

Sava Insurance Group

2023 unaudited results and 2024 plan



Presenting and Q&A
Polona Pirš Zupančič
Member of the
Management Board



Q&ATadej Mendiževec

Director of Financial Operations
and Asset Management

21 March 2024



Highlights 2023



Growth in gross written premiums of 14.3%

strongest growth in motor business,
reflecting more policies sold and higher
average premiums
and
in the life segment due to improved sales of

both life risk and unit-linked life policies



In the summer of 2023, Slovenia and the wider region were hit by a wave of storms and floods with a significant impact on profit of €27.4m



Net profit of €64.7m (2022: €46.9m)

Lower result before reinsurance: impact of summer storms mitigated by reinsurance protection

Higher result after reinsurance: growth in insurance revenue due to the adjustment of prices to reflect claims inflation, which was depressing the insurance service result in 2022, and organic growth

Better investment result: investment at higher interest rates and positive impact from change in the fair value of FVTPL investments (negative impact in 2022)



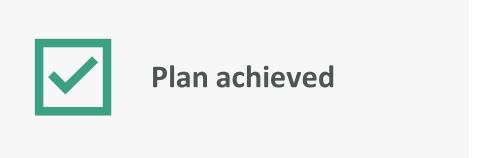
Profit target exceeded

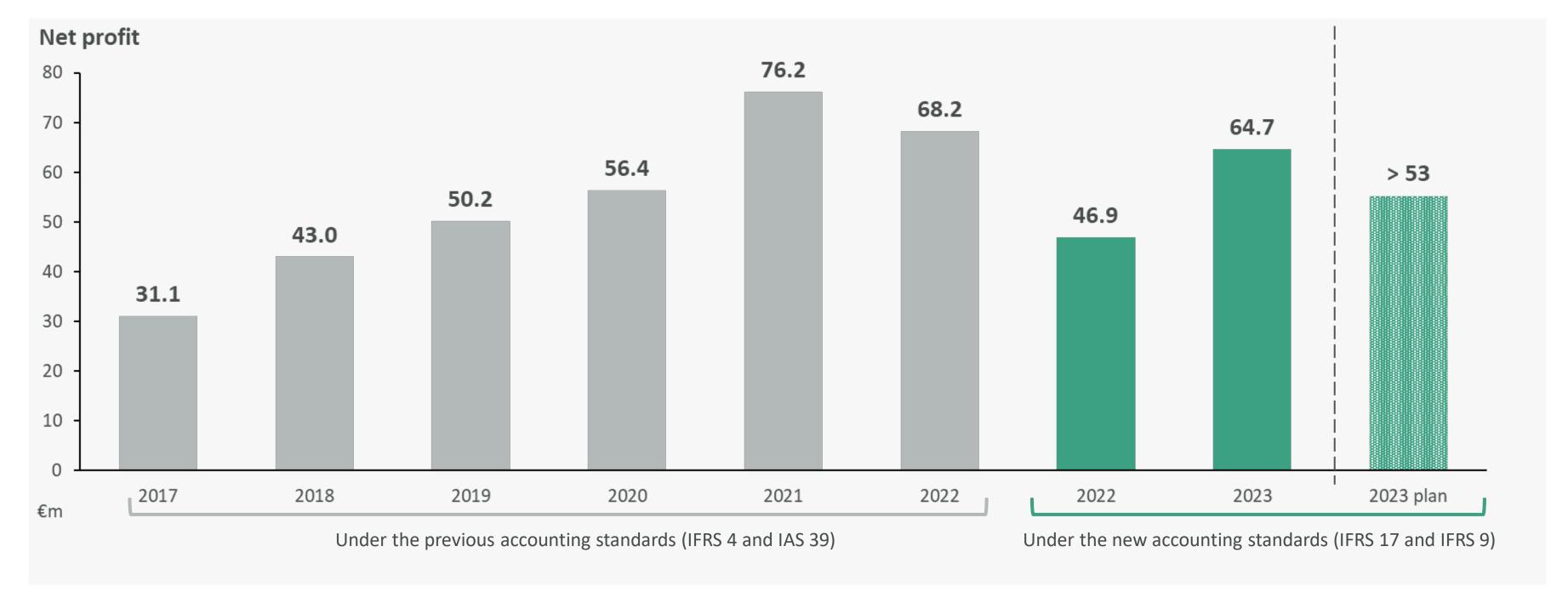
Profit before tax **€79.6m**

2023/2022: **+36.1%**

Net profit **€64.7m**

2023/2022: **+37.8%**







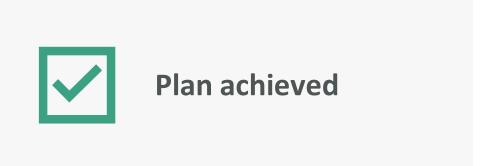
Target return on equity exceeded

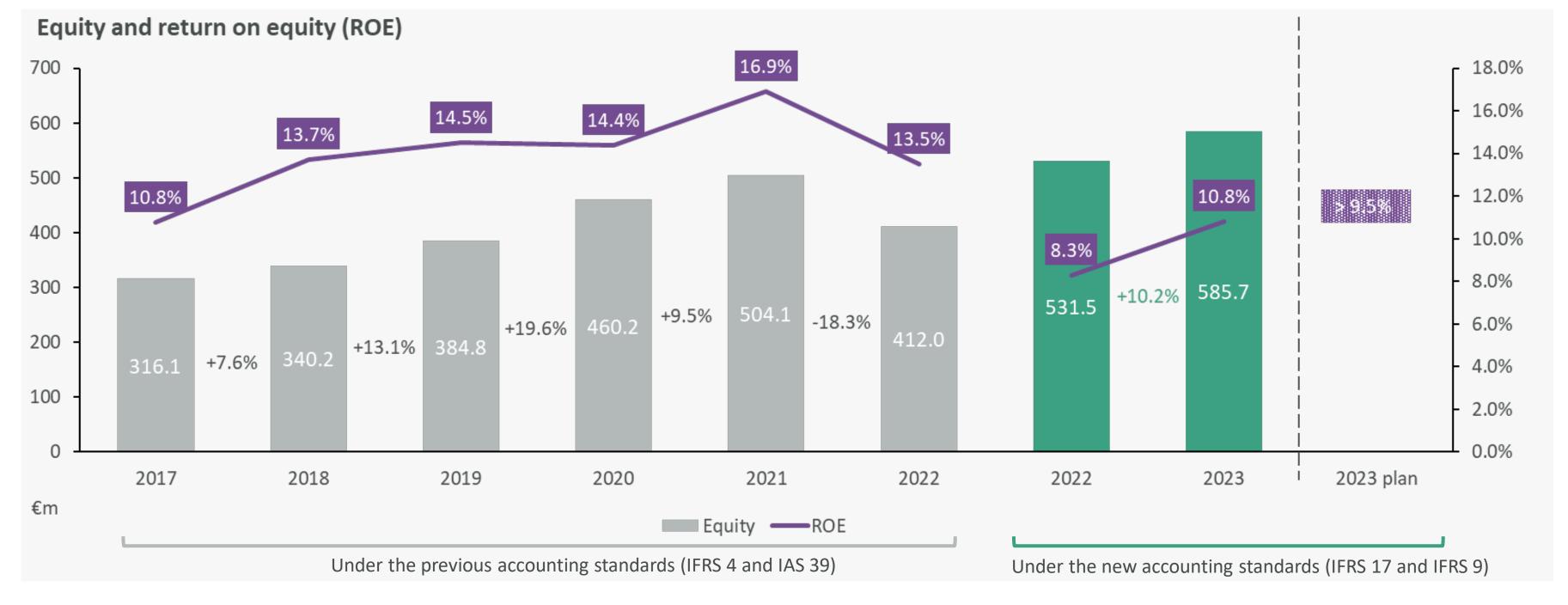
Equity €585.7m

2023/2022: **+10.2%**

Return on equity (ROE) 10.8%

2023/2022: **+2.5** p.p.





