



Sava Insurance Group

Presentation of results 1–6/2024



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



Q&A
Tadej Mendiževc
Director of Financial Operations and Asset Management

5 September 2024

CONTENTS

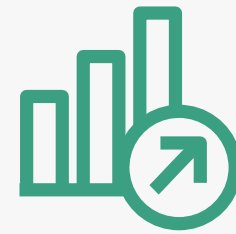
- 01 | Group results
 - 02 | Segment reporting
 - 03 | Financial investments
 - 04 | POSR share and dividend policy
 - 05 | Solvency position
- 



GROUP
RESULTS

01

Performance highlights



Growth in gross premiums written of 13.9%

primarily in the **motor business** due to growth in average premiums and the number of policies sold and in the **life business** due to improved policy sales and additional premiums on existing policies



Net profit of €44.5m (1–6/2024: €40.0m)

Better insurance service result: higher revenue in all segments, favourable claims development in the reinsurance business and a more favourable expense ratio

Better investment result: investment at higher interest rates

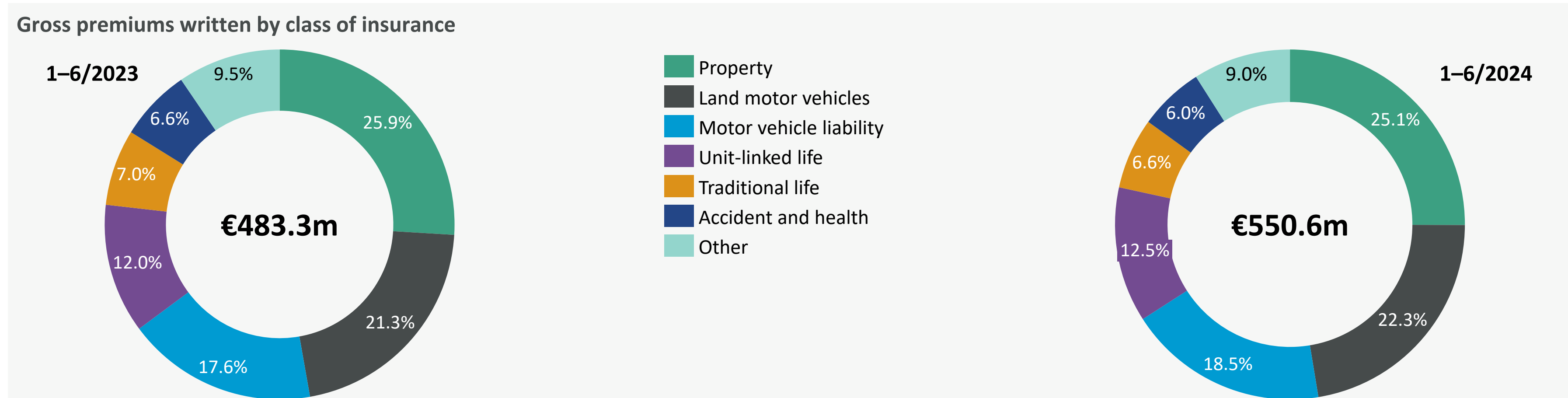
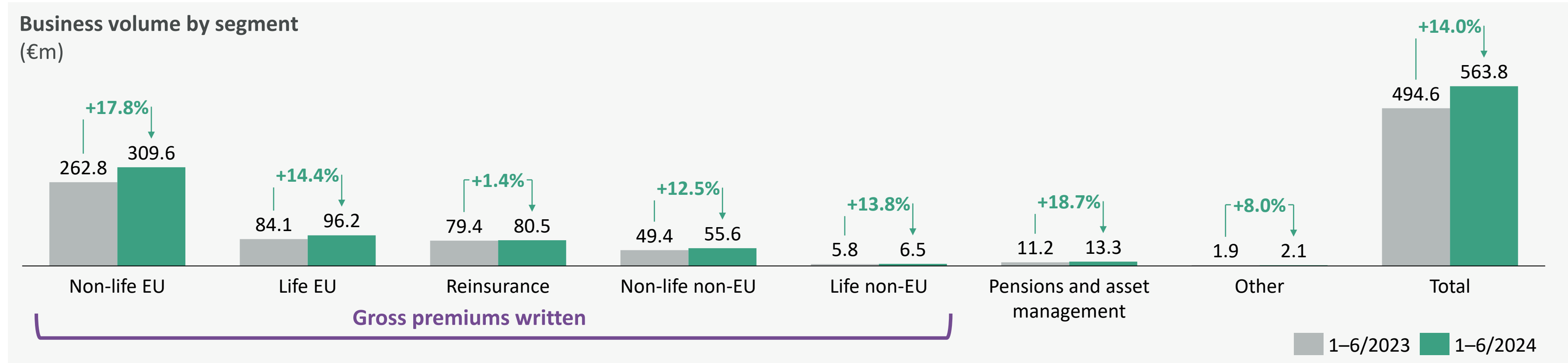
Key figures

€m, except %	1–6/2023	1–6/2024	2024 plan	Change 2024/2023
Business volume	494.6	563.8	> 925	14.0%
Gross premiums written	483.3	550.6		13.9%
Profit, net of tax	40.0	44.5	> 70	11.1%
Return on equity*	13.3%	13.8%	> 10.5%	+0.4 pp
Combined ratio (non-life and reinsurance)	90.1%	89.7%	< 95%	-0.4 pp
Return on the investment portfolio*	2.2%	2.5%	2.2%	+0.3 pp
	31/12/2023	30/6/2024	31/12/P2024	
Equity	585.7	598.7		2.2%
Net contractual service margin (CSM)	149.4	164.2		9.9%
Total investment portfolio	1,503.3	1,527.4		1.6%
Assets for the benefit of policyholders who bear the investment risk	608.5	710.9		16.8%
Assets in pension company savings funds	1,174.7	1,275.8		8.6%
Assets under management at fund management company	541.8	651.9		20.3%
Net liabilities from insurance and reinsurance contracts	1,535.6	1,652.9		7.6%

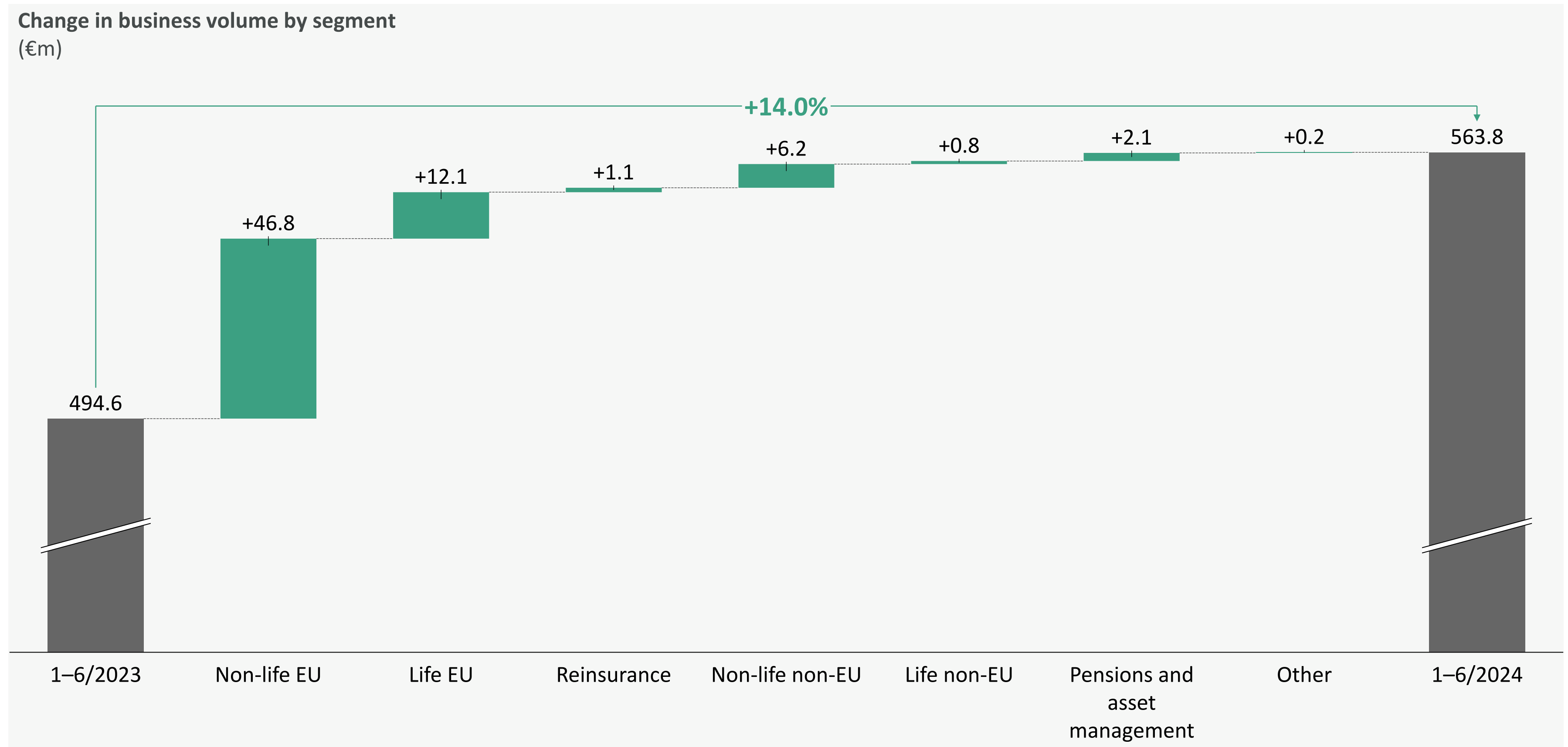
* Return on equity excludes accumulated other comprehensive income/loss. Investment portfolio return excludes subordinated debt expense.



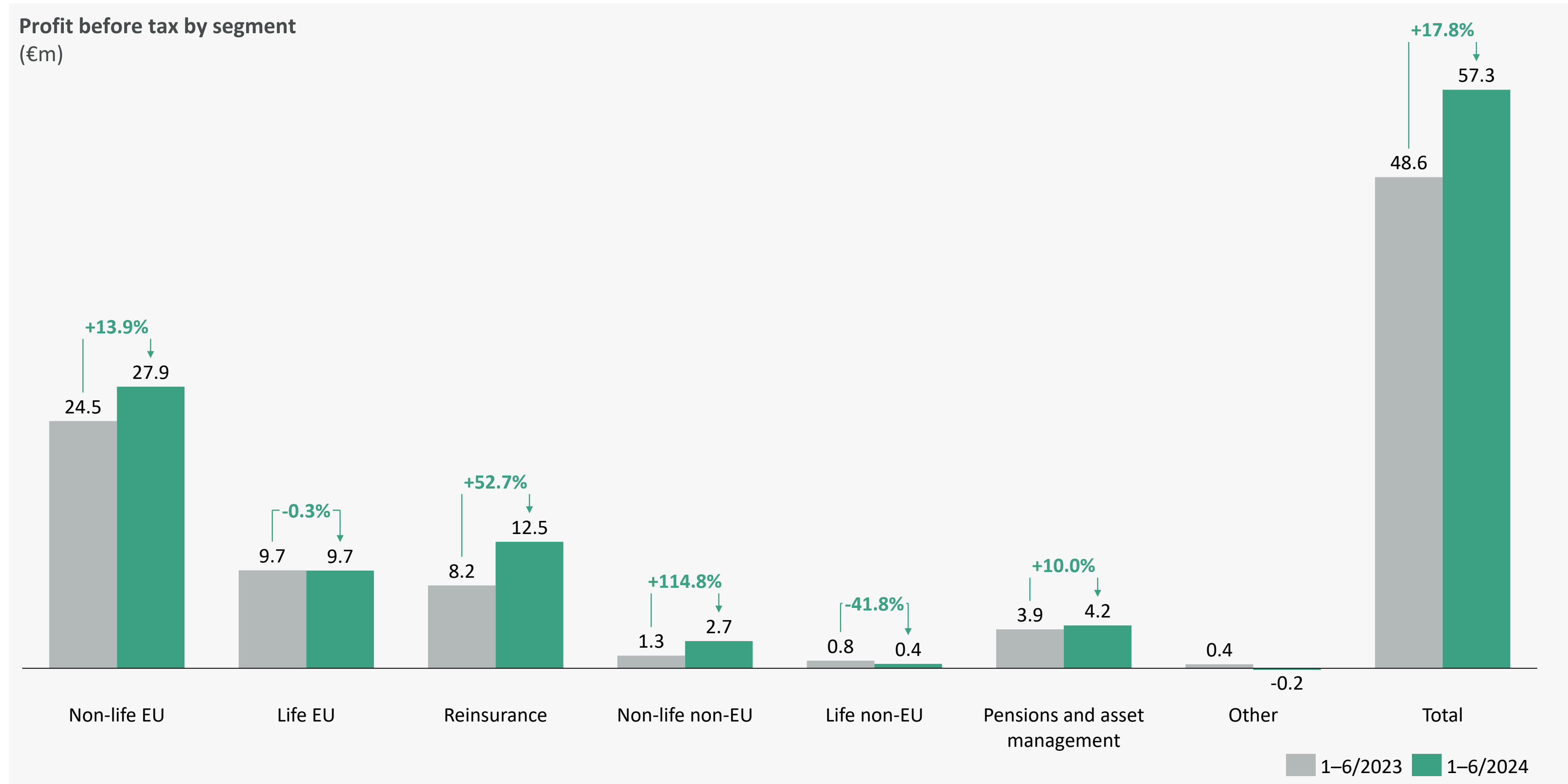
Continued growth across all operating segments



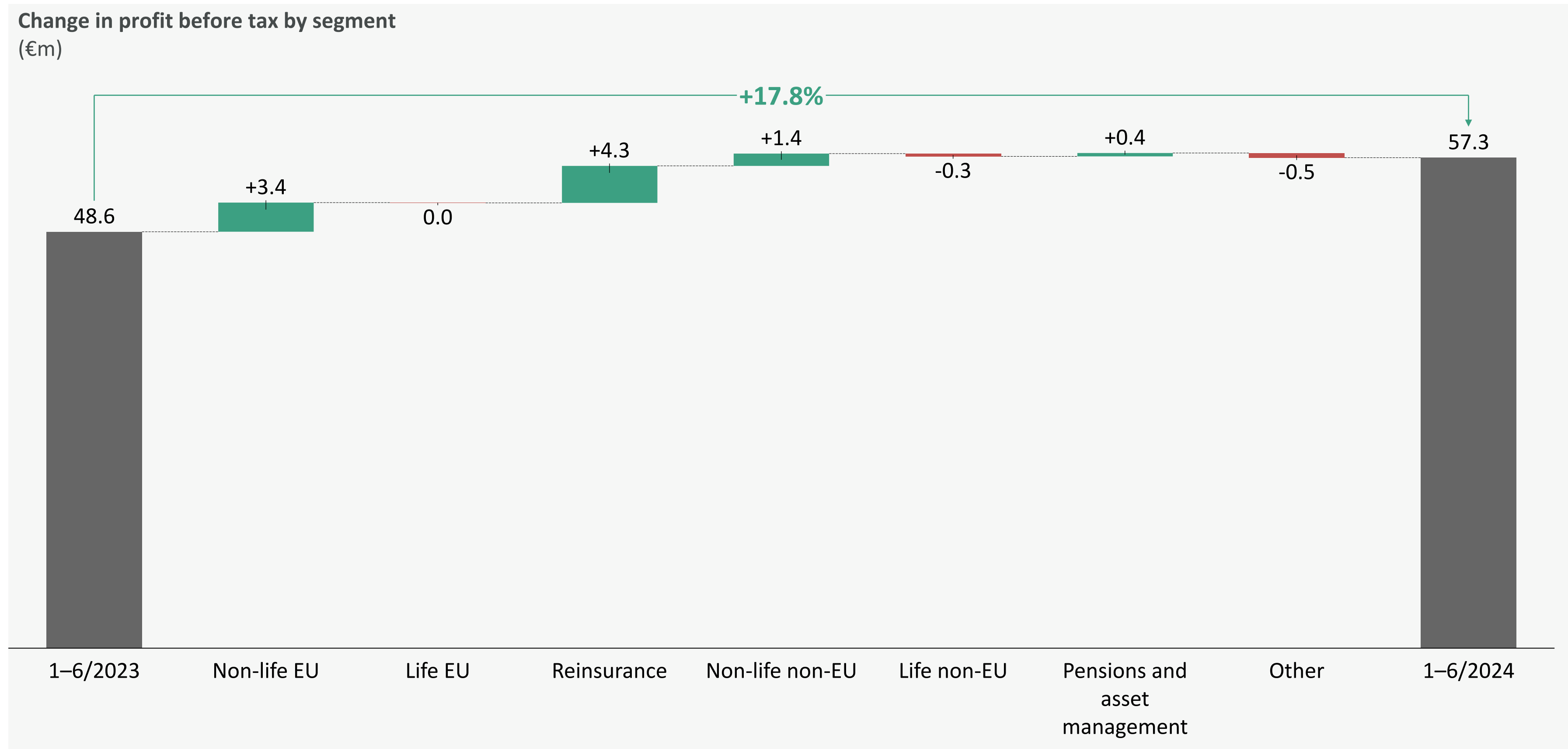
Business volume: inflationary price adjustments and organic growth



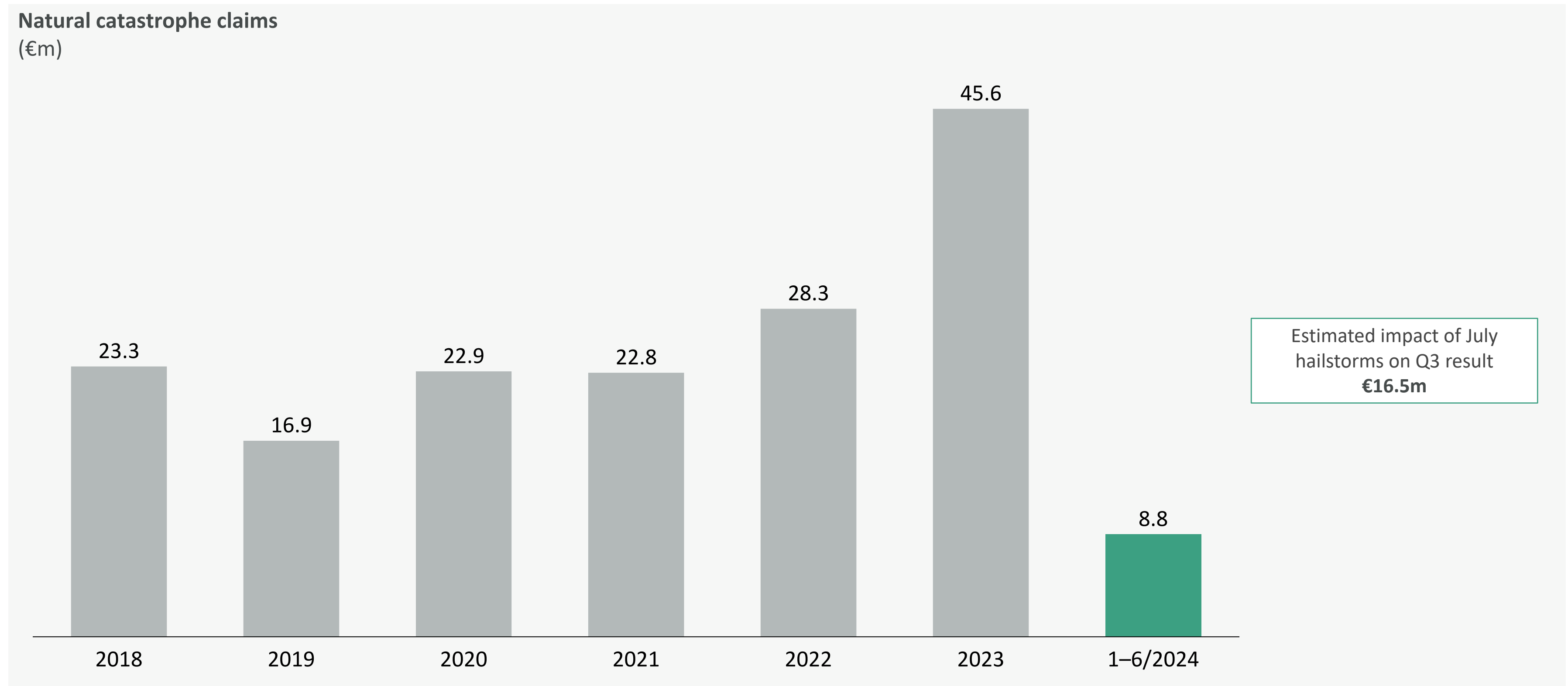
Profit before tax: high revenue growth and favourable claims experience



Profit before tax: high revenue growth and favourable claims experience



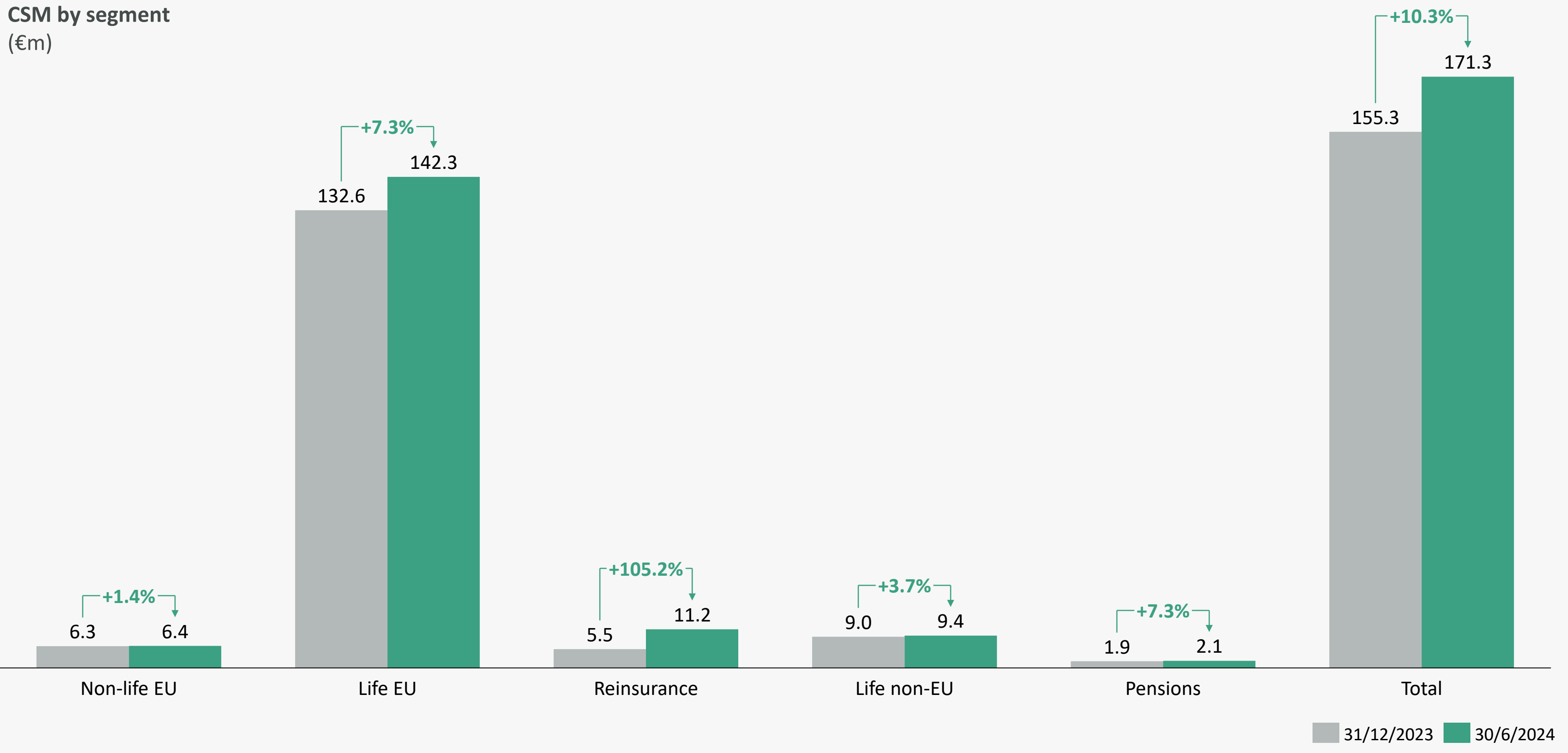
Impact of natural catastrophe claims



Includes net claims affecting the (re)insurance portfolios of the Group companies resulting from natural perils (such as windstorm, flood, earthquake and hail).



