ANNUAL REPORT 2023

WE'VE GOT YOUR BACK

VIG Re

VIENNA INSURANCE GROUP

15 YEARS OF PARTNERSHIP

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Letter of Chairman of the Supervisory Board

**Dear ladies and gentlemen,
dear clients,**

The year 2023 posed its unique set of challenges for the entire reinsurance industry, marked by unprecedented global events such as extreme weather events affecting all regions, high geopolitical tensions fuelled by the ongoing war in Ukraine, or the Israeli-Palestinian conflict, macroeconomic shocks, and evolving market dynamics. Despite all this, I am proud to report that VIG Re weathered these challenges, demonstrated resilience, adaptability, and sustained growth throughout the year.

VIG Re's financial performance in 2023 again is very strong, reporting an all-time high in premium and profit, reflecting its ongoing commitment to a prudent underwriting and investment policy and most of all a token for the reputation the Company gained over the past 15 year with its clients to be a reliable und trusted partner. In 2023, VIG Re further strengthened its executive team with Tobias Sonndorfer joining the Board of Directors at the beginning of the year, expanding the number of board members from three to four. Frank Reichelt, a renowned industry veteran, became member of the Supervisory Board in October. Finally, in a move to support VIG Re's strategic growth ambitions, shareholders approved a EUR 100 million capital increase, with the Board of Directors authorized to raise an additional EUR 50 million in the next two years.

On behalf of all my colleagues from the Supervisory Board, I would like to express my gratitude to clients and shareholders for their support through VIG Re's fifteen-year success journey. My sincere thanks go to the Board of Directors, and the entire team of VIG Re for their effort and diligence during this year, and for their contribution to the overall results. I look forward to our continued partnership as we embark on the next phase of our journey.

Sincerely,
Peter Thirring
Chairman of the Supervisory Board
VIG RE zajišťovna, a.s.

Letter of Chairman of the Board of Directors

Dear clients and business partners,

The year 2023 was again a year marked by multiple challenges, not only with regard to rising geopolitical tensions and political unrest in many countries, the rising number of natural catastrophes and extreme weather events as a consequence of the climate crisis, an economic slowdown combined with high inflation leading to higher cost of living and a reduced wealth for many, and an ever accelerating technical progress such as the rise of generic AI in our society.

Despite these challenges, VIG Re demonstrated once again resilience and adaptability in its fifteenth year of operations.

While the reinsurance industry mostly failed over the past seven years to achieve adequate underwriting profits, an increased demand for reinsurance and a muted inflow of new capital led to improved rates and refined terms and conditions the year 2023 marked a turning point for the industry, providing a better alignment of interests between policyholders, the insurance, and the reinsurance industry. In this context, VIG Re benefitted from its commitment of a long-term partnership with its clients, while maintaining a disciplined underwriting approach and prudent reserving and investment policy. As a consequence, I am proud to report 2023 to be another record year for VIG Re, not only with regard to our growth of revenues, but also in respect of underwriting profit and profits to our shareholder.

We owe this result most of all to the dedication of our employees in serving our clients. I am particularly proud that, amid the so-called "war for talents," VIG Re has successfully attracted a substantial number of top-tier professionals at the executive and senior management levels.
The enhancement of our senior management team will play a paramount role in VIG Re’s strategic ambition to continuously grow our market reach

and competences through fostering talent, innovation, and operational excellence.

Our financial performance in 2023 demonstrates also that the strategic decisions the Company has taken, strengthening its underwriting capabilities, pushing for enhanced data processing provides the results we were aiming for. As a sign of confidence in the strategic ambition of VIG Re our shareholders bolstered VIG Re's capital position significantly in 2023, allowing the Company to further grow its business while maintaining its financial strength and to invest in a future proof operating model and corporate culture which will allow us to serve our client in an exemplary way.

On behalf of all my colleagues from the Board of Directors, I would like to express my gratitude to clients and shareholders for their support through VIG Re's fifteen-year success journey and I am looking forward to continuing with them on our shared path. I want to assure you of our commitment on building a long-term partnership proposition which will enable us to tackle the challenges ahead of us together.

Sincerely,
Johannes Martin Hartmann
Chairman of the Board of Directors
VIG RE zajišťovna, a.s

VIG Re

WE'VE GOT YOUR BACK

VIG Re – a Member of Vienna Insurance Group

Vienna Insurance Group (VIG), headquartered in Vienna, is the leading insurance group throughout Central and Eastern Europe (CEE). More than 50 companies in 30 countries form a Group with a long-standing tradition, strong brands, and close customer relations. The around 29 000 employees in the VIG take care of the day-to-day needs of around 28 million customers.

Expertise and Stability

Vienna Insurance Group is an international insurance group headquartered in Vienna, Austria. VIG is synonymous with stability and expertise in providing financial protection against risks. Experience coupled with a focus on core competence of providing insurance coverage, forms a solid and secure basis for the Group's 28 million-plus customers.

From first mover to market leader in CEE

VIG was one of the first European insurance groups to begin expanding into the markets of the CEE region after the fall of the Iron Curtain in 1989. Step by step, the Group established itself in new markets and has become the number one in the region. Vienna Insurance Group places an emphasis on Central and Eastern Europe as its home market and pursues a longterm strategy in the markets where it is represented focusing on sustainable profitability and continuous earnings growth. More than half of the total business volume and profit is generated in this region.

Expertise with Local Responsibility

For VIG, protecting customers financially against risk is a responsibility. Great importance is attached to a local multi-brand policy with regionally established brands and local entrepreneurship. Ultimately, the Group's success and closeness to its customers is down to the strengths of each individual brand and local know-how.

Strong Finances and Credit Rating

Vienna Insurance Group has been awarded an A+ rating with a stable outlook from the internationally recognised rating agency Standard & Poor's. VIG is listed in Vienna, Prague, and Budapest. Wiener Städtische Versicherungsverein – a stable core shareholder with a long-term focus – owns 72% of VIG's shares. The remaining shares are in free float.

VIG Re at a Glance

VIG Re: a continued success story

VIG Re, the reinsurance arm of Vienna Insurance Group and a leading reinsurer in the CEE region, is headquartered in Prague with branch offices in Munich and Paris. Founded in 2008, the Company is celebrating its 15th anniversary on the reinsurance market and holds an "A+" rating with a stable outlook from Standard & Poor's since 2009.

A+ with stable outlook

10.1% return on equity

profit before taxes **€ 31.6 mn**

15 years of existence

Over the past 15 years, VIG Re has consistently expanded its Non-Life and Life & Health reinsurance business from Third Parties, contributing to its steady growth and economic success in Continental Europe and Mature Asia. Currently, the company serves over 600 clients in 58 countries.

combined ratio **90.8%**

insurance service revenue **€ 819.4 mn**

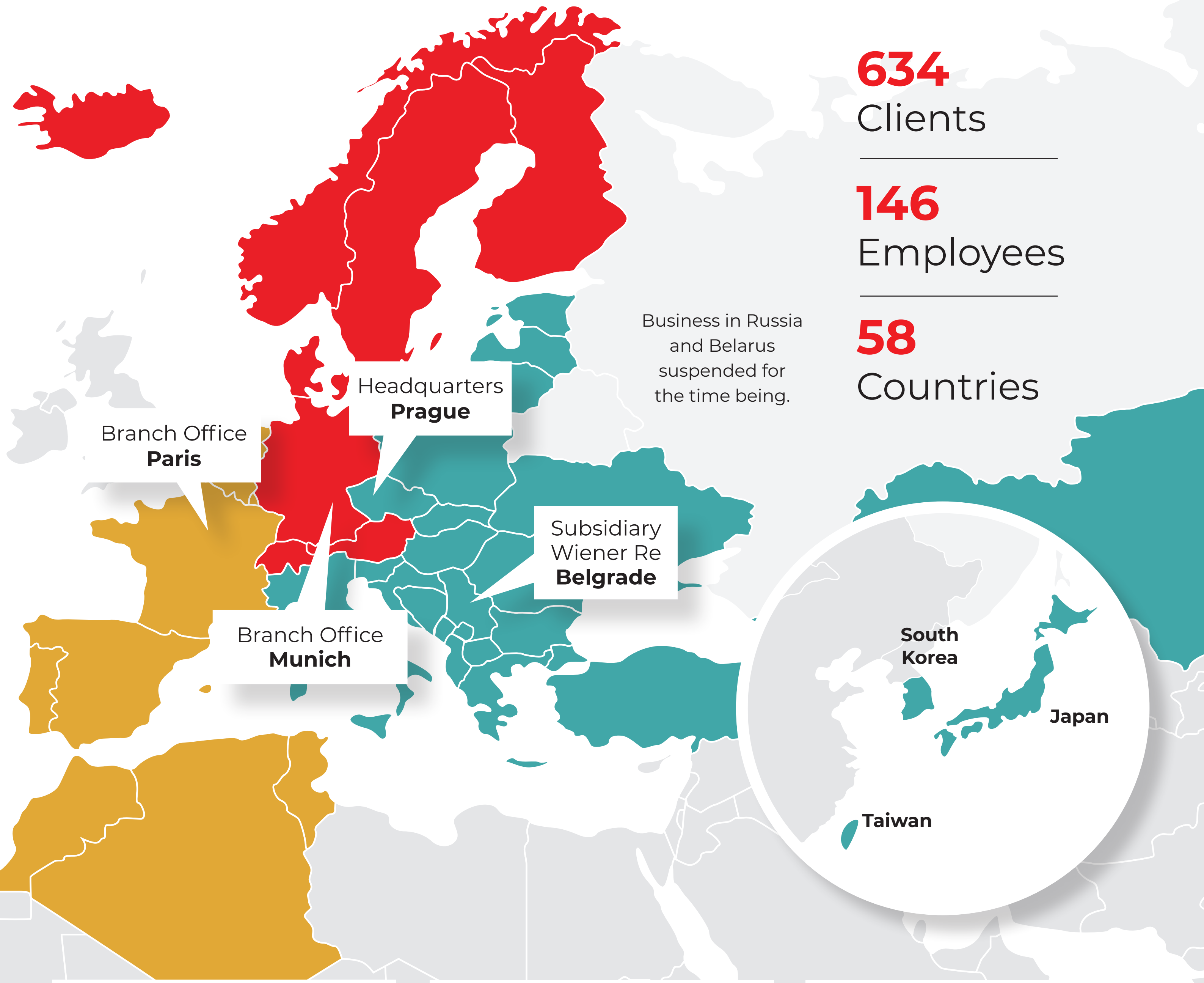
Known for its focus on long lasting partnerships, a lean operational model and efficient capital management enabled the Company to outperform the industry. Underwriting discipline, operational excellence, a prudent investment policy and fostering talents create a high-performance culture and ensure a resilient business model.

Our mission: Enhancing resilience of our society and taking responsibility for the transformation to a sustainable economy

In times of changes and increasing uncertainties, the role of the reinsurance industry to mitigate risk and to strengthen the resilience of our society is more important than ever. This does not only include transfer of financial risks to mitigate the economic impact of severe events, such as natural catastrophes or man-made disasters, but also to support the transformation to a more environmentally friendly and socially responsible economy. We, as Company, are committed to contribute through a responsible investment and underwriting policy and to lead by example in our operations.

gross written premium **€ 900.7 mn**

220.2% solvency ratio



634
Clients

146
Employees

58
Countries

Branch France

Established in 2018 in Paris

Serving to 72 clients

Underwriting Territories:
France, Belgium, Netherlands, Luxembourg, Morocco, Tunisia, Algeria, Spain, and Portugal

Business Scope:
Third Party Non-Life Treaty and Facultative

Branch Germany

Established in 2017, relocated to Munich in 2023

Serving to 99 clients

Underwriting Territories:
Germany, Austria, Switzerland, and the Nordics.

Business Scope:
Third Party Non-Life Treatyand Facultative

Wiener RE

Established in 2008

Serving to
19 insurance and reinsurance clients in Serbia, Bosnia and Herzegovina, North Macedonia and Montenegro

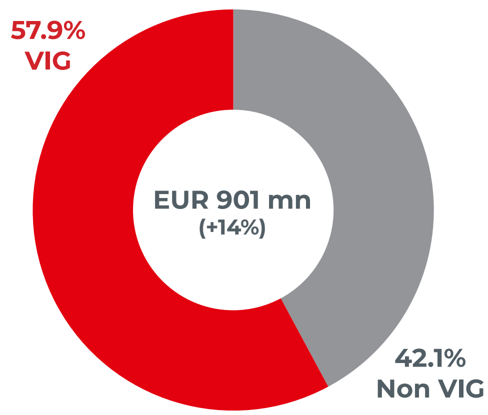
100% owned VIG Re subsidiary

VIG Re Portfolio 2023

Reinsurance assumed from VIG Group insurance companies ("VIG Business") remained the largest contributor of premium income in 2023, accounting for 58% of the total portfolio. This reflect the core role VIG Re plays in mitigating the reinsurance needs of VIG Group through aggregated Group protections covers. In addition, VIG Re takes a stake in the outward cessions of VIG companies at open market terms.

Affiliate vs. 3rd Party Business

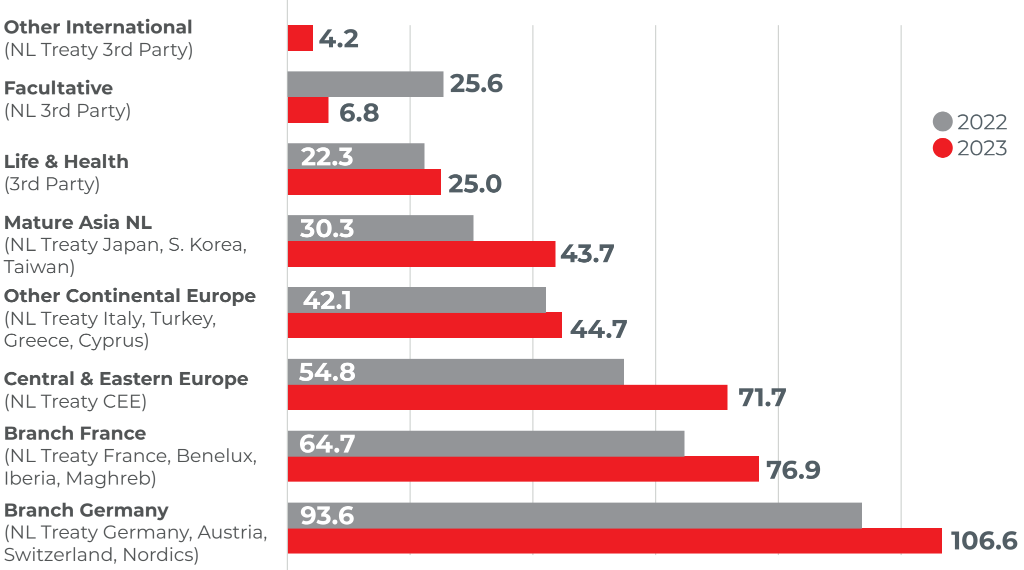
Premium Split



Next to its affiliate business, VIG Re assumes reinsurance from third party clients, in line with its strategy to further develop its value proposition for third party clients. As in previous years, the premium income of this segment showed overall strong dynamics, reaching EUR 380 million premium in 2023 of which the non-life treaty business accounted for 92%. Within the non-life treaty segment, premium income from Central and Eastern Europe increased by 31% to EUR 72 million, underpinning VIG Re role as a leading reinsurer in the region. Business underwritten by the branch offices in France and Germany showed as well strong dynamics and increased to EUR 184 million, in line with the Company's strategy to extent its footprint in Continental Europe. Other non-life treaty business underwritten in the Prague headquarter comprises Other Continental European (EUR 45 million), Mature Asia (EUR 44 million) and the newly added International Business segment (EUR 4 million). Life & Health (EUR 25 million) and Facultative (EUR 7 million) contributed in 2023 still to only a small part of the portfolio but are identified as dedicated growth segments going forward.

3rd Party Business

Gross written premium by Segment in EUR million



Governance Bodies Board of Directors

JOHANNES MARTIN HARTMANN

Chairman of the Board of Directors, CEO

Main Responsibilities:
- Representation of VIG Re towards Financial Supervisory Authority, public authorities, and professional associations
- Representation of VIG Re towards Supervisory Board
- Corporate Underwriting • Reserving
- HR Strategy and Talent Development
- Marketing & Communication

IVANA JURČÍKOVÁ

Member of the Board of Directors, CFO

Main Responsibilities:
- Finance • Investments
- Controlling & Reporting
- Human Resources Operations
- Office Management

TOBIAS SONNDORFER

Member of the Board of Directors

Main Responsibilities:
- Assumed Property and Casualty Treaty Reinsurance VIG
- Assumed Life and Health Reinsurance
- Retrocession
- Capital Management
- IT Services
- Digital Transformation
- Corporate Governance
- Legal

STEPHAN WIRZ

Member of the Board of Directors

Main Responsibilities:
- Assumed Property and Casualty Treaty Reinsurance Third Party
- Assumed Property and Casualty Facultative Reinsurance
- Business Services
- Claims Management

Joint Responsibilities:

• Strategy • Risk Management • Compliance • Actuarial Function • Internal Audit

Supervisory Board

Peter Thirring
Chairman of the Supervisory Board

Peter Höfinger
Vice-Chairman of the Supervisory Board

Gerhard Lahner
Vice-Chairman of the Supervisory Board

Vladimír Bakeš
Member of the Supervisory Board

Martin Diviš
Member of the Supervisory Board

Karl Fink
Member of the Supervisory Board

Alain Flandrin
Member of the Supervisory Board

Ralph Müller
Member of the Supervisory Board

Wolfgang Petschko
Member of the Supervisory Board

Frank Reichelt
Member of the Supervisory Board

Audit Committee

František Dostálek
Chairman of the Audit Committee

Alain Flandrin
Member of the Audit Committee

Peter Thirring
Member of the Audit Committee

VIG Re Organization Chart as of 31. 12. 2023

Supervisory Board: Thirring (Chairman), Diviš, Flandrin, Bakeš, Fink, Höfinger, Lahner, Müller, Petschko, Reichelt

Audit Committee
Dostálek (Chairman), Thirring, Flandrin

Board of Directors

- Hartmann
  - Corporate Underwriting
  - Reserving
  - Risk Management
  - Marketing & Communication
  - HR Strategy & Talent Development
  - Actuarial Function
  - Internal Audit
- Wirz
  - Branch Germany
  - Branch France
  - Southern Europe
  - CEE & International
  - Facultative
  - Business Services
  - Claims Management
- Sonndorfer
  - Life & Health
  - Capital Management & Retrocession
  - IT Services
  - Legal
  - Corporate Development
  - Compliance
  - Corporate Governance
  - Data Architecture
- Jurčíková
  - Controlling & Reporting
  - Finance
  - HR Operations
  - Office Management
  - Investments
- Board of Directors
  - Executive Committee
  - Market Committee
  - Underwriting Committee
  - Risk & Capital Comm.
  - Actuarial Committee
  - Operations Committee
  - HR Committee

ESG: Our Environmental, Social and Governance Responsibility

The insurance and reinsurance sectors play a critical role in fostering economic stability, providing a safety net for individuals and businesses, and enhancing society's resilience and ability to recover from major setbacks. The evolving nature of risks, influenced by economic, technological, and social factors, underscores the importance of these sectors in adapting to and mitigating emerging challenges.