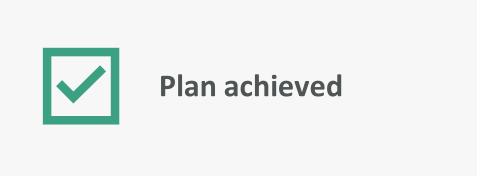


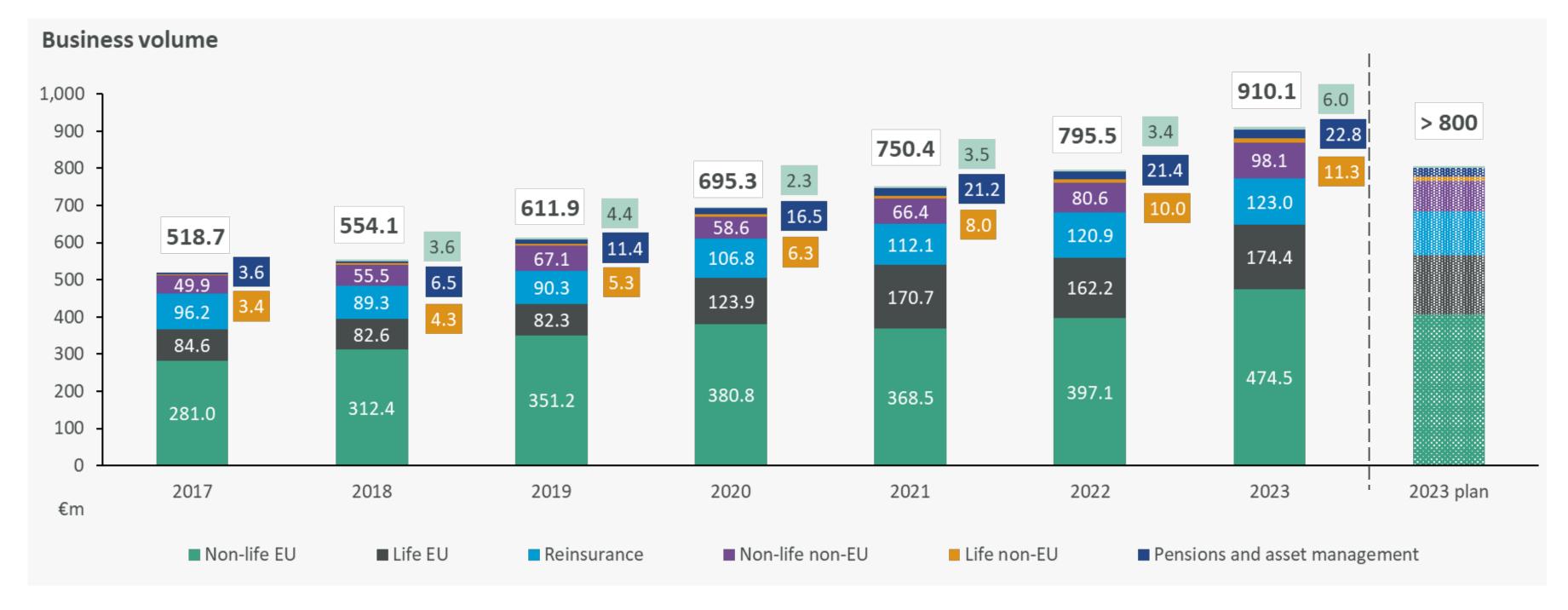
Business volume exceeds target due to continued strong growth

