



Triglav Group



Q1 2023 Results

Investor Presentation

Building a
Safer Future.

May 2023

Key Messages

- Increased total business volume, sound investment result, stable CSM and favorable CoR confirm robust profitability of our business model.
- PBT lower on y-o-y due to inflationary pressures, higher claim intensity and effects of methodological decisions (IFRS 17¹)
- Triglav Group well capitalized (estimated solvency ratio of 202%)
- MB & SB proposal of EUR 2.5 DPS (51% dividend payout), AGM will take place on 6 June 2023
- Planned 2023 PBT may decrease due to situation regarding supplemental health insurance in Slovenia

¹With transition to IFRS 17, result is affected by, among others, chosen methodology regarding the recognition of insurance contracts, amount of risk adjustment with impact on loss of onerous contracts, amount of provisions for major CAT events and approach used for claims handling expenses.

Q1 2023 Results¹ Confirm Resilience of Our Business Model

TOTAL BUSINESS VOLUME

€484.6 M



Up by 9% y-o-y

PROFIT BEFORE TAX

€18.5 M



Down by 37% y-o-y

COMBINED RATIO NON-LIFE&HEALTH

94.7%



89.4% in Q1 2022

¹This presentation includes data, based on Triglav Group unaudited performance data in Q1 2023 (with comparable data from corresponding previous period) in compliance with IFRS 9 and IFRS 17. Information does not contain elimination of intercompany transactions except for information on total business volume. *Explanations of new financial categories are at the end of this presentation.*

Attractive & Sustainable Dividend Policy

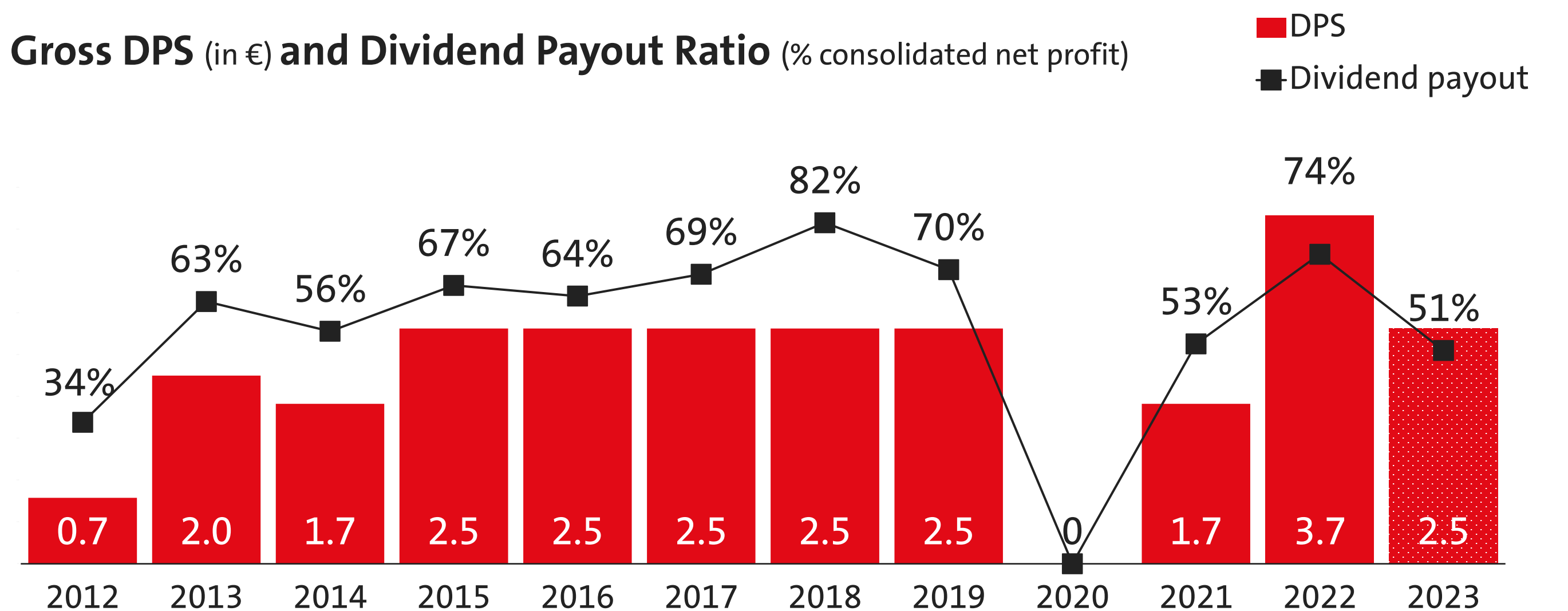
In 2023: MB & SB proposal of EUR 2.5 DPS (51% dividend payout).

AGM scheduled to take place on 6 June 2023.

Dividend Policy:

Minimum dividend pay-out is set to 50% of consolidated net profit for previous year. Triglav will strive not to reduce its dividend payment below level of previous year. Dividend policy is subordinated to achieving medium-term sustainable target capital adequacy of Triglav Group. Three objectives are followed in balanced manner: to ensure prudent capital management of Triglav Group and its financial stability, to reinvest net profit in implementation of strategy of growth and development of Triglav Group and to pay out attractive dividends to shareholders.

Gross DPS (in €) and Dividend Payout Ratio (% consolidated net profit)

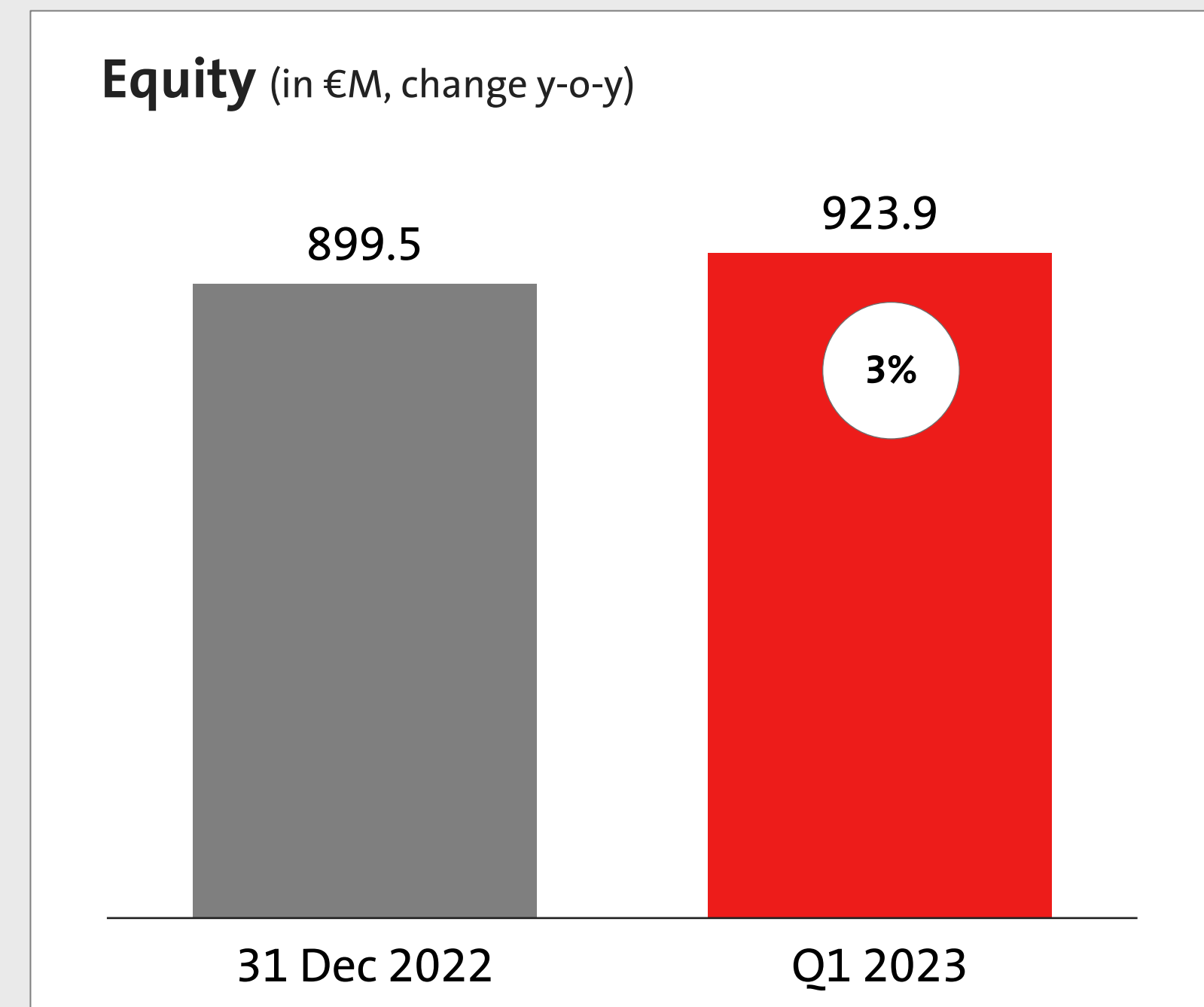
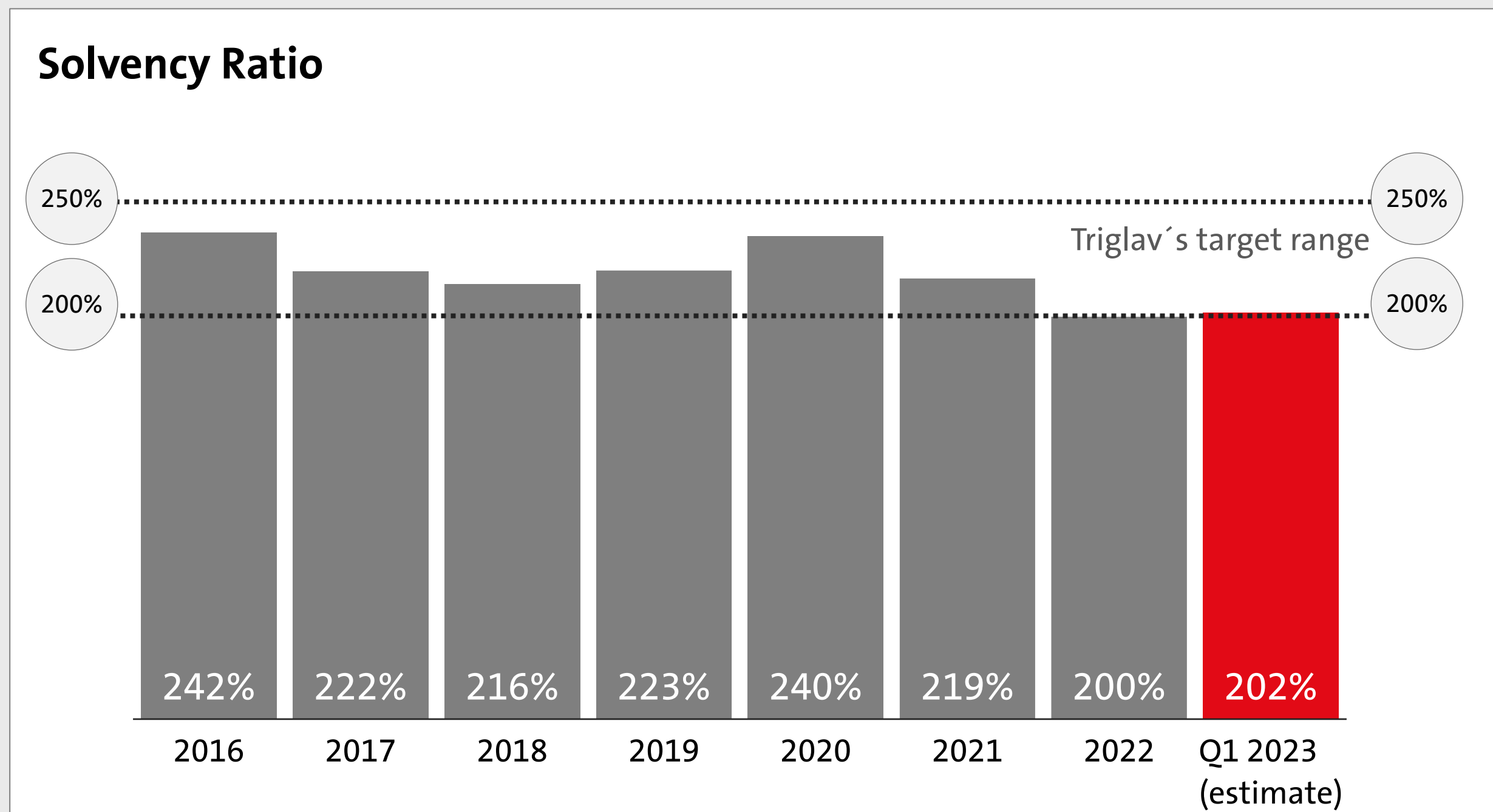