At VIG Re, we understand the importance of sustainability and corporate social responsibility. In 2023, we actively pursued initiatives aimed at reducing our environmental footprint, supporting community development, and promoting diversity and inclusion within our organization. Our fifteen-year-long journey from 2008 to the present is a testament to the belief that a forward-looking, responsible approach is not just commendable — it's strategic. In order to operationalize the commitment to sustainability, VIG Re has set up specific objectives within the environmental, social, and governance dimensions, guided by the following principles:

#enviroment

- We consider the impact of our investments, products, and operations on the environment with a focus on the 1.5° goal.
- We provide reinsurance solutions that foster environmental aspects and support VIG's target to become net zero in corporate and retail underwriting portfolios by 2050.

#social

- We enhance the resilience development of our society to manage risk by helping people and organisations who suffered from severe or tragic incidents to get back on their feet and rebuild their economics foundations.
- We actively help closing the protection gap, by operating on par with our customers and supporting access to insurance for as many as possible.
- We actively support our society by strongly encouraging social activities through corporate volunteering and helping to improve risk literacy.
- We are an equal opportunity employer, promoting diversity and save-guarding the well-being and development of employees.

#governance

- We observe legal and ethical standards related to our business partners, employees, the public and the environment.

Our Commitment towards the Environment

VIG Re maintains its stance of refraining from insuring coal-fired power stations and coal mines, extending this commitment to avoiding underwriting associated risks and investments in corresponding assets. VIG Re focuses on growing the allocation of funds into green bonds and environmentally friendly projects. When selecting financial partners, adherence to a robust ESG policy is paramount, with VIG Re prioritizing collaboration with institutions that share its commitment to sustainable and responsible business practices.

We demonstrate responsible environmental practices by incorporating social and ecological considerations into our supplier selection and daily operations. Our supplier selection process is careful, with a preference for local providers holding proven sustainability credentials to minimize transportation impact and support local businesses. An environmental management system is implemented to reduce the Company's consumption of energy, water, paper, plastic, and other public utilities. We prioritize waste separation, prohibit the use of plastic dishes or cutlery, and as already mentioned, favour local suppliers. Our daily practices promote a paperless office.

We encourage our employees to use of videoconferencing to minimize business travel by plane whenever feasible. In 2023, our people, including senior management, averaged 2 798 km of air travel - a 30% reduction compared to 2019, the last year prior to the COVID-19 pandemic with no restrictions concerning travelling. Regarding our employees, the Company offers financial assistance for public transport through the VIG Re Cafeteria program. Furthermore, VIG Re actively endorses and sponsored twice in 2023 the "Bike To Work" initiative, advocating for the use of bicycles or walking over individual motorized vehicles for commuting. To facilitate this, the company offers a designated bike room and showers for employees at the headquarters.




Our Commitment towards the Society

Our commitment to social responsibility extends to encouraging and supporting our employees in actively participating in community engagement such as improving children financial literacy initiatives and engagement in Social Active days during the year.

As a company, we are dedicated to safeguarding the values that hold significance for our society. Acknowledging that personal misfortune is an inevitable part of our business, we strive to extend support beyond mere financial compensation. This commitment is reinforced by the empathy of our employees, who actively participate in initiatives and contribute personally to make a meaningful impact.

In the face of the ongoing Russian invasion of Ukraine and the resilient resistance demonstrated by the Ukrainian people, VIG Re and its employees persist in their efforts with ongoing donations and material collections also throughout 2023. VIG Re fulfilled its promise by donating EUR 270 000 to the VIG Family Fund initiative. This initiative is dedicated to supporting Ukrainian employees of the VIG group who have been directly affected by the war.

#socialactiveday

VIG Re Social Active Day
In 2023, the VIG Re team dedicated their Social Active Day (SAD) to preserving the valuable wetlands and biotopes in North Bohemia, supporting the initiatives of a local non-profit organization named Čmelák (Czech for bumble-bee). Given the company's growth and the inclusion of numerous new colleagues later in the year, we aimed to ensure an opportunity for those who missed the initial SAD organized in June.

In collaboration with the Business for Society Initiative, we facilitated our employees in contributing a day to make a positive impact in the community. Although participation in SAD is entirely voluntary, 69%[1)] of our total employees dedicated their time to help local communities during the year.

© VIG Re

103 employees

8 NGOs

69% participation rate

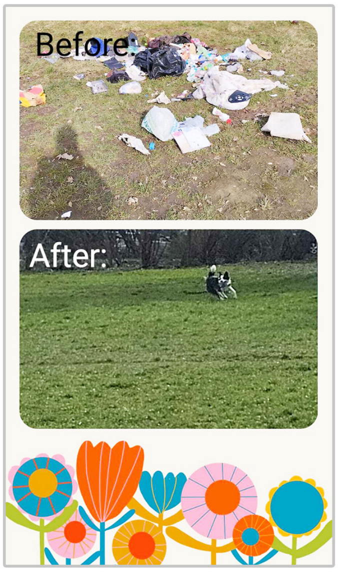
[1)] Exclusive of temporary employment contracts and contracts of the members of the Board of Directors

CSR Competition for employee's children

Every year, our employees and their children can actively participate in CSR competitions hosted by the VIG Group. In 2023, the children of VIG Re employees engaged in a captivating photo competition themed "How I want to make the world a better place", held in collaboration with Wiener Städtische Wechselseitiger Versicherungsverein. As a reward, the winners, including three participants from VIG Re, enjoyed two thrilling weeks at the VIG Kids Camps in Austria during July and August 2023. The selected winners spent their time in St. Michael im Lungau in Salzburg and in Seeboden in Carinthia.

VIG Re Children's Winning Contributions

Inna Crabeels



Martin Xodo

© VIG Re

Erik Grasser

Award in Recognition of Commitment to Voluntary Activities

Our colleague, Aneta Karlíková received the annual "Award in Recognition of Commitment to Voluntary Activities 2023" from Wiener Städtische Wechselseitiger Versicherungsverein. This initiative aims to acknowledge and honour employees across all VIG Group companies for their exceptional voluntary contributions. Over the years, Aneta has devoted herself to teaching Czech and various school subjects to the children of immigrants in the Czech

© Wiener Städtische Versicherungsverein

Aneta Karlíková with Herbert Allram, Member of the Managing Board of Wiener Städtische Versicherungsverein

Republic. Her efforts extend beyond language instruction, encompassing guidance on Czech traditions, culture, and habits, facilitating a swift and effective integration process into society.

#solidarity

Konto Bariéry Foundation

We consider charitable aspects also crucial in our procurement process. In 2023, this involved buying our Season's Greetings cards from the reputable Czech non-profit organization, Konto Bariéry Foundation (Czech for Barriers Account). This charity foundation aims to contribute to breaking down barriers in schools attended by disabled children, aligning our purchases with a meaningful cause. For the 2023 visual, we chose a creation by the blind artist Lukáš Liška titled "Colours of Winter – the Barbucha Ghost".

'Colours of Winter – The Barbucha Ghost'
by Lukáš Liška (the painter is blind)

Konto Bariéry

Our Commitment towards ESG Governance

VIG Re is dedicated to fostering an environment of diversity and inclusion, where everyone is treated with respect and free from discrimination, both within our organization and among our business partners. We remain steadfast in upholding the highest ethical standards in all aspects of our business operations.

Our Code of Business Ethics serves as a guiding principle, ensuring adherence to ethical standards and regulatory requirements in all interactions with our stakeholders, including business partners, employees, shareholders, society, and the environment. Compliance with applicable legislative and regulatory requirements, both at the local and international levels, is paramount to our operations.

We are committed to preventing money laundering and other illicit activities, and we have implemented stringent compliance processes to safeguard our financial systems. We proactively monitor and adhere to all applicable international and national sanctions. The responsibility for ESG matters lies with VIG Re's management team. We uphold the highest standards in risk management, corporate governance, legal matters, and internal audit to ensure that our company conducts its business in a lawful, ethical, and socially responsible manner.

Compliance with Laws and Standards of Behaviour
VIG Re is committed to operating in a compliant and ethical manner, upholding the highest standards of behaviour and integrity. We have established robust due diligence procedures, implemented comprehensive training programs, and assembled a dedicated compliance team. We regularly assess our compliance risks and take proactive steps to mitigate them effectively.

Our commitment to compliance extends beyond mere legal obligations; it is a fundamental pillar of our ethical ethos. We believe that ethical business practices are essential for building trust, maintaining a strong reputation, and fostering positive relationships with our stakeholders. We are committed to conducting our business in a way that is fair, transparent, and accountable, upholding the highest standards of ethical conduct and social responsibility.

Code of Business Ethics
VIG Re is committed to operating with the utmost integrity and ethical principles. By employing efficient and sustainable risk management solutions, we contribute to the resilience of society while upholding the values of good governance. Our actions are guided by our Code of Business Ethics, which serves as a framework for ensuring compliance with essential rules and upholding integrity in all our dealings with business partners, employees, shareholders, and the general public.

Commitment towards our Business Partners and Clients
Being part of Vienna Insurance Group, with its roots as a mutual insurer founded in 1824, VIG Re embodies a legacy of mutuality and commitment to long-term partnerships. Guided by principles of professionalism, integrity, and efficiency, we strive to serve our business partners with unwavering dedication.

Our stringent client due diligence process ensures that we collaborate with reputable and trustworthy partners, fostering a network of relationships built on trust and transparency. We meticulously safeguard our integrity by refraining from any business dealings that could compromise our values.

Through open and honest communication, we aim to empower our clients to achieve their goals, leveraging our reinsurance expertise to navigate the ever-evolving insurance landscape. Continuously seeking feedback from our valued partners, we strive to refine our services and exceed their expectations.

Our Commitment towards our Employees

VIG Re' commitment towards its employees is driven by our commitment to a diverse, equitable and inclusive corporate culture where our employees share their thoughts, ideas, and concerns in an open and save environment. It is also a reflection of our believe that by investing in our people, we are investing in the future success of our company. As we strive to attract, develop, and retain top-tier talents we foster a culture of continuous learning and growth.

Corporate Mission and Corporate Values

Our corporate values "PASSION – PARTNERSHIP – PERFORMANCE" are the guiding principles and beliefs that shape the culture and behaviour also toward our employees . Our commitment is to foster long-term enduring relationships, to be the reliable and trusted partner.

PASSION – PARTNERSHIP – PERFORMANCE

Diversity, Equity, and Inclusion [2)]

Providing a diverse, and equitable, and inclusive work environment where employees can be themselves is at the heart of our HR strategy. We strongly believe that a diverse workforce is key to a successful business. Thanks to each employee's unique background, we are

#empowerment

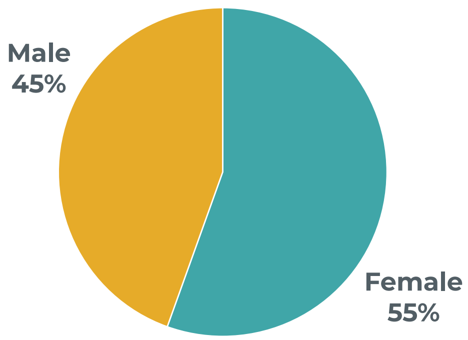
able to innovate faster and develop strong solutions. This respect for the individual has been shown yearly in our engagement surveys. Our employees value the strong bond with their line managers and colleagues. Our diversity agenda makes us an attractive employer. We hold ourselves accountable for:

1.	Gender Balance
2.	Female Leaders
3.	Equal Pay
4.	Health Age Mix
5.	International Company Culture

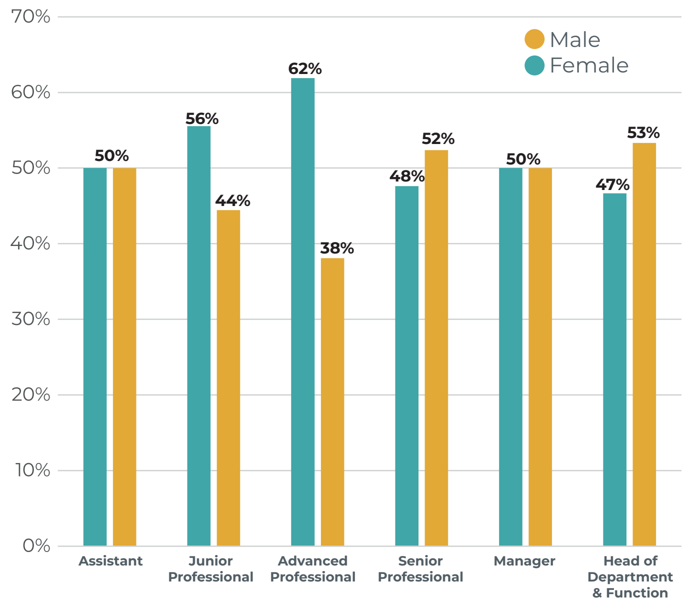
1 Gender balance: treating all identities fairly

As an equal opportunity employer, we advocate for gender balance within the company. We pay attention to that in all our people-related processes, from recruitment to performance reviews, through career growth and remuneration. We met our target of not exceeding 60% in any gender category, in 5 corporate bands out of 6.

Gender Distribution at a Company Level in 2023



Gender Distribution by Professional Bands in 2023

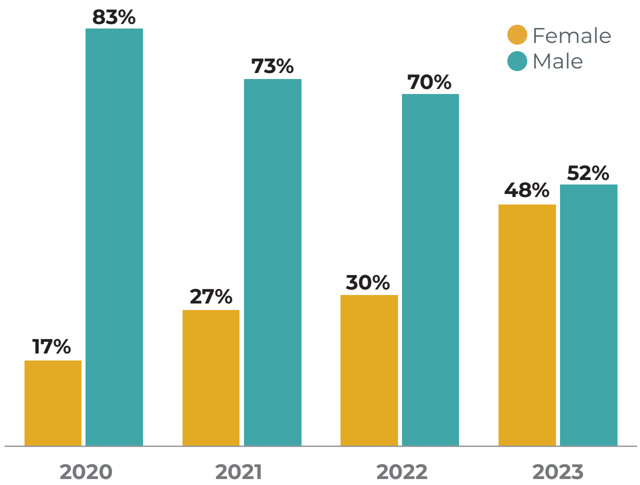


[2)] Members of the Board of Directors and Supervisory Board are not counted here as employees or managers, and they are not captured in the charts in this chapter "Our Commitment towards our Employees".

2 Female leaders: supporting women in leadership positions

Studies have proven that gender-balanced management teams achieve better financial results. Thanks to a more diverse recruitment pool, internal development measures, greater flexibility for all, and an active dialogue between female employees and their managers, we reached 48% women in leadership positions[3)]. This represents an 18-point increase in comparison with 2022. It is in line with our target of having at least 30% of women in leadership positions.

Gender Distribution in Management



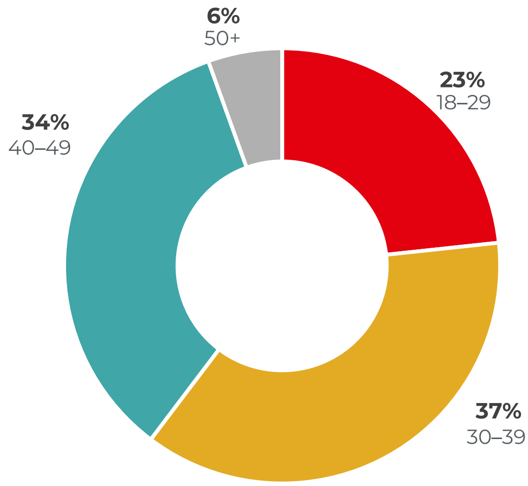
3 Equal Pay: equal pay and fair remuneration for all employees

We aim for the equal pay for equal work. We regularly audit our salary bands to ensure that we do not have a bias in the way we remunerate employees. All individuals, regardless of their identity, should be compensated according to their contribution. Our compensation philosophy reflects this commitment. We offer fair and competitive total rewards to all our employees.

