Group is well capitalised, with an expected **solvency ratio** between 193% and 199% (31 December 2023: 191%). Eligible own funds are estimated to have increased slightly in the first quarter of 2024 owing to the favourable results of the Group companies.

The solvency capital requirement (SCR) also increased due to slightly higher capital requirements for non-life underwriting and market risk. The Group has a solvency ratio well above the regulatory requirement of 100% and is well capitalised according to its internal criteria, which define the range for an optimal solvency ratio as being between 170% and 210%.

Capital adequacy of the Sava Insurance Group for the period from 31 March 2023 to 31 March 2024²



² The optimum level of capitalisation shown is applicable from 1 January 2023.

Investment portfolio

The **Group's investment portfolio** totalled EUR 1,532.1 million, up 1.9% from year-end. Fixed-rate investments (85.7%) accounted for the largest portion of the investment portfolio, with more than 70.2% of investments rated "A-" or better and 88.4% rated "BBB-" or better. During the first quarter, funds continued to be invested primarily in debt securities rated A- or better in order to maintain a high quality and liquid portfolio.

*Investment portfolio*³

EUR	31 March 2024	31 December 2023	Change	Index
Investment portfolio	1,532,139,104	1,503,282,095	28,857,009	101.9
EUR	1–3/2024	1–3/2023	Change	Index
Net investment income on investment portfolio	9,926,016	7,676,862	2,249,154	129.3
Interest income	6,434,535	4,637,238	1,797,297	138.8
Change in fair value of FVTPL investments	2,124,545	1,343,019	781,526	158.2
Other investment revenue/expenses	592,362	986,517	-394,155	60.1
Income from associate companies	774,574	710,088	64,486	109.1
Return on investment portfolio	2.7%	2.2%	+0.5 pp	-

Net investment income and the rate of return on the investment portfolio increased year on year due to more favourable movements in the financial markets and higher interest rates on investments. Net investment income for the period was EUR 9.9 million, representing a return of 2.7%.

Shareholder value

Earnings per share

Earnings per share increased to EUR 1.92 in the first quarter of 2024 (up 48.1% compared to the first quarter of 2023).

	1–3/2024	1–3/2023
Number of shares (excluding treasury shares)	15,497,696	15,497,696
Net earnings per share (EUR)	1.92	1.30
Book value per share (EUR)	39.40	35.65
Share price at end of period (EUR)	31.40	25.40

Return on equity

Return on equity increased by 4.6 percentage points to 18.0% (1–3/2023: 13.4%).

³ A more detailed breakdown of the investment portfolio is provided in appendix 6.

Progress on the business plan

In the first quarter of 2024, the Sava Insurance Group successfully implemented its 2024 business plan, achieving 33.3% of the planned business volume for the full year 2024. Net profit for the period was EUR 29.8 million, representing 42.6% of the lower end of the 2024 full-year target range. All other key performance indicators were also well ahead of the pro-rata annual targets.

There were no major loss events (such as hailstorms, windstorms or floods) in the first quarter of 2024, but such events typically occur every year and are therefore factored into the Group's business plan. The Group remains exposed to major losses and increased loss frequency throughout the year, as well as financial market volatility and other potential environmental factors. Therefore, despite the favourable first quarter, it is premature to make any changes to the full-year profit guidance that would deviate from the Group's 2024 business plan.

Actuals versus targets in 2024

EUR million	1-3/2024	2024 plan	As % of plan
Business volume	307.8	> 925	33.3%
Business volume growth	18.4%	> 5%	✓
Return on equity	18.0%	> 10.5%	✓
Profit, net of tax	29.8	> 70	42.6%
Solvency ratio	193%-199%	170%-210%	✓
Combined ratio	83.8%	< 95%	✓
Return on investment portfolio	2.7%	2.2%	✓

Significant events in the reporting period

On 22 February 2024, Sava Re signed a contract to acquire a 2.5% stake in TBS Team 24. Upon completion of the transaction on 27 February 2024, Sava Re held a 90% stake in the company.