In 2020: Regulator's call upon insurance companies in Slovenia to suspend payout of dividends.

In 2021: Triglav met regulator's requirements for dividend payment related to uncertainties in markets due to pandemic.

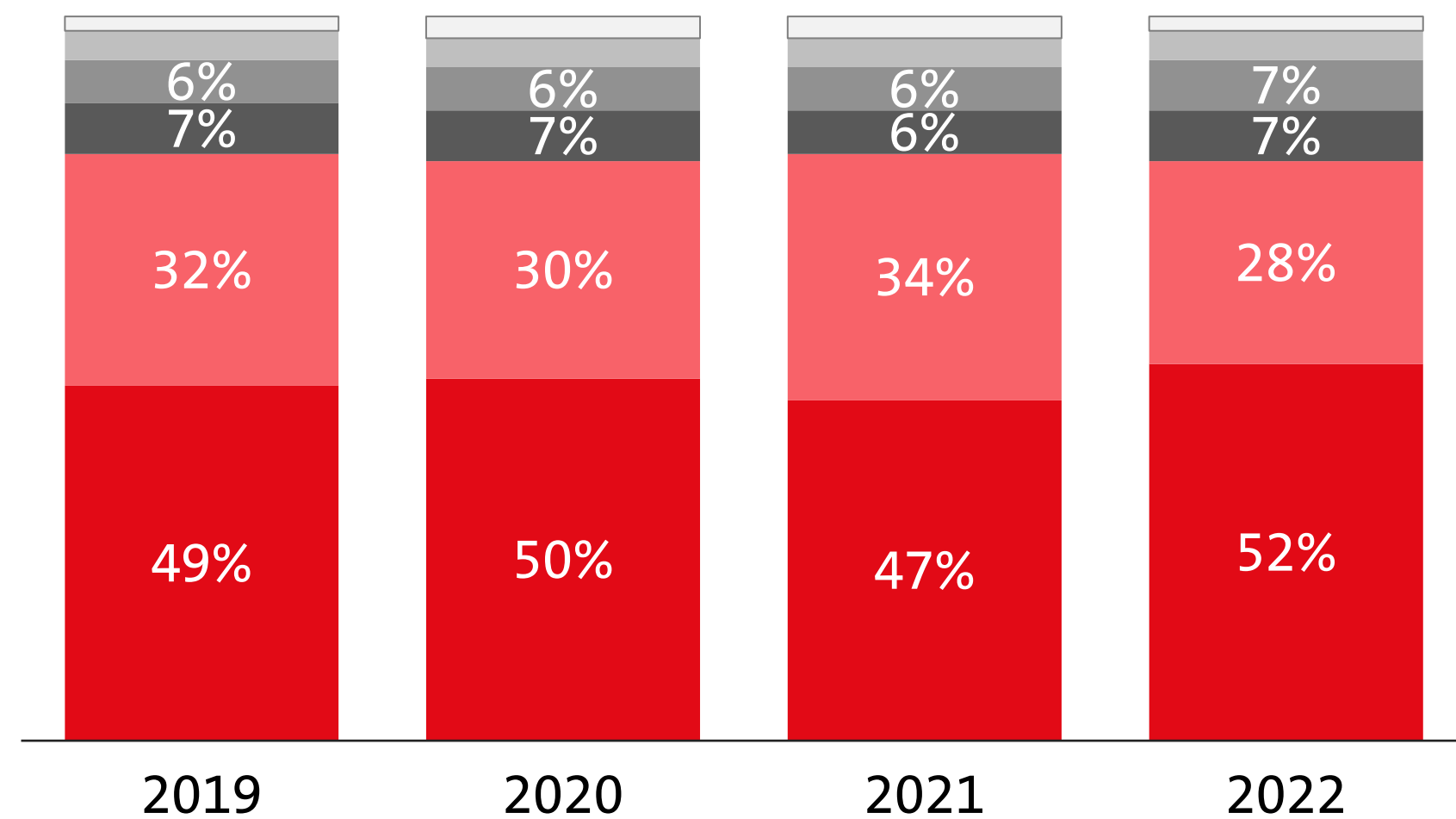
In 2022: Several aspects and circumstances of recent years also taken into account.

Financial Strength with Solid Capital Position



Disciplined Risk and Capital Management

Risk exposure in line with the defined risk appetite



In **Q1 2023** no major changes. Further increase of underwriting risk (*higher volume of business*), decrease of market risk (*also due to lower currency risk as result of Croatia adopting euro in early 2023*), slightly increased credit risk (*higher investments in cash*). Risk regarding operations of Triglav health insurance company.

- Risk of non-finacial companies
- Risk of comapnies from other financial sectors
- Operational risk
- Credit risk
- Market risk
- Underwriting risk



Market Position by Adria Region Markets (as at Q1 2023)

