

3 Shareholders and share trading

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3.1 Capital market developments and impacts on the POSR share price

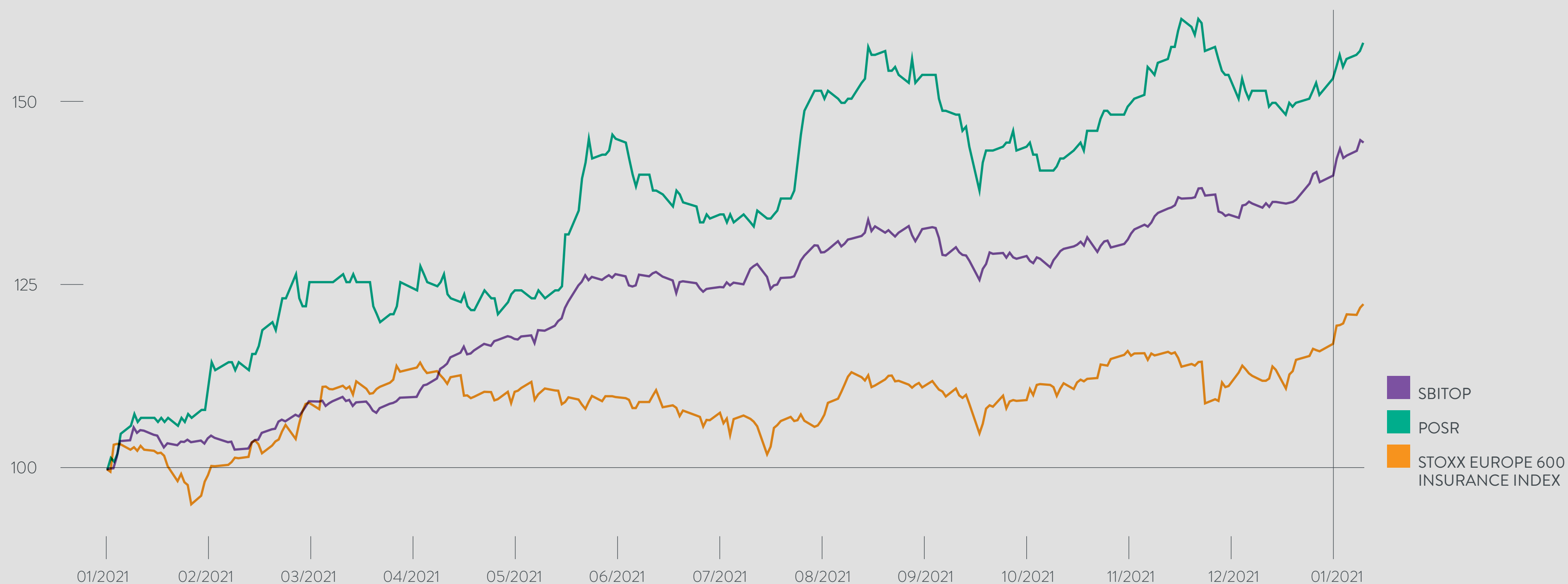
The year 2021 was positive for the Sava Re share price, as it rose from EUR 18.5 at the beginning of 2021 to EUR 27.9 at the end of the year. During the period, the share price peaked at EUR 29.8, and the period low was EUR 18.5.

With a growth rate of 50.8% in 2021, Sava Re shares significantly outperformed the European insurance sector index (SXIP), which gained 15.3% over

the same period. They also outperformed the index of the Ljubljana Stock Exchange (SBITOP), which rose by 38.9%.

In 2021, the turnover in Sava Re shares was EUR 22.9 million, a decline from the 2020 turnover of EUR 28.7 million. The average daily turnover in 2021 was EUR 91,863, compared to EUR 115,787 in 2020.

Movement in the POSR share price in 2021 compared to the SBITOP index and the STOXX Europe 600 insurance index in % (1 January 2021 = 100)



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3.2 General information on the share

50.8%
rise
in share price

Basic details about the POSR share

| | 31 December 2021 | 31 December 2020 |
|---|--|------------------|
| Share capital | 71,856,376 | 71,856,376 |
| Number of shares | 17,219,662 | 17,219,662 |
| Ticker symbol | POSR | POSR |
| Number of shareholders | 4,274 | 4,248 |
| Type of share | | ordinary |
| Listing | Ljubljana Stock Exchange, prime market | |
| Number of own shares | 1,721,966 | 1,721,966 |
| Consolidated earnings per share (EUR) | 4.91 | 3.63 |
| Consolidated book value per share (EUR) | 32.53 | 29.70 |
| Share price at end of period (EUR) | 27.90 | 18.50 |
| Market capitalisation (EUR) | 432,385,718 | 286,707,376 |
| | 2021 | 2020 |
| Average share price during reporting period (EUR) | 25.13 | 16.91 |
| Period low (EUR) | 18.50 | 13.40 |
| Period high (EUR) | 29.80 | 20.60 |
| Turnover in reporting period (EUR) | 22,873,820 | 28,715,190 |
| Average daily turnover (EUR) | 91,863 | 115,787 |

The composition of shareholders in terms of domestic and international shareholders has not changed significantly in 2021. Domestic ownership increased by 0.3 p.p. to 66.4%. There was also a slight rise in the total percentage holdings of the top ten shareholders in 2021, from 76.4% to 76.9%.