4 Healthy age mix: increasing intergenerational cooperation

Our commitment towards more Diversity is also reflected in the age distribution of our employees. As we see from the average age of our employees of 37 years – we are a relatively young company, keeping the average age same as in 2022. Young talents are an asset. They have a lot to bring in terms of digitalization, simplification of tasks, and shaping the workplace of tomorrow. At the same time, we want to reinforce long careers to retain key employees. Our target to have no age category above 40% has been met again this year.

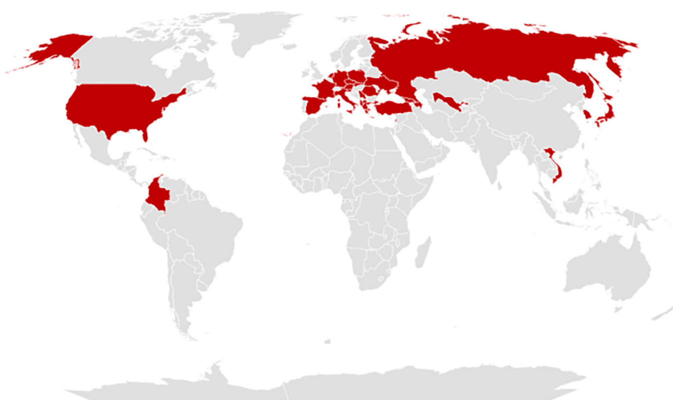
Age Distribution at VIG Re



5 International company culture: making the best out of our differences

Multiculturality has been in VIG Re's DNA since its foundation. We serve clients globally while operating from the Czech Republic as part of an Austrian group. Our French and German branch offices complete the picture. We serve customers in 58 countries, and we employ people from 27 countries and 4 continents. 48% of our employees have Czech nationality. We met our target of having less than 70% of employees representing one nationality. Our corporate language is English, making VIG Re an attractive employer for foreigners living in Prague, Paris, or Munich.

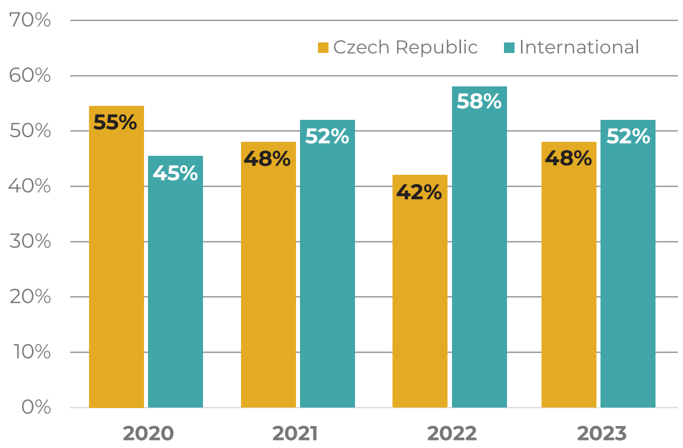
Nationalities of VIG Re employees



[3)] Meaning: Board of Directors, B-1 Line managers, B-1 Function holders, B-2 Line managers

Our culturally diverse workforce gives us the intercultural sensitivity needed to operate on a global scale. While being international is a gift, it also comes with challenges, e.g., in terms of communication. We thus offered workshops to develop our employees' intercultural quotient.

Nationalities of VIG Re employees



Employer Branding and Recruitment

To keep developing our company in the current competitive environment, we rely on our people. Therefore, we strive to create a climate of responsibility, accountability, and respect. Our recruitment process plays a pivotal role in building and sustaining a successful workforce, ensuring that the Company has not only the right people with the necessary skills and qualifications to meet its business objectives, but that our people feel connected and align with our corporate culture and values.

We continued in our co-operation with universities such as the Charles University in Prague, the Prague University of Economics and Business or the Technical University Cologne also in 2023. We engage actively with social media platforms such as LinkedIn and various professional and social networks affiliated with selected universities in the Czech Republic, France, and Germany.

#proudtobevigre

To ensure a smooth and fast integration of new colleagues, we introduced the "VIG Re Buddy" programme. 23 colleagues, so-called "buddies", helped 50 new employees to integrate fast in the Company and the local culture. To offer an attractive workplace is increasingly important factor for employees. The VIG Re Café, designed with a modern in the headquarter building in Prague quickly became a popular place for informal meetings and team gatherings. It also hosted several award ceremonies or employee engagement initiatives such as ongoing humanitarian collections for Ukrainian refugees, Easter Baking Off Initiative, Bike to Work wrap up ceremony, VIG Re Kindness Week, Movember, and many other.

In 2023 we organised our second VIG Re Family Day for friends and family members, with a special focus on the little ones. This was followed by a separate event hosting a group of first graders and explaining the mission of reinsurance and insurance through a game which was a creative and engaging way to introduce complex concepts to young minds. We hope that exposing children to the world of (re)insurance at a young age will lay the ground for financial literacy of the future adults.

Last but not least we continued in the "We are VIG Re" internal interview series featuring individual employees and their professional and private life stories series during the 2023. This showed to be a powerful tool for strengthening employer branding by showcasing the human side of the company as well as supporting our employer branding.

Health and Safety at Work

Prioritizing a safe working environment, incorporating regular safety training, and offering a flexible and comprehensive benefits program (VIG Re Cafeteria) contribute to employee well-being, satisfaction, and the overall success of the Company.

The Company and its management support the employee health and well-being by offering benefits tied to fitness and wellness. This includes complimentary on-site yoga sessions and amenities catering to runners or biking employees. Our people enjoy free of charge healthy snacks, drinks, fruits, and vegetables during the whole year. Moreover, the Company backed numerous sporting activities, actively encouraging and engaging employees in events like the Bike to Work Challenge, Vienna City Marathon, two charity runs in Paris, or the Prague Marathon. The company further advocates for sustainable modes of transportation among employees, encouraging alternatives such as walking or utilizing

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public transport, offering financial subsidies to support these eco-friendly choices through the VIG Re Cafeteria.

Additionally, the implementation of a flexible working hours system and the opportunity for employees to work remotely align with individual preferences, allowing them to better manage personal obligations and tailor their work arrangements accordingly. In 2023, 94% of our people opted for remote work (home office option), averaging 51 working days per employee throughout the year.

One of the benefits which sets the company apart as progressive and employee-focused, is the "unlimited paid leave" policy. 32% of our employees have made use of the benefit in 2023 to take a paid time off exceeding their vacation entitlement. This benefit allows our people to utilize paid leave for various reasons such as addressing personal health concerns and attending to personal matters.

Introduced in October 2023, the Mental Health Programme was a new addition to our comprehensive well-being benefits scheme. Under this program provided by Soulmio, employees have access to psychology counselling; and line managers to workshops tailored to their team members' needs.

Team Buildings

Team buildings and various internal company events and employees' initiatives play a significant role in the work culture at VIG Re, contributing to the development and reinforcement of our company culture and team spirit. To enhance collaboration and a team spirit, several team buildings have been organised during the year.

#collaborationandpartnering

This included pottery or cooking classes, as well as a barbecue evening hosted on the VIG Re rooftop terrace. The traditional annual events, including the two-day Company Offsite, Social Active Day, New Year's and Mikulášská parties, were also successfully held.

Due to the company's growth and the addition of numerous new colleagues in the latter part of the year, we wanted to ensure that those who were not able to participate at the Company-wide Social Active Day (SAD) organised in June still had an opportunity to contribute. In collaboration with the Business for Society Initiative, we enabled our people to contribute their one day toward making a positive impact in the community. While participation in Social Active Day is entirely voluntary, 61%[4] of our total employees actively chose to dedicate their time to this initiative during the year and helped 8 non-profit organisations during the year.

Professional Development

Employee growth is of utmost importance for VIG Re. We empower employees to take ownership of their growth in partnership with their line manager. Development takes different shapes at VIG Re, from classroom sessions to individual coaching. In 2023, we significantly invested in the development of our employees: we provided them with 5 300[5] hours of

[4] Includes all temporary employement contracts and contracts of the members of the Board of Directors.
[5] Includes all permanent employees active in 2023.

training courses, which represents a 108% increase in comparison to 2022. 41 employees are subject to the Insurance Distribution Guideline (IDD).

#strategicmindset

We also implemented the VIG Group's competence model in our talent management strategy.

The competences are a set of behaviours that we need to demonstrate to best serve our customers. We use those competences not only for recruiting and performance management purposes but also to customize development initiatives. Those competences are:

Customer Centricity/Experience	**Innovative Mindset**	**Collaboration and Partnering**
Personal Accountability	**Strategic Mindset** (for Experts and line managers)	**Empowerment** (for line managers)

We believe that leadership development is a strong element of a healthy company culture. We invested in a tailor-made leadership program for our new leaders to thrive, especially in the areas of feedback, motivation, presentation, and time management.

Research, Science and Development

Especially in times of fast changing and emerging risks, reinsurance companies play a pivotal role in strengthening societal resilience against many various challenges. These challenges span from the assessing and mitigating the impacts of climate change to the risks of supply chains failures in a (de-)globalised and a more-and more digitalised world such as cyber risks or the usage of artificial intelligence. Some of the foremost challenges on the reinsurance horizon are the impact of climate change on weather-related events and the socio-demographic issues. The aging population in Europe, accompanied by an increased demand for health services, poses a unique set of risks that require thoughtful consideration and innovative solutions. Similarly, the impact of economic migration and war refugees presents challenges that demand a nuanced understanding and collaborative efforts to cope with.

VIG Re is actively engaged and supports organizations dedicated to education, science, and research within the field of risk transfer and reinsurance. Our collaboration extends to renowned universities, where we contribute to the education and development of future talents for the industry. Additionally, we foster partnerships with organisations that focus on digitalization and the application of cutting-edge technologies, aiming to propel innovation and efficiency within the reinsurance industry. Through these initiatives, we strive to cultivate a forward-thinking and dynamic environment, ensuring the continuous evolution and progress of the (re)insurance industry.

In alignment with our core value of partnership, VIG Re proudly supports related research and collaborates with at -University of Applied Sciences in Cologne, Germany, and Charles University in Prague. Additionally, we maintain a longstanding partnership with the Czech Actuarial Society.

Beyond financial support to these above-mentioned academic institutions, we actively engage in numerous (re)insurance symposiums and conferences such as Insurtech Insides and the Insurtech Insights Conferences, both held in London in March, the Underwriting Innovation Europe 2023 Conference in London in June, the Cologne Reinsurance Symposium in May, several Connectiva CEE Claims online events to name a few, and many more. Furthermore, our senior colleagues offer lectures to university students and academic experts on fundamental aspects of the reinsurance business at the University of Economics and Business in Prague or the Charles University, Faculty of Mathematics and Physics in the Czech Republic. They play an active role in sharing their knowledge and insights across diverse platforms within the industry by contributing through presentations at various industry summits, participating in interviews, editorial articles, and engaging in webinars and panel discussions. This dedication to thought leadership and sharing knowledge highlights our commitment to nurturing meaningful conversations and contributing to the broader discourse within the professional landscape.

True to our corporate value of continuous improvement and with the aim to stay abreast of relevant risks' trends, we have expanded our cooperation with leading Natural Catastrophe (Nat Cat) modelling firms, and we have included additional perils/markets to our existing licence agreement with RMS. We continue to utilise state-of-the-art Nat Cat models, that incorporate the latest scientific advancements in the field.

Going forward, we target to fundamentally transform our underwriting tools and systems' landscape. We will design, develop and implement a digitally enabled underwriting benchmark and leverage on cutting edge technologies (e.g., AI, LLM) to enable data-driven augmented underwriting.

FINANCIAL RESULTS (INDIVIDUAL STATEMENTS)

Statement of comprehensive income in EUR '000	2023	2022 (restated)
Insurance Revenue	**819 401**	**651 509**
Non-Life	779 911	623 422
Life	39 490	28 087
Combined ratio	**90.83%**	**98.69%**
Results from Investments	10 900	-1 156
Profit before tax	31 610	-801
Profit for the period	24 445	-2 812

Statement of financial position in EUR '000	2023	2022 (restated)
Investments	**665 628**	**535 526**
Total assets	**1 328 154**	**1 151 597**
Shareholder's equity	**294 931**	**187 574**
Insurance and reinsurance liabilities	**966 570**	**894 666**

The Company does not own its own shares neither its ownership interests.

Outlook 2024

Macroeconomics: a multitude of risks on the horizon

Despite proving remarkably resilient amid economic shocks of the last few years, the global economy is likely to remain in a difficult position in 2024, with historically weak overall momentum and risks skewed to the upside. Geopolitics is expected to continue to play a dominant role on the macroeconomics in 2024. The war in Ukraine with all negative impacts is likely to last at least into 2025. An adverse scenario in which the Palestine conflict expands to include major regional oil producers adds new, potentially non-linear, downside risks, with potential energy price shocks the key risk channel.

As the Central banks have intensified in 2023 the tightening of their monetary policy to fight inflation, the economic slowdown is likely to continue in 2024. Major government initiatives to galvanise sectors from semiconductors to clean energy add structurally to inflation, fiscal deficits and interest rates if implemented. In developed markets both inflation and interest rates are likely to stay above market expectations. The slower disinflation raises the spectre of a prolonged stagnation. In addition, structurally higher real interest rates expose fragilities in public and private debt balances.

As a consequence, global growth is expected to decelerate to 2.4%, marking the third straight year of decline[6)]. While the US economy shows some continued growth despite economic and political headwinds, the disappointing recovery in China continues to adversely affect the European industry. Still, while Eurozone growth is stagnating (+0.8%), with some countries even facing recession, Central & Eastern European markets are expected to return to a higher rate of growth as increased private purchasing power will spur economic growth[7)].

Insurance Industry: extreme weathers - the new normal

The economic growth slowdown and elevated geopolitical uncertainty dampen the outlook as well for the primary insurance industry. Global real premium growth for the next two years is estimated by Swiss Re at only 2.2% annually, below the pre-pandemic trend (2018–2019: 2.8%)[8)].

While profitability is recovering as investment returns increase with high interest rates, it remains uncertain, whether the industry will earn its cost of capital in 2024. A further escalation of geopolitical conflicts, such as the the Ukraine and Middle East wars will spur inflation and market volatility and may further hurt insurers' earnings and capital positions.

Non-life insurance underwriting performance is confronted with rising average costs of claims. Natural catastrophe insured losses exceeding USD 100 bn is seen as the new normal.[9)] The burden from more frequent and more severe weather events is raising, caused by both the effects of the accelerated climate change and the concentration of values in exposed areas.

The insurance industry is a vital partner in the economic transition towards a green, data and tech driven industry. Commercial lines in property, engineering, liability, and trade credit are expected to see business flourish as green initiatives take shape.

6) World Bank, Global Economic Prospects, 2023
7) The Vienna Institute for International Economic Studies (wiiw), Winter Forecast, published Jan 30, 2024
8) Swiss Re Sigma 6/2023
9) Willis Towers Watson (WTW) Natural Catastrophe Review Jan 2024

Reinsurance industry: a hard market to prevail

We expect the favourable market conditions for reinsurers will continue in 2024. Repricing of risk, especially in natural catastrophe exposed lines, the restructuring of reinsurance programs and a tightening of terms and conditions has led to a realignment of interest between cedants and reinsurers. Higher interest rates on fixed income assets should further bolster reinsurers profitability. On the other hand, loss reserves are adversely affected by inflation which may trigger further reserve strengthening especially of long tail lines.

We anticipate an increased demand for reinsurance as inflationary trends drive insurance values up and recent events trigger model adjustments. While the dedicated reinsurance capacity recovered to the 2022 level, the industry did not experience any major new market entries in 2023 nor are these announced for 2024. On the other hand, reinsurers are willing to deploy more capacity in a hard market environment, potentially leading to a future flattening out of the market.

VIG Re: fit for growth

We see the current market environment as an opportunity for profitable growth. The Company strives to foster its position as a leading reinsurer in Central and Eastern Europe, further enhance its value proposition in other Continental European and mature Asian markets and prudently diversify its portfolio in selected markets and selected lines of business as set out in the Company's Strategy 2025.

The capital increase and subsequently strengthening of our balance sheet in 2023 allows VIG Re to capture the positive market momentum, increase our retention and invest in a future proof digital infrastructure and our workforce in order to be well prepared for a continued sustainable and profitable growth.

AUDITOR'S REPORT

WE'VE GOT YOUR BACK

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This document is an English translation of the Czech auditor's report.
Only the Czech version of the report is legally binding.

Independent Auditor's Report

to the Shareholders of VIG RE zajišťovna, a.s.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying separate financial statements of VIG RE zajišťovna, a.s. ("the Company"), prepared in accordance with IFRS Accounting Standards as adopted by the European Union, which comprise the separate statement of financial position as at 31 December 2023, and the separate statement of comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended, and notes to the separate financial statements, comprising material accounting policies and other explanatory information. Information about the Company is set out in Note A.1. to the separate financial statements.

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and of the Council, and Auditing Standards of the Chamber of Auditors of the Czech Republic, consisting of International Standards on Auditing (ISAs), which may be supplemented and amended by relevant application guidelines. Our responsibilities under those regulations are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Measurement of liabilities and assets for remaining coverage

As at 31 December 2023, liabilities for remaining coverage: TEUR 260,591; assets for remaining coverage: TEUR - 101,899.

Refer to additional information disclosed in Note C.4. and Note F.3. of the Company's financial statements.

The key audit matter

The outstanding balances of liabilities and assets for remaining coverage for insurance contracts (LRC and ARC, respectively) represent significant elements of, respectively, insurance contract assets and liabilities in the Company's statement of financial position.

In measuring the liabilities and assets for remaining coverage, the Company's management is required to estimate, among other things, the present value of future cash flows (PVFCFs) and contractual service margin (CSM). Estimating the PVFCFs requires application of professional judgment as well as complex and subjective assumptions, including those with a long-time horizon, with the complexity increased in the current volatile economic conditions. Those assumptions are treated as inputs into the cash flow models using actuarial methods. PVFCFs and further data and assumptions are then used to calculate the CSM.