Business volume €910.1m 2023/2022: +14.4%

Gross premiums written €884.6m

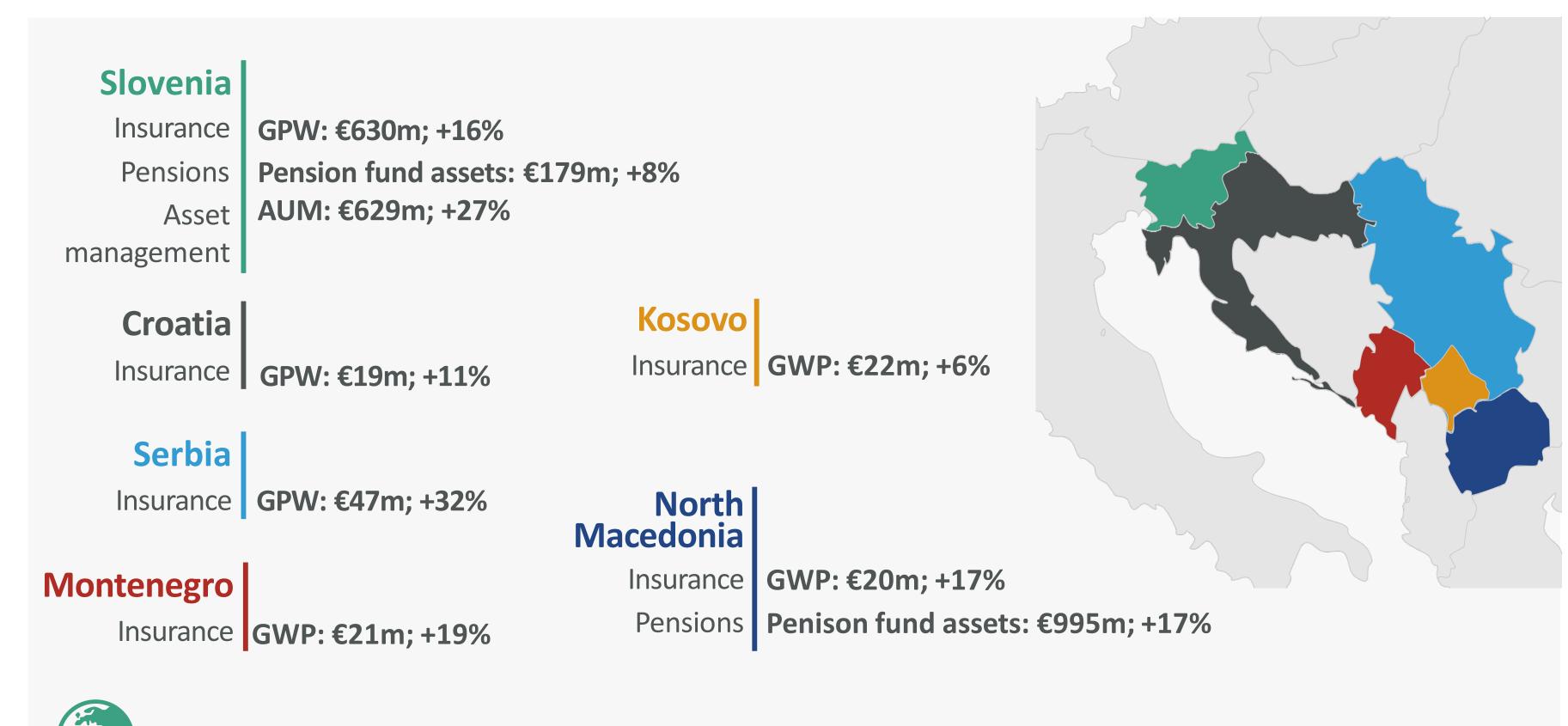
2023/2022: **+14.3%**

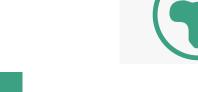






Gross premiums written and assets under management in 2023 by market

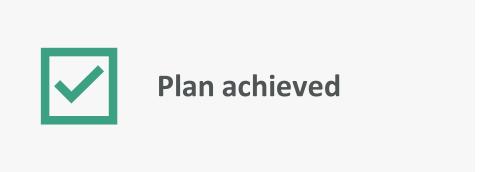


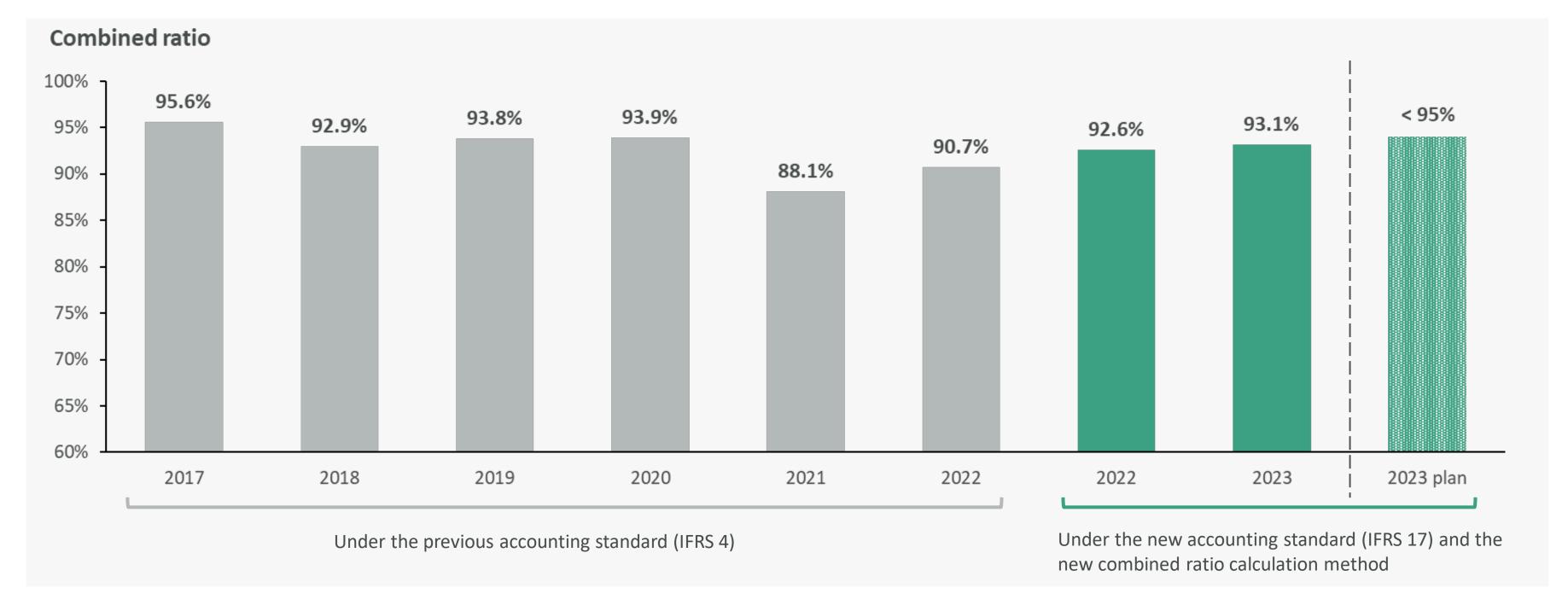


Sava Re operates in more than 110 reinsurance markets worldwide. Non-group GWP: €123m; +2%

Combined ratio within target range

Combined ratio 93.1%
2023/2022: +0.5 p.p.