Significant events after 31 March 2024

In April 2024, the notice of the 40th general meeting of shareholders to be held on 27 May 2024 was published.

About the Sava Insurance Group

The Sava Insurance Group is a customer-centric, flexible and sustainability-oriented insurance group doing business in over 110 insurance and reinsurance markets worldwide. The Group is a provider of primary insurance, reinsurance, asset management and retirement solutions. Sava Re d.d., the parent company and reinsurer, serves more than 450 clients worldwide. With a presence in six countries in the Adriatic region, the Group is one of the larger insurance groups based in southeastern Europe. Sava Re's long-term financial strength ratings were affirmed by both S&P Global Ratings and AM Best at the "A" level with a stable outlook. The Group ended 2023 with a business volume of over EUR 910 million and a net profit of EUR 65 million. The audited annual report of the Sava Insurance Group for 2023 is available at <https://www.sava-re.si/media/store/savare/en-si/doc/2023/Audited-annual-report-2022.pdf>.

Disclaimer

Forward-looking statements

This document may contain forward-looking statements relating to the expectations, plans or goals of the Sava Insurance Group (the Group), which are based on estimates and assumptions made by the management of Sava Re (the Company). By their nature, forward-looking statements involve known and unknown risk and uncertainty. As a result, actual developments, in particular performance, may differ materially from the expectations, plans and goals set out in this document; therefore, persons should not rely on forward-looking statements.

Duty to update

The Group and the Company assume no obligation to update or revise any forward-looking statements or other information contained in this document, except to the extent required by applicable laws and regulations.

Alternative performance measures

This document may contain certain alternative performance measures used by the Company's management to monitor the business, financial performance and financial position of the Group and provide investors with additional information that management believes may be useful and relevant to understanding the Group's results. These alternative financial indicators or benchmarks generally do not have a standardised meaning and therefore may not be comparable to similarly defined benchmarks used by other companies. Therefore, no such indicators or measures should be considered in isolation from, or in place of, the consolidated financial statements of the Group and the related notes prepared in accordance with IFRS standards.

Legal basis for preparing this document

This document has been prepared on the basis of the Market in Financial Instruments Act, the rules of the Ljubljana Stock Exchange and other laws and regulations applicable in Slovenia. Furthermore, it is not an interim financial report within the meaning of IAS 34 "Interim Financial Reporting". The interim financial statements have not been audited.