Continued CSM growth

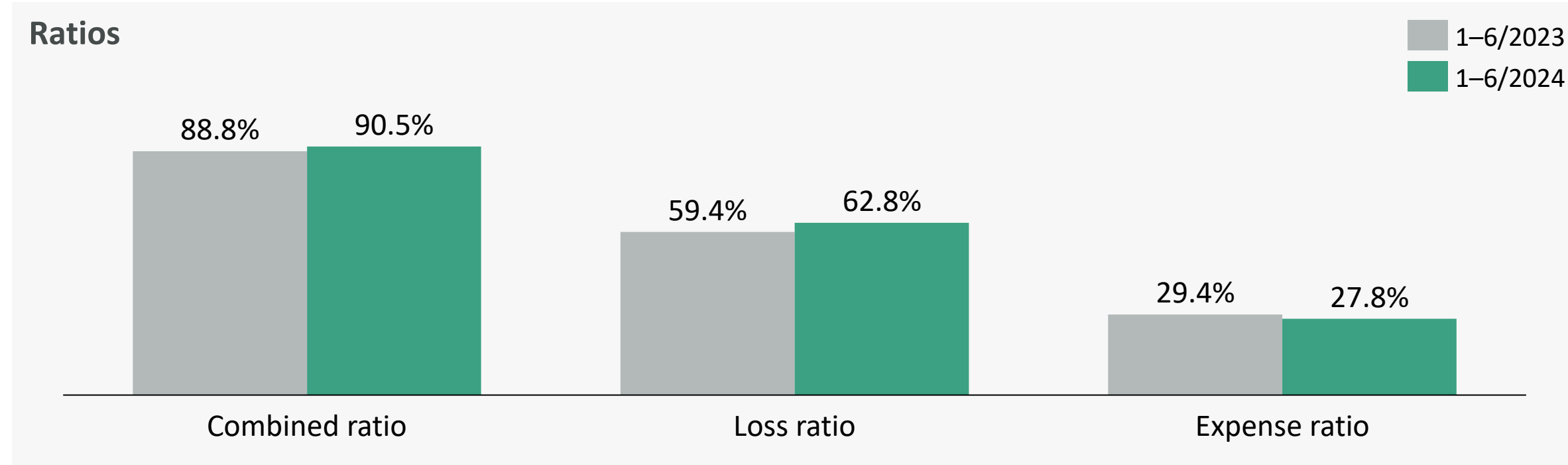
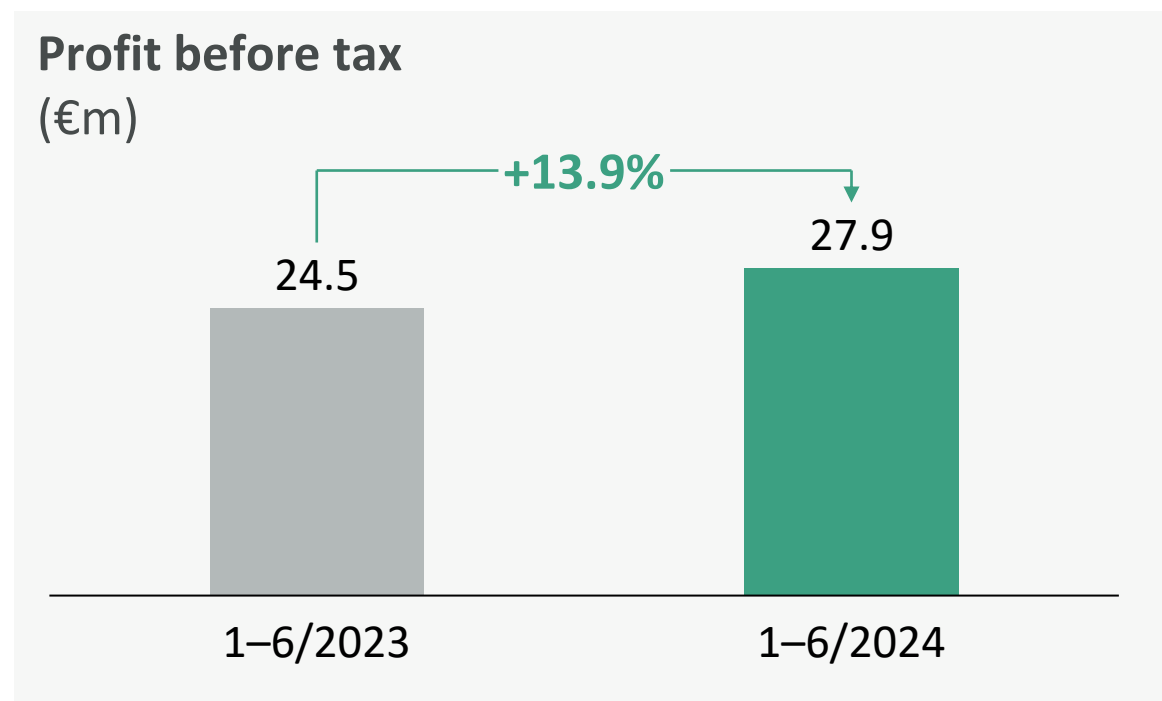
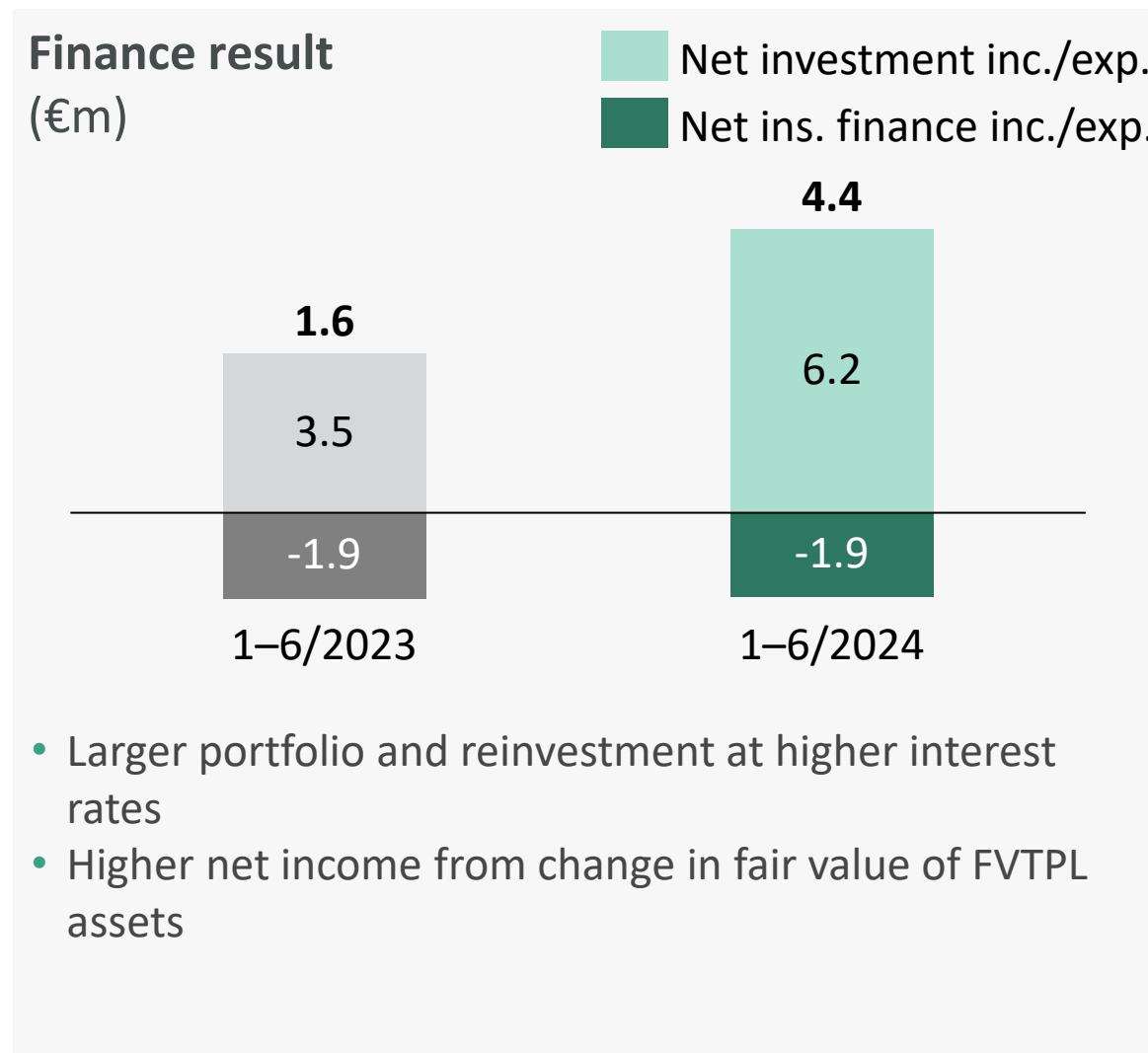
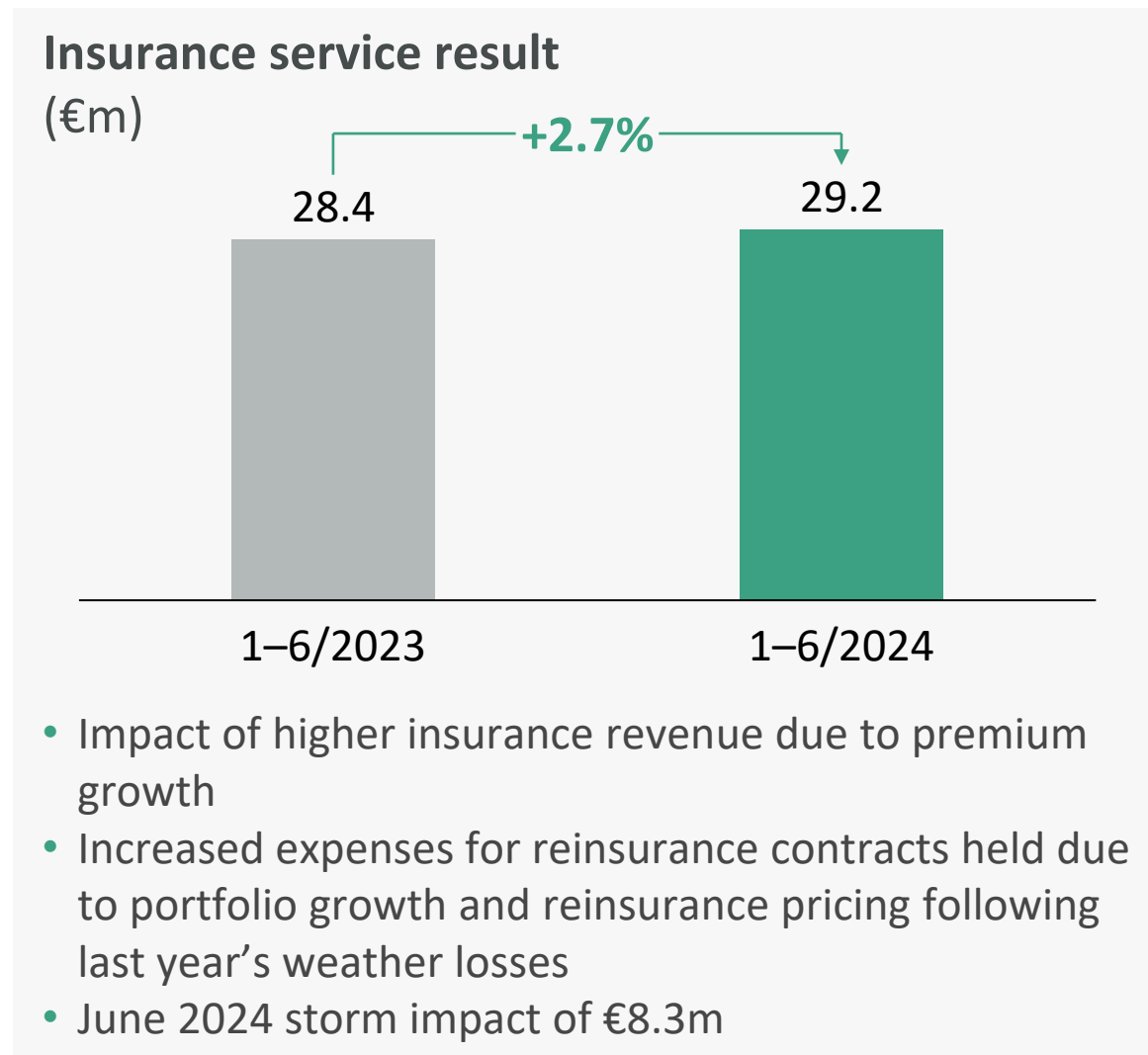
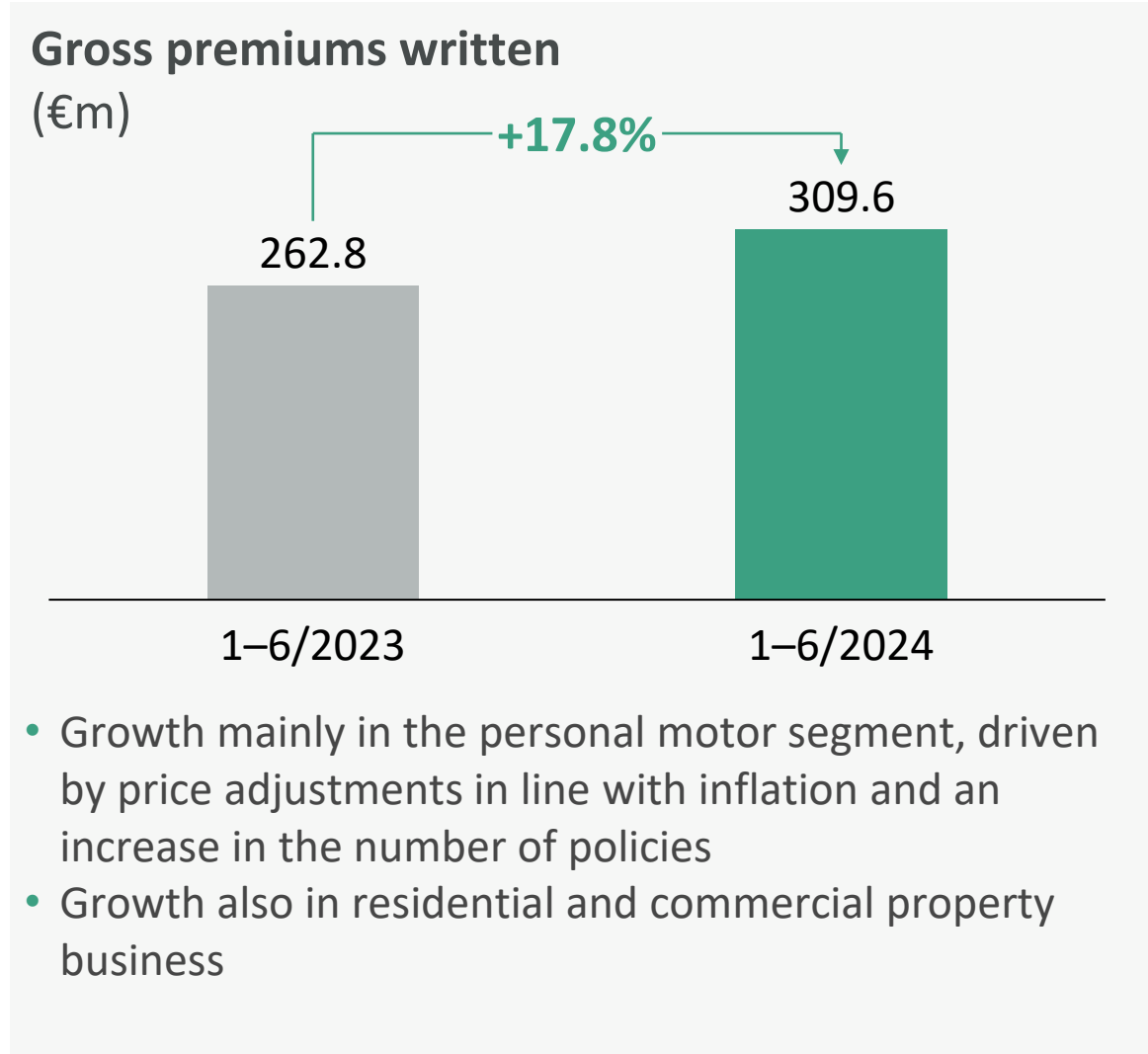