The key assumptions include those related to costs, claim ratios, mortality/morbidity rates, lapse rates, coverage units and discount rates. Relatively minor changes in management's assumptions can have a significant effect on the recognized amount of the LRC and ARC.

Due to the above factors, we determined measurement of the LRC and ARC to be associated with a significant risk of material misstatement. As such, we consider the area to be our key audit matter which required our increased attention in the audit.

How the matter was addressed in our audit

Our procedures in the area, performed, where applicable, with the assistance of our own actuarial and information technology (IT) audit specialists, included the following, among other things:

- We tested the design, implementation and, where relevant, operating effectiveness of selected system (IT-based) and manual controls over measurement of the LRC and ARC, including those over determination of actuarial assumptions;
- We tested the relevance and reliability of data used in making the LRC and ARC estimates, which included, among other things, testing the policy data, data on expenses, data used for estimation of future cash flows and actual cash flow data in the period;
- With specific consideration of the assessed effects of the current economic conditions, we:
  - assessed the method and model applied in measuring the LRC and ARC, against the relevant requirements of the financial reporting standards and market practice; and
  - challenged the key assumptions applied therein, such as costs, claim ratios, mortality/morbidity rates, lapse rates, coverage units and discount rates, by reference to the Company's experience studies and market data, as considered appropriate, and also by analysing the development of the assumptions over time;
- We analytically assessed significant year-to-year variations in the amounts of LRC and ARC. We also carried out our own independent recalculations of those balances at the reporting date;
- We assessed the appropriateness of the Company's disclosures regarding LRC and ARC against the requirements of the relevant financial reporting standards.

KPMG

Measurement of liabilities and assets for incurred claims

As at 31 December 2023, liability for incurred claims: TEUR - 1,227,161; assets for incurred claims: TEUR 665,782.

Refer to additional information disclosed in Note C.4. and Note F.3. of the Company's financial statements.

The key audit matter

The measurement is complex, as it requires judgment and involves selection and application of methods and models and making complex assumptions. A number of acceptable actuarial methods may be used, and in many cases standard methods may need adjustments specific to the circumstances, which also require the application of significant judgment.

Also, relatively minor changes in management's assumptions can have a material effect on the recognized amounts of LIC and AIC, with the key assumptions including those in respect of the claims development factors and discount rates.

Due to the above factors, satisfying ourselves regarding measurement of the liabilities and assets for incurred claims required our increased attention in the audit and we determined the area to be our key audit matter.

How the matter was addressed in our audit

Our procedures in the area, performed, where applicable, with the assistance of our own actuarial and IT audit specialists, included the following, among other things:

- We tested the design, implementation and, where relevant, operating effectiveness of selected system (IT-based) and manual controls over measurement of the liabilities and assets for incurred claims, including those over the determination of actuarial assumptions;
- We traced the input data used in making the LIC and AIC estimates to the underlying databases of incurred and paid claims, whose relevance and reliability we independently assessed, among other things, through inspection of evidence such as loss adjustor reports, independent expert reports, bank statements with payments for particular claims or other relevant documentation;
- We evaluated the ability of the Company's methods and models to produce accurate estimates of the LIC and AIC, by comparing the current year's actual experience to prior year's estimated amounts;
- In respect of the LIC and AIC estimates, we:
  - assessed the methods and models applied in measuring the LIC and AIC, against the relevant requirements of the financial reporting standards and market practice;
  - challenged the key assumptions applied therein, as follows:
    - development factors – by reference to the Company's experience studies; and
    - discount rates - by reference to risk-free rates obtained from publicly available external sources.
  - analytically assessed significant year-to-year variations in the amounts of LIC and AIC, the development of claims ratio and also made relevant inquiries of the Company's actuarial experts and employees of claims handling department. We also carried out own independent recalculations of key elements of the LIC and AIC;
- We assessed the Company's disclosures regarding the LIC and AIC against the requirements of the relevant financial reporting standards.

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Initial application of IFRS 17 Insurance contracts

Total net impact of initial application of IFRS 17 Insurance contracts (“IFRS 17” or “Standard”) (net of tax) – increase in total equity as at 1 January 2022 (“transition date”): TEUR 33,677.

Refer to additional information disclosed in the Statement of changes in equity and Note B.1.1. of the Company’s financial statements.

The key audit matter

IFRS 17, effective for annual reporting periods beginning on 1 January 2023, introduced new recognition, measurement, presentation and disclosure requirements for insurance contracts. At transition date, the Standard requires that the Company identify, recognizes and measures each group of insurance contracts based on the full retrospective approach, unless impracticable, in which case alternative approaches are allowed, including the fair value approach.

All of the Company’s insurance contracts were measured under the fair value approach, whereby an entity determines the contractual service margin (CSM) or loss component based on the difference between the fair value of the group of insurance contracts and its fulfilment cash flows at that date. Application of the approach required significant judgment and developing new assumptions, such as those for the market level of cost of capital and cost per policy.

Under the Standard, the Company was also required to determine the appropriate model to be applied in measuring the liability for remaining coverage (LRC) for a given group of contracts.

Lastly, IFRS 17 expanded on the scope of disclosures required in the Company’s financial statements compared with those previously required by IFRS 4 Insurance contracts.

In the wake of the above factors, auditing the Standard’s initial application by the Company was also complex and required significant auditor judgement due to complexity of models and accounting policy choices. The area was identified as a significant risk in our audit which required our increased attention, and as such was considered by us to be a key audit matter.

How the matter was addressed in our audit

Our procedures in the area, performed, where applicable, with the assistance of our own actuarial and IT audit specialists, included the following, among other things:

- We inspected the Company’s accounting policies and actuarial methods and models, and assessed their compliance with the requirements of the Standard. We also inspected the model setup and formulas;
- We tested the design, implementation and, where relevant, operating effectiveness, of selected system (IT-based) and manual controls over the recognition and measurement of insurance contracts in line with IFRS 17;
- For a sample of insurance contracts, we challenged the grouping of the contracts, by inspecting the contractual conditions, and also evaluated the appropriateness of the transition approach adopted;
- On a sample basis, we tested the relevance and reliability of the data used by the Company in transition-date accounting for insurance contracts;
- Specifically for the fair value approach and the related model applied by the Company, we:
  - examined the historical projected cashflows and assumptions therein to ensure they are incorporated into the transition valuation model as applicable; and
  - challenged new and revised key assumptions under IFRS 17, including those for market level

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of cost of capital and cost per policy, primarily by reference to external market data and the Company's historical experience studies, respectively;

- We assessed the Company's disclosures regarding the adoption of IFRS 17 against the requirements of the relevant financial reporting standards.

Other Information

In accordance with Section 2(b) of the Act on Auditors, other information is defined as information included in the annual report other than the financial statements and our auditor's report. The statutory body is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable laws and regulations, in particular, whether the other information complies with laws and regulations in terms of formal requirements and the procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with those requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- the other information describing matters that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- the other information has been prepared in accordance with applicable laws and regulations.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

Responsibilities of the Statutory Body, Supervisory Board and Audit Committee for the Financial Statements

The statutory body is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and for such internal control as the statutory body determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the statutory body is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the statutory body either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Company's financial reporting process. The Audit Committee is responsible for monitoring the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an

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audit conducted in accordance with the above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above regulations, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the statutory body.
- Conclude on the appropriateness of the statutory body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In compliance with Article 10(2) of Regulation (EU) No. 537/2014 of the European Parliament and of the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of International Standards on Auditing:

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Appointment of Auditor and Period of Engagement

We were appointed as the auditors of the Company by the General Meeting of Shareholders on 27 April 2022 and our uninterrupted engagement has lasted for 16 years.

Consistency with Additional Report to Audit Committee

We confirm that our audit opinion on the financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on 2 April 2024 in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council.

Provision of Non-audit Services

We declare that no prohibited services referred to in Article 5 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council were provided.

Except for the statutory audit, we did not provide the Company and its controlled undertakings with any other services that have not been disclosed in notes to the financial statements or annual report.

Statutory Auditor Responsible for the Engagement

Ondřej Fikrle is the statutory auditor responsible for the audit of the financial statements of VIG RE zajišťovna, a.s. as at 31 December 2023, based on which this independent auditor's report has been prepared.

Prague
2 April 2024

KPMG Česká republika Audit, s.r.o.
Registration number 71

Ondřej Fikrle
Partner
Registration number 2525

SEPARATE FINANCIAL STATEMENTS

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STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2023

Assets in EUR '000	**Notes**	**2023**	**2022 restated**	**1. 1. 2022 restated**
Intangible assets	F.1	3 904	3 104	2 478
Property, plant and equipment	F.2	1 661	2 068	2 548
Insurance contracts assets	F.3	0	6 282	18 881
Reinsurance contracts assets	F.3	563 883	550 880	656 342
Financial investments	F.4	665 628	535 526	515 947
Trade and other receivables	F.5	536	2 846	192
Deferred tax assets	F.13	32 598	17 383	3 122
Current tax assets	F.13	10 905	0	0
Other assets	F.6	957	1 003	353
Cash and cash equivalents	F.7	48 082	32 505	60 754
Total ASSETS		**1 328 154**	**1 151 597**	**1 260 617**

Equity and Liabilities in EUR '000	**Notes**	**2023**	**2022 restated**	**1. 1. 2022 restated**
Share capital		226 850	126 850	126 850
Other reserves		6 360	-2 125	4 431
Retained earnings		61 721	62 849	83 627
Total EQUITY	**F.8**	**294 931**	**187 574**	**214 908**
Subordinated liabilities	F.9	55 742	55 742	55 742
Other financial liabilities	F.12	843	1 378	1 767
Insurance contracts liabilities	F.3	957 488	888 874	973 911
Reinsurance contracts liabilities	F.3	9 082	5 792	27
Trade and other payables	F.10	10 068	7 145	7 710
Current tax liabilities	F.13	0	5 092	6 552
Total LIABILITIES		**1 033 223**	**964 023**	**1 045 709**
Total EQUITY AND LIABILITIES		**1 328 154**	**1 151 597**	**1 260 617**

The company does not issue any direct insurance contracts or any contracts with direct participation features. For a better clarity of the disclosure tables, the reinsurance contracts issued are referred to as insurance contracts and reinsurance held contracts are referred to as reinsurance contracts.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDING 31 DECEMBER 2023

Statement of comprehensive income in EUR '000	**Notes**	**2023**	**2022 restated**
Insurance revenue		819 401	651 509
Insurance service expenses from insurance contracts		-682 842	-603 094
Insurance service result from insurance contracts	**F.3**	**136 559**	**48 415**
Allocation of reinsurance premiums paid		- 367 327	-308 258
Amounts recovered from reinsurance contracts		272 239	264 349
Net income (expenses) from reinsurance contracts	**F.3**	**-95 088**	**-43 909**
Insurance service result		**41 471**	**4 506**
Insurance finance income (expenses) from insurance contracts		-13 477	1 955
Finance income (expenses) from reinsurance contracts		3 740	-2 385
Insurance finance result	**F.4.4**	**-9 737**	**-430**
Interest revenue calculated using the effective interest method	F.4.5	12 147	6 852
Impairment loss and reversal of impairment loss	F.4.6	-126	-1 624
Net realised and non-realised gains (losses) from financial instruments	F.4.7	-2 189	-7 093
Other investment result	F.4.8	1 068	709
Investment result		**10 900**	**-1 156**
Other operating income	F.11	331	451
Other operating expenses	F.11	-6 666	-1 530
Profit (loss) from operating activities		**36 299**	**1 841**
Finance costs	F.4.9	-4 689	-2 642
Profit before tax		**31 610**	**-801**
Tax expense	F.13	-7 165	-2 011
Profit (loss) for the period		**24 445**	**-2 812**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Revaluation of financial instruments through OCI	**F.4.1**	-92	-43
Related income tax		-35	-6
Items that are or may be reclassified subsequently to profit or loss			
Insurance finance income/expenses	F.4.4	-9 675	43 653
Revaluation of financial instruments through OCI	F.4.4	20 479	-51 684
Related income tax		-2 192	1 523
Other comprehensive income for the year		**8 612**	**-6 508**
Comprehensive income for the period		**33 057**	**-9 320**

The company does not issue any direct insurance contracts or any contracts with direct participation features. For a better clarity of the disclosure tables, the reinsurance contracts issued are referred to as insurance contracts and reinsurance held contracts are referred to as reinsurance contracts.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDING 31 DECEMBER 2023

Statement of changes in equity in EUR '000	Share capital	Share premium	Fair value reserve	Insurance finance reserve	Retained earnings	Total Equity
Balance as at 1 January 2022, as previously reported	**126 850**	**49**	**2 986**	**0**	**49 950**	**179 835**
Impact of initial application of IFRS 17	0	0	0	0	40 596	**40 596**
Impact of initial application of IFRS 9	0	0	1 679	0	0	**1 679**
Transition effect on deferred taxes	0	0	-283	0	-6 919	**-7 202**
Restated balance as at 1 January 2022	**126 850**	**49**	**4 382**	**0**	**83 627**	**214 908**
Profit for the year	0	0	0	0	-2 812	**-2 812**
Other comprehensive income for the period						
Insurance finance income/expenses	0	0	0	43 654	0	**43 654**
Revaluation of financial instruments through OCI	0	0	-51 727	0	0	**-51 727**
Related income tax	0	0	9 811	-8 294	0	**1 517**
Total comprehensive income for the period	**126 850**	**49**	**- 37 534**	**35 360**	**80 815**	**205 540**
Dividends	0	0	0	0	-17 966	**-17 966**
Restated balance as at 31 December 2022	**126 850**	**49**	**- 37 534**	**35 360**	**62 849**	**187 574**

Statement of changes in equity in EUR '000	Share capital	Share premium	Fair value reserve	Insurance finance reserve	Retained earnings	Total Equity
Balance as at 1 January 2023	**126 850**	**49**	**-37 534**	**35 360**	**62 849**	**187 574**
Profit for the year	0	0	0	0	24 445	**24 445**
Other comprehensive income for the period						
Insurance finance income/expenses	0	0	0	-9 675	0	**-9 675**
Revaluation of financial instruments through OCI	0	0	20 387	0	0	**20 387**
Related income tax	0	0	-3 386	1 159	0	**-2 227**
Total comprehensive income for the period	**126 850**	**49**	**-20 533**	**26 844**	**87 294**	**220 504**
Issue of share capital	100 000	0	0	0	0	**100 000**
Dividends	0	0	0	0	-25 573	**-25 573**
Balance as at 31 December 2023	**226 850**	**49**	**-20 533**	**26 844**	**61 721**	**294 931**

CASH FLOW STATEMENT
FOR THE YEAR ENDING 31 DECEMBER 2023

Cash Flow Statement in EUR '000	**2023**	**2022 restated**
Cash flows from (used in) operating activities		
Cash flows from insurance contracts and reinsurance contracts		
Premiums received from insurance contracts	890 952	713 120
Premiums paid for reinsurance contracts	-367 623	-314 004
Claims and other insurance service expenses paid for insurance contracts	-567 895	-500 060
Claims and other insurance service expenses received from reinsurance contracts	225 702	309 258
Payments of insurance acquisition costs for insurance contracts	-22 361	-17 175
Receipts of insurance acquisition costs from reinsurance contracts	4 678	1 318
Payments of operating expenses related to insurance contracts	-8 345	-6 534
Payments of operating expenses related to reinsurance contracts	-2 102	-1 627
Net cash inflow (outflow) from reinsurance deposits	-20 720	-5 776
Cash flows from financial investment assets		
Proceeds from sale of financial investments	123 306	74 698
Purchase of financial investments	-243 374	-152 384
Interest received	12 172	5 768
Dividends received	0	0
Cash flow from investment component	-78 970	-131 126
Paid investment component	33 926	39 124
Ceded payments of investment component	-6 666	-1 530
Other inflows (outflows) of cash	14 029	-13 772
Income tax paid	-41 680	-6 425
Net cash flows from (used in) operating activities	**-54 971**	**-6 989**
Cash flows from (used in) investing activities		
Purchase of intangible assets, property, plant, and equipment	-1 896	-1 459
Dividends received from subsidiaries	680	899
Net cash flows from (used in) investing activities	**-1 216**	**-560**
Cash flows from (used in) financing activities		
Proceeds from issuing shares or other equity instruments	100 000	0
Interest paid related to subordinated liabilities	-2 177	-2 248
Payments of lease liabilities	-486	-486
Dividends paid	-25 573	-17 966
Net cash flows from (used in) financing activities	**71 764**	**-20 700**
Net change in cash and cash equivalents	**15 577**	**-28 249**
Reconciliation of cash and cash equivalents		
Cash and cash equivalents at beginning of period	**32 505**	**60 754**
Foreign currency translation differences on cash balances	0	0
Net change in cash and cash equivalents	15 577	-28 249
Cash and cash equivalents at end of period	**48 082**	**32 505**

Notes to the Financial Statements

A. GENERAL INFORMATION

A.1. Description of the Company

VIG RE zajišťovna, a.s. ('Company' or 'VIG Re') is the first licensed reinsurance company established in the Czech Republic and is part of Vienna Insurance Group ('VIG'). VIG Re was incorporated on 18 August 2008 (ID 28445589) and has its registered office at Templová 747/5, Prague 1, postcode 110 01. VIG Re received the license to carry out reinsurance business and related activities on 8 August 2008 and has conducted the reinsurance business in property/casualty, life and health since 2009. In 2017, Company established a branch in Frankfurt a. M., Germany. In 2023 the branch was relocated to Munich. In line with its strategy to strengthen investment in Western European markets, Company opened a branch office in Paris, France starting operation on 26 November 2018. Economic data of the branch are, in accordance with the legislation of the Czech Republic, an integral part of the financial statements of the Company.