Appendices

1. Consolidated income statement by operating segment

EUR	Non-life, EU		Non-life, non-EU		Life, EU		Life, non-EU		Reinsurance		Pensions and asset management		Other		Total	
	1-3/2024	1-3/2023	1-3/2024	1-3/2023	1-3/2024	1-3/2023	1-3/2024	1-3/2023	1-3/2024	1-3/2023	1-3/2024	1-3/2023	1-3/2024	1-3/2023	1-3/2024	1-3/2023
Insurance revenue	120,615,968	98,371,948	23,769,778	18,768,815	15,661,935	14,534,813	1,777,867	1,205,332	24,276,972	20,238,723	134,565	92,304	0	0	186,237,085	153,211,935
Insurance service expenses	-91,621,242	-83,137,522	-20,629,439	-17,629,351	-10,888,456	-9,551,019	-1,288,666	-1,168,475	-13,105,318	-21,152,385	-51,474	-95,672	0	0	-137,584,595	-132,734,424
Claims incurred	-59,704,833	-53,599,516	-12,611,159	-11,288,865	-3,982,961	-3,888,637	-509,016	-324,905	-9,644,635	-17,124,794	-24,289	-20,518	0	0	-86,476,893	-86,247,235
Operating expenses	-30,565,507	-25,578,017	-7,912,450	-7,023,283	-6,840,709	-6,248,306	-894,907	-797,833	-2,476,089	-2,558,923	-29,200	-28,113	0	0	-48,718,862	-42,234,475
Onerous contracts	-1,350,902	-3,959,989	-105,830	682,797	-64,786	585,924	115,257	-45,737	-984,594	-1,468,668	2,015	-47,041	0	0	-2,388,840	-4,252,714
Result before reinsurance	28,994,726	15,234,426	3,140,339	1,139,464	4,773,479	4,983,794	489,201	36,857	11,171,654	-913,662	83,091	-3,368	0	0	48,652,490	20,477,511
Reinsurance service result	-10,249,747	-2,060,417	-1,273,323	496,653	-51,109	-11,164	0	0	-1,789,947	4,922,309	0	0	0	0	-13,364,126	3,347,381
Insurance service result	18,744,979	13,174,009	1,867,016	1,636,117	4,722,370	4,972,630	489,201	36,857	9,381,707	4,008,647	83,091	-3,368	0	0	35,288,364	23,824,892
Net investment result	3,169,705	1,658,476	895,806	689,301	2,154,395	2,380,634	231,913	224,083	2,281,755	1,717,564	417,868	292,375	0	0	9,151,442	6,962,433
Finance result from insurance contracts	-849,273	-773,920	-223,536	-187,127	-1,068,170	-999,795	-111,687	-26,165	-1,461,631	-1,099,955	-180,436	-145,298	0	0	-3,894,734	-3,232,260
Net foreign exchange gains/losses	54,341	-47,112	-1,901	15,658	-81	0	-1,261	-748	-247,389	-244,342	166	23,594	0	0	-196,125	-252,950
Finance result	2,374,773	837,444	670,368	517,832	1,086,144	1,380,839	118,965	197,170	572,734	373,266	237,598	170,671	0	0	5,060,583	3,477,223
Income from non-insurance activities	0	0	0	0	0	0	0	0	0	0	5,462,306	4,600,779	1,341,511	894,524	6,803,817	5,495,303
Other expenses	-2,735,976	-3,071,878	-1,444,152	-1,275,856	-1,366,210	-937,358	-156,102	-90,385	-876,117	-602,756	-3,655,893	-3,086,899	-1,319,708	-903,104	-11,554,158	-9,968,237
Income from investments in subsidiaries and associates	0	0	0	0	0	0	0	0	0	0	0	0	774,574	710,088	774,574	710,088
Net other operating income or expenses	1,954,973	1,160,656	504,742	230,412	152,918	-112,100	-137,631	-48,784	-75,810	-124,623	15,749	348,839	-760,175	-699,017	1,654,766	755,383
Profit before tax	20,338,750	12,100,232	1,597,974	1,108,504	4,595,222	5,304,011	314,433	94,858	9,002,514	3,654,534	2,142,851	2,030,022	36,202	2,491	38,027,946	24,294,652
Income tax expense															-8,224,265	-4,203,616
Net profit for the period															29,803,681	20,091,036