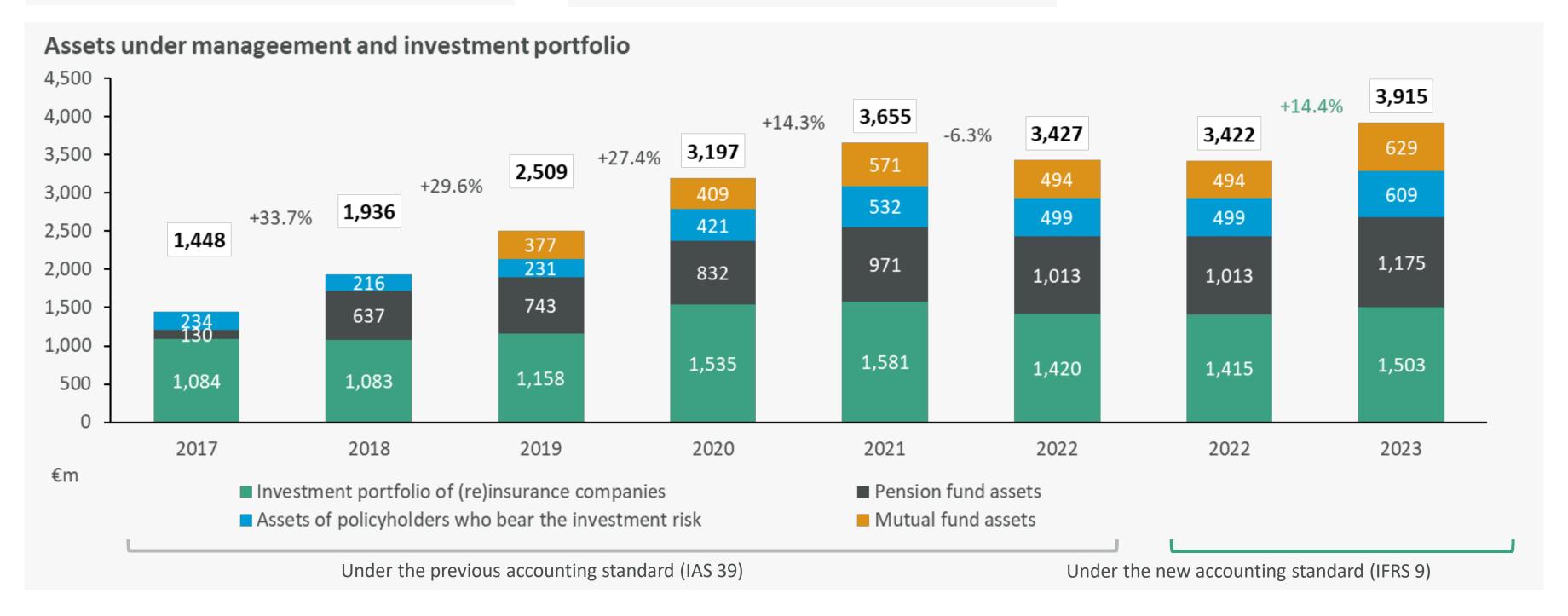
Strong growth in assets under management

Assets under management €2,411.8m

2023/2022: **+20.2** p.p.