SEGMENT
REPORTING

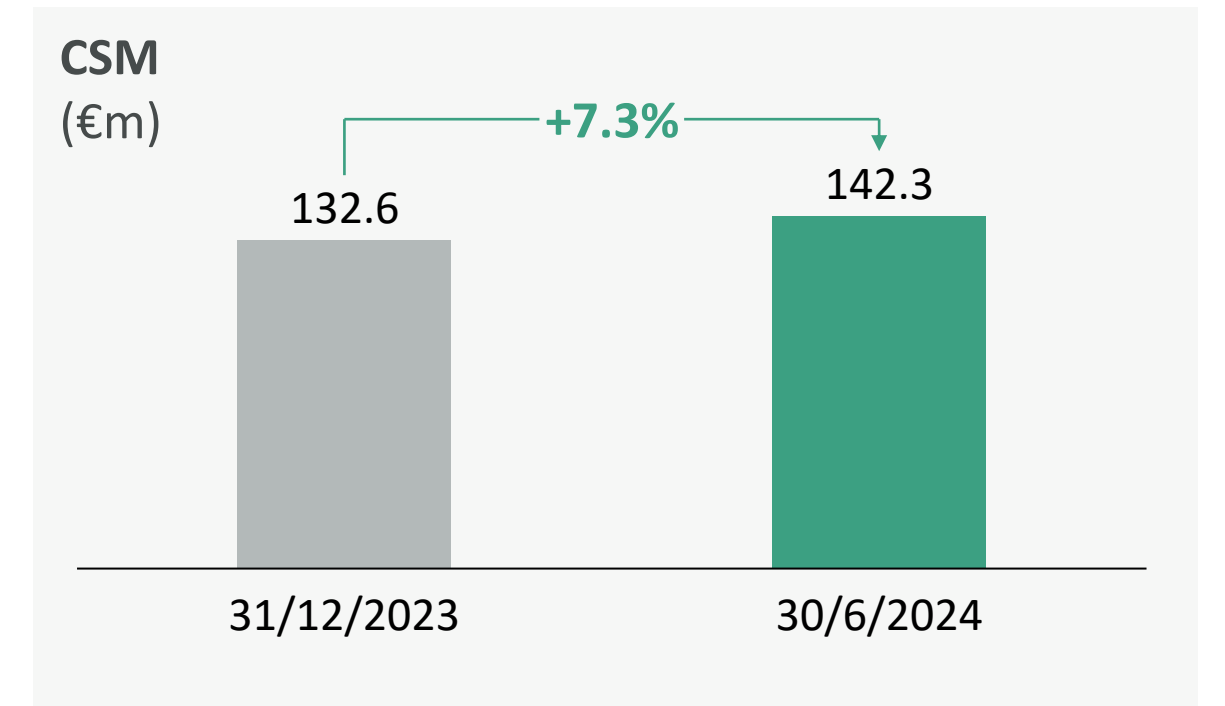
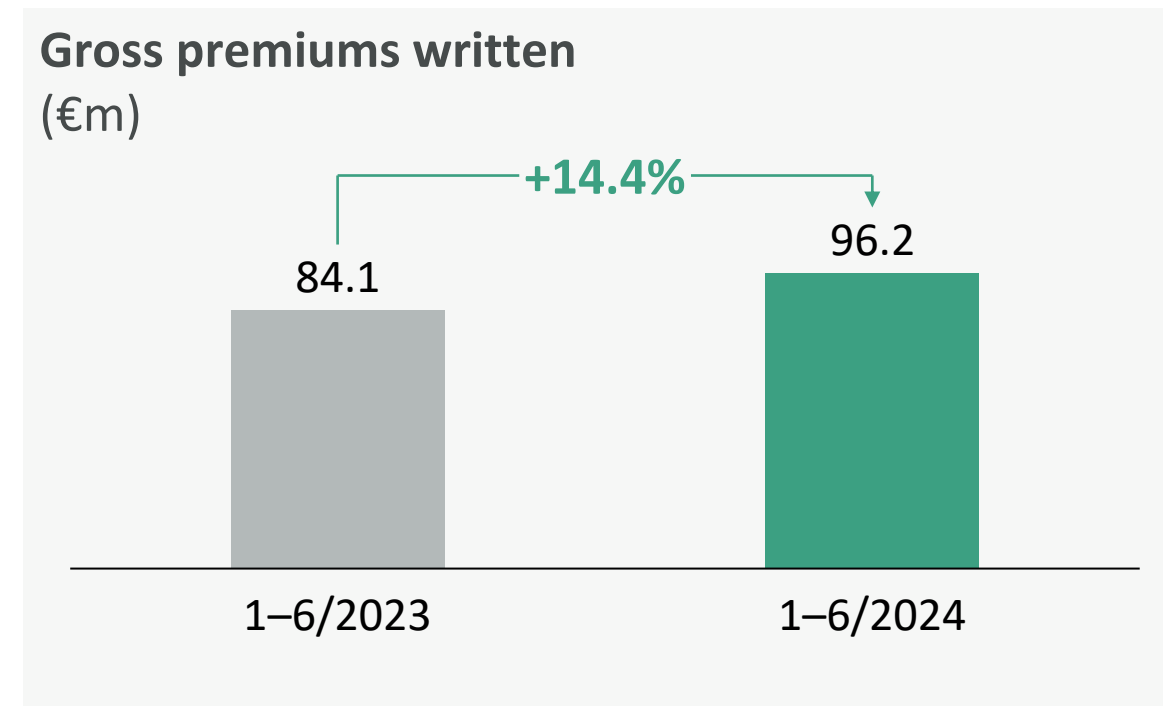
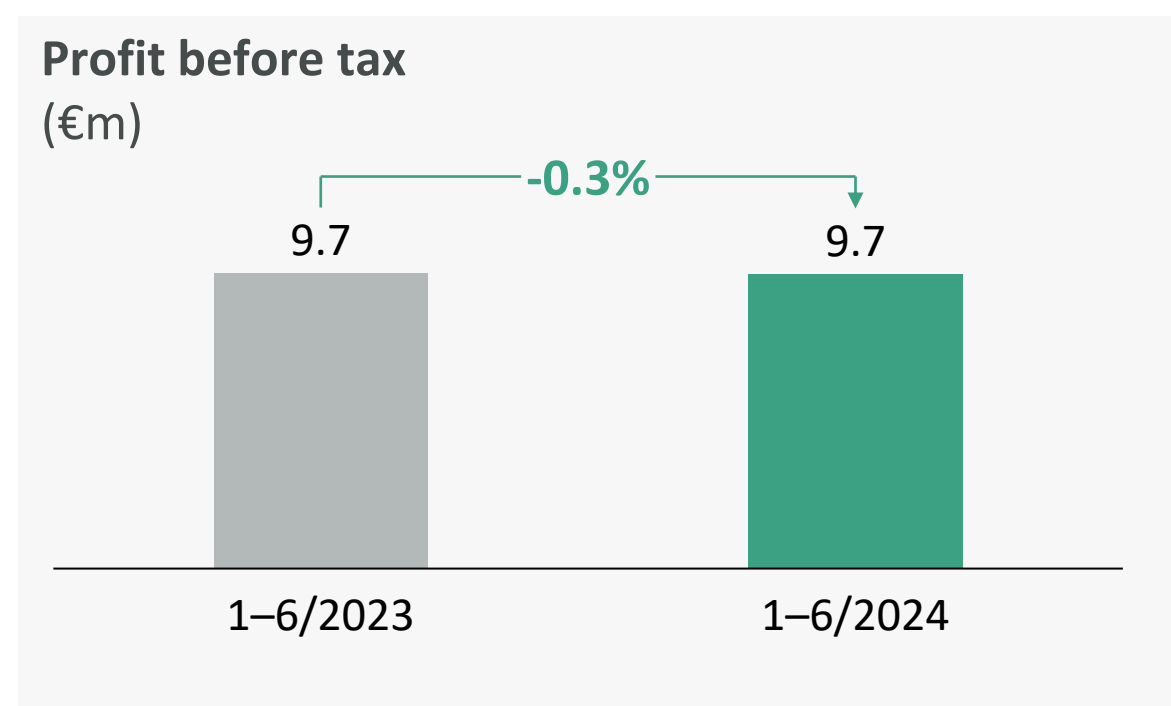
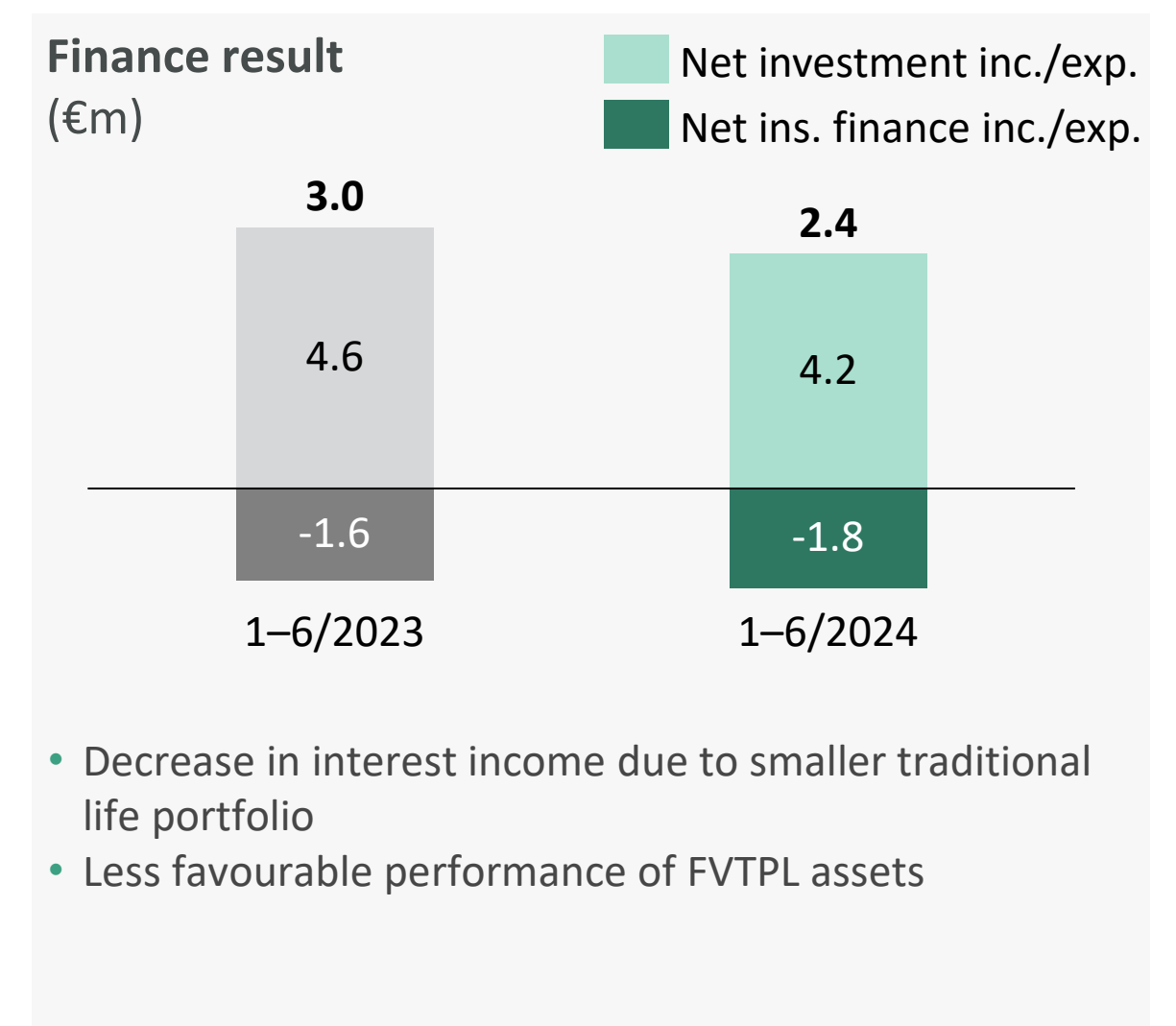
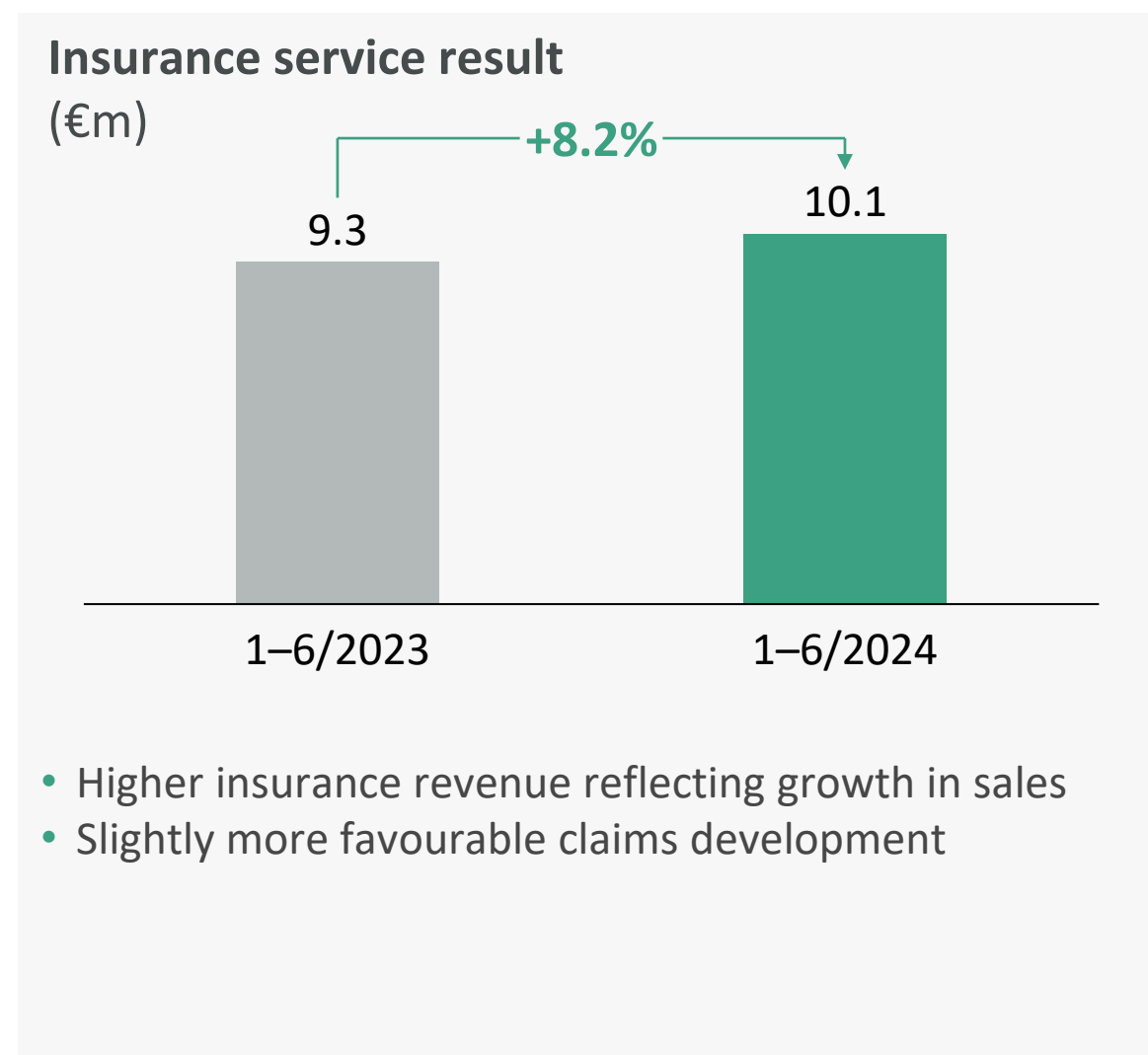
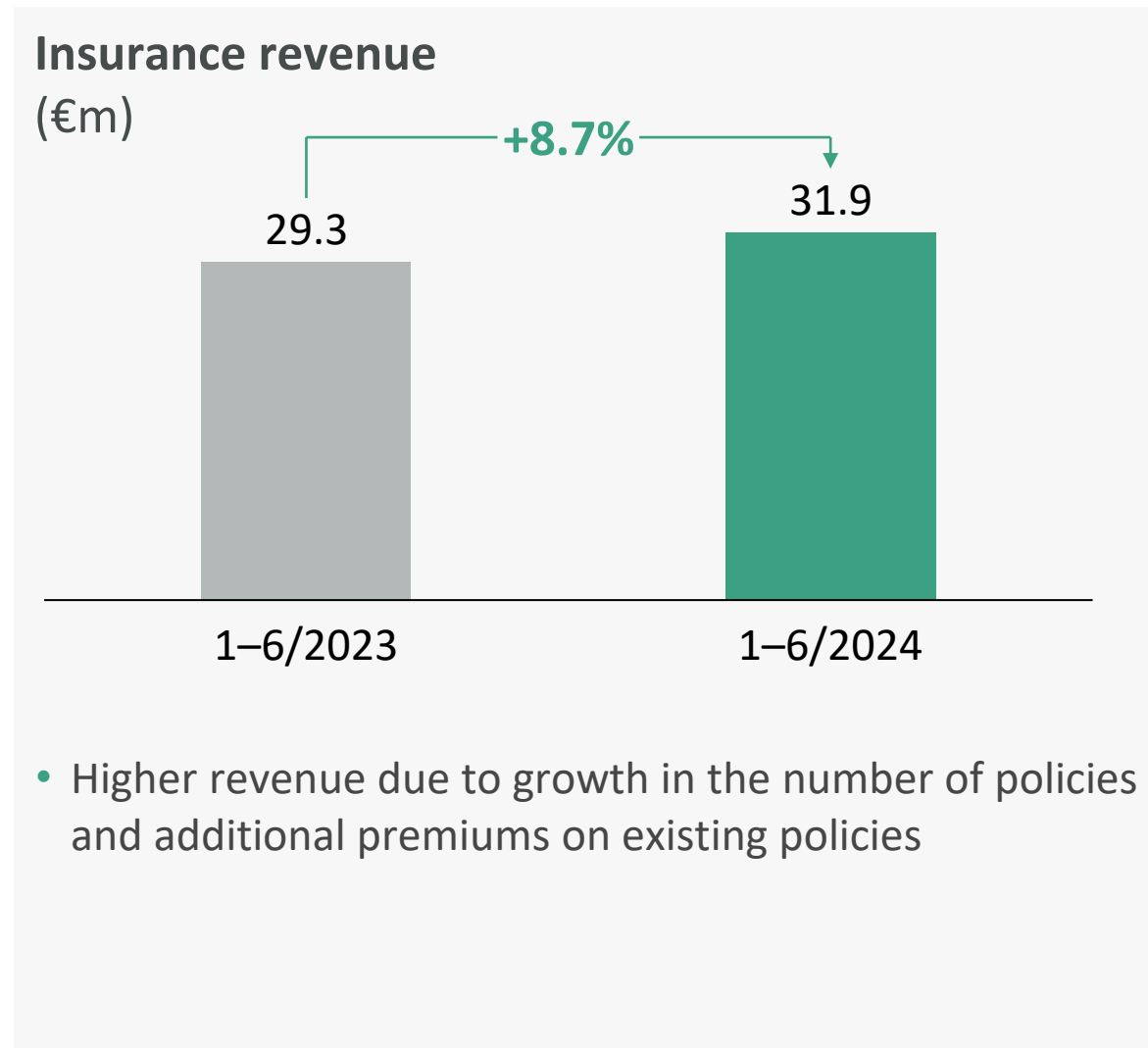
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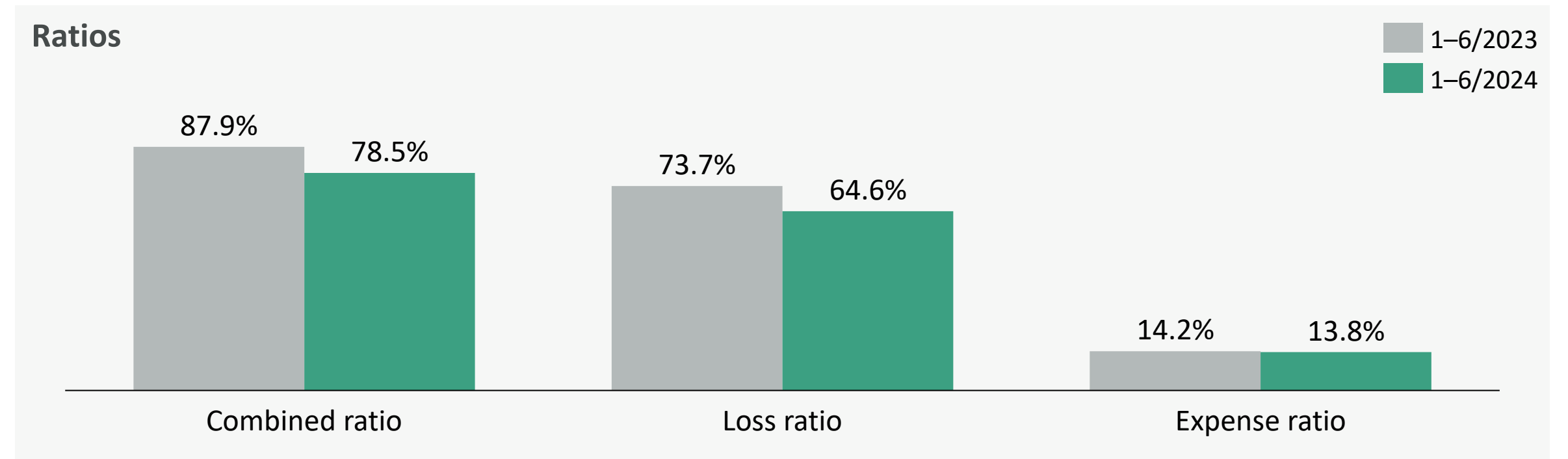
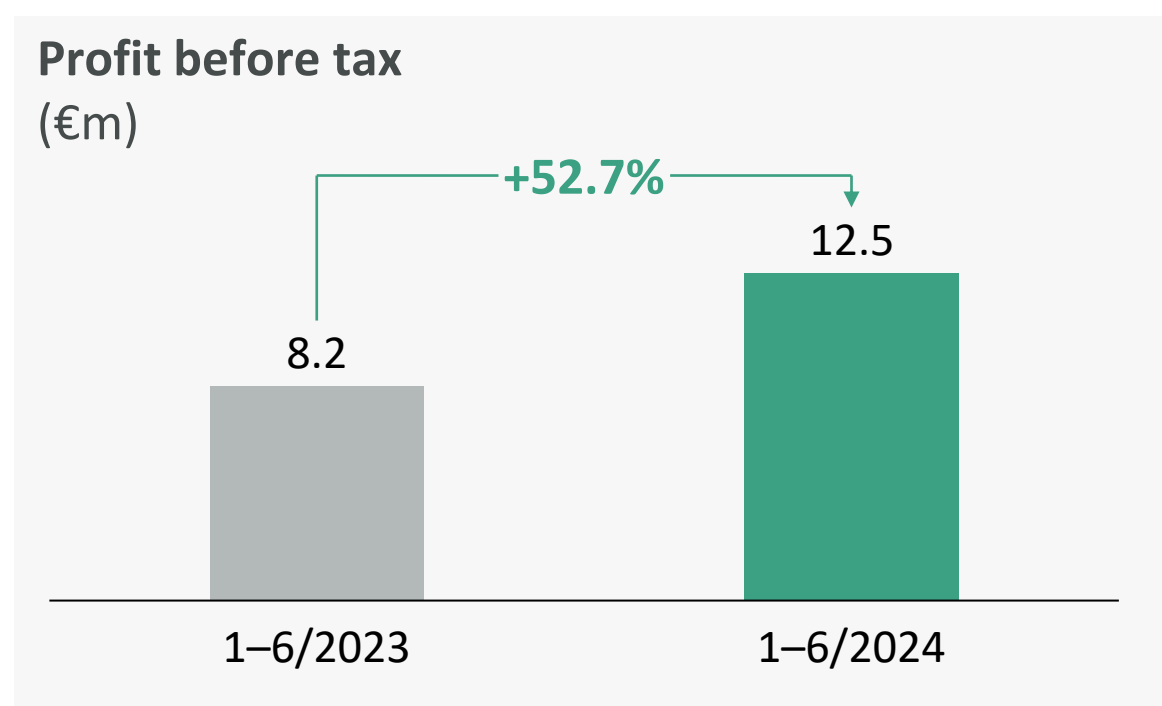
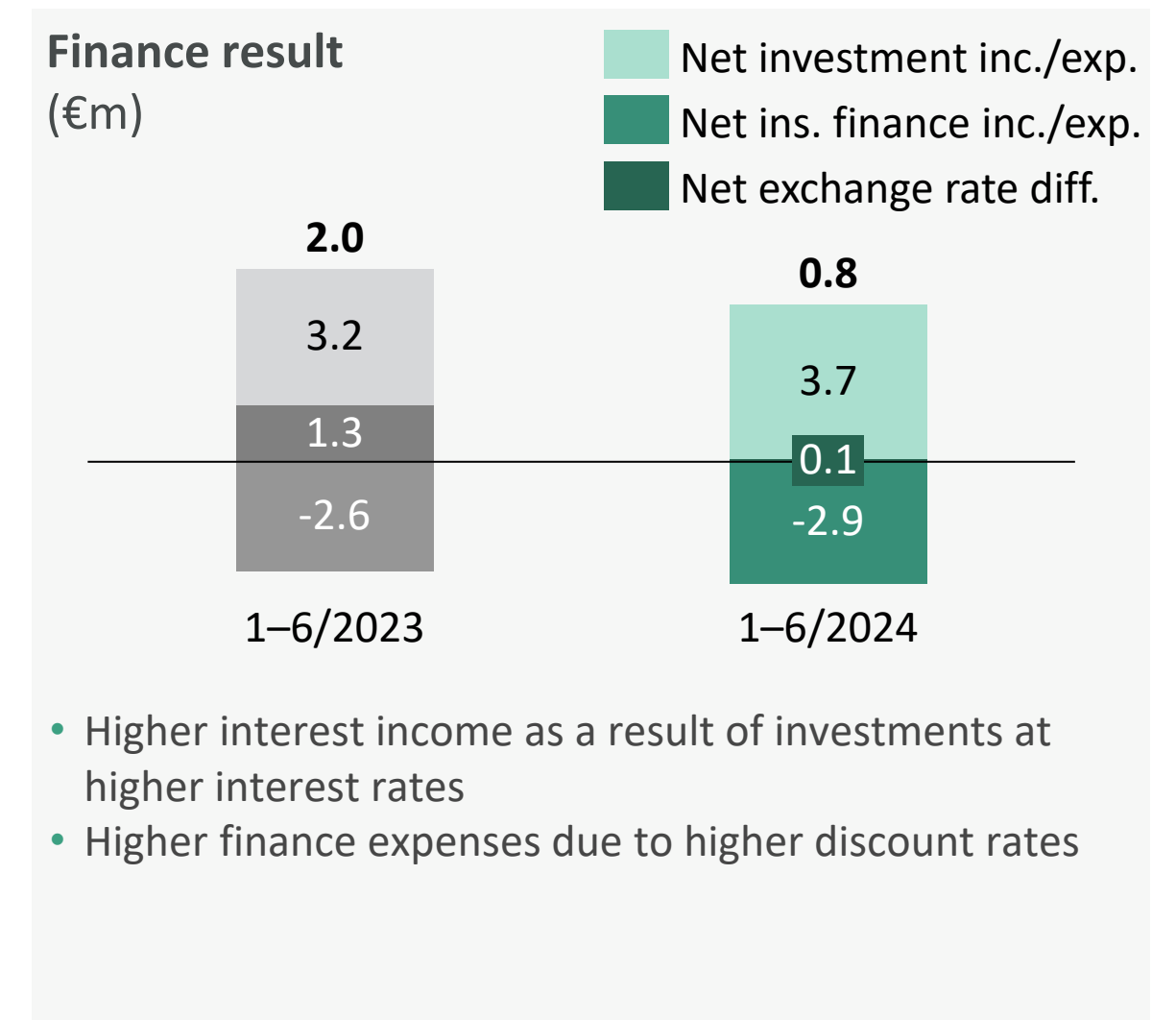
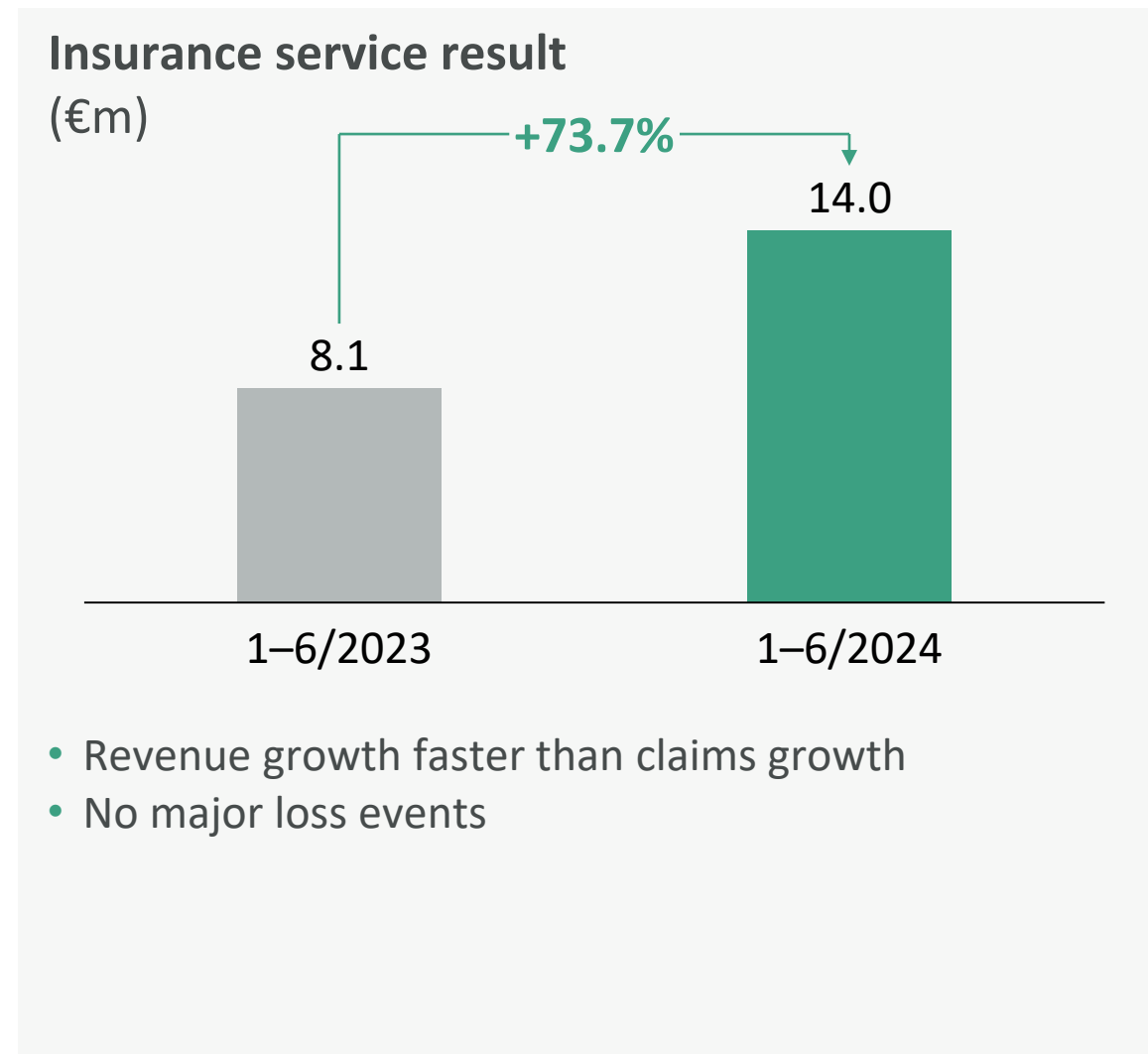
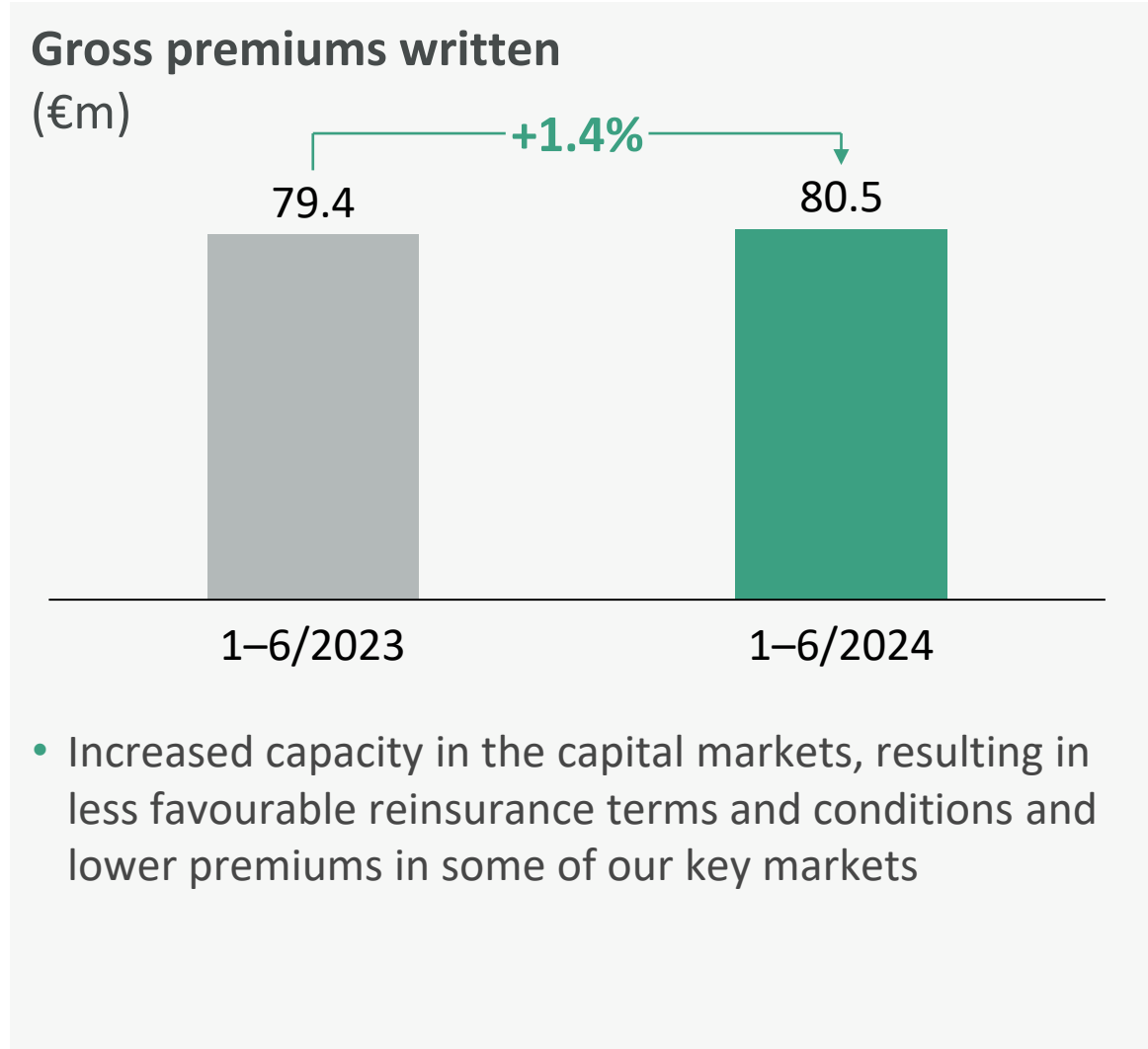
Non-life EU: Revenue growth and improved cost efficiency