Shareholders as of 31 December 2023:

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe	55%
DONAU Versicherung AG Vienna Insurance Group	10%
Kooperativa pojišťovna, a.s., Vienna Insurance Group	10%
KOOPERATIVA poisťovňa, a.s. Vienna Insurance Group	10%
WIENER STÄDTISCHE Versicherung AG Vienna Insurance Group	15%

The ultimate parent of the Company is VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe (VIG).

The members of the Board of Directors were as of 31 December 2023 as follows:

Chairman:	Johannes Martin Hartmann
Member:	Ivana Jurčíková
Member:	Stephan Andreas Wirz
Member:	Tobias Werner Sonndorfer

On 1 January 2023, Tobias Werner Sonndorfer was appointed the fourth member of the Board of Directors. Two members of the Board of Directors must always act together in the name of the Company.

The members of the Supervisory Board as of 31 December 2023 were as follows:

Chairman:	Peter Thirring	Member:	Karl Fink
Vice-Chairman:	Gerhard Lahner	Member:	Ralph Müller
Vice-Chairman:	Peter Höfinger	Member:	Martin Diviš
Member:	Vladimír Bakeš	Member:	Frank Reichelt
Member:	Wolfgang Petschko	Member:	Alan Flandrin

On 1 August 2023, the members of the Supervisory Board Gerhard Lahner and Peter Höfinger were appointed Vice-Chairmen replacing Elisabeth Stadler and Alain Flandrin in their functions. On 1 July, Martin Diviš was appointed a member of the Supervisory Board. On 20 October, Frank Reichelt was appointed a member of the Supervisory Board.

A.2. Statement of Compliance

Based on the current legislation (563/Sb.1991, § 19a/7), the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations as adopted by the European Union (EU) in accordance with the IAS Regulation (EC 1606/2002).

This is the first set of the Company's annual financial statements in which IFRS 17 Insurance Contracts and IFRS 9 Financial Instruments have been applied. The related changes to significant accounting policies are described in Note B.1. The management has reviewed those standards and interpretations adopted by the EU as at the date of preparation of the financial statements that were not effective at that date. An assessment of the expected impact of these standards and interpretations on the Company is shown in Note B.2.

A.3. Functional and presentation currency

The financial statements are presented in the functional currency of the Company, euros (EUR), rounded to the nearest thousand (TEUR or EUR '000). EUR is the functional currency because majority of insurance and reinsurance contracts and related financial investments is in EUR.

A.4. Use of judgements and estimates

In preparing these individual financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

A.4.1. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note C.3.3 – impairment of financial assets: establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining the methodology for incorporating forward-looking information into the measurement of ECL and selection and approval of models used to measure ECL;
- Note C.3.2 – classification of financial assets: assessing the business model within which the assets are held and whether the contractual terms of the assets are solely payments of principal and interest (SPPI) on the principal amount outstanding;
- Note C.4.2 – classification of insurance, reinsurance and investment contracts: assessing whether the contract transfers significant insurance risk;
- Note C.4.2 – level of aggregation of insurance and reinsurance contracts: identifying portfolios of contracts and determining groups of contracts that are onerous on initial recognition

and those that have no significant possibility of becoming onerous subsequently;
- Note C.4.4 – measurement of insurance and reinsurance contracts: determining the techniques for estimating risk adjustments for non-financial risk, fulfilment cash flows and the coverage units provided under a contract;
- Notes C.4.5 and C.10 – judgement in determining the inputs used in the methodology to systematically and rationally allocate insurance acquisition cash flows to groups of insurance contracts;
- Note B.1.1 – transition to IFRS 17: determining whether sufficient reasonable and supportable information is available to apply a full or modified retrospective approach.

A.4.2. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the end of reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Notes C.3.3 – impairment of financial assets: determination of inputs into the ECL measurement model, including key assumptions used in estimating recoverable cash flows and incorporation of forward-looking information;
- Notes C.3.2 – measurement of the fair value of financial instruments with significant unobservable inputs;
- Note C.5 – recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be used; and
- Note C.12 – impairment of non-financial assets: key assumptions underlying recoverable amounts.

Information about assumptions made in measuring insurance and reinsurance contracts is included in Note D.1.

B. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS

B.1. New and amended standard and interpretations

The Company has initially applied IFRS 17 and IFRS 9 from 1 January 2023. These standards have brought significant changes to the accounting for insurance and reinsurance contracts and financial instruments. As a result, the Company has restated certain comparative amounts and presented a third statement of financial position as of 1 January 2022.

Except for the changes below, the Company has consistently applied the accounting policies as set out in section C to all periods presented in these separate financial statements.

The nature and effects of the key changes in the Company's accounting policies resulting from its adoption of IFRS 17 and IFRS 9 are summarised below.

B.1.1. IFRS 17 Insurance contracts

IFRS 17 replaces IFRS 4 Insurance Contracts for annual periods beginning on or after 1 January 2023. The Company has restated comparative information for 2022 applying the transitional provisions in Appendix C to IFRS 17. The nature of the changes in accounting policies can be summarised, as follows:

Recognition and measurement

IFRS 17 introduces general measurement model based on the estimates of the present value of future cash flows that are expected to arise as the Company fulfils the contracts, an explicit risk adjustment for non-financial risk and a contractual service margin (CSM).

The Company applies general measurement model to all reinsurance contracts issued and held. The company does not issue any direct insurance contracts or any contracts with direct participation features. However, for a better clarity of the disclosure tables, the reinsurance contracts issued are referred to as insurance contracts and reinsurance held contracts are referred to as reinsurance contracts.

The most significant changes in the measurement and accounting for insurance and reinsurance contracts between IFRS 4 and IFRS 17 are:

- the use of current assumptions in the valuation of technical provisions,
- the introduction of the Contractual Service Margin (CSM) for unrealized future profits of a group of insurance and reinsurance contracts, which is released in the profit and loss as services are provided,
- the introduction of a risk adjustment to consider the uncertainties in the cash flows from insurance and reinsurance contracts,
- the elimination of investment component from statement of Profit and Loss,
- the introduction of the OCI option to be able to compensate for accounting mismatches, and
- the valuation of cash flows at the time value of money (discounting).

Presentation and disclosure

For presentation in the statement of financial position, the Company aggregates portfolios of insurance and reinsurance contracts and presents separately:

- Portfolios of insurance contracts that are assets
- Portfolios of reinsurance contracts that are assets

- Portfolios of insurance contracts that are liabilities
- Portfolios of reinsurance contracts that are liabilities

The portfolios referred to above are those established at initial recognition in accordance with the IFRS 17 requirements.

The line item descriptions in the statement of profit or loss and other comprehensive income have been changed significantly compared with last year. Previously the Company reported the following line items:

- Premiums
- Claims and insurance benefits
- Acquisition expenses

Instead, IFRS 17 requires separate presentation of:

- Insurance revenue
- Insurance service expense
- Net income (expenses) from reinsurance contracts
- Insurance finance income (expenses) from insurance contracts
- Finance income (expenses) from reinsurance contracts

The Company provides disaggregated qualitative and quantitative information in the notes to the financial statements about:

- Amounts recognised in its financial statements from insurance contracts
- Significant judgements, and changes in those judgements, when applying the standard

Transition

Changes in accounting policies resulting from the adoption of IFRS 17 are required to be applied using a full retrospective approach to the extent practicable. If the full retrospective approach is impracticable, the Standard provides alternative approaches in such cases: the Modified Retrospective Approach (MRA) and the Fair Value Approach (FVA).

On transition date, 1 January 2022, the Company:

- derecognised previously reported balances that would not have existed if IFRS 17 had always applied;
- has identified, recognised, and measured each group of insurance and reinsurance contracts as if IFRS 17 had always applied;
- has identified, recognised, and measured any assets for insurance acquisition cash flows as if IFRS 17 had always applied. However, no recoverability assessment was performed before the transition date. At transition date, a recoverability assessment was performed, and no impairment loss was identified;
- recognised any resulting net difference in equity.

The Company has applied the transition provisions in IFRS 17 and has not disclosed the impact of the adoption of IFRS 17 on each financial statement line item and earnings per share. The effects of adopting IFRS 17 on the separate financial statements at 1 January 2022 are presented in the statement of changes in equity.

Full retrospective approach

The Company determined that obtaining reasonable and supportable information to apply the full retrospective approach was impracticable for groups of insurance and reinsurance contracts for the years prior to the transition date without undue cost or effort due to the following reasons:

- historical information necessary for applying the full retrospective approach was not available in necessary detail, mainly:

    - expectations about a contract's profitability and risks of becoming onerous required for identifying groups of contracts;
    - information about historical cash flows and discount rates required for determining the estimates of cash flows on initial recognition and subsequent changes on a retrospective basis;
    - information required to allocate fixed and variable overheads to groups of contracts;
    - information about certain changes in assumptions and estimates because they were not documented on an ongoing basis;
    - Information about the expected release of risk before the transition date;
    - Information about the historic coverage units provided before the transition date.
- large amount of group of insurance and reinsurance contracts, significant volume of data needed and significant issues to collect and process the data.

The Company therefore applied the fair value approach to all insurance and reinsurance contracts to calculate the open balances and the transition adjustment for all segments.

Fair value approach

Under the fair value approach, the CSM (or the loss component) at 1 January 2022 was determined as the difference between the fair value of a group of contracts at that date and the fulfilment cash flows at that date. The Company measured the fair value of the contracts as the sum of

a) the present value of the net cash flows expected to be generated by the contracts, determined using a discounted cash flow technique; and
b) an additional margin, determined using a cost of capital method.

The cash flows considered in the fair value measurement is consistent with those that are within the contract boundary. Therefore, the cash flows related to expected future renewals of insurance and reinsurance contracts were not considered in determining the fair value of those contracts if they were outside the contract boundary. The present value of the future cash flows considered in measuring fair value was broadly consistent with that determined in measuring the fulfilment cash flows.

Differences in the Company's approach to measuring fair value from the IFRS 17 requirements for measuring fulfilment cash flows has given rise to a CSM at 1 January 2022. In particular, in measuring fair value the Company has included a margin comprising a risk premium to reflect what market participants would demand as compensation for the uncertainty inherent in the cash flows and a profit margin to reflect what market participants would require assuming the obligations to service the insurance contracts. In determining this margin, the Company has considered certain costs that are not directly attributable to fulfilling the contracts (e.g., general overheads) and certain risks that were not reflected in the fulfilment cash flows (e.g., general operational risk), among other factors that a market participant would consider.

The Company has aggregated contracts issued more than one year apart in determining groups of insurance contracts under the fair value approach at 1 January 2022 as it did not have reasonable and supportable information to aggregate groups into those including only contracts issued within one year.

In applying the fair value approach at the transition date, the CSM or loss component of the Liability for remaining coverage was estimated as the difference between the fair value and the fulfilment cash flows of the group of insurance and reinsurance contracts as of that date.
In determining fair value, the requirements

of IFRS 13 Fair value measurement were applied. The Company used the locked-in discount rates as at transition date, instead of discount rates as at the date of initial recognition.

The Company did not incur any acquisition cash flows that would be directly attributable to the group of insurance or reinsurance contracts before the group would have been initially recognised under IFRS 17.

The Company has elected to disaggregate insurance finance income or expenses between amounts included in profit or loss and amounts included in other comprehensive income and reset the cumulative amount of insurance finance income or expenses recognised in other comprehensive income at 1 January 2022 to zero. The Company determined the loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts at zero at transition as under the fair value bottom-up approach no loss component emerged for the underlying insurance contracts.

B.1.2. IFRS 9 Financial instruments

IFRS 9 replaced IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018. However, the Company elected, under the amendments to IFRS 4 to apply the temporary exemption from IFRS 9, deferring the initial application date of IFRS 9 to align with the initial application of IFRS 17.

Classification and Measurement

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 divides all financial assets into three principal measurement categories – those measured at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit and loss (FVTPL) – and eliminates the previous IAS 39 categories of held-to-maturity investments, loans and receivables and available-for-sale financial assets. For an explanation of how the Company classifies and measures financial assets and accounts for related gains and losses under IFRS 9, see note C.3.

Impairment

The impairment model in IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model (ECL model), which means that a loss event will no longer need to occur before an impairment allowance is recognised.
The new impairment model applies to financial assets measured at amortised cost and debt investments at FVOCI.

Hedge Accounting

IFRS 9 includes a new general hedge accounting model, which aligns hedge accounting more closely with risk management. The types of hedging relationships – fair value, cash flow and foreign operation net investment – remain unchanged, but additional judgment will be required.

The standard contains new requirements to achieve, continue and discontinue hedge accounting and allows additional exposures to be designated as hedged items. Extensive additional disclosures regarding an entity's risk management and hedging activities are required.

The Company currently does not use hedge accounting.

Financial liabilities

IFRS 9 largely retains the requirements in IAS 39 for the classification and measurement of financial liabilities. However, under IAS 39 all fair value changes of financial liabilities designated as at FVTPL are recognised in profit or loss, whereas under IFRS 9 these fair value changes will generally be presented as follows.

- The amount of the change in the fair value that is attributable to changes in the credit risk of the liability will be presented in OCI.
- The remaining amount of the change in the fair value will be presented in profit or loss.

The Company currently has only financial liabilities at amortised cost.

Disclosures

To reflect the differences between IFRS 9 and IAS 39, IFRS 7 Financial Instruments: Disclosures was also amended. The Company applied the amended disclosure requirements, together with IFRS 9, for the year beginning 1 January 2023.

Changes include transition disclosures as shown in Note B.1.3. Detailed qualitative and quantitative information about the ECL calculations such as the assumptions and inputs used are set out in Notes C.3.3.

Reconciliations from opening to closing ECL allowances are presented in Notes B.1.3.

Transition approach

The Company used the optional classification overlay approach, which allows entities that first apply IFRS 17 and IFRS 9 at the same time to present comparative information about the financial assets, including those held in respect of activities not connected to contracts within the scope of IFRS 17, as if the classification and measurement requirements of IFRS 9 had been applied to those financial assets.

The Company used reasonable and supportable information available at the transition date to determine how the Company expects the financial asset would be classified and measured on initial application of IFRS 9. The impairment rules were applied to the classification overlay even the Company was not required to do so.

Any difference between the previous carrying amount of a financial instrument and the amount resulting from the application of the classification overlay was recognized in equity at the transition date.

To reduce accounting mismatch, the classification of the financial assets for the opening balance sheet according to IFRS 9 was aligned as much as possible with IFRS 17 OCI option (meaning to disaggregate insurance finance income or expenses between amounts included in profit or loss and amounts included in other comprehensive income) selected for the Company's insurance and reinsurance contracts.

B.1.3. IFRS 9 Financial instruments – transition disclosures

The comparative period has been restated. However, information about financial instruments that had already been derecognised at 1 January 2023 continues to be reported in accordance with IAS 39 for the comparative period.

The following assessments have been made on the basis of the facts and circumstances that existed at 1 January 2023.

- The determination of the business model within which a financial asset is held.
- The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL.
- The designation of certain investments in equity instruments not held for trading as at FVOCI.

If a financial asset had low credit risk at 1 January 2023, then the Company determined that the credit risk on the asset had not increased significantly since initial recognition.

As permitted by IFRS 7, the Company has not disclosed information about the line item amounts that are reported in accordance with the classification and measurement (including impairment) requirements of IFRS 9 for 2022 and those that would have been reported in accordance with the classification and measurement requirements of IAS 39 for 2023.

The adoption of IFRS 9 has not had a material impact on the Company's basic or diluted Earnings per share for the years ended 31 December 2023 and 2022.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Company's financial assets and financial liabilities as at 1 January 2023:

in EUR '000	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Financial assets			**569 364**	**570 877**
Investments in subsidiaries	at cost	NA	6 758	0
Financial investments			527 245	535 526
Government bonds	HTM	AC	27 684	27 678
Government bonds [1]	AFS	FVOCI (mandatory)	185 724	185 724
Corporate bonds [1]	AFS	FVOCI (mandatory)	179 544	179 544
Corporate bonds [2]	AFS	FVTPL (mandatory)	461	461
Equity instruments [3]	Investments in subsidiaries	FVOCI (designated)	0	7 522
Equity instruments [4]	at cost	FVOCI (designated)	8 020	8 923
Equity instruments [5]	AFS	FVTPL (mandatory)	664	664
Investment funds [5]	AFS	FVTPL (mandatory)	90 778	90 778
Loans	L&R	AC	17 370	17 225
Term deposits	L&R	AC	17 000	17 007
Trade and other receivables	L&R	AC	2 856	2 846
Cash and cash equivalents	L&R	AC	32 505	32 505
Financial liabilities			**62 894**	**62 894**
Subordinated liabilities	AC	AC	55 742	55 742
Other financial liabilities other than lease liabilities	AC	AC	7	7
Trade and other payables	AC	AC	7 145	7 145

[1] The Company considers that under IFRS 9 these securities are held within a business model whose objective is achieved both by collecting contractual cash flows and by selling financial assets. The contractual terms of these financial assets give rise on specified dates to cash flows that are SPPI. These assets have therefore been classified as financial assets at FVOCI under IFRS 9.
[2] The contractual terms of this corporate bond do not give rise on specified dates to cash flows that are SPPI. This asset has therefore been mandatorily classified as financial assets at FVTPL under IFRS 9.
[3] This equity instrument represents investment in subsidiary previously accounted at cost according to IAS 27. The Company intends to hold the investment for the long term for strategic purposes. As permitted by IFRS 9, the Company designated this investment at 1 January 2023 as measured at FVOCI.
[4] These equity instruments represent investments that the Company intends to hold for the long term for strategic purposes. As permitted by IFRS 9, the Company designated these investments at 1 January 2023 as measured at FVOCI.
[5] Under IFRS 9, these assets are mandatorily measured at FVTPL because they do not give rise to cash flows that are SPPI, unless the Company has elected to measure them at FVOCI (see 2).
[6] Out of the original FS item Receivables under IFRS 4 / IAS 39 amounting to 215 552 TEUR, 212 696 TEUR was related to receivables from direct and ceded reinsurance business. These balances are in scope of IFRS 17 and therefore are not part of the reconciliation table above.
[7] Out of the original FS item Payables under IFRS 4 / IAS 39 amounting to 176 965 TEUR, 172 169 TEUR was related to receivables from direct and ceded reinsurance business. These balances are in scope of IFRS 17 and therefore are not part of the reconciliation table above. Additional 1 370 TEUR were represented by Lease liabilities currently presented under Other financial liabilities.