ADRIA REGION (2022):
21.7% (+0.1 pp y-o-y)
1st rank



 **SLOVENIA**
40.4%  (+0.9 pp y-o-y)
Market share
1st rank

 **CROATIA**
5.7%  (-0.1 pp y-o-y)
Market share
8th rank

 **SERBIA (Q4 2022)**
7.0%  (+0.2 pp y-o-y)
Market share
5th rank

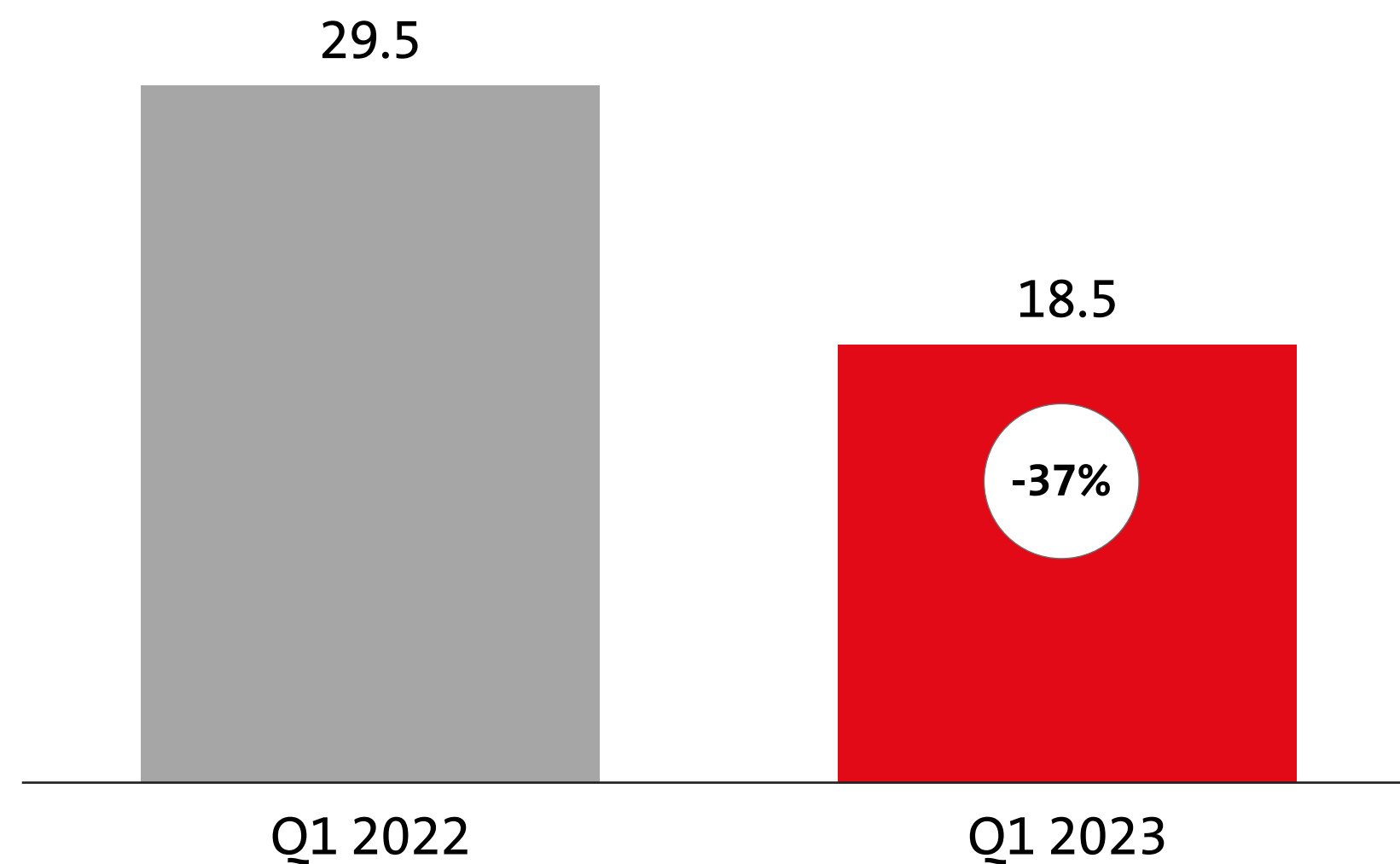
 **MONTENEGRO**
38.4%  (-3.0 pp y-o-y)
Market share
1st rank

 **BOSNIA & HERZEGOVINA**
9.2%  (-0.5 pp y-o-y)
Market share
5th rank

 **NORTH MACEDONIA**
13.4%  (-0.6 pp y-o-y)
Market share
3rd rank

In Q1 2023 Profitable Operations in Challenging Business Conditions

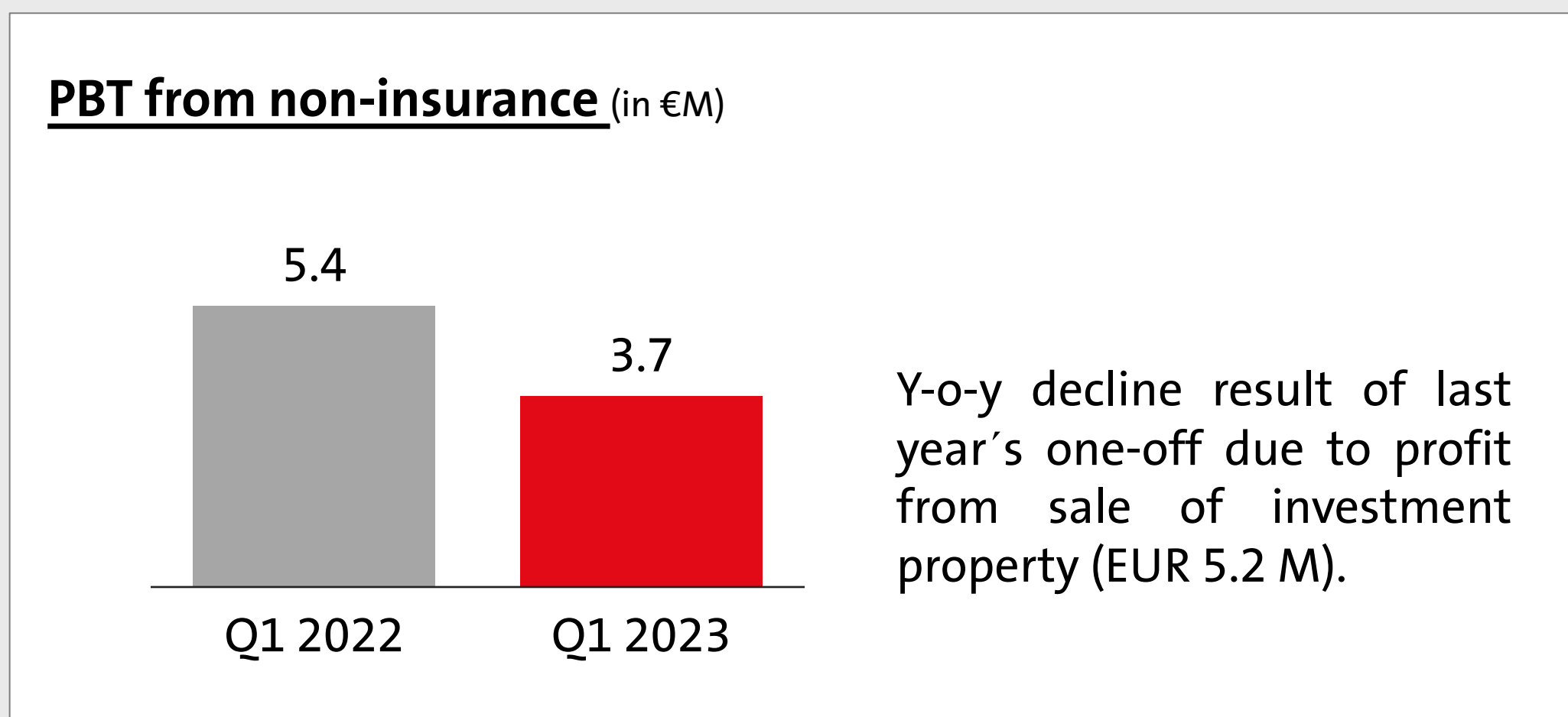
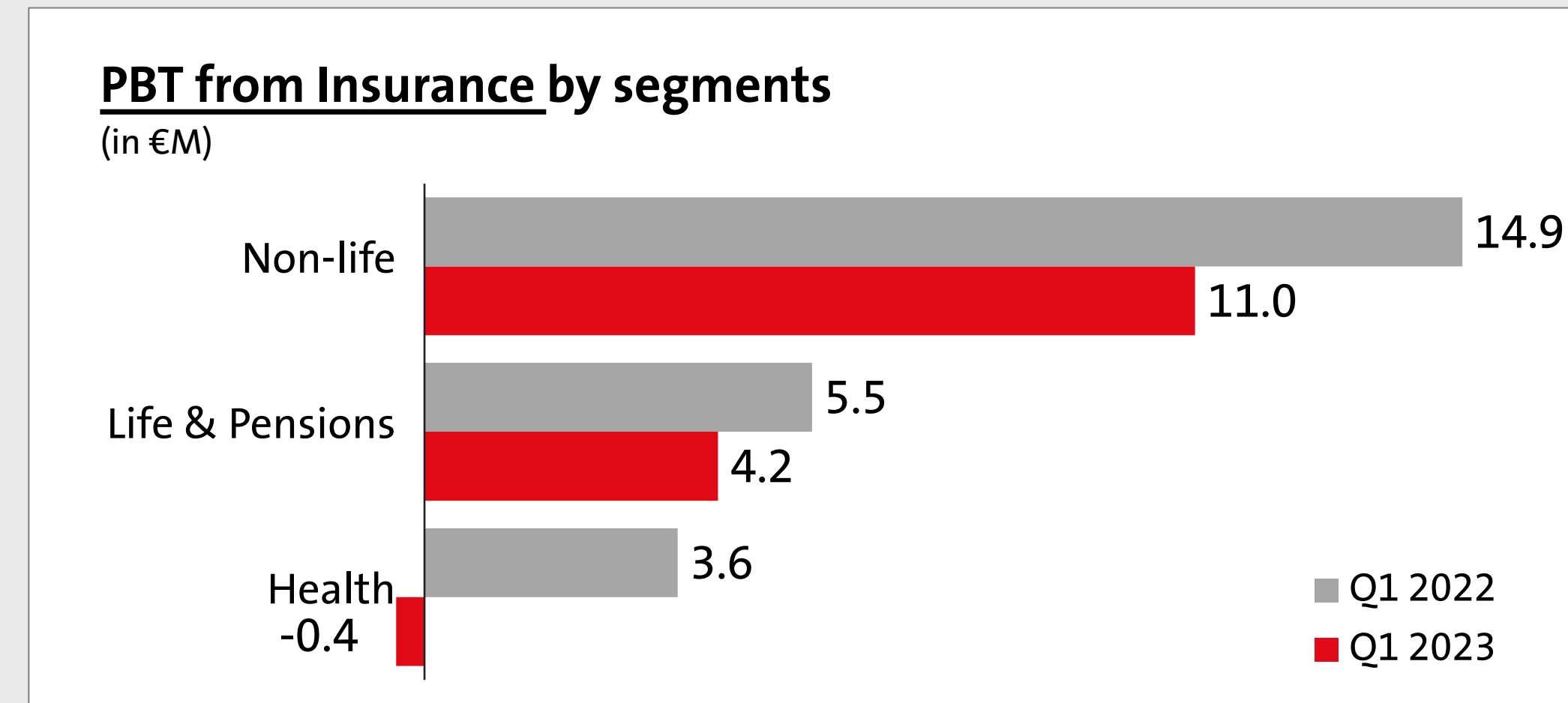
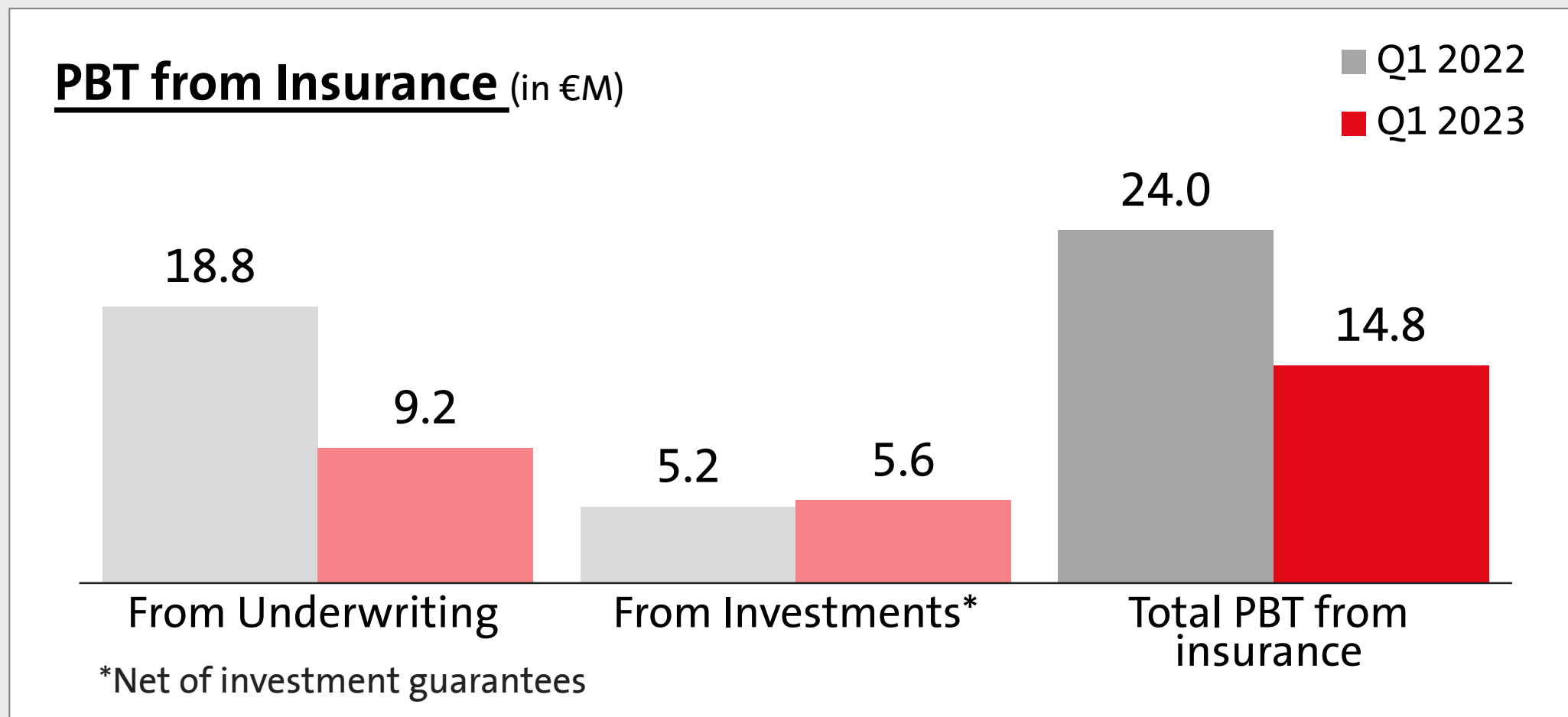
Profit before tax (in €M)