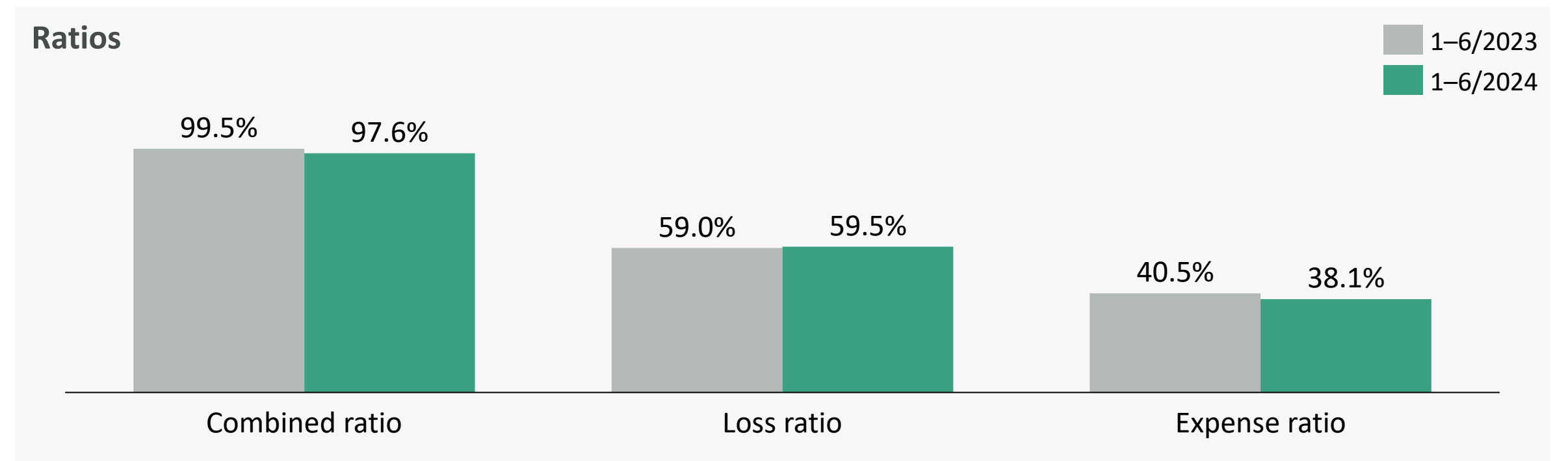
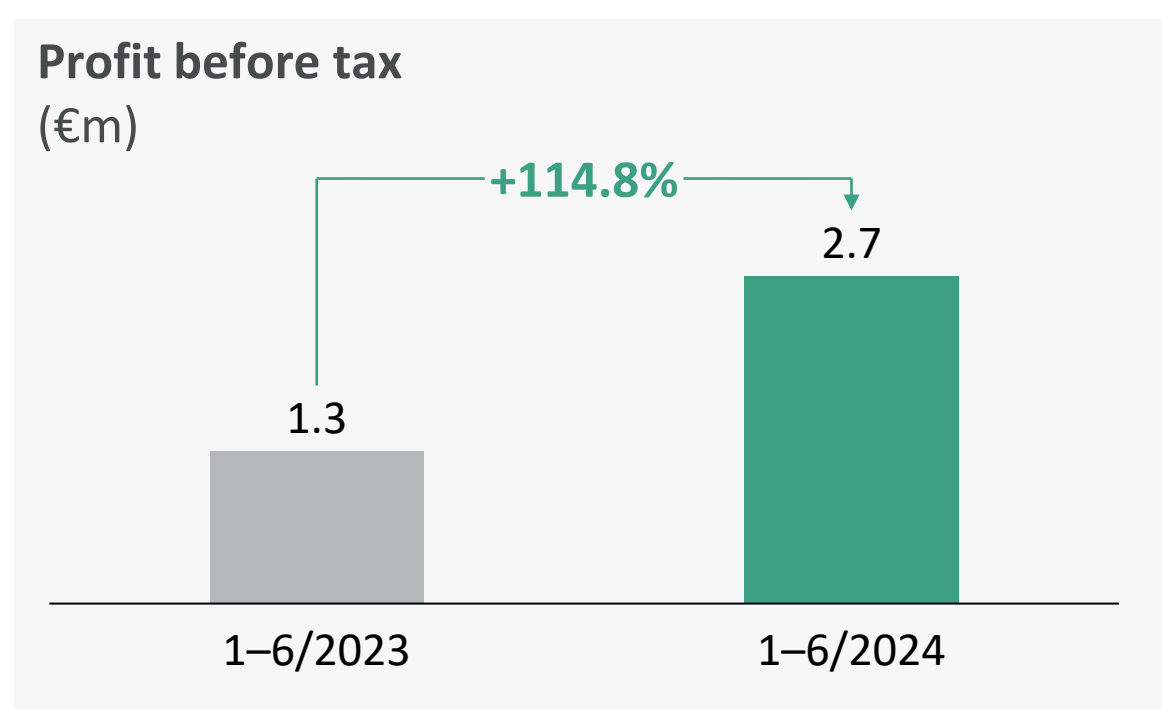
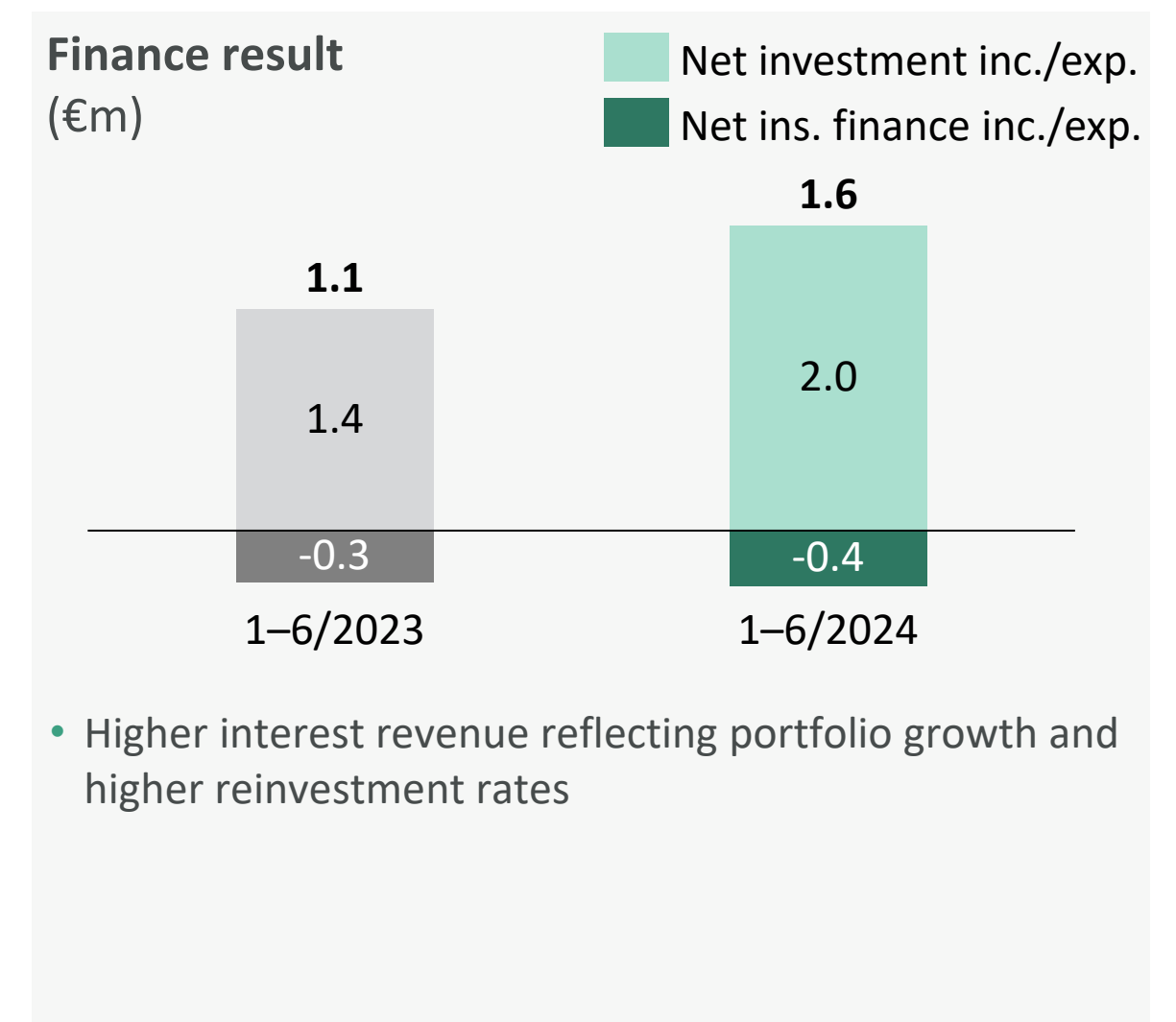
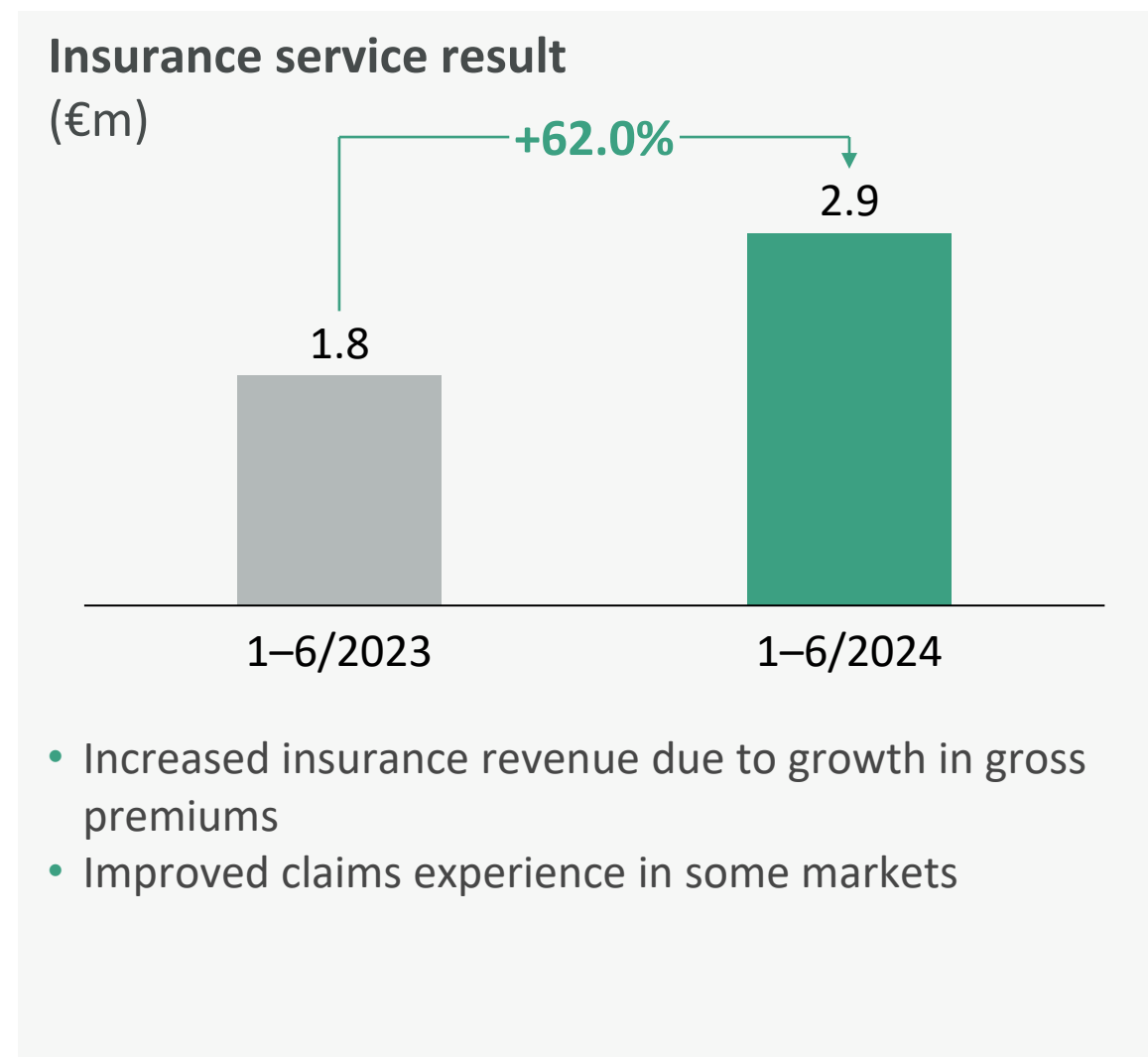
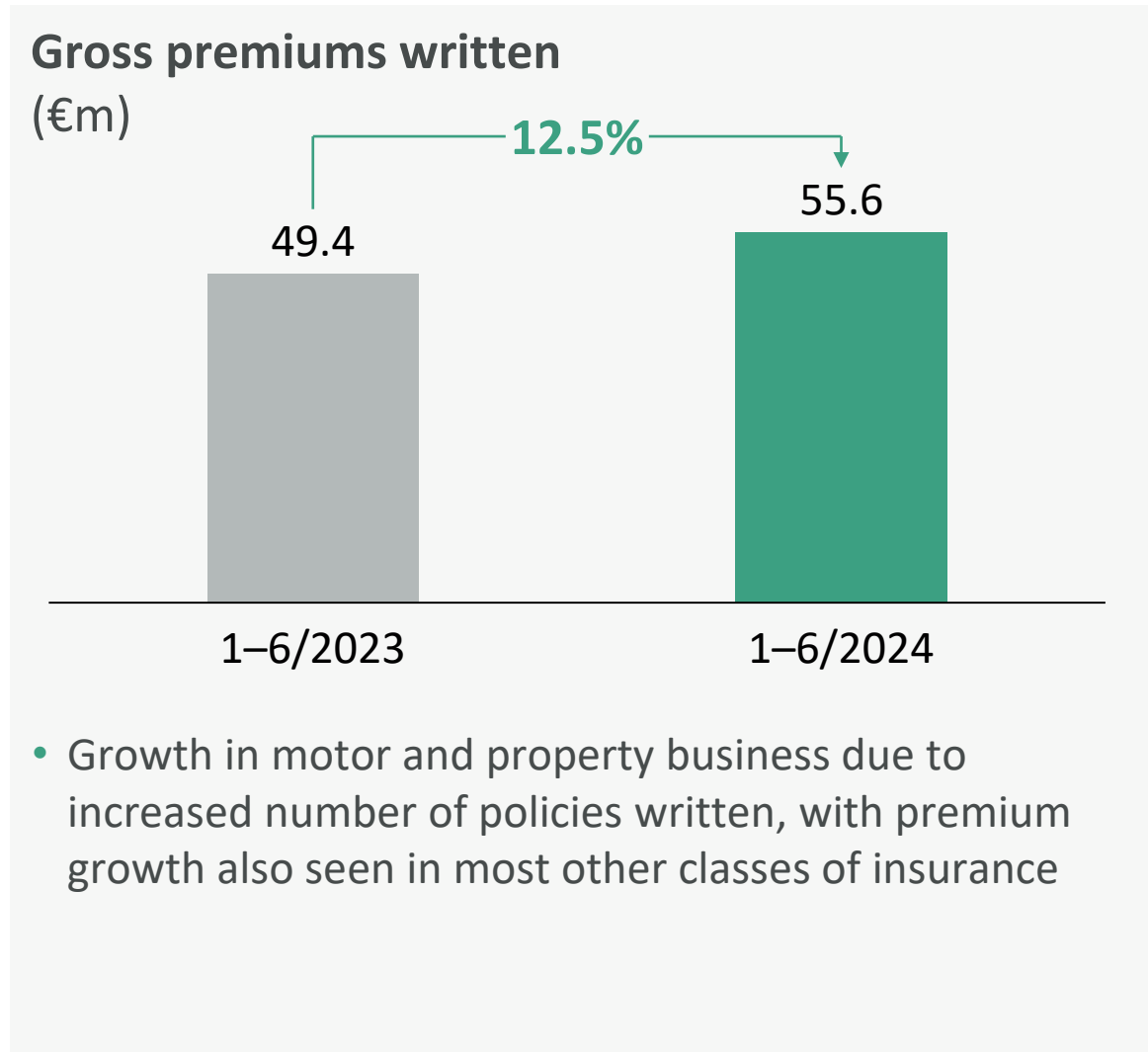
Life EU: robust growth in unit-linked premiums