2. Consolidated statement of financial position by operating segment

EUR	Non-life, EU		Non-life, non-EU		Life, EU		Life, non-EU		Reinsurance		Pensions and asset management		Other		Total	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023	31 March 2024	31 December 2023	31 March 2024	31 December 2023	31 March 2024	31 December 2023	31 March 2024	31 December 2023	31 March 2024	31 December 2023	31 March 2024	31 December 2023
ASSETS																
Intangible assets and goodwill	14,025,515	13,627,701	9,392,343	9,325,953	4,363,941	4,428,761	164,025	233,499	4,664,948	4,674,935	28,469,595	28,757,254	4,051,318	4,100,728	65,131,685	65,148,831
Property, plant and equipment	38,668,891	38,886,005	11,290,761	11,321,042	5,239,100	5,249,059	1,095,491	1,060,243	2,610,194	2,675,158	382,456	417,230	75,406	78,061	59,362,299	59,686,798
Investment property	11,654,953	11,730,934	5,609,596	5,544,277	32,564	32,900	0	0	7,544,594	7,582,167	0	0	0	0	24,841,707	24,890,278
Right-of-use assets	4,416,276	3,915,031	3,625,495	3,133,713	1,224,822	1,116,305	173,288	154,707	274,562	209,205	36,983	44,437	0	0	9,751,426	8,573,398
Investments in associates and joint ventures	0	0	0	0	0	0	0	0	0	0	0	0	24,609,194	23,834,620	24,609,194	23,834,620
Deferred tax assets	3,533,196	3,548,166	0	0	-2,897,807	-1,299,657	0	0	5,353,307	5,087,419	-715,733	-751,528	0	0	5,272,963	6,584,400
Financial investments	540,308,856	535,119,867	89,966,170	89,686,313	1,120,197,506	1,066,267,612	32,269,508	30,860,472	250,782,850	237,893,483	54,274,724	52,704,887	0	0	2,087,799,614	2,012,532,633
Investment contract assets	0	0	0	0	0	0	0	0	0	0	185,820,918	180,628,137	0	0	185,820,918	180,628,137
Insurance contract assets	3,278,368	3,686,689	24,884	16,211	681,494	753,959	201,710	184,190	5,011,418	4,966,239	0	0	0	0	9,197,874	9,607,288
Reinsurance contract assets	61,373,319	77,665,255	4,297,922	4,949,262	315,063	271,639	0	0	22,857,625	24,595,405	0	0	0	0	88,843,930	107,481,560
Current tax assets	0	0	263,579	435,426	0	0	1,683	1,683	0	0	0	0	0	7,507	265,262	444,616
Trade and other receivables	4,713,501	3,389,546	5,844,187	5,599,934	2,369,011	563,570	760,431	573,186	196,967	123,348	1,441,147	1,199,140	2,280,532	2,822,634	17,605,776	14,271,358
Non-current assets held for sale	28,010	191,021	68,763	68,628	0	0	0	0	0	0	0	0	0	0	96,773	259,649
Cash and cash equivalents	25,596,173	17,871,533	5,235,125	4,004,142	14,642,553	14,774,669	576,808	753,814	12,110,169	8,284,753	3,695,038	2,670,941	2,561,913	2,200,112	64,417,779	50,559,964
Other assets	3,259,757	1,235,294	512,564	419,561	388,762	394,674	46,807	41,483	1,355,395	715,114	856,390	763,264	392,424	473,216	6,812,099	4,042,606
Total assets	710,856,816	710,867,042	136,131,389	134,504,462	1,146,557,009	1,092,553,491	35,289,751	33,863,277	312,762,030	296,807,225	274,261,518	266,433,762	33,970,787	33,516,878	2,649,829,300	2,568,546,136
LIABILITIES																
Subordinated liabilities	0	0	0	0	0	0	0	0	0	0	0	0	75,696,880	74,987,535	75,696,880	74,987,535
Deferred tax liabilities	39,748	54,689	604,797	578,579	86,639	86,516	817,473	696,551	0	0	1,772,419	1,784,777	227,202	235,479	3,548,278	3,436,591
Insurance contract liabilities	457,854,366	463,154,147	65,329,033	64,660,233	967,158,283	917,651,804	18,251,821	17,396,207	162,351,787	163,562,295	25,417,109	24,597,561	0	0	1,696,362,399	1,651,022,247
Reinsurance contract liabilities	472,018	103,984	1,479,850	942,342	149,126	307,990	0	0	271,499	287,726	0	0	0	0	2,372,493	1,642,043
Investment contract liabilities	0	0	0	0	0	0	0	0	0	0	185,640,553	180,437,695	0	0	185,640,553	180,437,695
Provisions	5,849,401	5,619,443	287,801	308,683	1,224,954	1,186,602	16,650	16,617	430,402	419,660	445,935	462,626	60,624	60,624	8,315,767	8,074,255
Lease liability	4,598,199	4,096,675	3,697,644	3,212,030	1,229,799	1,116,412	175,502	156,186	276,785	210,798	44,875	52,636	0	0	10,022,804	8,844,737
Other financial liabilities	7,158	7,154	657,795	728,545	0	0	1,288	1,386	-2	1	84,813	-1	0	0	751,052	737,085
Current tax liabilities	3,270,917	116,825	386,654	670,658	2,669,902	2,363,508	20,426	27,152	7,972,549	6,319,991	203,424	276,482	99,626	156,214	14,623,498	9,930,830
Other liabilities	20,882,575	22,980,315	5,389,222	5,664,583	3,940,432	3,154,137	1,627,882	1,374,904	4,539,607	4,718,067	1,798,657	1,739,401	3,706,556	4,138,098	41,884,931	43,769,505
Total liabilities	492,974,382	496,133,232	77,832,796	76,765,653	976,459,135	925,866,969	20,911,042	19,669,003	175,842,628	175,518,538	215,407,784	209,351,177	79,790,888	79,577,950	2,039,218,655	1,982,882,523
Total equity															610,610,645	585,663,613
Total liabilities and equity															2,649,829,300	2,568,546,136