Investment portfolio €1,503.3m

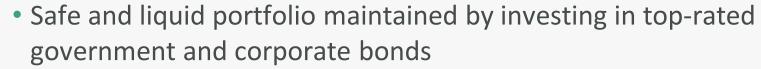
2023/2022: **+6.2%**



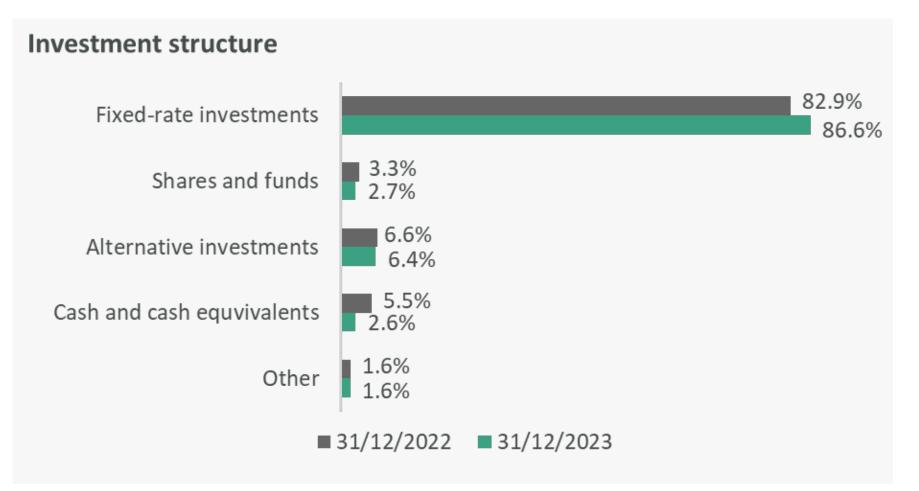


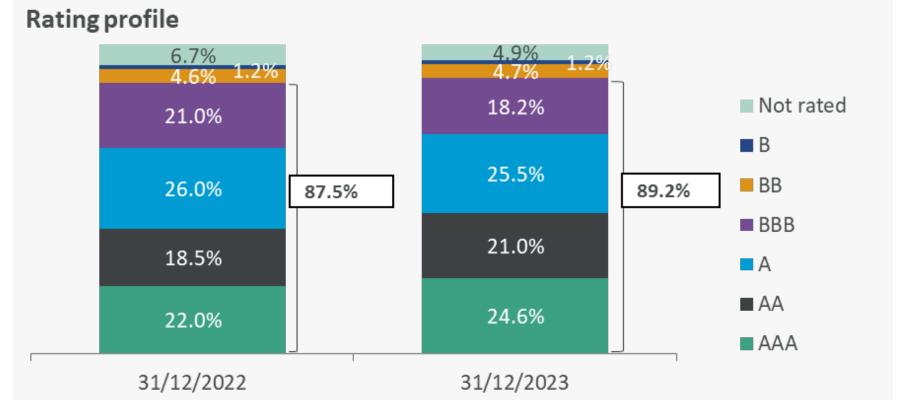
Composition of the investment portfolio

€m	31/12/2022	31/12/2023	Difference
Fixed-rate investments	1,173.6	1,302.4	128.8
Government bonds	734.5	818.8	84.3
Corporate bonds	420.3	458.0	37.7
Deposits & CDs	18.8	25.6	6.8
Shares and funds	47.0	40.3	-6.7
Shares	24.9	21.8	-3.1
Mutual funds	22.2	18.6	-3.6
Alternative investments	93.1	96.1	3.0
Cash and cash equivalents	78.3	39.8	-38.5
Other	23.1	24.6	1.5
Total investment portfolio	1,415.2	1,503.3	88.1



- Reduced exposure to equities
- Increased focus on providing liquidity without impacting the bottom line
- Q4 reinvestment yield around 3.5% and 3.3% for the full year 2023







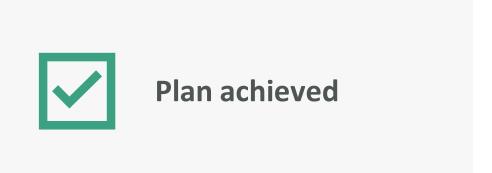
Target return on investment portfolio exceeded