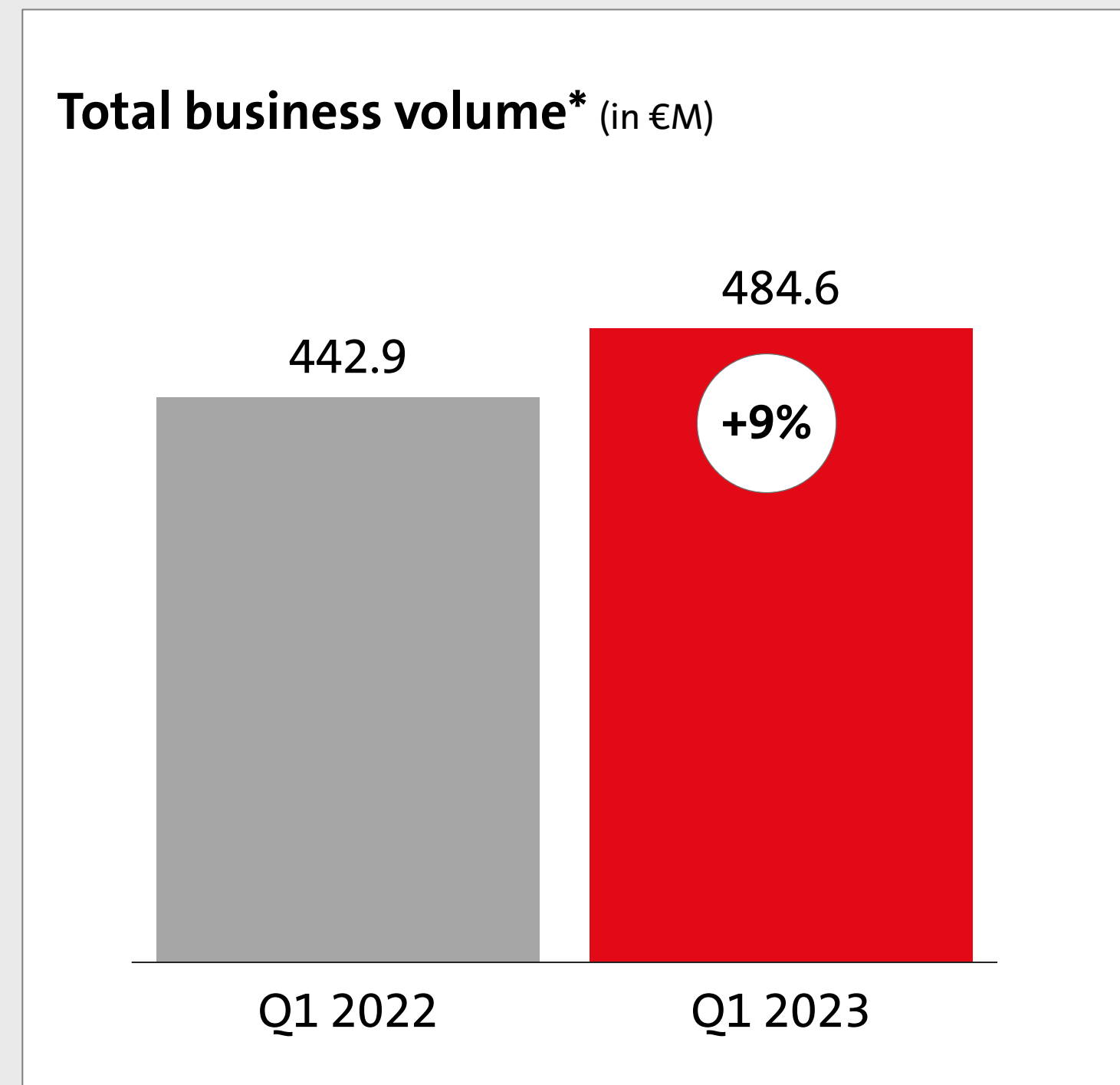
Q1 2023:

- Growth in business volume
- Sound investment result
- Increased expenses and claim intensity in Non-life and Health due to inflation
- Negative impact of post covid measures to stabilize public health system and wind down of supplementary health insurance Covid surplus reserves
- Effects of selected methodological approaches in transition to IFRS 17

PBT from Insurance Affected by Increased Business Volume, Claims Intensity and Inflation