3. Non-life segment

Unconsolidated gross premiums written – non-life

EUR	1–3/2024	1–3/2023	Change	Index
Slovenia	159,548,068	134,826,121	24,721,947	118.3
Croatia	5,176,471	4,953,333	223,138	104.5
EU	164,724,539	139,779,454	24,945,086	117.8
Serbia	9,902,262	7,831,690	2,070,571	126.4
North Macedonia	5,348,054	4,900,568	447,486	109.1
Montenegro	5,675,639	4,859,857	815,782	116.8
Kosovo	4,657,223	4,096,411	560,812	113.7
Non-EU	25,583,178	21,688,526	3,894,652	118.0
Total non-life	190,307,717	161,467,980	28,839,737	117.9

Composition of consolidated gross non-life insurance premiums written by class of business⁴

EUR	1–3/2024		1–3/2023	
	Amount	As % of total	Amount	As % of total
Land motor vehicles	61,517,067	32.4%	49,778,423	30.9%
Motor vehicle liability	50,001,470	26.3%	40,891,707	25.3%
Property	41,307,126	21.7%	36,188,315	22.4%
Accident, health and assistance	25,093,292	13.2%	21,376,251	13.3%
General liability	10,069,296	5.3%	10,546,683	6.5%
Marine, suretyship and goods in transit	1,964,662	1.0%	2,066,735	1.3%
Other insurance	199,432	0.1%	462,016	0.3%
Total non-life	190,152,344	100.0%	161,310,130	100.0%

4. Life segment

Unconsolidated gross insurance premiums written – life

EUR	1–3/2024	1–3/2023	Change	Index
Slovenia	50,781,356	41,221,542	9,559,814	123.2
Croatia	564,477	502,456	62,021	112.3
EU	51,345,832	41,723,998	9,621,834	123.1
Serbia	2,064,386	1,748,768	315,618	118.0
Kosovo	1,233,082	1,188,337	44,744	103.8
Non-EU	3,297,467	2,937,105	360,363	112.3
Total life	54,643,300	44,661,103	9,982,197	122.4

Composition of consolidated gross life insurance premiums by class of business

EUR	1–3/2024		1–3/2023	
	Amount	As % of total	Amount	As % of total
Unit-linked life	37,565,595	68.7%	28,629,996	64.1%
Traditional life	17,077,705	31.3%	16,031,074	35.9%
Total life	54,643,300	100.0%	44,661,070	100.0%

⁴ Property insurance comprises the following classes of business (i) fire and natural forces, (ii) other damage to property, (iii) miscellaneous financial loss and (iv) legal expense insurance. Other insurance comprises aviation and credit insurance.