Shareholder structure of Sava Re as at 31 December 2021¹¹

| Type of investor | Domestic investor | International investor |
|-----------------------------------|-------------------|------------------------|
| Insurance and pension companies | 18.3% | 0.0% |
| Other financial institutions* | 18.0% | 15.8% |
| Republic of Slovenia | 13.9% | 0.0% |
| Natural persons | 10.7% | 0.1% |
| Investment funds and mutual funds | 2.6% | 0.1% |
| Other commercial companies | 2.9% | 1.0% |
| Banks | 0.0% | 16.6% |
| Total | 66.4% | 33.6% |

* The other financial institutions item includes Slovenian Sovereign Holding with a stake of 17.7%.

Fiduciary accounts with banks, attorneys and other financial institutions altogether account for 23.6% of all POSR shares.

Consolidated
book value per share

€32.53

¹¹ Source: KDD d.d. central securities register and own calculations.

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Composition of the Sava Re share capital

Ten largest shareholders and qualifying shareholders under the Slovenian Takeover Act as at 31 December 2021¹²

| | Shareholder | Number of shares | Holding (%) | % voting rights |
|----|--|-------------------|--------------|-----------------|
| 1 | Slovenski Državni Holding d.d. (Slovenian Sovereign Holding) | 3,043,883 | 17.7% | 19.6% |
| 2 | Intercapital Securities Ltd., fiduciary account | 2,565,981 | 14.9% | 16.6% |
| 3 | Republic of Slovenia | 2,392,436 | 13.9% | 15.4% |
| 4 | Sava Re d.d., own shares* | 1,721,966 | 10.0% | - |
| 5 | European Bank for Reconstruction and Development (EBRD) | 1,071,429 | 6.2% | 6.9% |
| 6 | Raiffeisen Bank Austria, fiduciary account | 800,106 | 4.6% | 5.2% |
| 7 | Modra Zavarovalnica d.d. | 714,285 | 4.1% | 4.6% |
| 8 | Hrvatska Poštanska Banka – fiduciary account | 379,665 | 2.2% | 2.4% |
| 9 | Guaranteed civil servants' sub-fund | 320,346 | 1.9% | 2.1% |
| 10 | Kapitalska Družba d.d. – SODPZ | 238,109 | 1.4% | 1.5% |
| | Total | 13,248,206 | 76.9% | 74.4% |

* Own shares carry no voting rights.

On 2 June 2016, Sava Re received a notice from Adris Grupa d.d., Vladimira Nazora 1, 52210 Rovinj, Croatia (hereinafter: Adris Grupa), advising Sava Re of a change in major holdings in Sava Re. On 2 June 2016, Adris Grupa, including its subsidiaries with fiduciary accounts, held 3,278,049 POSR shares, representing 19.04% and 21.15% of issued and outstanding shares, respectively. The Company has received no subsequent notice of any change in holding from Adris Grupa d.d.

POSR shares held by members of the supervisory and management boards as at 31 December 2021

| | Number of shares | Holding (%) |
|--|------------------|---------------|
| Marko Jazbec | 10,365 | 0.060% |
| Jošt Dolničar | 4,363 | 0.025% |
| Polona Pirš Zupančič | 3,748 | 0.022% |
| Peter Skvarča | 850 | 0.005% |
| Total management board | 19,326 | 0.112% |
| Andrej Gorazd Kunstek | 2,900 | 0.017% |
| Total supervisory board | 2,900 | 0.017% |
| Total management and supervisory boards | 22,226 | 0.129% |

As at 31 December 2021, the top five largest Sava Re shareholders exceeded the 5% threshold (qualifying holding in accordance with article 77 of the Slovenian Takeover Act, ZPre-1).

Of the management and supervisory board members only Marko Jazbec, chairman of the Sava Re management board, increased his holdings in 2021, from 8,888 shares to 10,365. The holdings of the other members of the management and supervisory boards did not change in 2021. Mateja Živec resigned from her position as an employee representative on the supervisory board at the end of 2021.

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¹² Source: Central securities register KDD d.d.

All Sava Re shares are ordinary registered shares with no par value; all were issued in book-entry form and are of the same class.

The shares give their holders the following rights:

- the right to participate in the Company’s management, with one share carrying one vote in the general meeting;
- the right to a proportionate part of the Company’s profit (dividend);
- the right to a corresponding part of the remaining assets upon the liquidation or bankruptcy of the Company.