The following table reconciles the carrying amounts of financial assets under IAS 39 to the carrying amounts under IFRS 9 on transition to IFRS 9 on 1 January 2023:

in EUR '000	31 December 2022 IAS 39	Reclass	ECL / Revaluation	1 January 2023 IFRS 9
Financial assets	**569 364**	**0**	**1 514**	**570 877**
Investments in subsidiaries	6 758	-6 758	0	0
Financial investments	527 245	6 768	1 514	535 526
Government bonds from HTM to AC	27 684	0	-6	27 678
Government bonds from AFS to FVOCI	185 724	0	0	185 724
Corporate bonds from AFS to FVOCI	180 005	-461	0	179 544
Corporate bonds AFS to FVTPL	0	461	0	461
Equity instruments from Investments in subsidiaries to FVOCI	0	6 758	764	7 522
Equity instruments from at cost to FVOCI	8 020	0	903	8 923
Equity instruments from AFS to FVTPL	664	0	0	664
Investment funds	90 778	0	0	90 778
Loans	17 370	1	-146	17 225
Term deposits	17 000	9	-1	17 007
Trade and other receivables	2 856	-10	0	2 846
Cash and cash equivalents	32 505	0	0	32 505
Financial liabilities	**62 894**	**0**	**0**	**62 894**
Subordinated liabilities	55 742	0	0	55 742
Other financial liabilities other than lease liabilities	7	0	0	7
Trade and other payables	7 145	0	0	7 145

The following table reconciles the aggregate opening loan loss provision allowances under IAS 39 to the ECL allowances under IFRS 9:

in EUR '000	31 December 2022 IAS 39	ECL remeasurement	1 January 2023 IFRS 9
Debt investments at FVOCI under IFRS 9			
From AFS under IAS 39	0	273	273
Financial assets at AC under IFRS 9			
From HTM under IAS 39	0	6	6
From L&R under IAS 39	1 586	147	1 733
Total	**1 586**	**426**	**2 012**

IFRS 7 includes disclosure requirements at the date of initial application of IFRS 9 (1 January 2023). As the Company has restated comparative balances effective 1 January 2022, the following additional tables have been included to provide the user with additional information about the transition to IFRS 9 and the adjustments to opening balances of retained earnings and the fair value reserve as at 1 January 2022, in conjunction with the effects of the transition to IFRS 17 on that date.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Company's financial assets and financial liabilities as at 1 January 2022:

in EUR '000	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Financial assets			**514 575**	**516 138**
Investments in subsidiaries	at cost	NA	6 758	0
Financial investments			507 625	515 946
Government bonds	HTM	AC	27 660	27 656
Government bonds [1]	AFS	FVOCI (mandatory)	173 852	173 852
Corporate bonds [1]	AFS	FVOCI(mandatory)	144 787	144 787
Corporate bonds	AFS	FVTPL (mandatory)	0	0
Equity instruments [2]	Investments in subsidiaries	FVOCI (designated)	0	7 596
Equity instruments [3]	at cost	FVOCI (designated)	8 020	8 892
Equity instruments [4]	AFS	FVTPL (mandatory)	1 173	1 173
Investment funds [4]	AFS	FVTPL (mandatory)	140 102	140 102
Loans	L&R	AC	12 031	11 813
Loans [4]	L&R	FVTPL (mandatory)	0	75
Term deposits	L&R	AC	0	0
Trade and other receivables [5]	L&R	AC	192	192
Cash and cash equivalents	L&R	AC	60 754	60 754
Financial liabilities			**63 452**	**63 452**
Subordinated liabilities	AC	AC	55 742	55 742
Other financial liabilities other than lease liabilities	AC	AC	1	1
Trade and other payables [6]	AC	AC	7 709	7 709

[1] The Company considers that under IFRS 9 these securities are held within a business model whose objective is achieved both by collecting contractual cash flows and by selling financial assets. The contractual terms of these financial assets give rise on specified dates to cash flows that are SPPI. These assets have therefore been classified as financial assets at FVOCI under IFRS 9.

[2] This equity instrument represents investment in subsidiary previously accounted at cost according to IAS 27. The Company intends to hold the investment for the long term for strategic purposes. As permitted by IFRS 9, the Company designated these investments at 1 January 2023 as measured at FVOCI.

[3] These equity instruments represent investments that the Company intends to hold for the long term for strategic purposes. As permitted by IFRS 9, the Company designated these investments at 1 January 2023 as measured at FVOCI.

[4] Under IFRS 9, these assets are mandatorily measured at FVTPL because they do not give rise to cash flows that are SPPI, unless the Company has elected to measure them at FVOCI (see 2).

[5] Out of the original FS item Receivables under IFRS 4 / IAS 39 amounting to 215 018 TEUR, 214 826 TEUR was related to receivables from direct and ceded reinsurance business. These balances are in scope of IFRS 17 and therefore are not part of the reconciliation table above.

[6] Out of the original FS item Payables under IFRS 4 / IAS 39 amounting to 184 998 TEUR, 178 977 TEUR was related to receivables from direct and ceded reinsurance business. These balances are in scope of IFRS 17 and therefore are not part of the reconciliation table above. Additional 1 766 TEUR were represented by Lease liabilities currently presented under Other financial liabilities.

The following table reconciles the carrying amounts of financial assets under IAS 39 to the carrying amounts under IFRS 9 on transition to IFRS 9 on 1 January 2022:

in EUR '000	31 December 2021 IAS 39	Reclass	ECL / Revaluation	1 January 2022 IFRS 9
Financial assets	**514 575**	**0**	**1 563**	**516 138**
Investments in subsidiaries	6 758	-6 758	0	0
Financial investments	507 625	6 758	1 563	515 946
Government bonds from HTM to AC	27 660	0	-4	27 656
Government bonds from AFS to FVOCI	173 852	0	0	173 852
Corporate bonds from AFS to FVOCI	144 787	0	0	144 787
Corporate bonds AFS to FVTPL	0	0	0	0
Equity instruments from Investments in subsidiaries to FVOCI	0	6 758	838	7 596
Equity instruments from at cost to FVOCI	8 020	0	872	8 892
Equity instruments from AFS to FVTPL	1 173	0	0	1 173
Investment funds	140 102	0	0	140 102
Loans at AC	12 031	-75	-143	11 813
Loans at FVTPL	0	75	0	75
Term deposits	0	0	0	0
Trade and other receivables	192	0	0	192
Cash and cash equivalents	60 754	0	0	60 754
Financial liabilities	**63 452**	**0**	**0**	**63 452**
Subordinated liabilities	55 742	0	0	55 742
Other financial liabilities other than lease liabilities	1	0	0	1
Trade and other payables	7 709	0	0	7 709

The following table reconciles the aggregate opening loan loss provision allowances under IAS 39 to the ECL allowances under IFRS 9 as at 1 January 2022:

in EUR '000	31 December 2021 IAS 39	ECL remeasurement	1 January 2022 IFRS 9
Debt investments at FVOCI under IFRS 9			
From AFS under IAS 39	0	242	242
Financial assets at AC under IFRS 9			
From HTM under IAS 39	0	4	4
From L&R under IAS 39	0	143	143
Total	**0**	**389**	**389**

B.2. Standards, interpretations and amendments issued but not yet effective

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IAS 1 Presentation of Financial Statements
(Effective for annual periods beginning on or after 1 January 2024. Early application is permitted)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement for at least 12 months after the reporting date. The amendments, as issued in 2020, has removed the requirement for a right to be unconditional and instead requires that a right to defer settlement must exist at the reporting date and have substance (the classification of liabilities is unaffected by management's intentions or expectations about whether the company will exercise its right to defer settlement or will choose to settle early).

The amendments, as issued in 2022, further clarify that when the right to defer settlement is subject to a company complying with conditions (covenants) specified in a loan arrangement, only covenants with which the company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date do not affect a liability's classification at that date. However, the amendments require companies to disclose information about these future covenants to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. The amendments also clarify how a company classifies a liability that can be settled in its own shares (e.g., convertible debt).

The Company does not expect that the amendments, when initially applied, could have a material impact on its financial statements.

Amendment to IFRS 16 – Leases on sale and leaseback
(Effective for annual periods beginning on or after 1 January 2024. Early application is permitted)

These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

The Company does not expect that the amendments, when initially applied, could have a material impact on its financial statements.

Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements
(Effective for annual periods beginning on or after 1 January 2024. Early application is permitted)

These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

The Company does not expect that the amendments, when initially applied, could have a material impact on its financial statements.

Other standards, interpretations and amendments to published standards as adopted by EU that are not yet effective for annual periods beginning on 1 January 2023 will have no material impact on the financial statements of the Company as at year-end 2023.

C. SIGNIFICANT ACCOUNTING POLICIES

C.1. Intangible Assets

Purchased intangible assets are recognized in the balance sheet at acquisition cost less accumulated amortization and impairment losses. All intangible assets have a definite useful life. Amortization of an intangible asset is therefore performed over its period of use. The useful lives of significant intangible assets are between 4 and 10 years.

Intangible assets are amortized using the straight-line method.

C.2. Property, Plant and Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its costs can be measured reliably. The cost of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation of property and equipment to residual values is recognized in profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives for the current and comparative periods are as follows:

Item	Useful lives of assets in years
Vehicles	5
Other tangible assets and equipment	4 – 6

The depreciation methods, useful lives and residual values, if not insignificant, are reassessed annually.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within “Other operating income” or “Other operating expenses” in profit or loss.

C.3. Financial investments

C.3.1. Initial recognition and measurement

Financial investments are recognized on the balance sheet when the Company becomes a party to the contractual provisions of the instrument. For regular purchases and sales of financial assets, the Company's policy is to recognize them using settlement date accounting. Any change in the fair value of an asset to be received during the period between the trade date and the settlement date is accounted for in the same way as if the Company used trade date accounting. A financial asset or financial liability is initially measured at fair value plus, for a financial asset or financial liability not measured at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

C.3.2. Classification and subsequent measurement

The Company classifies its financial assets into the following measurement categories:

Type of financial instrument	Classification	Reason
Financial investments		
Government bonds	AC	SPPI, hold to collect business model
	FVOCI	SPPI, hold to collect and sell business model
Corporate bonds	FVOCI	SPPI, hold to collect and sell business model
	FVTPL	Mandatory
Equity instruments	FVOCI	Designated
	FVTPL	Mandatory
Investment funds	FVTPL	Mandatory
Loans	AC	SPPI, hold to collect business model
Term deposits	AC	SPPI, hold to collect business model
Cash and cash equivalents	AC	SPPI, hold to collect business model
Subordinated liabilities	AC	Mandatory
Other financial liabilities other than lease liabilities	AC	Mandatory

A financial asset is measured at amortised cost if the following two conditions are met:

- the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and,
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

A financial asset is measured at FVOCI if the following two conditions are met:

- the assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset; and,
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

In addition, for a non-trading equity instrument, a company may elect to irrevocably present subsequent changes in fair value (including foreign exchange gains and losses) in OCI. These are not reclassified to profit or loss under any circumstances. No impairment losses will be recognized in profit or loss.

For debt instruments measured at FVOCI, interest revenue, expected credit losses and foreign exchange gains and losses are recognised in profit or loss in the same manner as for amortised cost assets. Other gains and losses for instruments measured at FVOCI are recognised in OCI and are reclassified to profit or loss on derecognition.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

In both the current and prior period, financial liabilities are classified and subsequently measured at AC.

Business model assessment
The business model reflects how the Company manages assets to generate cash flows and reflects whether the Company's objective is solely to collect the contractual cash flows from assets or to collect both the contractual cash flows and cash flows arising from the sale of assets. Factors considered by the Company in determining the business model for a group of assets include:

- the stated policies and objectives for the portfolio and the operation of those policies in practice;
- the frequency, volume, and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity;
- how the asset's performance is evaluated and reported to key management personnel;
- the risks that affect the performance of the financial assets held within the business model and how those risks are managed; and
- how managers are compensated.

For most debt investments, the objective of the Company's business model is to fund insurance contract liabilities. To ensure that the contractual cash flows from the financial assets are sufficient to settle the insurance contract liabilities, the Company undertakes significant buying and selling activity on a regular basis to rebalance its portfolio of assets and to meet cash flow needs as they arise.

The Company determines that both collecting contractual cash flows as they come due and selling financial assets to maintain the desired asset profile are integral to achieving the business model's objective.

Certain debt securities are held in separate portfolios for long-term yield. These securities may be sold, but such sales are not expected to be more than infrequent. The Company considers that these securities are held within a business model whose objective is to hold assets to collect the contractual cash flows.

Portfolios of financial assets that are managed and whose performance is evaluated on a fair value basis and portfolios of financial assets that are held for trading are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are SPPI
Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent SPPI (the SPPI test). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement (i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement).

Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

Subsequent measurement and gains and losses	
Financial assets at amortised costs	Measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.
Debt instruments at FVOCI	Measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI and accumulated in the fair value reserve. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity instruments at FVOCI	Measured at fair value. Dividends are recognised as income in profit or loss when the Company's right to receive payment is established unless they clearly represent a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment.
Financial assets at FVTPL	Measured at fair value. Net gains and losses, including any interest or dividend income and foreign exchange gains and losses, are recognised in profit or loss.
Financial liabilities at amortised cost	Measured at amortised cost using the effective interest method. Interest expenses and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Amortised costs and effective interest rate

AC is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method for any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e., its AC before any impairment allowance) or to the AC of a financial liability. The calculation does not consider the ECL and includes transaction costs, premiums or discounts, fees, and points paid or received that are integral to the EIR.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial asset or financial liability is adjusted to reflect the new estimate discounted using the original EIR. Any changes are recognised in profit or loss.

Interest revenue is calculated by applying the EIR to the gross carrying amount of financial assets recognised at AC or FVOCI.

Fair value measurement

The fair value of financial instruments is based on their quoted market price on an active market at the balance sheet date without any deduction for transaction costs. If a quoted market price is not available or if the market for an investment is not active, the fair value of the instrument is estimated using the discounted cash flow method.

The price calculated by discounting cash flow is equal to the present value of future cash flows discounted by a risk-free yield curve and an appropriate credit spread. The appropriate credit spread is obtained from a reference bond with the same rating, from the same industry sector, and with similar maturity, seniority, and issuer.

For equity securities, the valuation techniques employed generally involve determining a measure of sustainable earnings or dividends and then applying an appropriate discount rate.

The Company categorises a financial asset or a financial liability measured at fair value at the same level of fair value hierarchy as the lowest-level input that is significant to the entire measurement.

The Company ranks fair value measurements based on the type of inputs, as follows:

- **Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded equities, bonds, and derivatives) is based on quoted market prices at the end of the reporting period (close/traded exchange prices, net asset values for opened-ended funds that are redeemable at any time, that report a daily NAV and that can be redeemed at this NAV). The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.
- **Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 2 Pricing method	Used for	Fair value	Input parameters observable
Present value method	Bonds	Theoretical price	Issuer, sector, and rating-dependent yield curves
Hull-White present value method	Bonds	Theoretical price	Maturity dependent implied volatilities rating-dependent yield curves
Hull-White present value method	Bonds	Theoretical price	Issuer, sector, and rating-dependent yield curves

- **Level 3:** If one or more of the significant inputs is not based on observable market data (issuer, sector, and rating-dependent yield curves of non-government bonds) and the unobservable inputs have a significant effect on the instrument's valuation the instrument is included in Level 3.

For fair value measurements in Level 3, if changing one or more of the inputs to reasonably possible alternative assumptions would significantly change the fair value, then the entity states that fact and discloses, through the class of financial instruments, the effect of those changes. For this purpose, significance is judged with respect to profit or loss, and total assets or total liabilities, or, when changes in fair value are recognized in other comprehensive income, total equity. In our view, reasonably possible alternative assumptions are those that could reasonably have been included in the valuation model as of the reporting date based on the circumstances at the reporting date.

Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates, exchange rates, bond and equity prices and expected price volatilities and correlations.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the beginning of the reporting period.

The carrying amounts of cash and cash equivalents, other financial assets and other financial liabilities approximate their fair value.

C.3.3. Impairment of financial assets

The ECL model applies to the Company's debt instruments (such as bank deposits, loans, debt securities and trade receivables) recorded at amortised cost (AC) or at fair value through other comprehensive income (FVOCI), plus lease receivables (in scope of IFRS 16).

IFRS 9 requires a loss allowance to be recognised at an amount equal to either 12-month ECL or lifetime ECL. Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument; 12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The following diagram summarises the impairment requirements under IFRS 9 (other than purchased or originated credit-impaired financial assets):

Stage 1	Stage 2	Stage 3
Initial recognition	Significant increase in credit risk since initial recognition	Credit-impaired assets
12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

The guiding principle of the ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The standard refers to significant increases in credit risk since initial recognition as the main trigger of how the ECLs must be calculated. For those assets that do not show significant increase in credit risk since initial recognition, the loss allowance shall be calculated for a timespan of one year, resulting in a 12-month ECL. Those assets are being referred to as stage 1 assets.