5. Pensions and asset management segment

Performance of funds under management (accumulation part)

EUR	1–3/2024	1–3/2023	Index
Opening balance of fund assets (1 January)	1,716,417,279	1,435,329,886	119.6
Fund inflows	62,852,634	42,424,289	148.2
Fund outflows	-14,221,301	-9,387,898	151.5
Asset transfers	-4,054,890	-5,226,690	77.6
Net investment income of funds	89,547,007	59,724,606	149.9
Entry and exit charges	-531,570	-499,352	106.5
Exchange differences and fair value reserve	-938,340	1,817,270	-51.6
Closing balance of fund assets (31 March)	1,849,070,819	1,524,182,110	121.3

Funds under management at end of period (accumulation part)

EUR	31 March 2024	31 December 2023	Index
Sava Pokojninska	184,729,134	179,443,359	102.9
Sava Penzisko	1,050,453,355	995,217,064	105.6
Sava Infond	613,888,330	541,756,857	113.3
Total	1,849,070,819	1,716,417,279	107.7

6. Investment portfolio of the Sava Insurance Group

Investment portfolio

EUR	31 March 2024	31 December 2023	Change	Index
Deposits and CDs	25,126,115	25,616,171	-490,056	98.1
Government bonds	815,208,166	818,836,368	-3,628,202	99.6
Corporate bonds	472,107,874	457,974,606	14,133,268	103.1
Shares	22,760,115	21,754,273	1,005,842	104.6
Mutual funds	18,720,817	18,564,549	156,268	100.8
Infrastructure funds	58,814,563	57,339,858	1,474,704	102.6
Real estate funds	13,893,217	13,888,193	5,025	100.0
Loans granted	622,869	754,141	-131,272	82.6
Total financial investments	1,427,253,736	1,414,728,159	12,525,577	100.9
Financial investments in associates	24,609,194	23,834,620	774,574	103.2
Investment property	24,841,707	24,890,278	-48,571	99.8
Cash and cash equivalents	55,434,466	39,829,039	15,605,427	139.2
Total investment portfolio	1,532,139,104	1,503,282,095	28,857,009	101.9
Assets held for the benefit of policyholders who bear the investment risk	669,529,191	608,535,399	60,993,791	110.0
– Financial investments	597,804,473	483,892,247	113,912,227	123.5
– Cash and cash equivalents	10,730,924	14,883,930	-4,153,006	72.1
Investment contract assets	185,820,918	180,628,137	5,192,781	102.9

Composition of the investment portfolio

EUR	31 March 2024	Share 31 March 2024	31 December 2023	Share 31 December 2023	% change (pp)
Fixed-rate financial investments	1,312,442,155	85.7%	1,302,427,145	86.6%	-0.9
Infrastructure funds	58,814,563	3.8%	57,339,858	3.8%	0.0
Cash and cash equivalents	55,434,466	3.6%	39,829,039	2.6%	1.0
Investment property	24,841,707	1.6%	24,890,278	1.7%	-0.1
Financial investments in associates	24,609,194	1.6%	23,834,620	1.6%	0.0
Shares	22,760,115	1.5%	21,754,273	1.4%	0.1
Mutual funds	18,720,817	1.2%	18,564,549	1.2%	0.0
Real estate funds	13,893,217	0.9%	13,888,193	0.9%	0.0
Loans granted	622,869	0.0%	754,141	0.1%	-0.1
Total	1,532,139,104	100.0%	1,503,282,095	100.0%	0.0

* The "other" item comprises loans granted and financial investments in associates.