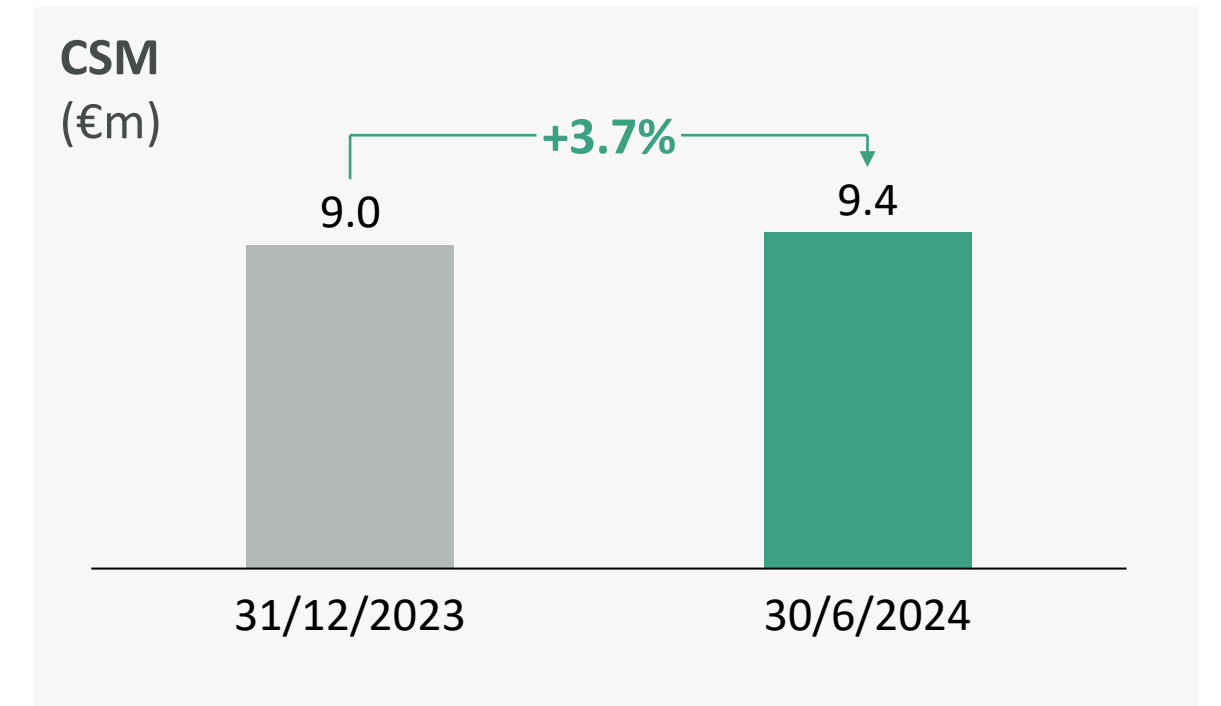
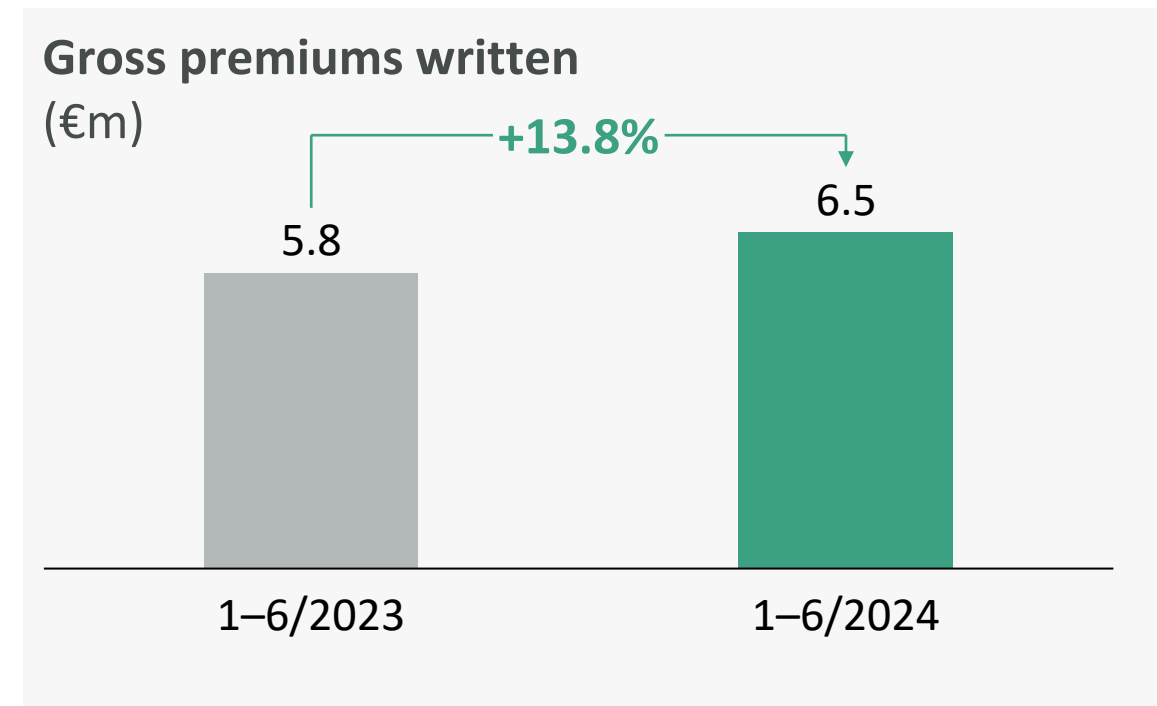
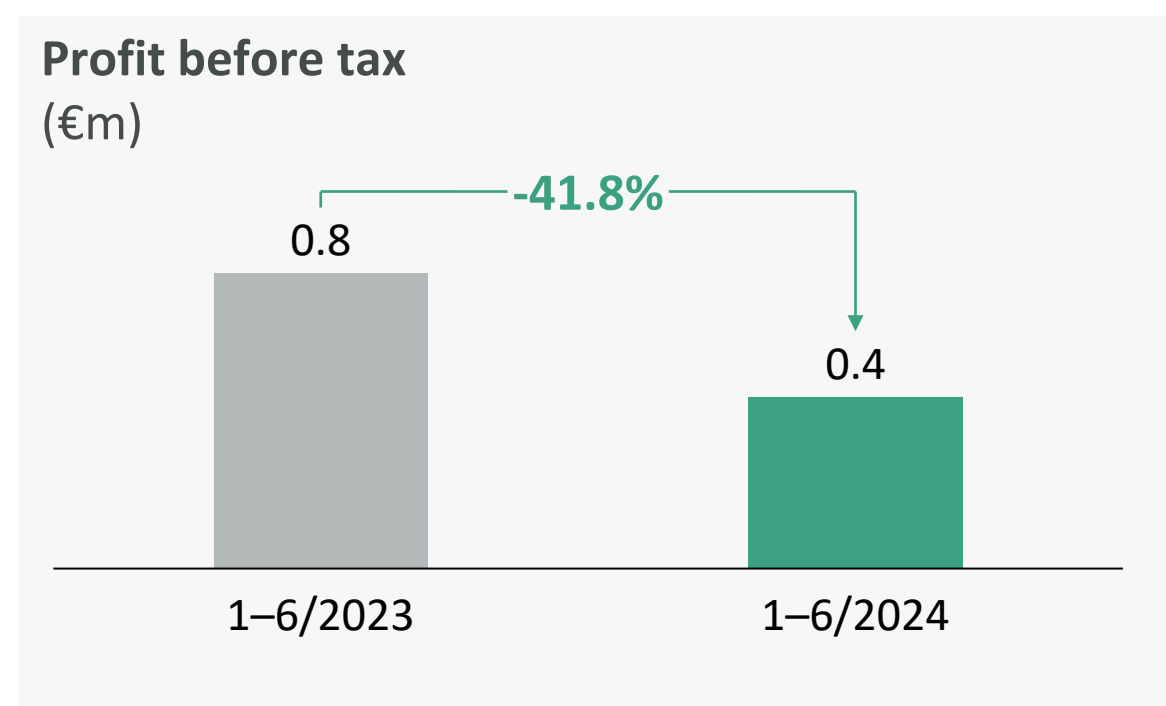
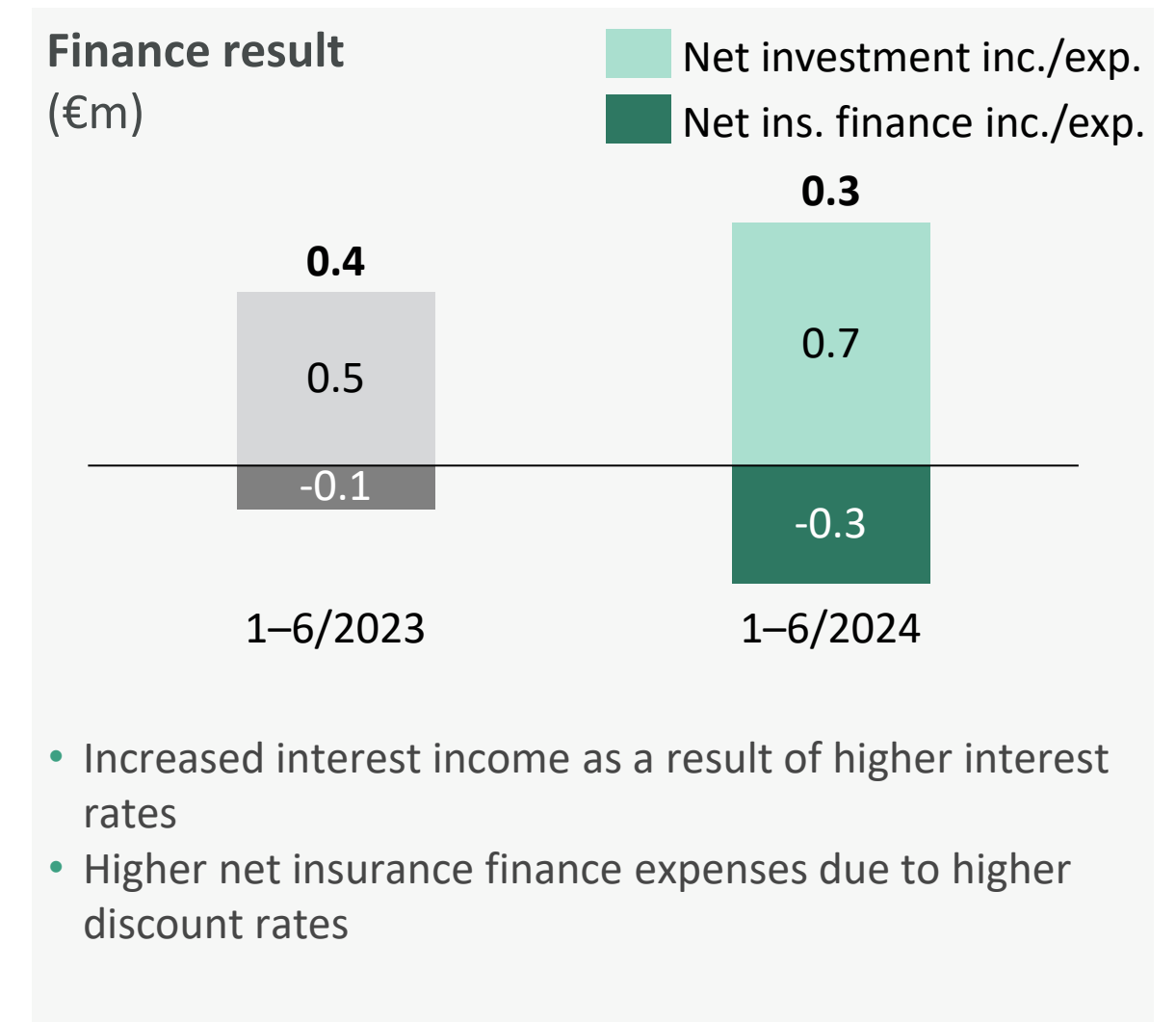
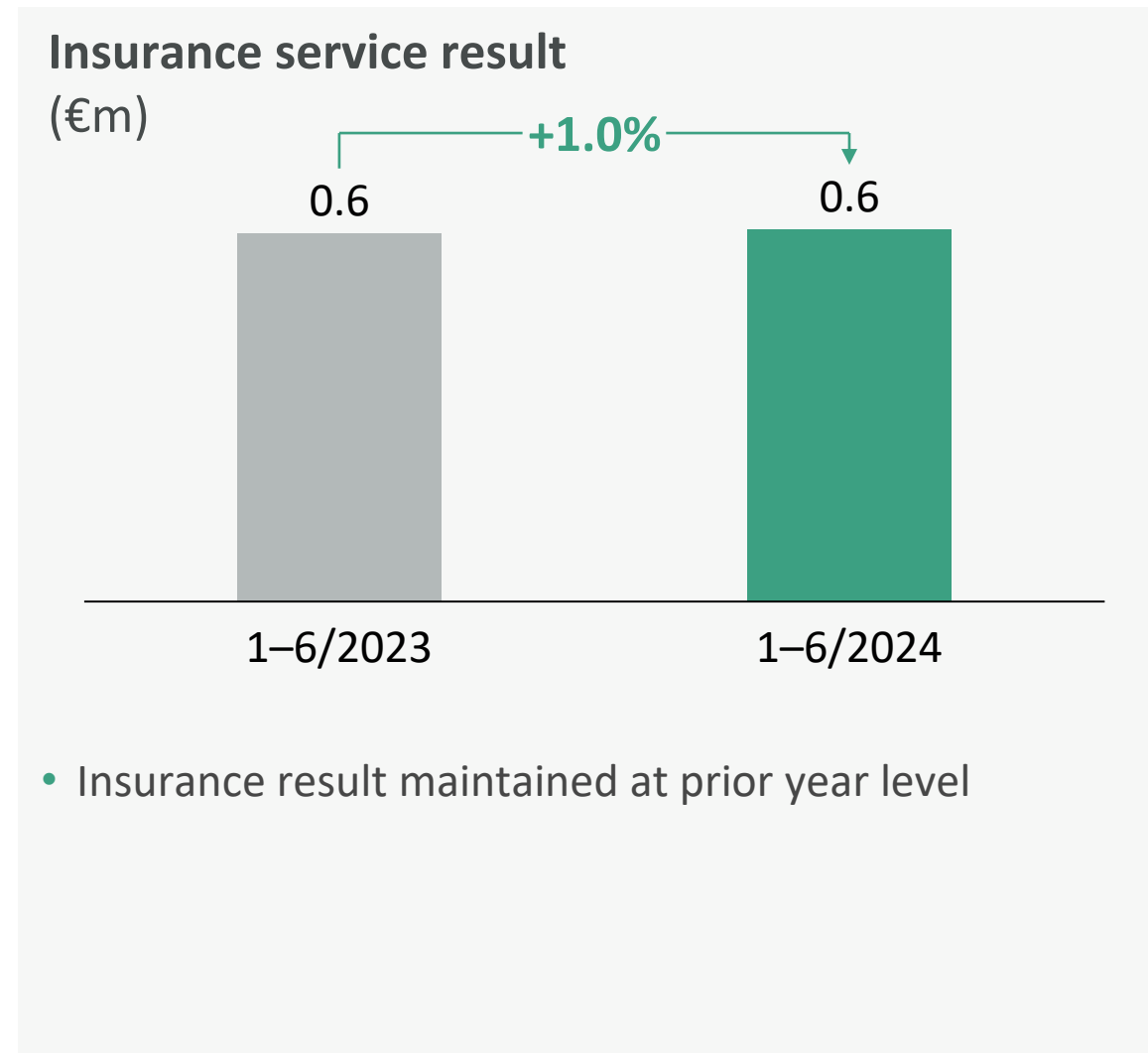
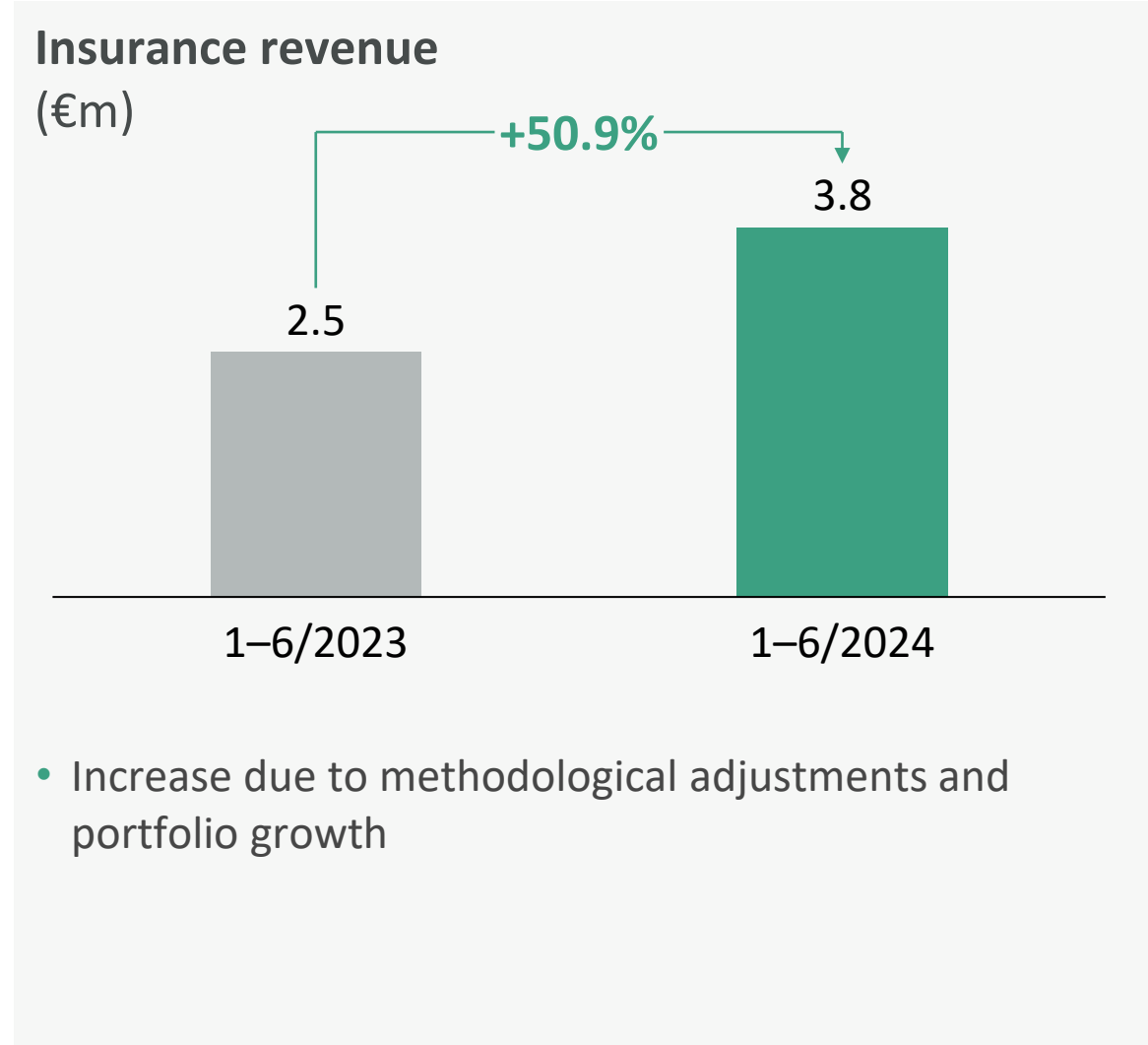
Reinsurance: no major loss events