Increased Total Business Volume



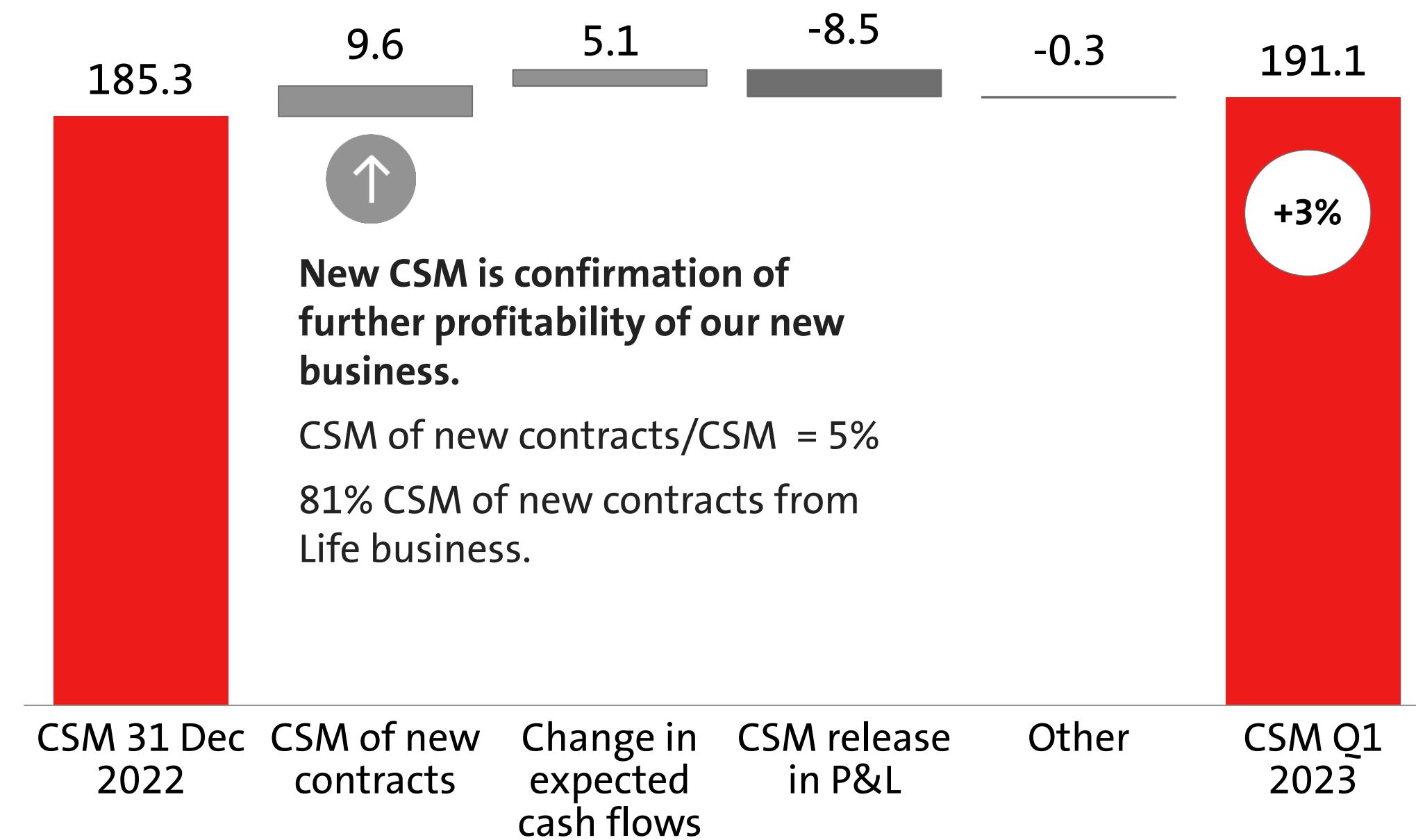
* Includes GWP, Insurance income and Other income.

Insurance revenue		(in €; as at Q1 2023; growth y-o-y)	
Non – life	260.0	+19%	
Life & Pensions	19.4	+4%	
Health	51.7	+2%	
TOTAL:	331.1	+15%	

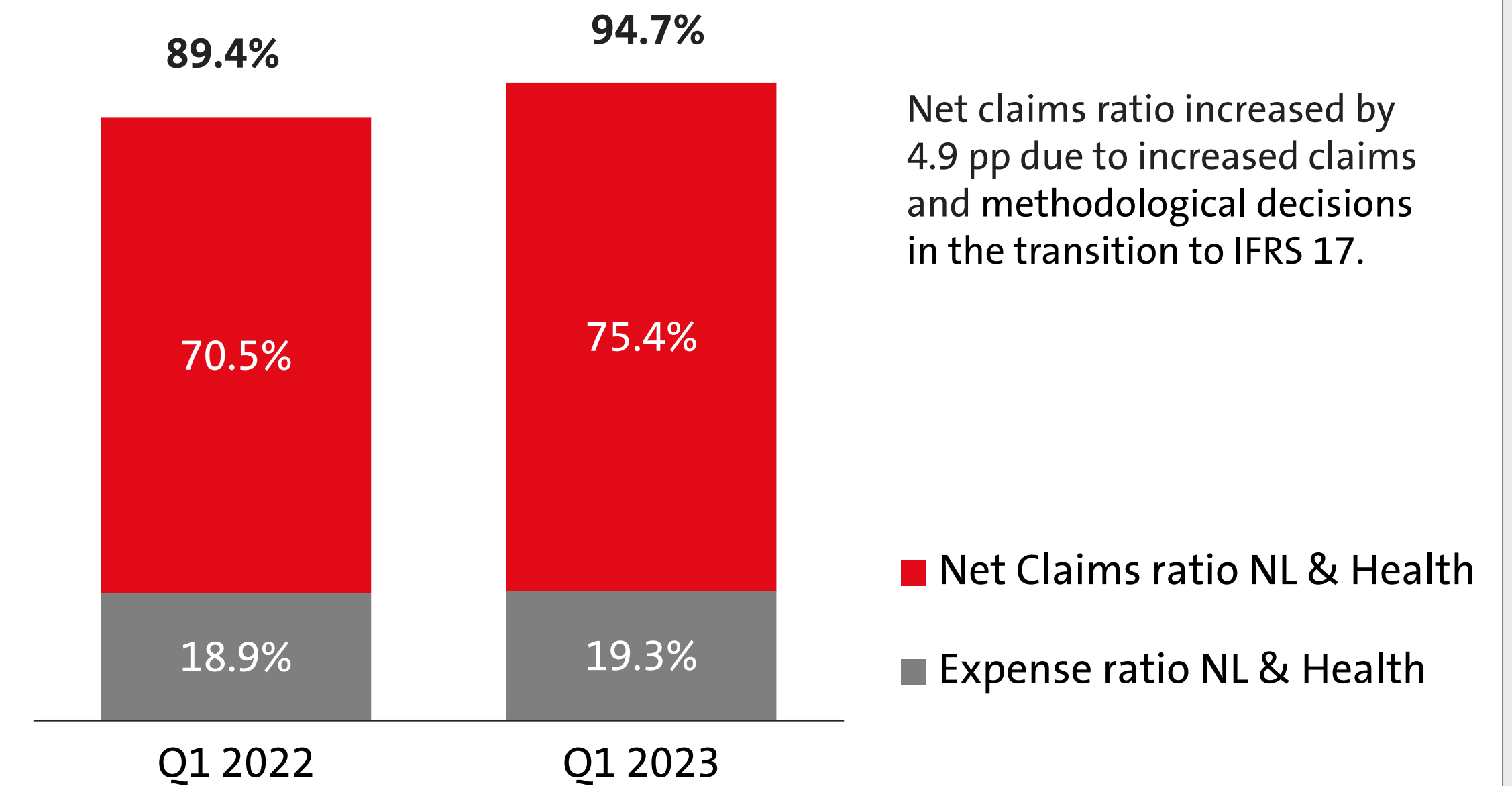
Insurance service expenses		(in €; as at Q1 2023; growth y-o-y)	
Non – life	211.9	+24%	
Life & Pensions	16.8	+14%	
Health	51.1	+10%	
TOTAL:	279.8	+21%	

Stable CSM and Favourable CoR Confirm Robust Profitability of Our Business Model

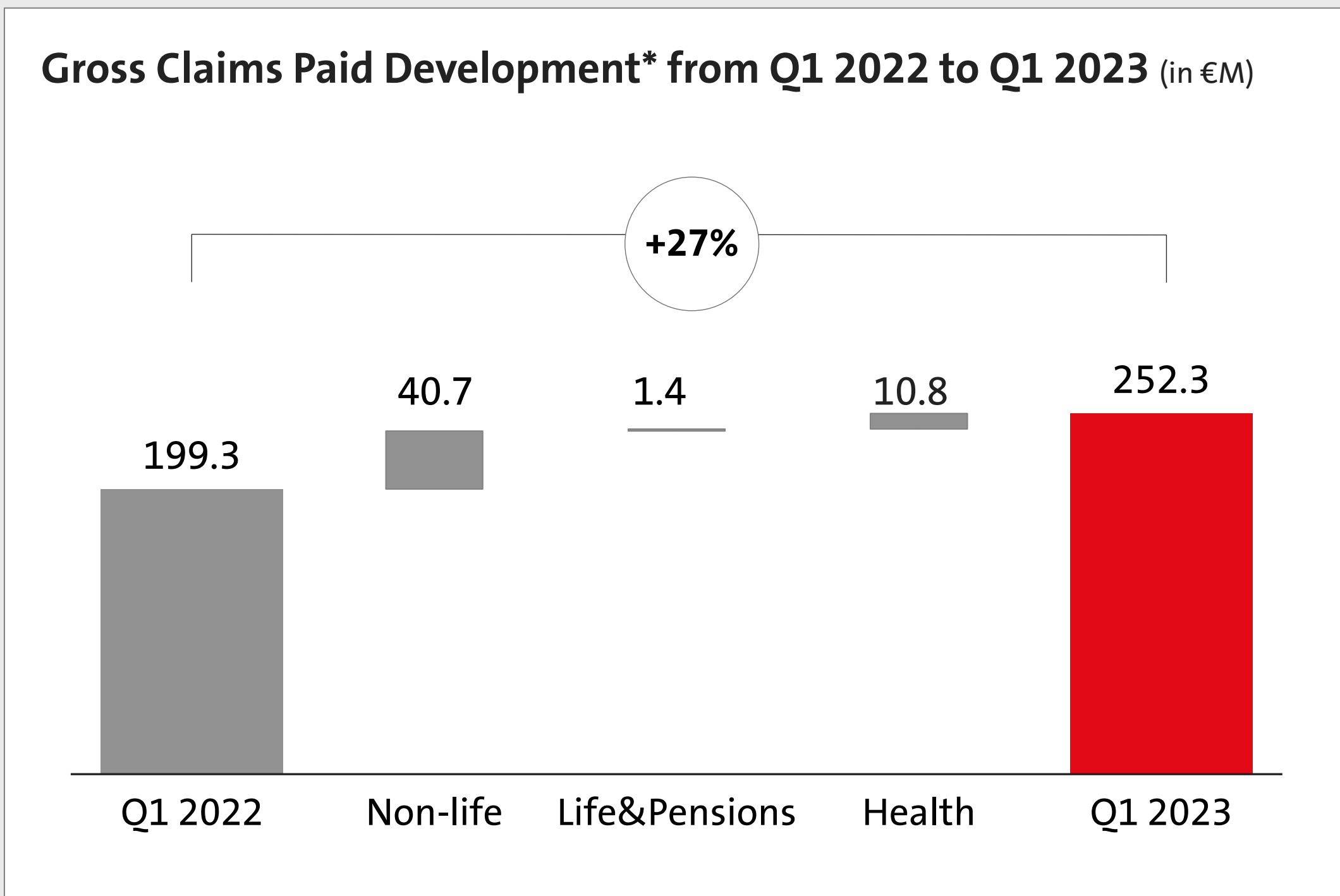
Contractual Service Margin (Q1 2023; in €M)



Combined ratio Non-life & Health



Claims Experience Under Influence of Higher Frequency & Inflation. No major CAT events.