Composition of fixed-rate financial investments

EUR	31 March 2024	Share 31 March 2024	31 December 2023	Share 31 December 2023	% change (pp)
Government bonds	741,777,621	48.4%	760,045,073	50.6%	-2.2
Regular corporate bonds	386,191,655	25.2%	374,739,651	24.9%	0.3
Government-guaranteed bonds	73,430,546	4.8%	59,038,019	3.9%	0.9
Covered bonds	55,530,910	3.6%	52,439,089	3.5%	0.1
Subordinated bonds	30,385,308	2.0%	30,549,141	2.0%	0.0
Deposits and CDs	25,126,115	1.6%	25,616,171	1.7%	-0.1
Total	1,312,442,155	85.7%	1,302,427,145	86.6%	-0.9

7. Glossary of selected terms and computation methods for indicators

Adriatic region. Southeast European countries along the Adriatic Sea.
Assets under management. Assets of pension companies' pension funds, assets of mutual funds managed by the Group's asset management company and assets of policyholders who bear the investment risk.
Book value per share. Ratio of total equity to the weighted average number of shares outstanding.
Business volume. Gross premiums written and revenue of non-insurance services.
Combined ratio. The sum of the loss ratio and the expense ratio. The Group's ratio is calculated for the reinsurance and non-life insurance operating segments. For the transition to IFRS 17, the Group retained the existing net/net methodology for calculating the combined ratio. In line with the approach adopted by other comparable insurance companies, the Group decided to change its methodology to a net/gross calculation of the combined ratio in 2023, which is also consistent with the presentation of the income statement in accordance with IFRS 17. The revised methodology was used for the first time in the 2023 annual report. Under the new methodology, the net reinsurance expenses are included in the numerator, while the denominator includes insurance service revenue net of the deductible reinsurance portion. Calculations using the new methodology slightly deteriorate the combined ratio, but the previous year's combined ratio is also restated for comparison.
Contractual Service Margin (CSM). An estimate of the unearned profit on groups of insurance contracts that has not been recognised in the income statement at a reporting date because it relates to future services.
Cost-to-income ratio (CIR). Expense ratio for the pensions and asset management segment. It is calculated as the ratio of revenue to expenses.
Dividend yield. Ratio of dividend per share to the rolling average price per share in the 12-month period.
Expense ratio. Attributable expenses plus non-attributable expenses plus net operating income or expenses plus net other income or expenses plus net impairment losses and reversals of impairment losses on non-financial assets as a percentage of insurance revenue. The Group's ratio is calculated for the reinsurance and non-life insurance operating segments. Sava Re's ratio does not include expenses arising from holding activities.
FVTPL (Fair Value Through Profit or Loss) investments. Financial investments measured at fair value through profit or loss.
Gross premiums written. The total premiums on all policies written or renewed during a given period, regardless of what portions have been earned.
Investment portfolio. It consists of financial investments, investments in associates, investment property, and cash and cash equivalents. It does not include investments of policyholders who bear the investment risk.
Loss ratio. Insurance service expenses, excluding operating expenses, plus net result from reinsurance contracts held as a percentage of insurance revenue. The Group's ratio is calculated for the reinsurance and non-life insurance operating segments.
Net contractual service margin. Contractual service margin, net of reinsurance.
Net earnings or loss per share. Ratio of net profit or loss attributable to equity holders of the controlling company as a percentage of the weighted average number of shares outstanding. The Company and the Group have no potentially dilutive ordinary shares, therefore basic earnings per share equal diluted earnings per share.
Net investment income on investment portfolio. The investment result plus the share of profit or loss of subsidiaries and associates. Calculated excluding returns on life insurance policies where policyholders bear the investment risk, the impact of exchange differences and expenses on subordinate debt.
Return on equity. Net profit for the period as a percentage of average equity during the period, excluding accumulated other comprehensive income. Interim reports show the annualised return.
Return on the investment portfolio. The ratio of net investment income on the investment portfolio to average invested assets. The investment portfolio position includes the following items of the statement of financial position: investment property; investments in associates and subsidiaries; financial investments, excluding unit-linked assets; and cash and cash equivalents other than those relating to unit-linked life insurance contracts. The average balance is calculated based on the figures as at the reporting date and as at the end of the previous year.
SCR. Solvency capital requirement.
Solvency ratio. The ratio of eligible own funds to the solvency capital requirement, expressed as a percentage. A solvency ratio in excess of 100% indicates that the firm has sufficient resources to meet the solvency capital requirement.