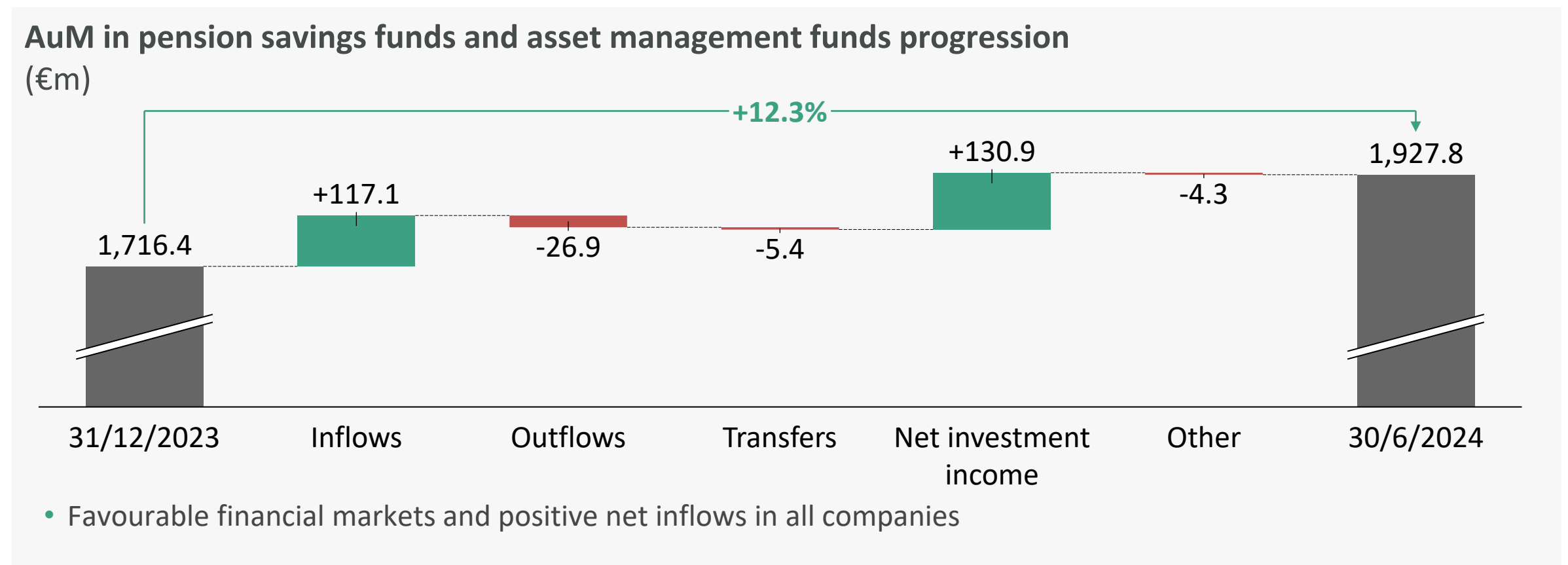
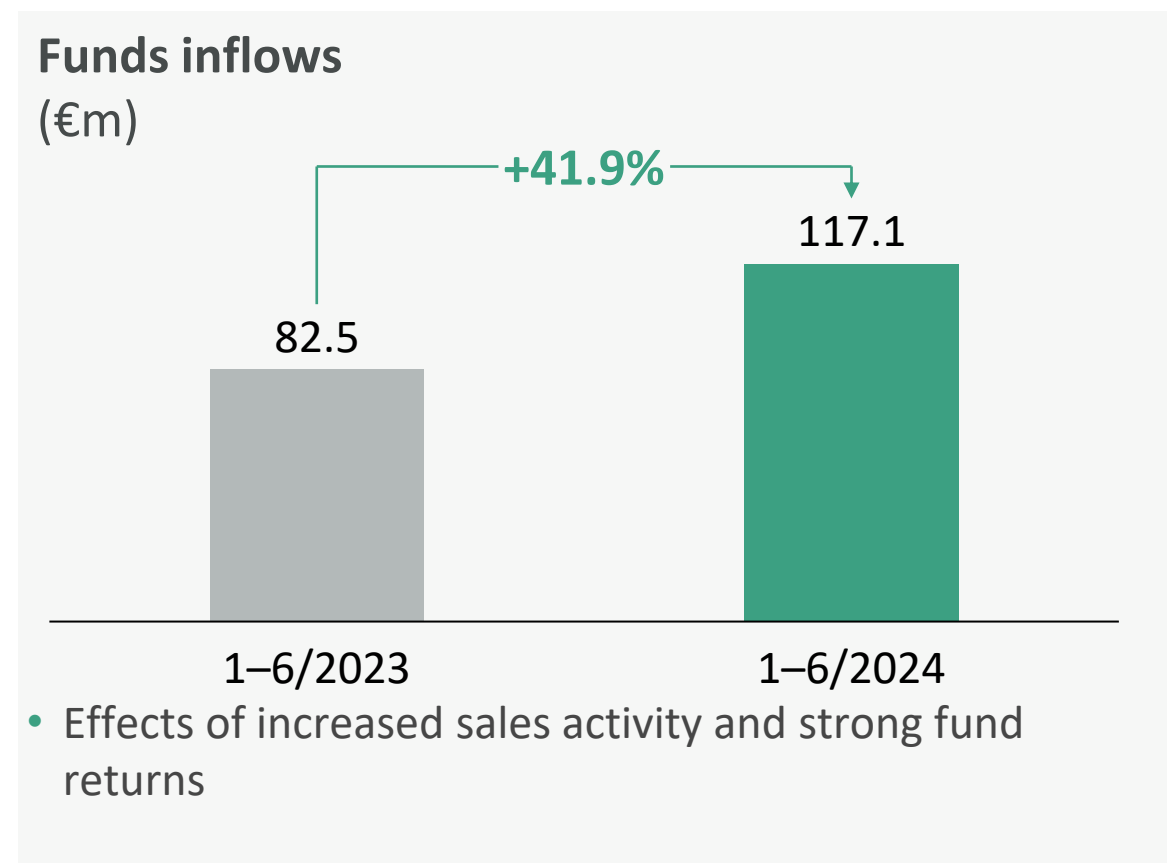
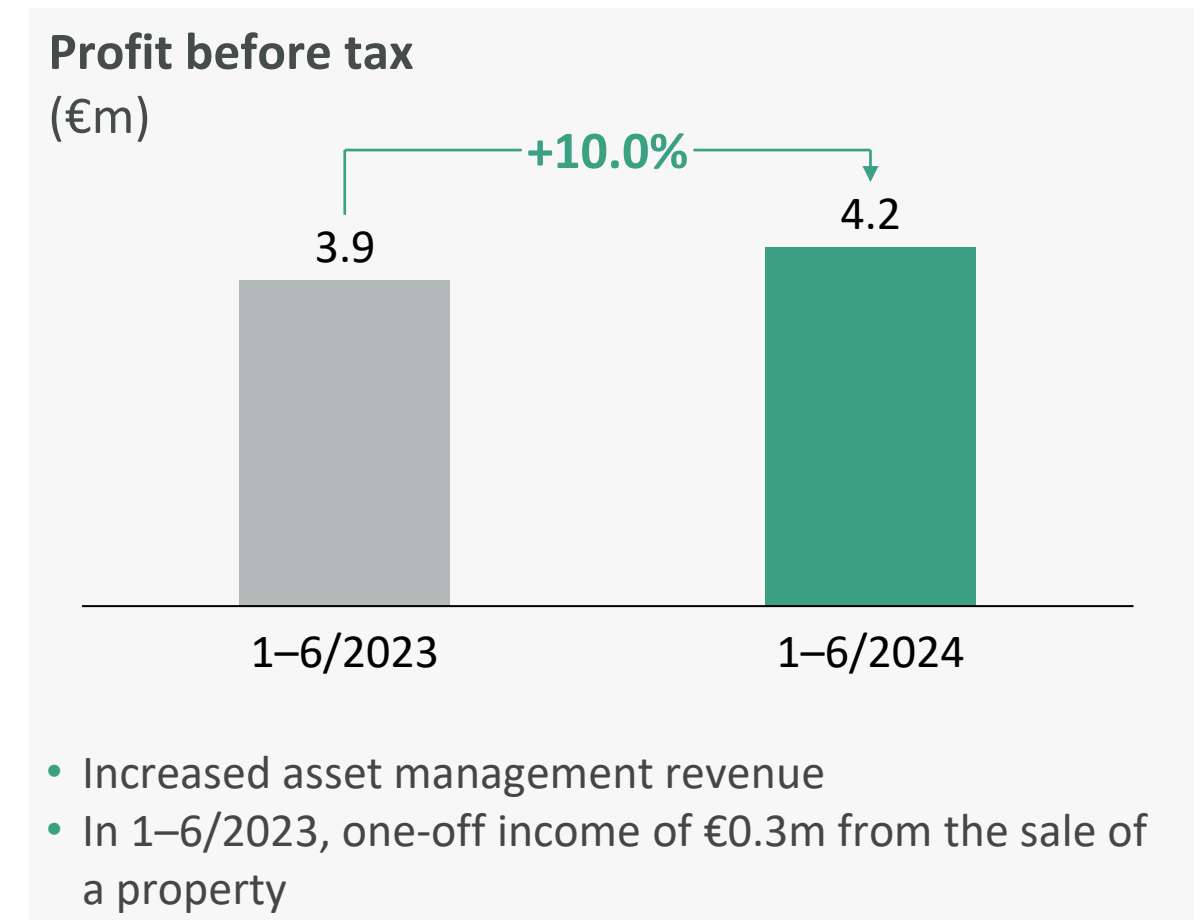
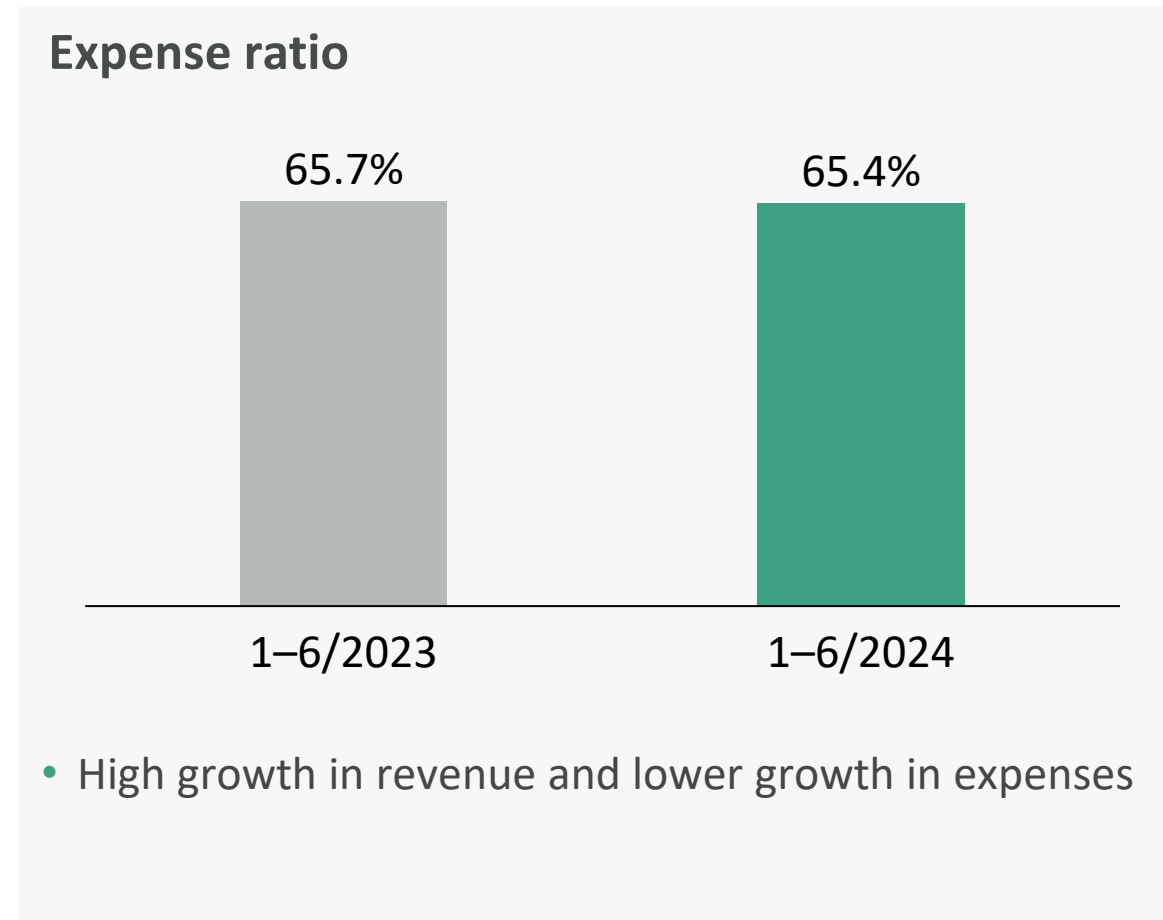
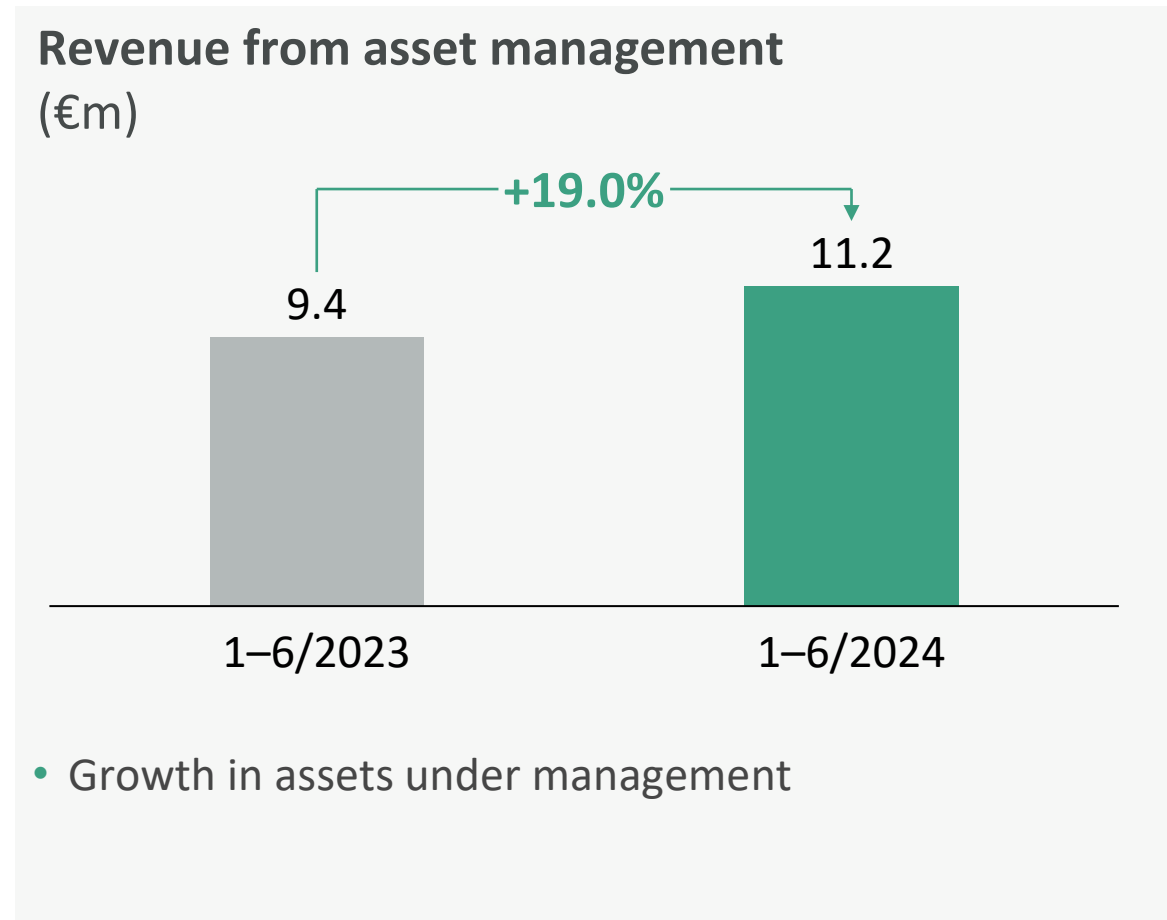
Non-life non-EU: strong premium growth and improved claims experience