*Data does not contain elimination of intercompany transactions.

Gross Claims Paid by Insurance Segments	(in €; as at Q1 2023; growth y-o-y)	
Non – life ¹	141.8	+40%
Life & Pensions	57.5	+3%
Health	53.0	+26%
TOTAL:	252.3	+27%

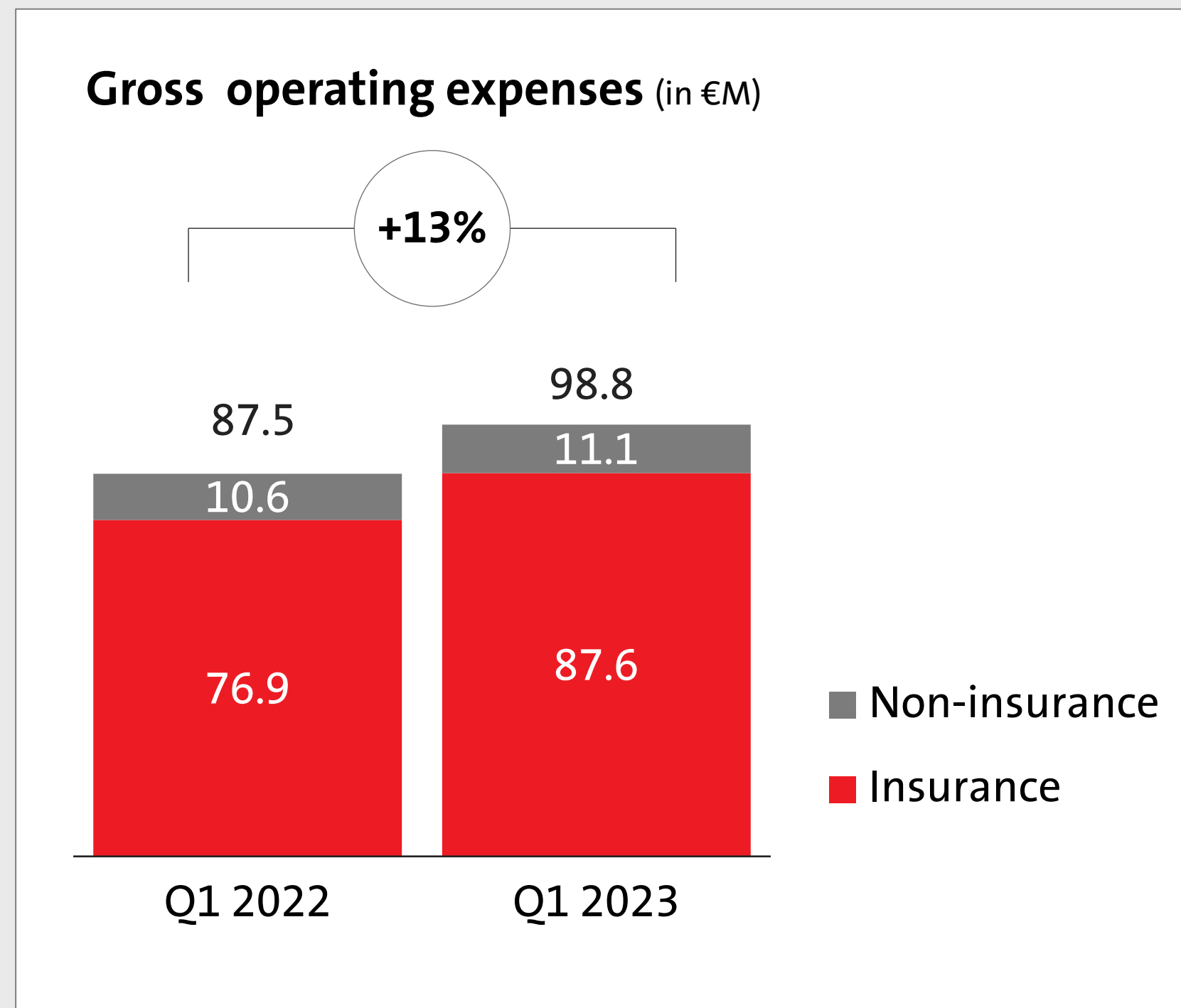
¹ Gross claims paid growth under additional influence by number of higher single claims with low self retention for Group

Major CAT loss events in Q1 2023:

Reinsurance claims due to earthquake in Turkey (€2.7 M)

Most frequent Triglav's CAT loss events are flood, storm, hail and frost.

Expenses Under Influence of Inflation

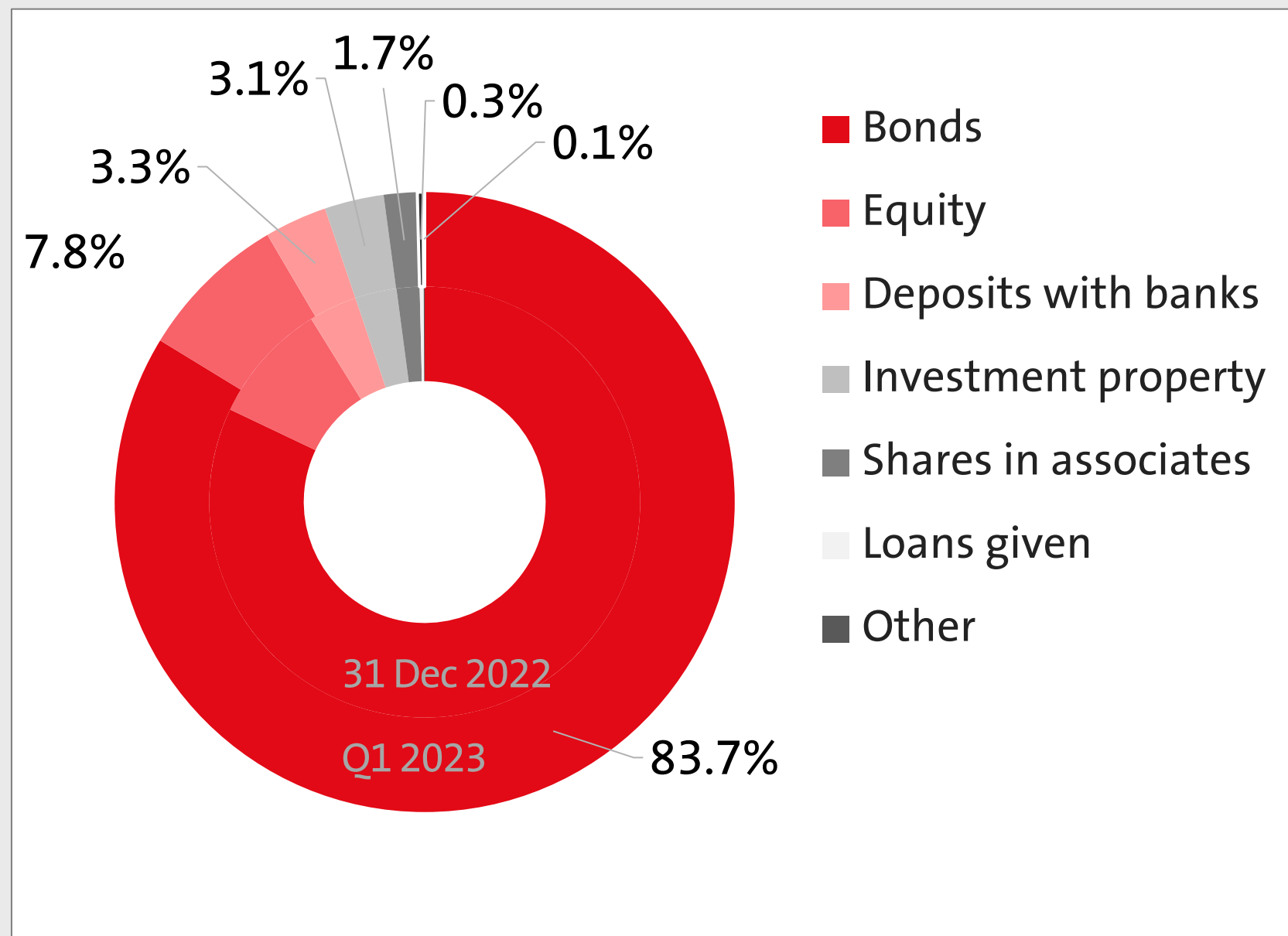


Insurance Gross Operating Expenses by Insurance Segments		(in €; as at Q1 2023; growth y-o-y)		
Non – life	69.0	+15%	Insurance gross operating expenses increased predominantly due to higher acquisition costs and labour costs	
Life & Pensions	13.1	+5%		
Health	5.6	+25%		
TOTAL:	87.6	+14%		