The IFRS 9 standard states that for those assets that show a significant increase in credit risk though (referred to as stage 2 assets), the loss allowance must be calculated on a timespan covering the remaining lifetime of the asset.

Moreover, the standard introduces a third stage, including assets that also show significantly increased credit risk and where a default event has occurred. For such assets, the standard also requires the calculation of a lifetime ECL.

Stage 1 assets contain:

- non-POCI assets at initial recognition
- assets that fall within the scope of the low credit risk exemption, as well as
- assets that are not defaulted, not eligible for stage 2 triggers and show no significant change in ratings.

Stage 2 covers assets that:

- are past due for at least 30 days or
- respond to one of the predefined forward-looking indicators.

Stage 3 only contains assets fulfilling the default definition of the Company. Within this stage credit losses have already incurred, or assets have been actually credit-impaired. Due to that fact, the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate should be considered. As a result of fulfilling Company's default criterion, the Probability of Default must be set equal to 1 and the Loss Given Default should be assessed on individual basis.

The definition of default covers at least two dimensions, namely one rating-based dimension (C, D) as well as one days past due (90 days past due) based criterion. The calculation is based on a lifetime expected credit losses (EIR on amortised costs).

Simplified approach
The Company uses the simplified approach for the eligible financial assets (Trade and other receivables) where loss allowance is recognised based on lifetime ECLs at each reporting date.

The Company decided not to determine the historical loss rates based on aging analysis and is evaluating the outstanding balances individually reflecting ongoing insolvency proceedings, bankruptcy, loss of business license, exposure in Russia and Ukraine, expected recovery from Covid event.

Significant increase in credit risk and default
When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and expert credit assessment and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default (PD) as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where appropriate for changes in prepayment expectations).

The Company uses three criteria for determining whether there has been a significant increase in credit risk:

- a quantitative test based on movement in PD;
- qualitative indicators; and
- a backstop of 30 days past due.

Increase in credit risk is considered as significant, if the rating deteriorates by at least three notches since initial recognition (e.g., from BBB- at initial recognition to BB-). Possible qualitative triggers can cover information that is not included in the (external) credit rating, political situation, debt restructuring of the creditor, sanctions, changes in legislation, etc.

Credit risk rating grades
The Company uses external credit risk ratings to assess credit risk as for all debt instruments held external credit risk ratings are available. The credit ratings are calibrated such that the risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between an A and A- rating is lower than the difference in the PD between a B and B- rating.

Measurement of ECL
ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

The key inputs into the measurement of ECL are the following:

PD	The Probability of Default is an estimate of the likelihood of default over a given time horizon. It is estimated with consideration of economic scenarios and forward-looking information, such as GDP growth and Central Bank base rates.
EAD	The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, and accrued interest from missed payments.
LGD	The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive. It is usually expressed as a percentage of the EAD.

ECL for financial assets for which credit risk has not significantly increased are calculated by multiplying the 12-month PD by the respective LGD and EAD. Lifetime ECL are calculated by multiplying the lifetime PD by the respective LGD and EAD.

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI with a corresponding charge to profit or loss. The accumulated gain recognised in OCI is recycled to the profit or loss upon derecognition of the assets.

C.3.4. Write-offs and derecognition

Write-offs

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Although the Company expects no significant recovery from amounts written off, financial assets that are written off could still be subject to enforcement activities to comply with the Company's procedures for recovery of amounts due.

Modification

An existing financial asset whose terms and conditions have been renegotiated to the extent that, substantially, it becomes a new instrument, may be derecognised and the renegotiated asset recognised as a new financial asset according to accounting policies described in C.3.1. In the case of debt instruments at amortised cost, the newly recognised loans are classified as Stage 1 for ECL measurement purposes (assuming that it is not credit-impaired at the date of modification).

When assessing whether to derecognise an instrument, amongst others, the Company considers the following factors:

- Change in currency of the debt instrument;
- Introduction of an equity feature;
- Change in counterparty;
- If the modification is such that the instrument would no longer meet the SPPI criterion.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss.

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects a comparison of:

- its remaining lifetime PD as at the reporting date based on the modified terms; with
- the remaining lifetime PD estimated based on data on initial recognition and the original contractual terms.

Derecognition

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Company transfers substantially all the risks and rewards of ownership; or (ii) the Company neither transfers nor retains substantially all the risks and rewards of ownership and the Company has not retained control.

On derecognition of a financial asset, the difference between the carrying amount at the date of derecognition and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. For debt investments at FVOCI, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. The cumulative gain or loss on equity investments designated as at FVOCI is not reclassified to profit or loss.

The financial liability is derecognised when its contractual obligations expire or are discharged or cancelled. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

C.4. Insurance and reinsurance contracts

C.4.1. General information

IFRS 17 introduces general measurement model based on the estimates of the present value of future cash flows that are expected to arise as the Company fulfils the contracts, an explicit risk adjustment for non-financial risk and a contractual service margin (CSM).

Contracts under which the Company accepts significant insurance risk are classified as insurance contracts. Contracts held by the Company under which it transfers significant insurance risk related to underlying reinsurance contracts are classified as reinsurance contracts. Insurance contracts and reinsurance contracts also expose the Company to financial risk.

The Company applies general measurement model to all reinsurance contracts issued and held. The company does not issue any direct insurance contracts or any contracts with direct participation features. However, for a better clarity of the disclosure tables, the reinsurance contracts issued are referred to as insurance contracts and reinsurance held contracts are referred to as reinsurance contracts.

When identifying contracts in the scope of IFRS 17, in some cases the Company assesses whether they contain specified non-insurance components that must be separated and accounted for under another standard. Company assessed that there are no non-insurance components that must be accounted for under another standard.

C.4.2. Aggregation and recognition of insurance and reinsurance contracts

Under IFRS 17, insurance and reinsurance contracts are aggregated into groups for measurement purposes. The Company determines groups of insurance and reinsurance contracts by first identifying portfolios of contracts, each comprising contracts subject to similar risks and managed together. Each portfolio is then divided into annual cohorts (i.e., by underwriting years) and each annual cohort into three groups:

- any contracts that are onerous on initial recognition;
- any contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently; and
- any remaining contracts in the annual cohort.

The Company establishes groups of insurance and reinsurance contracts such that each group comprises a single contract.

An insurance or reinsurance contract is recognised from the earliest of:

- the beginning of its coverage period (i.e., the period during which the Company provides services in respect of any premiums within the

boundary of the contract); and
- when facts and circumstances indicate that the contract is onerous.

The level of aggregation requirements of IFRS 17 limit the offsetting of gains on groups of profitable contracts, which are generally deferred as a CSM, against losses on groups of onerous contracts, which are recognised immediately.

C.4.3. Contract boundaries

Insurance contracts
Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay premiums or has a substantive obligation to provide services (including insurance coverage and any investment services). A substantive obligation to provide services ends when:

- the Company has the practical ability to reassess the risks of the policyholder and can set a price or level of benefits that fully reflects those reassessed risks; or
- the Company has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflects the risks of that portfolio, and the pricing of the premiums up to the reassessment date does not consider risks that relate to periods after the reassessment date.

The reassessment of risks considers only risks transferred from policyholders to the Company, which may include both insurance and financial risks, but exclude lapse and expense risks.

Reinsurance contracts
Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Company is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer. A substantive right to receive services from the reinsurer ends when the reinsurer:

- has the practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflects those reassessed risks; or
- has a substantive right to terminate the coverage.

The contract boundaries are reassessed at each reporting date to include the effect of changes in circumstances on the Company's substantive rights and obligations and, therefore, may change over time.

A liability or asset relating to expected premiums or claims outside the boundary of the reinsurance contract are not recognised. Such amounts relate to future reinsurance contracts.

C.4.4. Measurement

At initial recognition, the general model measures a group of insurance and reinsurance contracts as the total of:

- fulfilment cash flows; and
- CSM representing the unearned profit the Company will recognise as it provides insurance and reinsurance contract services under the insurance and reinsurance contracts in the group.

Fulfilment cash flows comprise unbiased and probability-weighted estimates of future cash flows, discounted to present value to reflect the time value of money and financial risks, plus a risk adjustment for non-financial risk. The Company's objective in estimating future cash flows is to determine the expected value, or the probability-weighted mean, of the full range of possible outcomes, considering all reasonable and supportable information available at the reporting date without undue cost or effort.

The Company estimates future cash flows considering a range of scenarios which have commercial substance and give a good representation of possible outcomes. The cash flows from each scenario are probability-weighted and discounted using current assumptions.

When estimating future cash flows, the Company includes all cash flows that are within the contract boundary including:

- premiums and related cash flows;
- claims and benefits, including reported claims not yet paid, incurred claims not yet reported and expected future claims;
- an allocation of insurance acquisition cash flows attributable to the portfolio to which the contract belongs;
- claims handling costs;
- policy administration and maintenance costs, including recurring commissions that are expected to be paid to intermediaries;
- an allocation of fixed and variable overheads directly attributable to fulfilling insurance contracts; and
- transaction-based taxes.

Subsequently, the carrying amount of a group of insurance contracts at each reporting date is the sum of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC). The liability for remaining coverage comprises the fulfilment cash flows that relate to services that will be provided under the contracts in future periods and any remaining CSM at that date. The liability for incurred claims includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

The CSM of a group of insurance contracts represents the unearned profit that the Group will recognise as it provides services under those contracts. At initial recognition of a group of insurance contracts, if the total of (a) the fulfilment cash flows, (b) any cash flows arising at that date and (c) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group (including assets for insurance acquisition cash flows) under is a net inflow, then the group is not onerous. In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition.

For a group of insurance contracts, the carrying amount of the CSM of the group at the end of the reporting period equals the carrying amount at the beginning of the reporting period adjusted, as follows:

- the effect of any new contracts added to the group;
- interest accreted on the carrying amount of the CSM during the reporting period, measured at the discount rates at initial recognition;
- the changes in fulfilment cash flows relating to future service, except to the extent that:
  - such increases in the fulfilment cash flows exceed the carrying amount of the CSM, giving rise to a loss; or
  - such decreases in the fulfilment cash flows are allocated to the loss component of the liability for remaining coverage; and
- the effect of any currency exchange differences on the CSM.

The changes in fulfilment cash flows relating to future service that adjust the CSM comprise of:

- Experience adjustments that arise from the difference between the premium receipts (and any related cash flows such as insurance acquisition cash flows and insurance premium taxes) and the estimate, at the beginning of the period, of the amounts expected. Differences related to premiums received (or due) related to current or past services are recognised immediately in profit or loss while differences related to premiums received (or due) for future services are adjusted against the CSM. This adjustment is performed only for life insurance and reinsurance contracts. Experience adjustments for non-life insurance and reinsurance contracts are related to current or past service only and therefore are immediately recognized in profit or loss.

- Changes in estimates of the present value of future cash flows in the liability for remaining coverage, except those relating to the time value of money and changes in financial risk (recognised in other comprehensive income rather than adjusting the CSM).
- Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period. Those differences are determined by comparing (i) the actual investment component that becomes payable in the period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable. The same applies to a cedent's loan that becomes repayable.
- Changes in the risk adjustment for non-financial risk that relate to future service.

Where, during the coverage period, a group of insurance contracts becomes onerous, the Company recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Company for the liability for remaining coverage for such onerous group depicting the losses recognised.

The CSM at the end of the reporting period represents the profit in the group of insurance contracts that has not yet been recognised in profit or loss, because it relates to future service to be provided.

The Company will apply the same accounting policies to measure a group of reinsurance contracts with the following modifications: the carrying amount of a group of reinsurance contracts at each reporting date is the sum of the asset for remaining coverage and the asset for incurred claims. The asset for remaining coverage comprises the fulfilment cash flows that relate to services that will be received under the contracts in future periods and any remaining CSM at that date.

The Company measures the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer.

The CSM of a group of reinsurance contracts represents a net cost or net gain on purchasing reinsurance. It is measured such that no income or expense arises on initial recognition, except that the Company will:

- recognise any net cost on purchasing reinsurance coverage immediately in profit or loss as an expense if it relates to insured events that occurred before the purchase of the group of reinsurance contracts; and
- recognise income when it recognises a loss on initial recognition of onerous underlying insurance contracts if the reinsurance contract is entered into before or at the same time as the onerous underlying insurance contracts are recognised. A loss-recovery component is created, which determines the amounts that are subsequently disclosed as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid.

The CSM is adjusted subsequently only for specified amounts and is recognised in profit or loss as services are received.

The Company derecognises a contract when it is extinguished – i.e., when the specified obligations in the contract expire or are discharged or cancelled.

The Company also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, in which case a new contract based on the modified terms is recognised. The modification is considered significant if it has material impact on future CFs and timing of the contractual CFs. If a contract modification does not result in derecognition, then the Company treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

C.4.5. Insurance acquisition cash flows

Insurance acquisition cash flows are allocated to groups of insurance and reinsurance contracts using a systematic and rational method and considering, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort.

If insurance acquisition cash flows are directly attributable to a portfolio but not to a group of contracts, then they are allocated to groups in the portfolio using a systematic and rational method.

Insurance acquisition cash flows arising before the recognition of the related group of contracts are recognised as an asset. Insurance acquisition cash flows arise when they are paid or when a liability is required to be recognised under a standard other than IFRS 17. Such an asset is recognised for each group of contracts to which the Insurance acquisition cash flows are allocated. The asset is derecognised, fully or partially, when the Insurance acquisition cash flows are included in the measurement of the group of contracts.

At each reporting date, the Company revises the amounts allocated to groups to reflect any changes in assumptions that determine the inputs to the allocation method used.

C.4.6. Presentation

The Company presents separately in the statement of financial position the carrying amount of portfolios of insurance contracts that are assets, portfolios of insurance contracts that are liabilities, portfolios of reinsurance contracts that are assets and portfolios of reinsurance contracts that are liabilities.

Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are recognised are included in the carrying amount of the related portfolios of insurance contracts.

The Company disaggregates the amounts recognised in the statement of profit or loss and other comprehensive income into an insurance service result, comprising insurance revenue and insurance service expenses, and insurance finance income or expenses.

The Company separately presents income or expenses from reinsurance contracts from the expenses or income from insurance contracts.

Insurance revenue

The Company recognises insurance revenue as it satisfies its performance obligations – i.e., as it provides services under groups of insurance contracts. Insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Company expects to receive consideration, and comprises the following items:

- a release of the CSM, measured based on coverage units provided;
- changes in the risk adjustment for non-financial risk relating to current services;
- claims excluding investment components and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than insurance acquisition cash flows at the date of initial recognition of a group of contracts, which are recognised as insurance revenue and insurance service expenses at that date; and
- other amounts, including experience adjustments for premium receipts for current or past services.

For management judgement applied to the amortisation of CSM, please refer to Note: D.1.5.

In addition, the Company allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time. The Company recognises the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts, as insurance revenue and an equal amount as insurance service expenses.

Loss Components

The Company has grouped contracts that are onerous at initial recognition separately from contracts in the same portfolio that are not onerous at initial recognition. Groups that were not onerous at initial recognition can also subsequently become onerous if assumptions and experience changes. The Company has established a loss component of the liability for remaining coverage for any onerous group depicting the future losses recognised.

A loss component represents a notional record of the losses attributable to each group of onerous insurance contracts (or contracts profitable at inception that have become onerous). The loss component is released based on a systematic allocation of the subsequent changes relating to future service in the fulfilment cash flows to: (i) the loss component; and (ii) the liability for remaining coverage excluding the loss component. The loss component is also updated for subsequent changes relating to future service in estimates of the fulfilment cash flows and the risk adjustment for non-financial risk. The systematic allocation of subsequent changes to the loss component results in the total amounts allocated to the loss component being equal to zero by the end of the coverage period of a group of contracts (since the loss component will have been materialised in the form of incurred claims).

The systematic basis is determined by the proportion of the loss component relative to the total estimate of the present value of the future cash outflows plus the risk adjustment for non-financial risk at the beginning of each year (or on initial recognition if a group of contracts is initially recognised in the year).

Insurance service expenses

Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items:

- Incurred claims and other insurance service expenses:
- Amortisation of insurance acquisition cash flows: This is equal to the amount of insurance revenue recognised in the year that relates to recovering insurance acquisition cash flows.
- Losses on onerous contracts and reversals of such losses.
- Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk, and changes therein.

Net expenses from reinsurance contracts
Net expenses from reinsurance contracts comprise an allocation of reinsurance premiums paid less amounts recovered from reinsurers.

The Company recognises an allocation of reinsurance premiums paid in profit or loss as it receives services under groups of reinsurance contracts. The allocation of reinsurance premiums paid relating to services received for each period represents the total of the changes in the asset or liability for remaining coverage that relate to services for which the Company expects to pay consideration.

For a group of reinsurance contracts covering onerous underlying contracts, the Company establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised.

Where a loss component has been set up after initial recognition of a group of underlying insurance contracts, the portion of income that has been recognised from related reinsurance contracts is disclosed as a loss-recovery component.

Where a loss-recovery component has been set up at initial recognition or subsequently, the Company adjusts the loss-recovery component to reflect changes in the loss component of an onerous group of underlying insurance contracts.

The carrying amount of the loss-recovery component must not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Company expects to recover from the group of reinsurance contracts. On this basis, the loss-recovery component recognised at initial recognition is reduced to zero in line with reductions in the onerous group of underlying insurance contracts and is nil when loss component of the onerous group of underlying insurance contracts is nil.