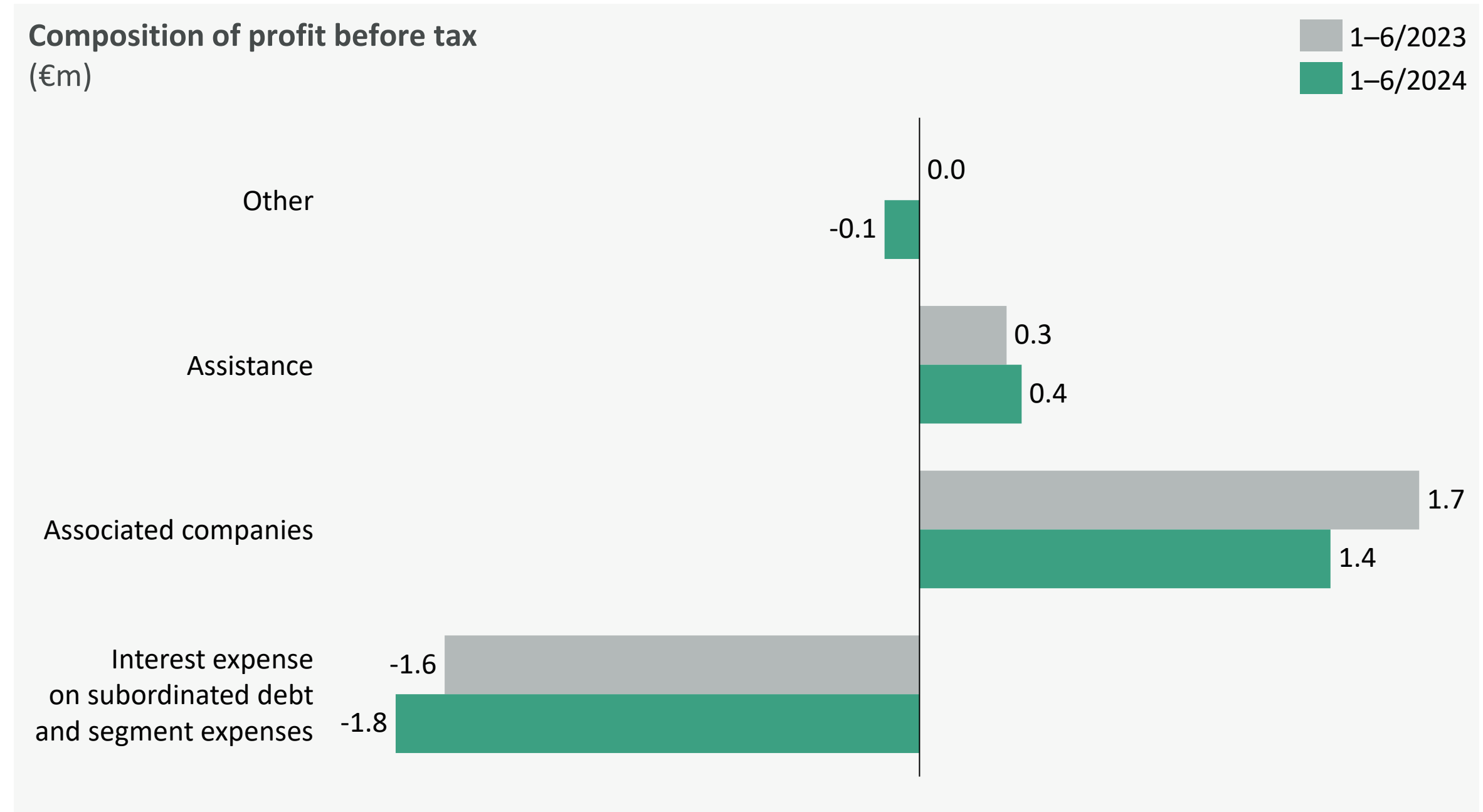
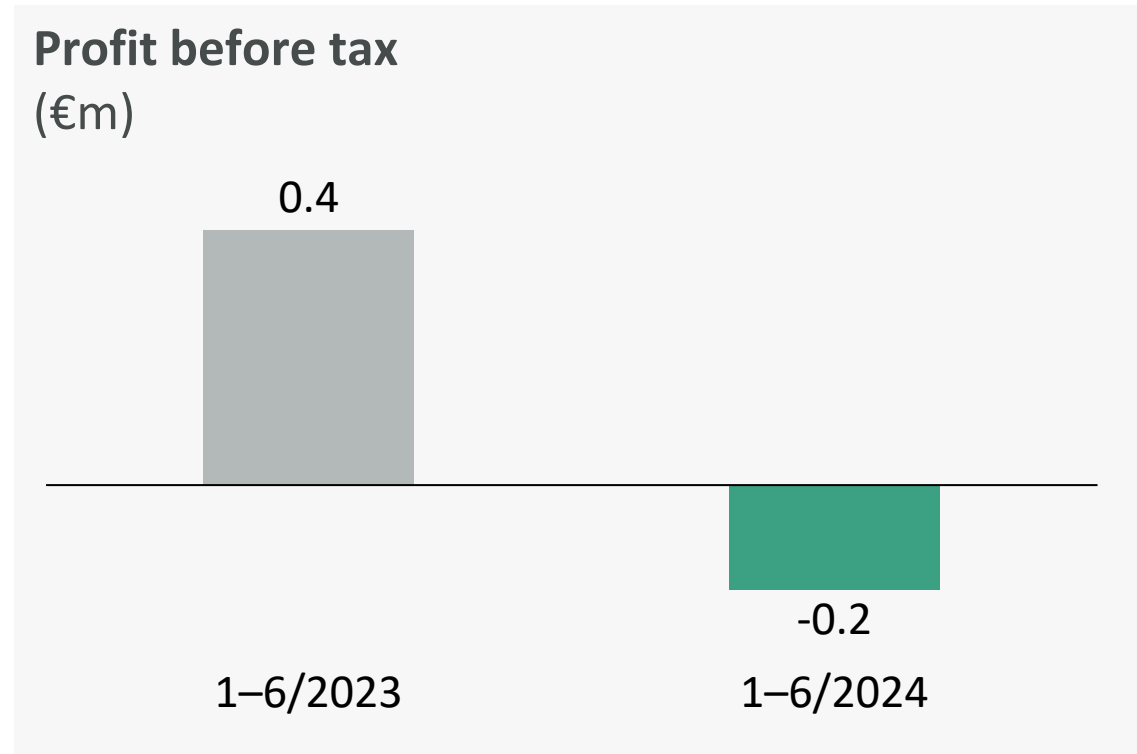
Life non-EU: revenue growth



Pensions and asset management: robust growth in net fund inflows



“Other” segment: one-off impacts

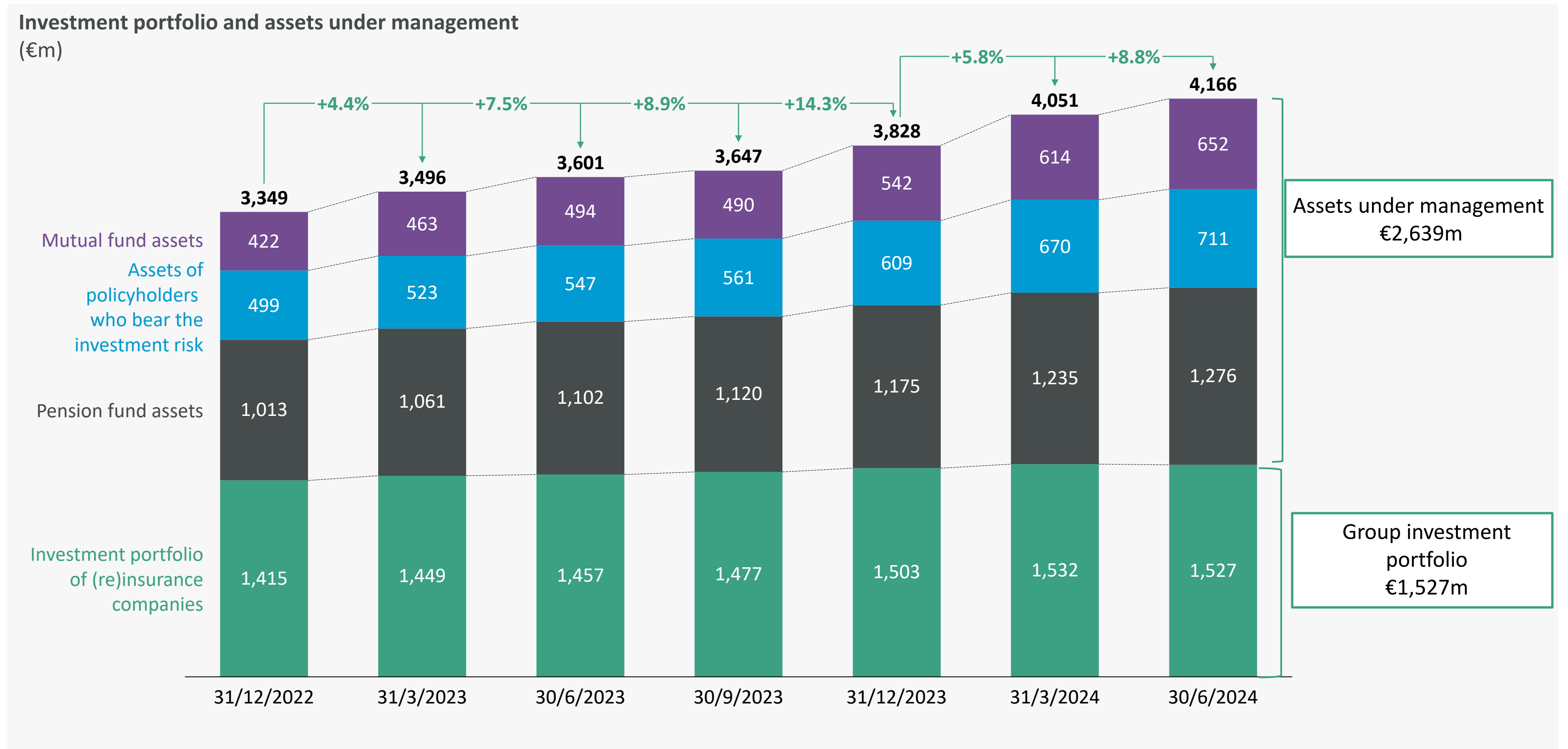


FINANCIAL
INVESTMENTS

03



Growth in assets under management



Improved return on investment portfolio

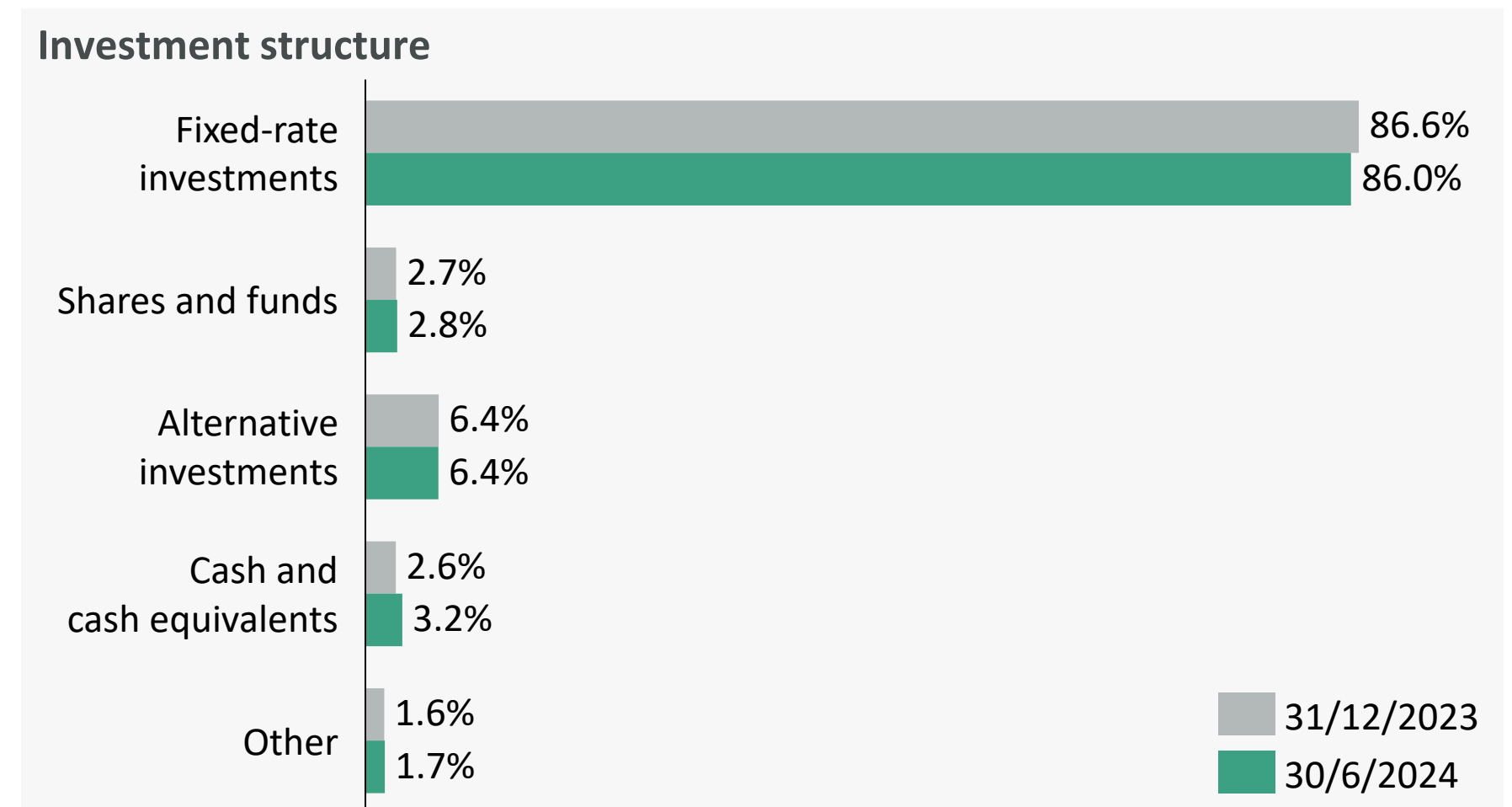
€m	1–6/2023	1–6/2024	Difference
Interest income at effective interest rate	9.3	12.5	3.3
Change in fair value of FVTPL assets	1.8	2.0	0.2
Gains/losses on disposal of assets	-0.1	0.1	0.3
Change in expected credit losses (ECL)	0.2	0.2	0.0
Other income/expenses from investments	4.5	3.9	-0.5
Net investment income	15.6	18.8	3.2
Rate of return	2.2%	2.5%	+0.3 pp

- Increased interest income due to the investment of positive cash flows and the reinvestment of maturing investments at higher interest rates
- Positive contribution from FVTPL portfolio driven by favourable equity and debt market performance



High share of fixed-rate investments

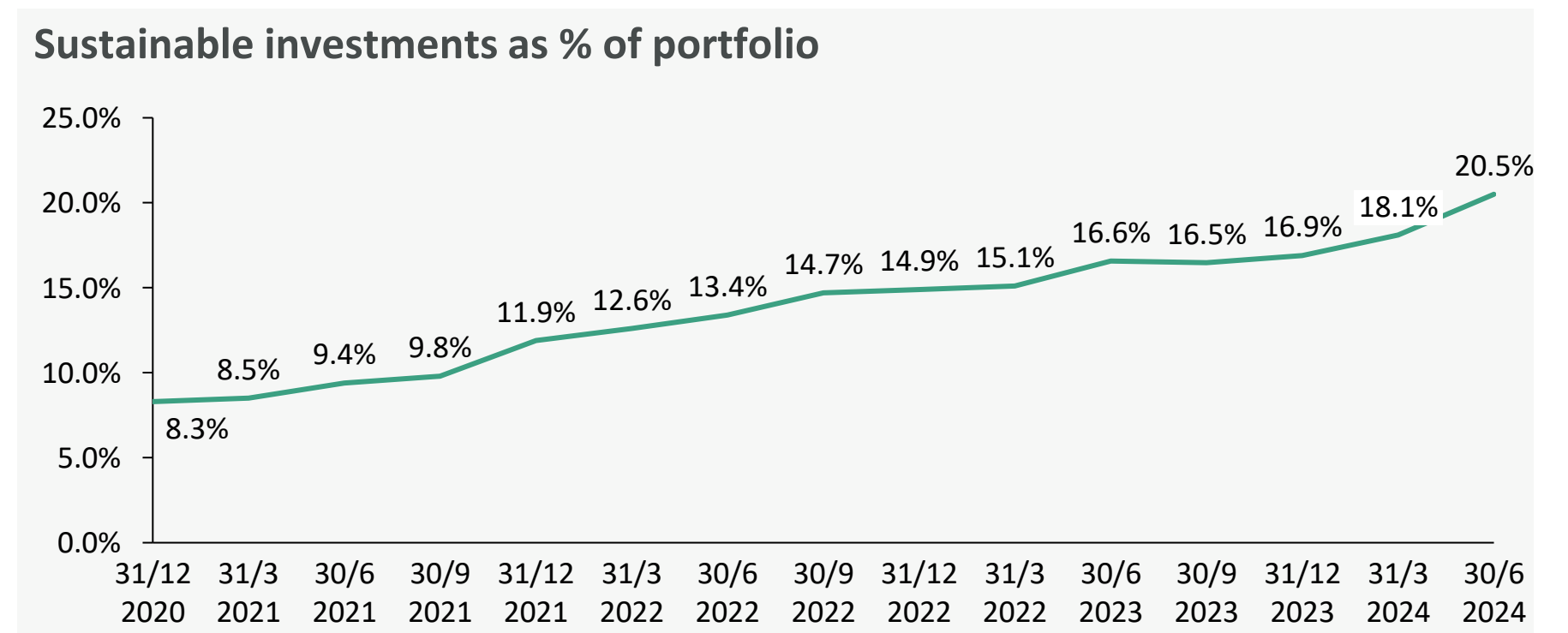
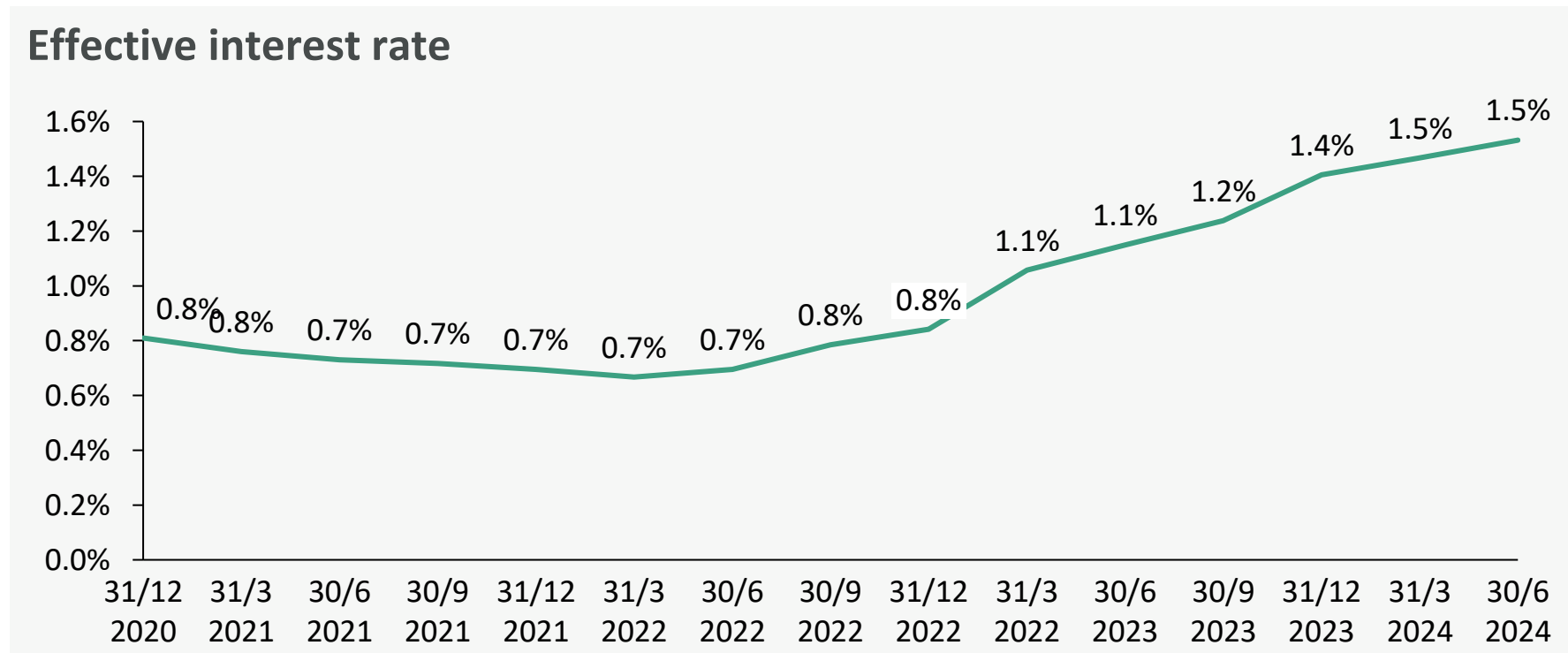
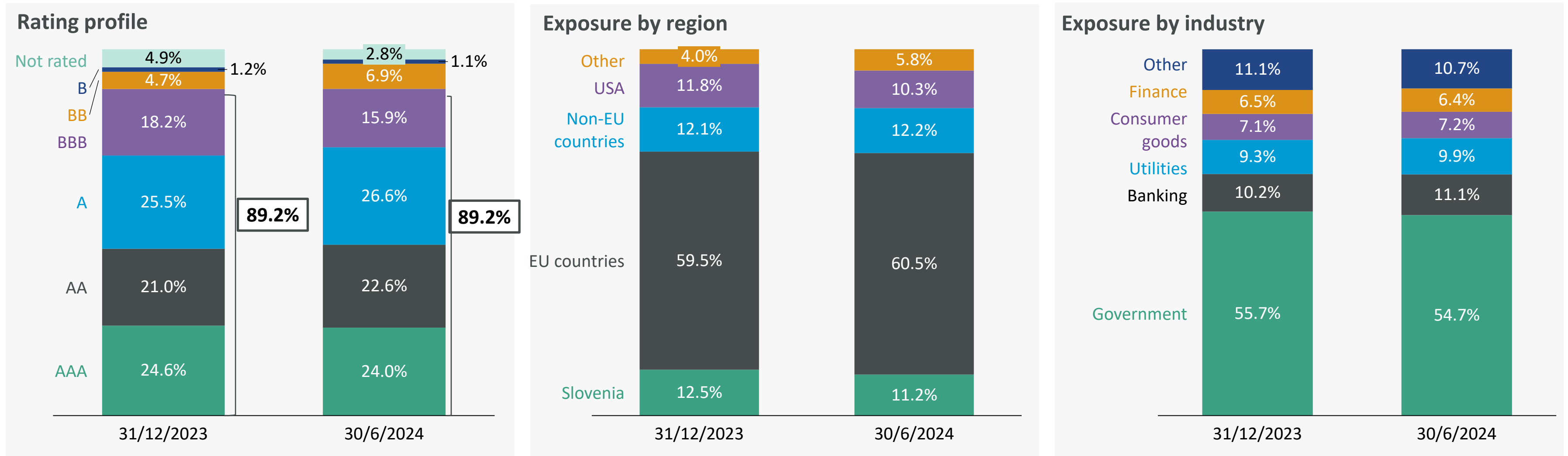
€m	31/12/2023	30/6/2024	Difference
Fixed-rate investments	1,302.4	1,312.8	10.4
Government bonds	818.8	811.3	-7.6
Corporate bonds	458.0	476.8	18.8
Deposits & CDs	25.6	24.8	-0.9
Shares and funds	40.3	42.3	2.0
Shares	21.8	22.4	0.7
Mutual funds	18.6	19.9	1.3
Alternative investments	96.1	97.2	1.1
Infrastructure funds	57.3	59.6	2.3
Real estate funds	13.9	12.9	-1.0
Investment property	24.9	24.7	-0.2
Cash and cash equivalents	39.8	49.2	9.3
Other	24.6	25.9	1.3
Total investment portfolio	1,503.3	1,527.4	24.1