Pursuant to the Sava Re articles of association and the applicable legislation, current Sava Re shareholders also hold pre-emptive rights entitling them to take up shares in proportion to their existing shareholding in any future stock offering; their pre-emptive rights can only be excluded under a resolution to increase share capital adopted

by the general meeting by a majority of at least three quarters of the share capital represented.

Share transfer restrictions

All Sava Re shares are freely transferable.

Holders of securities carrying special control rights

Sava Re has issued no securities carrying special control rights.

Own shares

In the period from 1 January 2021 to 31 December 2021, Sava Re did not repurchase any own shares. The total number of own shares as at 31 December 2021 was 1,721,966, representing 10% less one share of all issued shares.

Dividend

At the 37th general meeting held on 25 May 2021, the shareholders adopted the proposal of the management and supervisory boards to use EUR 13,173,041.60 of the profits for dividends. The dividend was EUR 0.85 gross per share and was paid out on 10 June 2021 to the shareholders listed in the shareholders’ register on 9 June 2021. The amount of the dividend is in line with the recommendations of the Insurance Supervision Agency and does not put at risk the financial position, i.e. the solvency and liquidity, of the Company or Group.

Contingent capital

The Company had no conditional equity as at 31 December 2021.

Details on dividends¹³

| EUR | For 2013 | For 2014 | For 2015 | For 2016 | For 2017 | For 2018 | For 2019 | For 2020 |
|----------------------------|-----------|-----------|---------------------------------------|------------|------------|------------|----------|------------|
| Amount of dividend payment | 4,386,985 | 9,065,978 | 12,398,157 | 12,398,157 | 12,398,157 | 14,722,811 | 0 | 13,173,042 |
| Dividend per share | 0.26 | 0.55 | ordinary: 0.65 extraordinary: 0.15 | 0.80 | 0.80 | 0.95 | - | 0.85 |
| Dividend yield | 2.0% | 3.8% | 5.8% | 5.0% | 4.8% | 5.6% | - | 3.4% |

¹³ Current year dividend distributions from distributable profits of the previous year. The dividend yield was calculated as the ratio of the dividend per share to the rolling average share price in the past 12-month period.

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3.3 Responsibility to investors¹⁴

Our investors, i.e. our shareholders, and analysts are important stakeholders of Sava Re, and the Company maintains transparent, professional and comprehensive relationships with them.

As a Ljubljana Stock Exchange first listing company, we respect the principle of equal treatment and public information. In our communications, we follow recommendations for the uniform informing of all shareholders, and through public announcements we enable the simultaneous and transparent provision of information in accordance with the financial calendar. In so doing, we build trust among our shareholders and other potential investors in the Company and its POSR share. Key information is published in accordance with the financial calendar on the Company's website and via the Ljubljana Stock Exchange SEOnet system. In 2021, there were 64 public notifications both in Slovenian and English.

In addition, Sava Re communicates in compliance with the Slovenian Financial Instruments Market Act (ZTFI-1), the Company's Act (ZGD-1), the mentioned recommendations of the Ljubljana Stock Exchange for listed companies, the Corporate Governance Code for Listed Companies, the rules of procedure of the supervisory board and the Company's internal communication rules.

The objective of the Company is to set up an open communication channel with investors. We want to achieve awareness of the real value the Sava Re and Sava Insurance Group brand and consequently everything that investing in the POSR share entails. In 2021, we continued with our efforts to improve the liquidity of the POSR share. Our responsibility to the investors is reflected in our cooperation and in setting up a two-way relationship using various communication tools. In 2021, we carried out these activities adjusting them to current restrictions and recommended measures:

- In 2021, we attended – in person and on-line – conferences for investors and analysts in Slovenia and abroad, and participated in webcasts organised by the Ljubljana Stock Exchange. We strengthened our brand among international institutional investors through presentations at investment conferences, maintaining a focus on long-term investors.
- We communicated with investors via email and conference calls.
- We extended the agreement on the provision of market-making services for the Sava Re share with the stock exchange member Interkapital Vrijednosni Papiri d.o.o. until 2023.
- Following the announcement of our unaudited results, we broadcast our press conference, at which we presented the Group and the Company's operations in the past year and informed the public about our plans for the future.

- All shareholders, Slovenian and foreign, were sent our annual letter to shareholders via direct mail and were invited to the annual general meeting, where they could exercise their voting rights regarding Company matters.
- Following each publication of business results, all registered investors, shareholders and other representatives of the financial public received an email informing them of the public notification.

Timely and consistent information for investors, shareholders and other representatives of the financial public is provided on our official website at www.sava-re.si, on the Investors sub-page, containing all relevant information regarding fluctuations in the POSR share price, key indicators and dividends, financial reports and analyses, and the financial calendar. The website also features a calendar of past investment conferences as well as the material presented at these events. Also announced are the events we will be attending in the coming year.

We are available to investors, shareholders and analysts at the office of the management board and compliance, at the phone number +386 (0)1 47 50 200 and via email for investor relations at ir@sava-re.si.

¹⁴ GRI 102-42, 102-43.

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