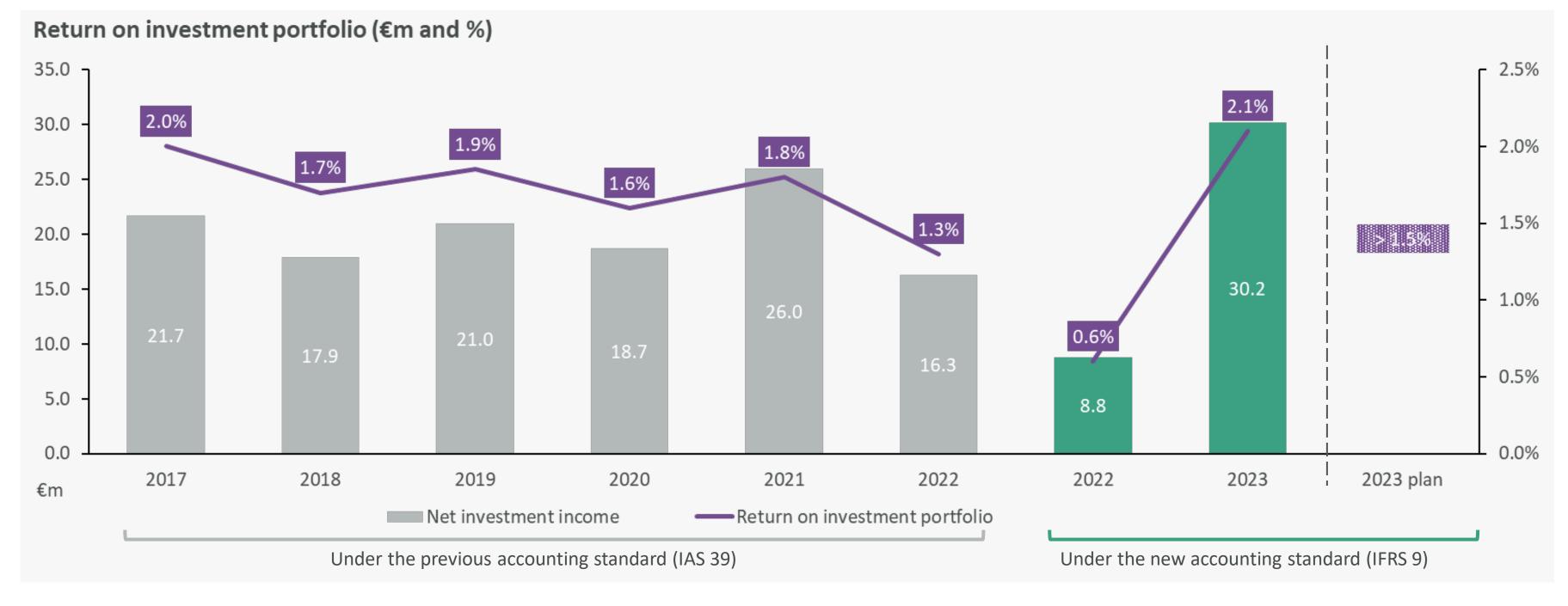
Return on investment portfolio 2.1%

2023/2022: **+1.5 p.p.**

Investment portfolio €1,503.3m

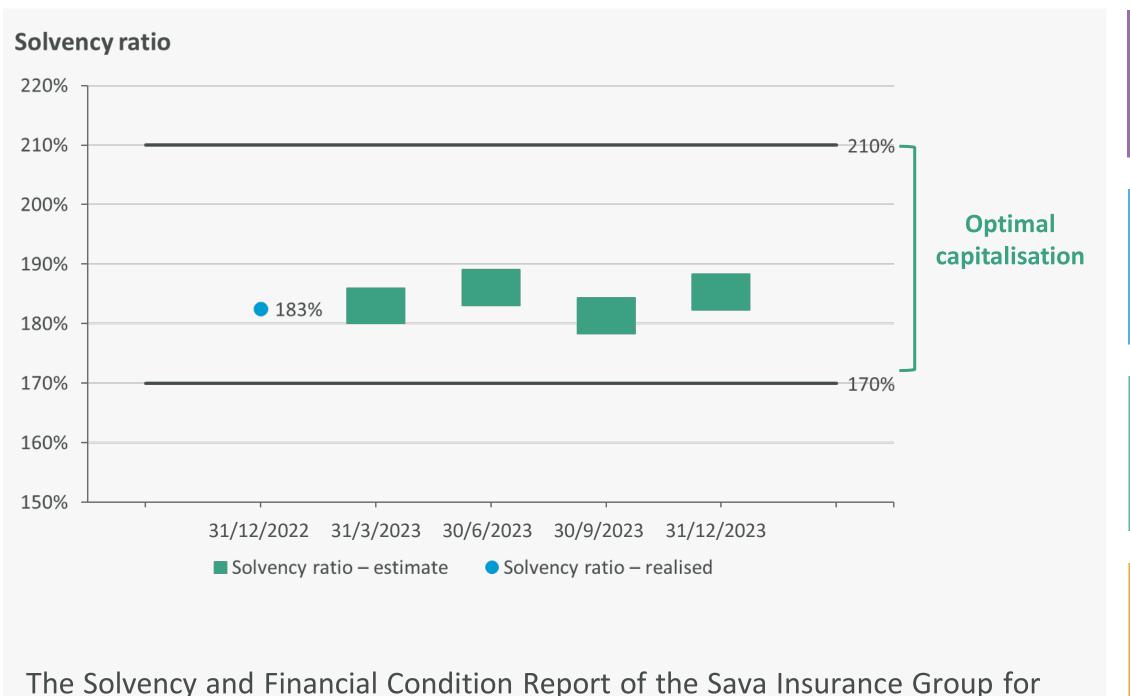
2023/2022: **+6.2%**







Solid solvency position



The Solvency and Financial Condition Report of the Sava Insurance Group for 2023 will be published on 17 May 2024 on the websites of the Company and the Ljubljana Stock Exchange.