- Investing in highly rated government and corporate bonds to maintain a safe and liquid portfolio
- Reinvestment yield for the second quarter at approximately 3.4%



Secure and stable investment portfolio



POSR SHARE AND
DIVIDEND POLICY

04



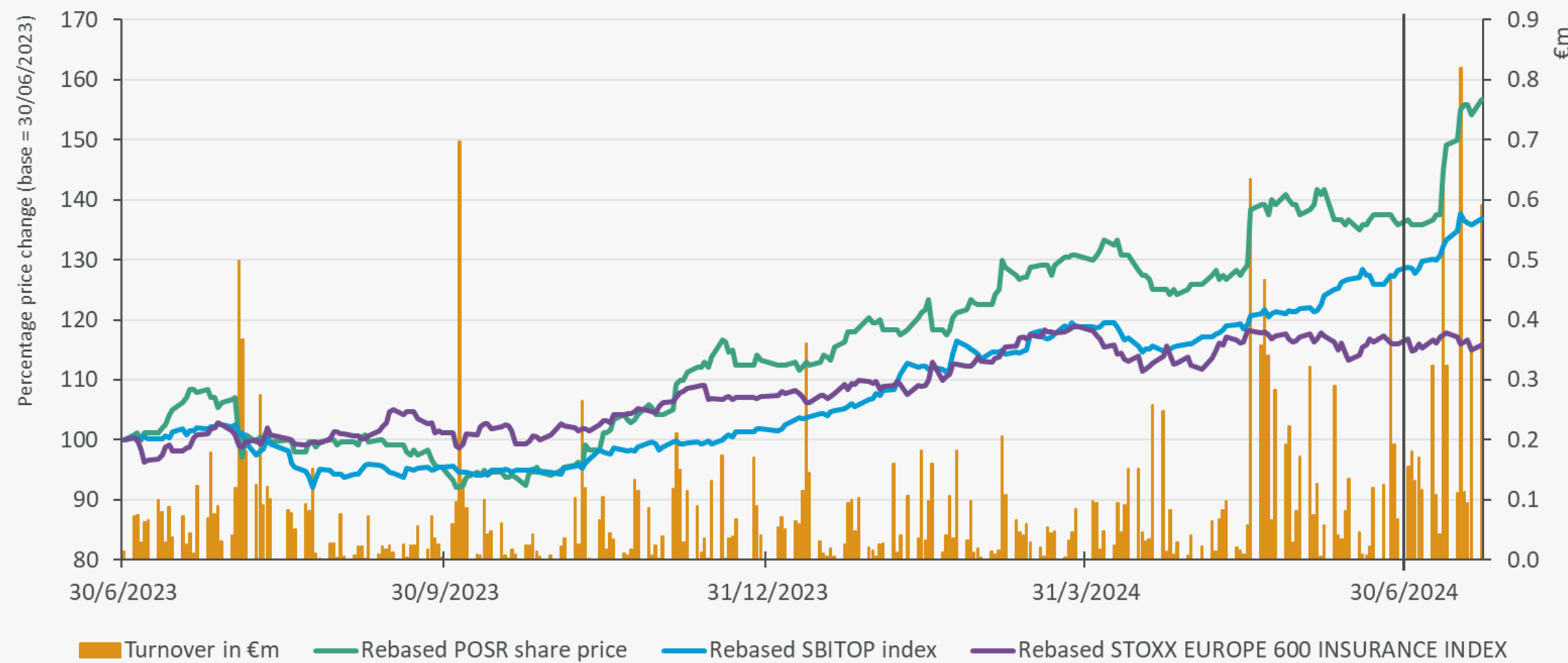
Shareholders and share trading



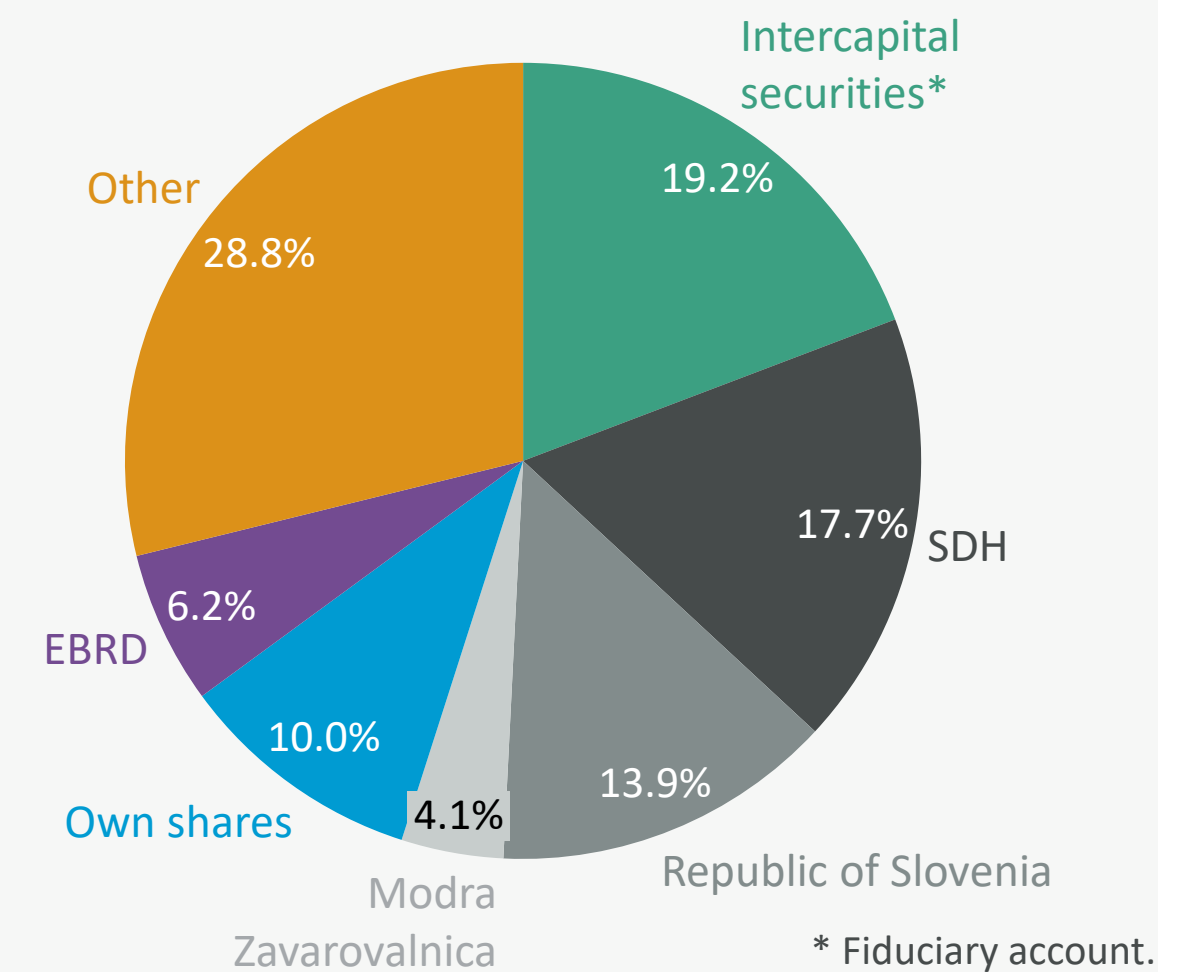
Book value of share
30 June 2024
€38.63

	30/6/2024
Share capital (€m)	71.9
Market capitalisation (€m)	505.2
Trading symbol	POSR
No. of shares	17,219,662
No. of own shares	1,721,966
No. of shareholders	4,379

Price performance of POSR, SBITOP index and STOXX EUROPE 600 INSURANCE INDEX and turnover

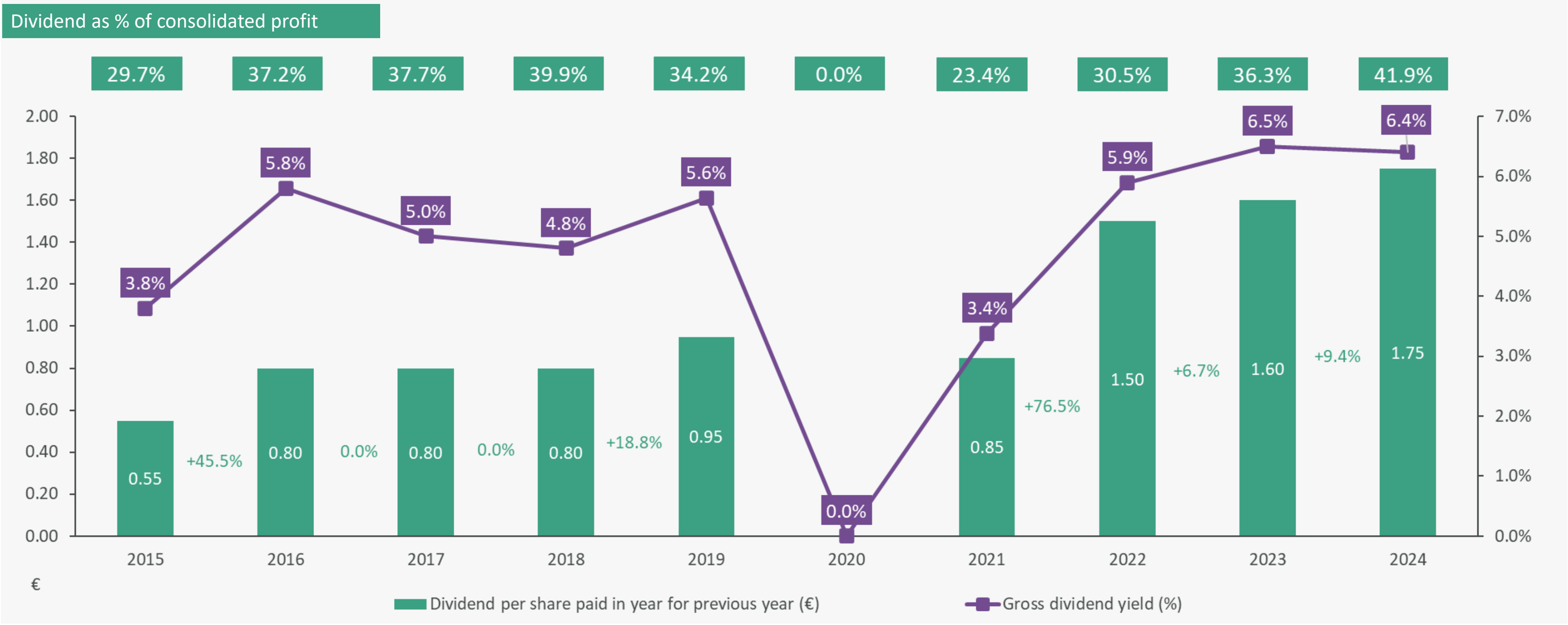


Shareholders structure as at 30 June 2024



High dividend yield

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



- On 27 May 2024, the general meeting of shareholders approved the dividend proposal of €27,120,968 or **€1.75** gross per share.

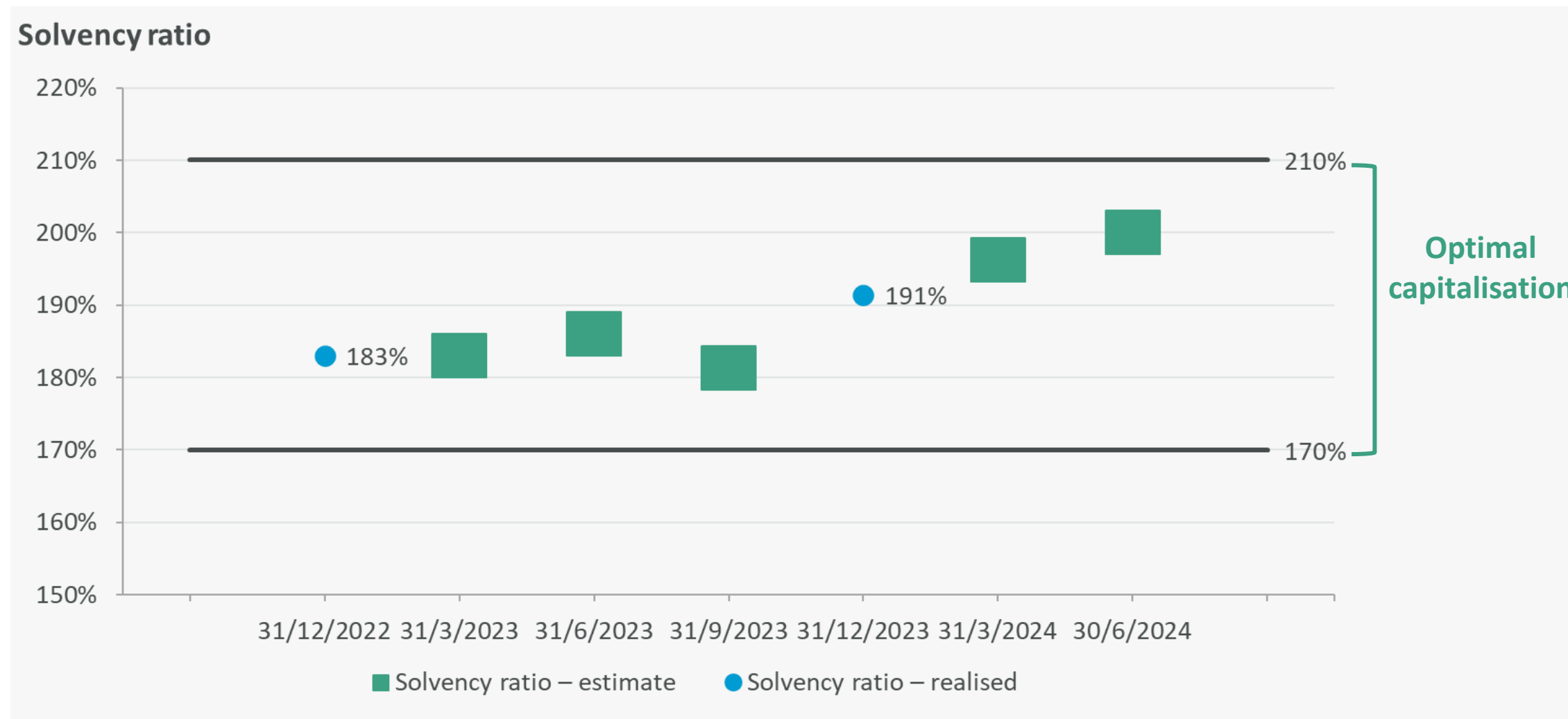


SOLVENCY
POSITION

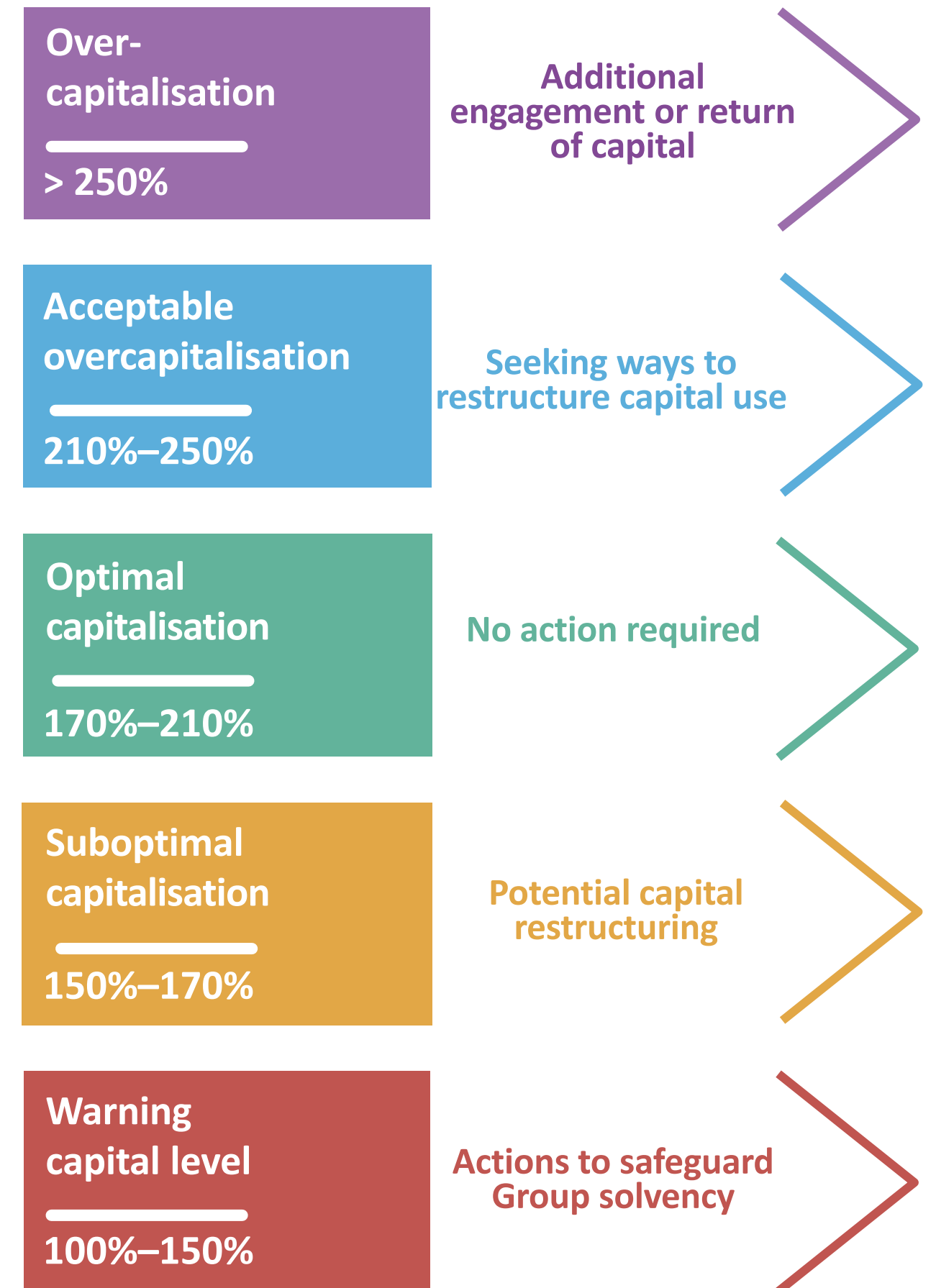
05



Solid solvency position



The Solvency and Financial Condition Report of the Sava Insurance Group for 2023 has been published on the websites of the Company and the Ljubljana Stock Exchange.





Thank you.

For more information: ir@sava-re.si



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Disclaimer

FORWARD-LOOKING STATEMENTS

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

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Sava Re assumes no obligation to adjust any forward-looking statements or other information contained in this document to reflect future events or developments.