High-Quality Investment Portfolio

Asset Allocation¹

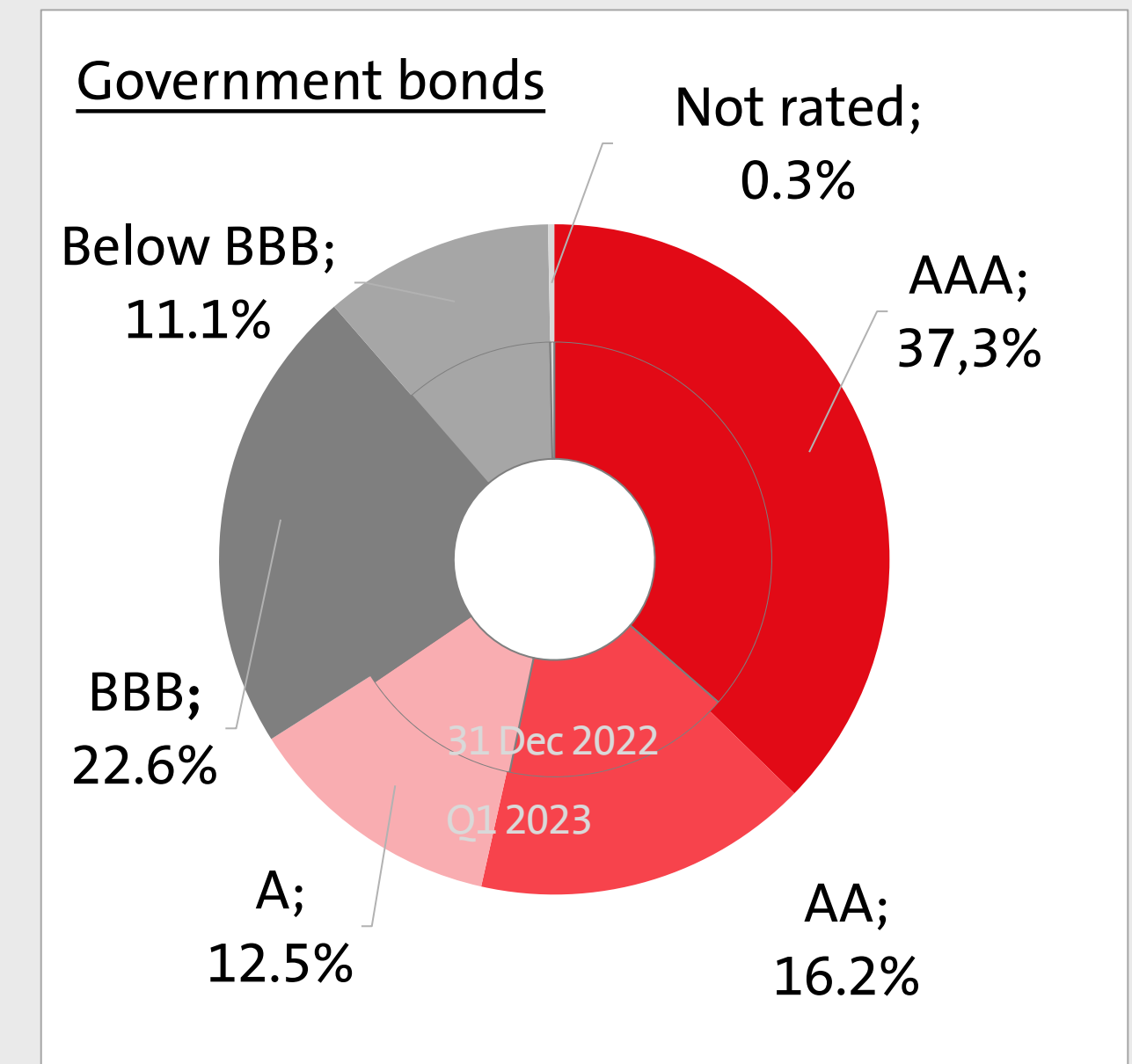
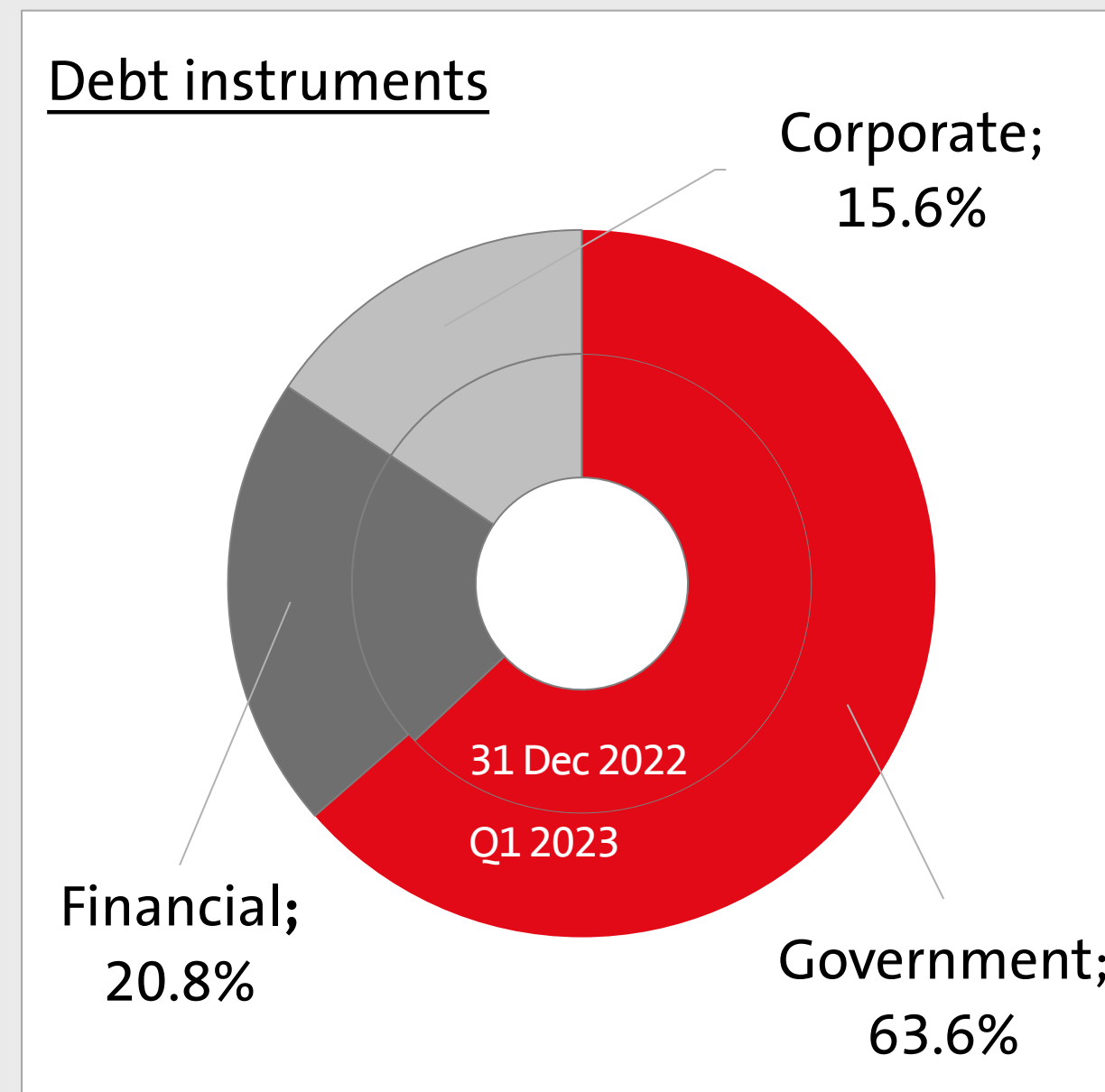
Total as at Q1 2023: € 2,221 M (+1% compare with 2022 YE)