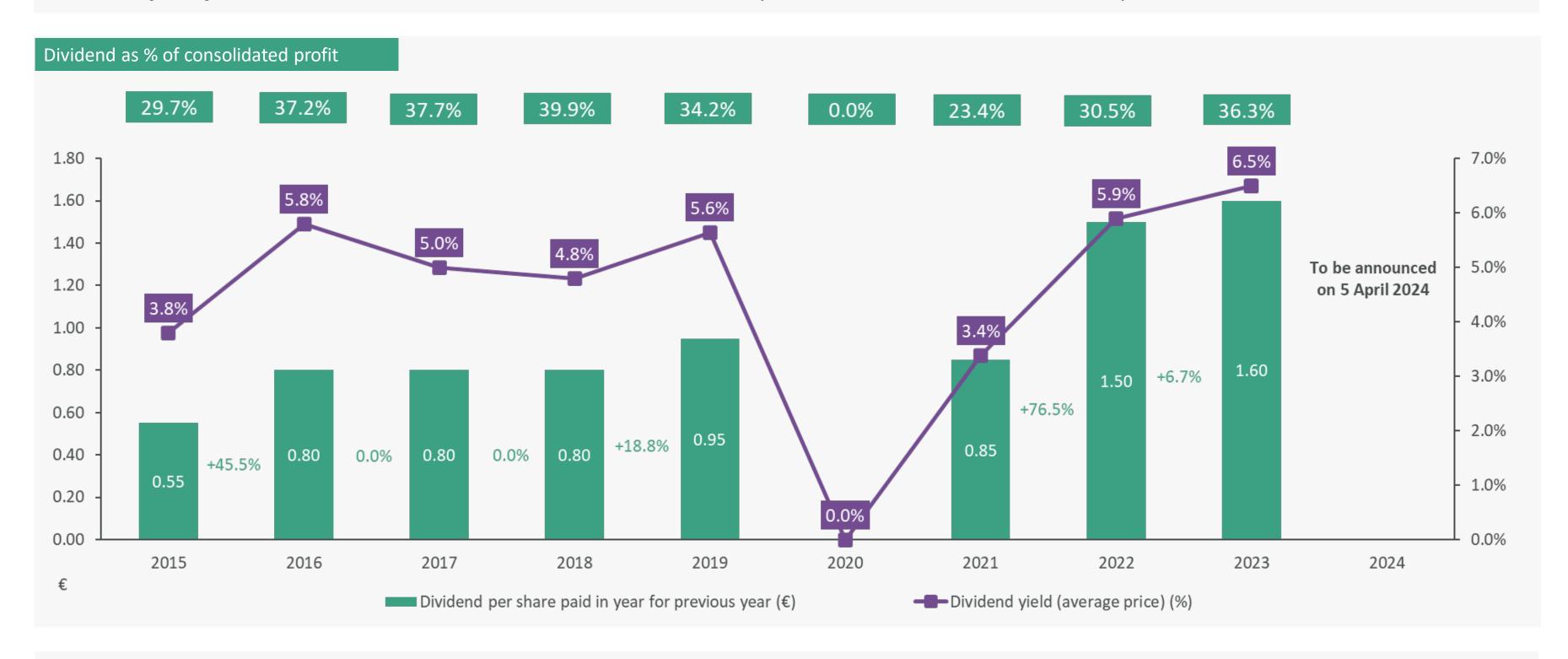




BVPS (31 Dec 2023): €37.79

Dividend policy

Dividend policy: distribution of between 35% and 45% of the net profit of the Sava Insurance Group.



• The audited annual report, including the proposed dividend, will be published on 5 April 2024. The general meeting of shareholders will be held on 27 May 2024.





Heading into the second year of our 2023–2027 strategy

Key development areas in 2024

Focusing on the customer



Modernising information technology



Streamlining business processes



Building teams of satisfied and motivated employees



Building sustainability



Growing through acquisitions





Approaching one billion euros in business volume

Growt	h in	business	volume

Business volume

Return on equity

Net profit for the year

> 5%

> €925m

> 10.5%

> €70m

Solvency ratio

optimal capitalisation range

170-210%

Combined ratio

non-life insurance + reinsurance

< 95%

Return on investment portfolio

2.2%



Planning for continued growth in all our operating segments

Business volume growth planned for 2024



Non-life, EU

> 6%



Non-life, non-EU

> 8%



Life, EU

> 2%



Life, non-EU

> 10%



Reinsurance

> 1%



Asset management

> 5%





Upcoming financial releases and events

5 April 2024	Release of the audited Annual Report of the Sava Insurance Group and Sava Re d.d. for 2023;
	Dividend proposal

5 April 2024 Release of the Solvency and Financial Condition Report of Sava Re d.d. for 2023

10 April 2024 Publication of the notice of the 40th general meeting of shareholders of Sava Re d.d.

17 May 2024 Release of the Solvency and Financial Condition Report of the Sava Insurance Group for 2023

17 May 2024 Release of the Statement of Results of the Sava Insurance Group for January–March 2024

27 May 2024 40th general meeting of shareholders of Sava Re d.d. and announcement of resolutions

Events for investors

22 May 2024 Trade on the Stock Exchange (location: Ljubljana)

4 – 5 June 2024 Slovenian and Croatian Investor Days - CEE Investment Opportunities (location: Zagreb)

Contact: <u>ir@sava-re.si</u> Website: <u>https://www.sava-re.si/en-si/investor-relations/</u>