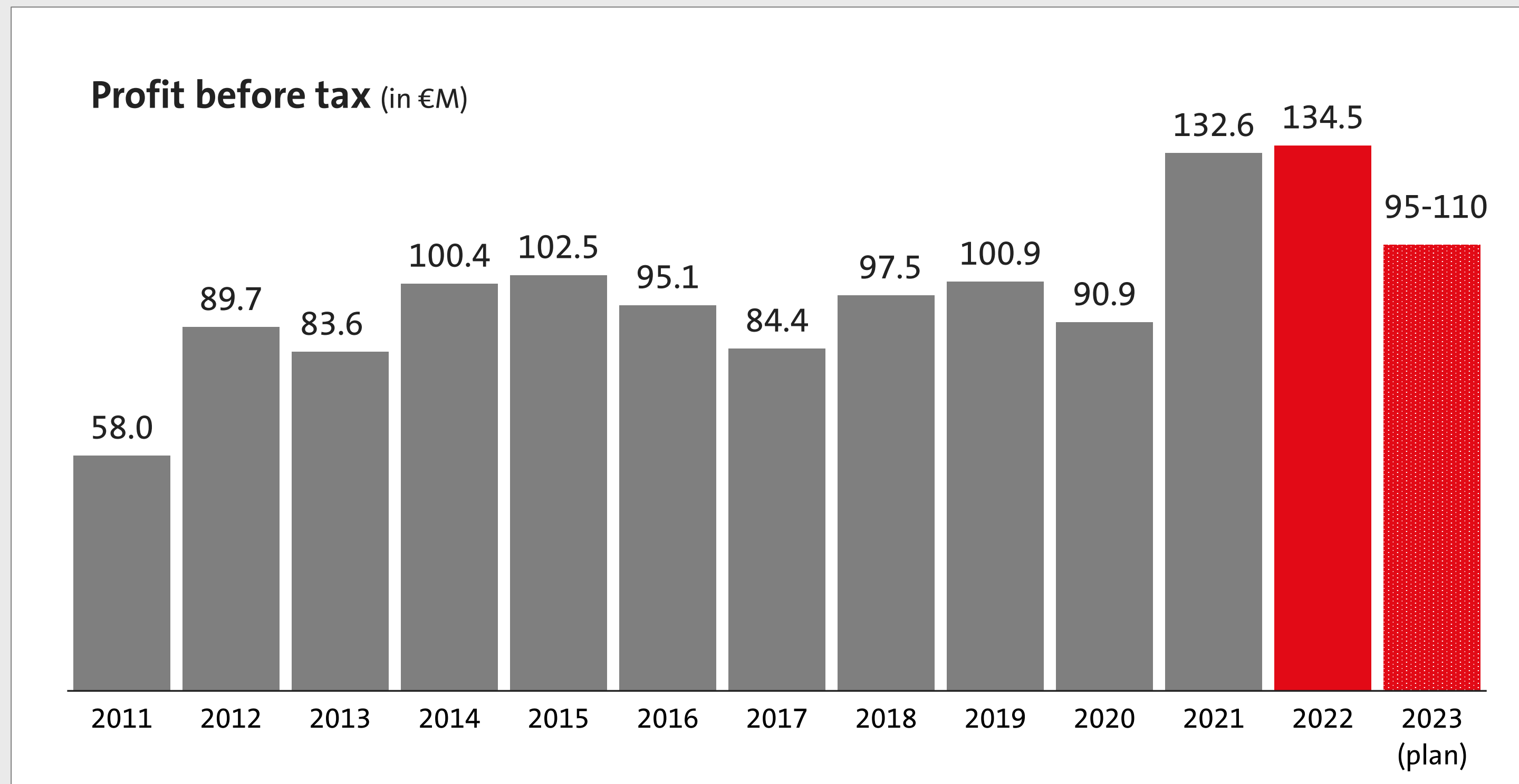
¹Assets from united-linked products and financial contracts excluded

Debt Instruments¹

Total as at Q1 2023: € 1,859 M (+3% compare with 2022 YE)



Outlook



2023 Outlook:

Planned 2023 PBT may decrease by around 25 - 40% due to loss in Health insurance resulting from Decree of Slovenian Government on setting maximum price of supplemental health insurance premium, adopted in April this year, and uncertainty as to when this type of insurance will be abolished by law.

Triglav Group supports abolition of existing supplemental health insurance system ASAP and is taking all necessary steps to protect interests of its stakeholders, along with dialogue with Slovenian Government and regulator.

Planned figures for 2023 have been prepared in accordance with current applicable IFRS.

Sustainability – our E, S & G

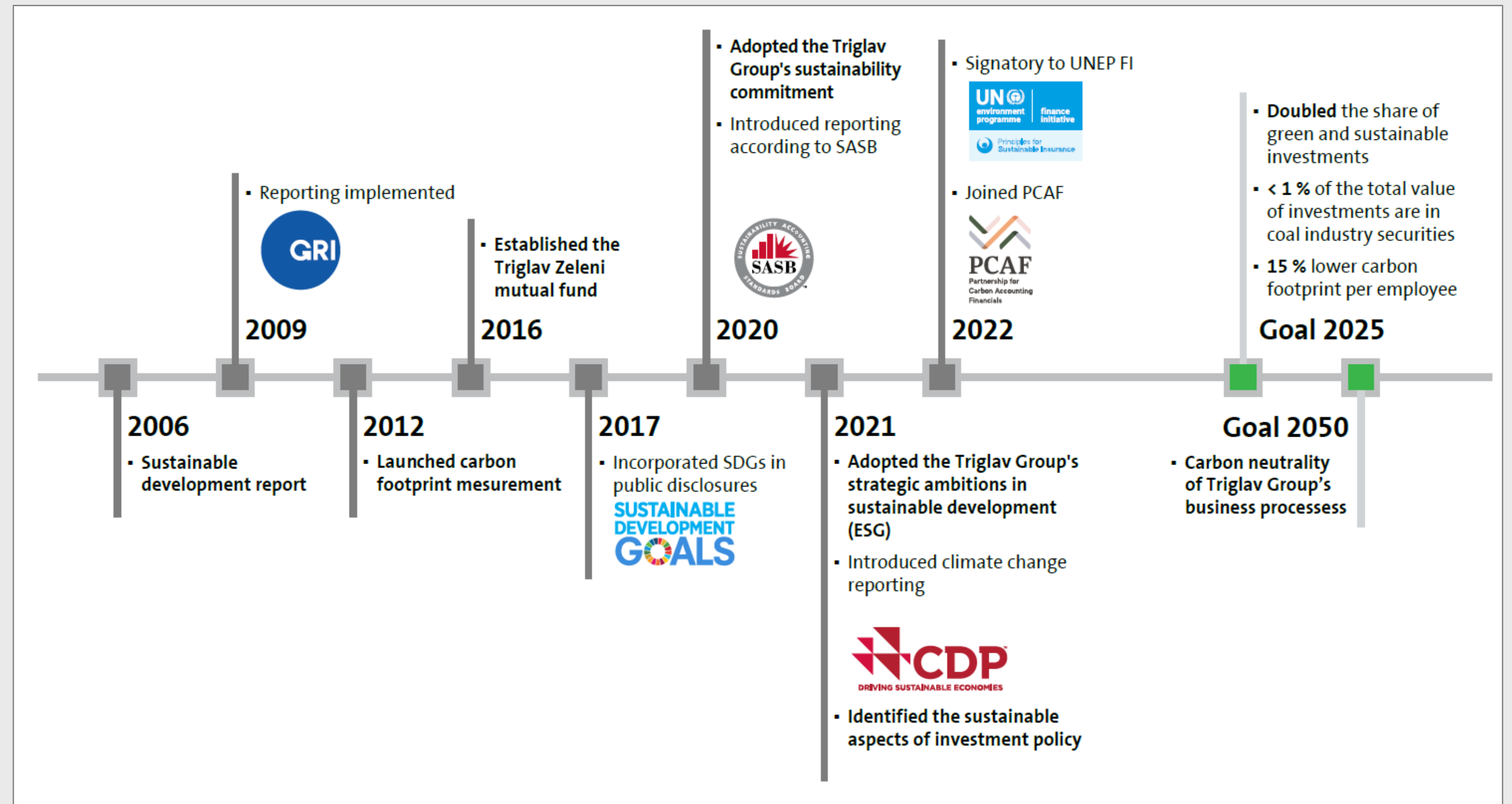
Sustainable development milestones of Triglav Group

Triglav aims to play leading role in integrating best global ESG practices into its operations in Adria region.

Our sustainable ambitions for 2025 are divided into four key areas:

- insurance and AM
- business processes
- stakeholder engagement
- effective CG

More information on our website
<https://www.triglav.eu/en/>



Financial & IR 2023 Calendar

Planned date	Type of announcement/IR event
3 Mar 2023	Preliminary key figures 2022
6 Mar 2023	2022 Triglav's Earnings Call (online)
22 Mar 2023	Ljubljana Stock Exchange Webinar: Slovenian Listed Companies Online
31 Mar 2023	Audited annual report for 2022
21 Apr 2023	Convocation Notice of Gen. Meeting of Shareholders on distribution of profit
30 May 2023	Ljubljana Stock Exchange Conference for retail investors: Trade on the Stock Exchange
30 May 2023	Q1 2023 Results & Earnings Call (online)
1 Jun 2023	CEE Investment Opportunities by LJSE & ZSE (Zagreb)
6 Jun 2023	General Meeting of Shareholders and notice of its resolutions
31 Aug 2023	H1 2023 Report & Earnings Call (TBC)
5 Sept 2023	H1 2023 Ljubljana Stock Exchange Webinar: Slovenian Listed Companies Online
24 Oct 2023	Ljubljana Stock Exchange Conference for retail investors: Trade on Stock Exchange Vol.2
30 Nov 2023	9M 2023 Results & Earnings Call (TBC)
5 Dec 2023	CEE Investment Opportunities by LJSE & ZSE (Ljubljana)

The actual dates and IR activities may differ from above stated.

Explanation of New Financial Categories Used in Q1 2023 Presentation

Total business volume. The value includes gross written insurance, coinsurance and reinsurance premiums, other insurance income and other income. The elimination of intercompany transactions is taken into account.

Contractual service margin (CSM). It includes the unearned profit that the Company expects to earn from insurance contracts. It is calculated based on expected future cash flows (inflows and outflows), taking into account the time value of money and risk adjustment.

Combined ratio in non-life and health insurance. The ratio's calculation according to IFRS 17 was changed compared to IFRS 4; see the following formulas for the claims ratio and the expense ratio.

Claims ratio = (insurance expenses (claims, change in FCF, changes in experience correction, loss of onerous contracts, allocation to onerous contracts) – reinsurance result) / insurance service income.

Expense ratio = (insurance expenses – acquisition costs, other expenses) / insurance service income.

For more information please contact:

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Triglav is the highest mountain in Slovenia and the highest peak of the Julian Alps (2,864 meters/9,396 ft).

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