Insurance finance income or expense
Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- The effect of the time value of money and changes in the time value of money
- The effect of financial risk and changes in financial risk

The Company disaggregates insurance finance income or expenses on insurance and reinsurance contracts between profit or loss and OCI. The impact of changes in market interest rates on the value of the insurance and reinsurance assets and liabilities are reflected in OCI to minimise accounting mismatches between the accounting for financial assets and insurance assets and liabilities.

The Company systematically allocates expected total insurance finance income or expenses over the duration of the group of contracts to profit or loss using discount rates determined on initial recognition of the group of contracts, see Note D.1.2 for detailed description of discount rates.

Exchange differences
Exchange differences arising from changes in the carrying amount of groups of insurance and reinsurance contracts are recognised in profit or loss in the period in which they arise. Exchange differences arising from changes in the carrying amount of groups of insurance and reinsurance contracts included in other comprehensive income, if any, are recognised in other comprehensive income.

At the end of each reporting period, the carrying amount of the group of insurance contracts denominated in a foreign currency is translated into the functional currency.

The amounts arising from changes in exchange rates between the currency of the group of contracts and the functional currency are considered as exchange differences and are recognised in profit or loss in the period in which they arise.

C.4.7. Transition

For information regarding transition please refer to Note B.1.

C.5. Taxes

The income tax expense comprises current tax and deferred tax. The income tax associated with transactions recognized directly in Other comprehensive income is also recognized directly in Other comprehensive income.

The current tax is calculated using the Company's taxable income and the tax rate enacted by the end of reporting period.

Deferred tax is calculated using the balance sheet liability method for all temporary differences between the asset and liability values recognized in the IFRS separate financial statements and the Company tax bases for these assets and liabilities. Deferred tax is calculated using the tax rates that are expected to apply to the period when the asset is realized or the liability settled, based on the tax rates that have been enacted or substantially enacted by the end of the reporting period. Deferred tax assets are not recognized if it is not probable that the tax benefits they contain can be realized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Technical provisions for tax calculation purposes are defined in accordance with the Solvency II directive in line with the Act No. 364/2019 Coll., on technical provisions taxation.

C.6. Other Assets

Other assets are valued at acquisition cost less impairment losses and relate to Prepaid expenses.

C.7. Cash and Cash Equivalents

Cash consists of cash on hand and demand deposits with banks and other financial institutions. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

C.8. Provisions

A provision is created when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will occur, and a reliable estimate can be made of the amount of the obligation.

Where the effect of discounting is material, provisions are discounted. The discount rate used is the pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

C.9. Trade and other payables

Liabilities arise when the Company has a contractual obligation to deliver cash or another financial asset. They are measured at amortized cost, which will normally equal their nominal or repayment value.

C.10. Other Operating Expenses (Administrative Expenses)

Company divides all operating expenses between attributable and non-attributable. Attributable expenses are the costs “related directly to the fulfilment of the contract, including cash flows for which the entity has discretion over the amount or timing.” These expenses enter IFRS 17 calculation. All other costs which may incur and do not meet the mentioned criteria (cannot be linked to the fulfilment of an insurance contract) are non-attributable expenses and do not enter IFRS 17 calculation. Company’s percentage of directly attributable costs for the reporting period is between 75-90%.

C.11. Foreign Currency Transaction

A foreign currency transaction is a transaction denominated in, or which requires settlement in, a currency other than the functional currency. The functional currency is the currency of the primary economic environment in which an entity operates. A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the exchange rate effective at the date of the transaction. At each balance sheet date:

a) foreign currency monetary items are translated using the closing foreign exchange rate;

b) non-monetary items denominated in a foreign currency that are carried at historical cost are translated using the foreign exchange rate at the date of the original transaction;

c) and non-monetary items denominated in a foreign currency that are carried at fair value are translated using the foreign exchange rates valid at the dates the fair values were determined.

Exchange differences arising from the settlement of monetary items or from the translation of the Company’s monetary items at rates different from those at which they were initially recorded or reported in previous financial statements, are recognized in the Statement of profit and loss in the period in which they arise.

C.12. Impairment of non-financial assets

The carrying amounts of the Company's assets, other than financial assets, inventories, and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount is measured annually, regardless of any indication of impairment, for intangible assets with an indefinite useful life and for intangible assets not yet available for use.

An impairment loss is recognized to the extent that the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the income statement.

The recoverable amount of other assets is the greater of their fair value less cost to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In respect of other assets, an impairment loss is reversed through the income statement if there has been an increase in the recoverable amount and the increase can be objectively related to an event occurring after the date of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount of the asset that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

C.13. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

This policy is applied to contracts entered into, on or after 1 January 2019.

The Company determines the lease term as the non-cancellable period of a lease, together with both:

- periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option, and
- periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments,
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option;
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

After the commencement date, the Company measures the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability,
- reducing the carrying amount to reflect the lease payments made, and
- remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

After the commencement date, the Company recognises in profit or loss, both:

- interest on the lease liability, and
- variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

The amount of the remeasurement of the lease liability shall be recognised as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, any remaining amount of the remeasurement shall be recognised in profit or loss. The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'other financial liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

C.14. Subordinated liabilities

Subordinated liabilities are initially measured at fair value and subsequently measured at their amortized cost using the effective interest method. The fair value of subordinated liabilities is shown in F.4.2 Financial instruments not measured at fair value.

D. PRINCIPAL ASSUMPTIONS

D.1. Insurance and Reinsurance contracts

In applying IFRS 17 measurement requirements, the following inputs and methods were used that include significant estimates. The present value of future cash flows is estimated using deterministic scenarios. The assumptions used in the deterministic scenarios are derived to approximate the probability weighted mean of a full range of scenarios.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

D.1.1. The methods used to measure insurance and reinsurance contracts

Expected CFs are projected in line with IFRS 17 Standard requirements and Group guideline. These cash flows have to fully reflect the entity's current unbiased assumptions as well as market conditions based on reasonable and supportable information.

Estimated future cash flows are projected using standard actuarial methods applied on Company's historical data and using pricing assumptions obtained from underwriting process as well.

The main dimensions of estimated future cash flows are:

- Reserving segment and SII LoB;
- Type of reinsurance (Reinsurance Issued or Reinsurance Held);
- Actuarial portfolio;
- CF type (claims, premiums, commissions, admin costs);
- Sub-type for some CF types, e.g., non-claim contingent and claim contingent commissions division;
- Provision type (LIC and LRC);
- Settlement and incurred periods;
- Type of measurement (initial recognition or subsequent measurement) within IFRS 17.

The output of local ResQ model, used for SII reserving, are projections of estimated future cash flows, split into SII LoBs, reserving segments, type of reinsurance, CF types, provision types, underwriting years, policy numbers and settlement periods.

For IFRS 17 input data, additional steps need to be performed to transform derived projected cash flows from ResQ model and obtain deeper details about cash flows.

The main steps are:

- Assignment of IFRS 17 provision types to projected cash flows;
- Derivation of incurred dates and settlement dates due to different reporting requirements in IFRS 17;
- Split of commissions data type into claim-contingent and non-claim contingent parts, and separation of brokerage sub-type;
- Transfer of loss portfolio entries from estimated future claim cash flows to premium CF type;
- Assignment of actuarial portfolios to projected cash flows;
- Determination of type of measurement of reinsurance contracts.

The described steps above are performed in IFRS 17 database on Company's SQL server. The output of the process is set of final cash flow projections to FPSL (SAP solution used by the Company for IFRS 17 calculation).

Company uses assumptions for IFRS 17 in line with Solvency II.

Differences are the following:

- Expenses – only directly attributable costs are allocated to LRC, applied share of attributable costs on total costs is provided by VIG Re;
- Within IFRS 17, admin costs are projected also for older cohorts for insurance contracts. In addition, these costs are projected for reinsurance contracts as well in contrast to SII reserving;
- Application of future FX rates within IFRS 17;
- Discount curves – delivered by VIG Group.

CFs are projected for all reinsurance contracts. Retrocession CFs are estimated from directly linked CFs of underlying active reinsurance contracts in line with reinsurance treaty conditions. The effect of any risk of non-performance by the reinsurer is explicitly included in the estimates of the present value of the future cash flows in line with Group methodology. Based on analysis performed by the Group of exposure to non-performance risk by reinsurers, an adjustment of 0.3 % is applied to all cash flows due from reinsurers under reinsurance contracts. This percentage is applied to the total amount of the discounted gross cash flows due from reinsurers without taking into consideration offsetting cash flows such as deposits withheld or balances payable to reinsurers.

D.1.2. Discount rates

Discount rates are derived and provided by VIG Asset Risk Management to entities. They are provided as spot curves with annual compounding. Cash flows should be discounted using the discount rates applicable to their currency. If cash flows are converted between two currencies, the forward foreign exchange ("FX") rates determined by the valuation date exchange rate and the discount curves for the respective currencies must be used. This ensures that the balance sheet positions are invariant under currency conversion.

Discount curves are provided for the following currencies: "ALL" "AMD" "AUD" "AZN" "BAM" "BGN" "CZK" "DKK" "DZD" "EUR" "GBP" "GEL" "HUF" "CHF" "ISK" "ILS" "JPY" "KRW" "KZT" "MAD" "MDL" "MKD" "NOK" "NZD" "PHP" "PLN" "RON" "RSD" "RUB" "SAR" "SEK" "TRY" "TWD" "UAH" "USD" "ZAR"

If there are cashflows in a currency which is not provided, EUR discount curve is used.

The Company used the following yield curves to discount cash flows:

2023

Currency	1 year	3 years	5 years	10 years	20 years	30 years
ALL	3.68%	2.76%	2.64%	2.71%	2.73%	2.79%
AMD	15.17%	13.46%	12.65%	12.39%	11.77%	10.26%
AUD	4.59%	4.21%	4.17%	4.46%	4.60%	4.28%
AZN	15.17%	13.46%	12.65%	12.39%	11.77%	10.26%
BAM	3.63%	2.71%	2.59%	2.66%	2.68%	2.75%
BGN	3.63%	2.71%	2.59%	2.66%	2.68%	2.75%

2023

Currency	1 year	3 years	5 years	10 years	20 years	30 years
CZK	5.51%	4.00%	3.73%	3.70%	3.74%	3.69%
DKK	3.67%	2.75%	2.63%	2.70%	2.72%	2.78%
DZD	8.56%	8.19%	8.53%	10.04%	10.80%	9.70%
EUR	3.68%	2.76%	2.64%	2.71%	2.73%	2.79%
GBP	5.06%	3.99%	3.67%	3.60%	3.75%	3.67%
GEL	15.17%	13.46%	12.65%	12.39%	11.77%	10.26%
HUF	6.62%	6.25%	6.03%	6.10%	6.30%	5.93%
CHF	1.49%	1.42%	1.37%	1.48%	1.74%	1.90%
ILS	4.27%	3.92%	3.94%	4.31%	4.36%	4.17%
ISK	9.42%	8.06%	7.37%	6.62%	5.68%	5.08%
JPY	0.39%	0.60%	0.77%	1.17%	1.71%	1.83%
KRW	3.79%	3.32%	3.25%	3.24%	3.23%	3.26%
KZT	15.17%	13.46%	12.65%	12.39%	11.77%	10.26%
MAD	8.56%	8.19%	8.53%	10.04%	10.79%	9.69%
MDL	3.68%	2.76%	2.64%	2.71%	2.73%	2.79%
MKD	3.68%	2.76%	2.64%	2.71%	2.73%	2.79%
NOK	4.32%	3.95%	3.63%	3.54%	3.54%	3.52%
NZD	5.55%	4.57%	4.31%	4.40%	4.64%	4.48%
PHP	1.23%	1.30%	1.34%	1.42%	1.87%	2.26%
PLN	5.27%	5.15%	5.16%	5.42%	5.19%	4.78%
RON	6.35%	6.31%	6.37%	6.46%	5.93%	5.31%
RSD	5.41%	5.54%	5.77%	7.16%	7.27%	6.40%
RUB	15.17%	13.46%	12.65%	12.39%	11.77%	10.26%
SAR	5.55%	4.87%	4.19%	3.51%	3.30%	3.28%
SEK	3.35%	2.82%	2.58%	2.57%	2.93%	3.08%
TRY	39.66%	31.49%	25.10%	21.68%	19.46%	16.11%
TWD	1.23%	1.30%	1.34%	1.42%	1.87%	2.26%
UAH	17.48%	19.46%	17.79%	11.50%	7.51%	6.63%
USD	5.08%	4.04%	3.82%	3.77%	3.78%	3.55%
ZAR	8.56%	8.19%	8.53%	10.04%	10.79%	9.69%
Average	**7.47%**	**6.60%**	**6.19%**	**6.07%**	**5.91%**	**5.43%**

2022 (restated)

Currency	1 year	3 years	5 years	10 years	20 years	30 years
ALL	3.49%	3.51%	3.44%	3.40%	3.07%	2.99%
AMD	10.50%	9.03%	9.66%	10.87%	10.38%	9.21%
AUD	4.29%	4.41%	4.48%	4.82%	4.77%	4.11%
AZN	10.50%	9.03%	9.66%	10.87%	10.38%	9.21%
BAM	3.44%	3.46%	3.39%	3.35%	3.03%	2.95%
BGN	3.44%	3.46%	3.39%	3.35%	3.03%	2.95%
CZK	6.82%	6.09%	5.36%	4.91%	4.67%	4.39%
DKK	3.48%	3.50%	3.43%	3.39%	3.06%	2.98%
DZD	8.07%	8.29%	8.73%	9.95%	9.96%	8.95%
EUR	3.49%	3.51%	3.44%	3.40%	3.07%	2.99%
GBP	4.77%	4.64%	4.37%	4.02%	3.84%	3.66%
GEL	10.50%	9.03%	9.66%	10.87%	10.38%	9.21%
HUF	13.96%	11.65%	9.97%	8.92%	8.32%	7.37%
CHF	1.37%	1.54%	1.65%	1.80%	1.87%	1.98%
ILS	3.95%	3.90%	3.86%	3.81%	3.75%	3.69%
ISK	7.16%	7.00%	6.79%	6.32%	5.50%	4.97%
JPY	0.21%	0.28%	0.47%	0.80%	1.57%	1.87%
KRW	4.23%	3.96%	3.84%	3.73%	3.46%	3.40%
KZT	10.50%	9.03%	9.66%	10.87%	10.38%	9.21%
MAD	8.07%	8.29%	8.73%	9.95%	9.96%	8.95%
MDL	18.67%	22.43%	21.63%	14.09%	8.35%	7.14%
MKD	3.49%	3.51%	3.44%	3.40%	3.07%	2.99%
NOK	3.77%	3.59%	3.46%	3.51%	3.56%	3.56%
NZD	5.80%	5.39%	5.10%	5.05%	5.13%	4.85%
PHP	1.21%	1.34%	1.43%	1.55%	1.98%	2.35%
PLN	6.71%	7.03%	7.05%	6.96%	6.26%	5.56%
RON	7.29%	7.56%	7.95%	8.87%	8.27%	7.10%
RSD	5.04%	6.52%	6.82%	7.65%	7.35%	6.43%
RUB	10.50%	9.03%	9.66%	10.87%	10.38%	9.21%
SAR	4.65%	4.46%	5.49%	6.32%	5.83%	5.25%
SEK	3.78%	3.63%	3.47%	3.32%	3.36%	3.39%
TRY	12.63%	9.10%	8.77%	10.52%	10.67%	9.49%
TWD	1.21%	1.34%	1.43%	1.55%	1.98%	2.35%
UAH	18.67%	22.43%	21.63%	14.09%	8.35%	7.14%
USD	5.38%	4.57%	4.26%	4.06%	3.94%	3.58%
ZAR	8.07%	8.29%	8.73%	9.95%	9.96%	8.95%
Average	**6.64%**	**6.50%**	**6.51%**	**6.42%**	**5.91%**	**5.40%**

D.1.3. Risk adjustment for non-financial risk

The risk adjustment for non-financial risk represents the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance and reinsurance contracts and covers insurance risk, lapse risk and expense risk. The risk adjustment reflects an amount that a reinsurer would rationally pay to remove the uncertainty that future cash flows will exceed the best estimate amount.

The Company's calculation approach is designed to tie in with the methodology for the Solvency II Risk Margin and consists of five key steps:

- Per GIC, calculate the starting solvency capital requirement (SCR) for t=0, allowing for diversification.
- Project the SCR throughout the lifetime of the (re)insurance obligations from that group.
- Apply CoC percentage relevant to the GIC to project the annual nominal cost of capital for the lifetime of the obligations.
- Discount these amounts using the appropriate IFRS 17 discount curves.
- Sum across these amounts to cover all future years and arrive at the RA for the group in question.

The following risk modules are relevant (using SII risk landscape):

- For Non-Life business
  - NL Underwriting
  - Counterparty default for any exposure to default that impacts technical cash flows. This relates almost exclusively to counterparty default for exposures to default from reinsurance contracts.
- For Life business
  - Life Underwriting Risk
  - Counterparty default for any exposure to default from reinsurance contracts.

As the Company has an approved partial internal model (PIM) in non-life it uses the results from the respective risk model in calculating the RA.

It is assumed that RA is calculated in the functional currency of the Company. Exchange rate risk must not be included in the SCR calculation.

Company allows for the diversification between different lines of business as well as between different risks when estimating the SCR underlying the RA calculations.

RA for groups of reinsurance contracts (retrocession) is calculated so that it represents the amount of risk being transferred by Company (as holder of the group of reinsurance contracts) to the retrocessioner (the issuer of those contracts).

Company, in line with Group's accounting policy, disaggregate the change in RA between the insurance service result and insurance finance result.

The risk adjustments for non-financial risk for Non-Life and Life segments correspond to the following confidence levels:

Non-Life	72.51 % (2023)	68.05% (2022)
Life	73.00 % (2023)	71.62% (2022)

The above figures represent the confidence levels net of reinsurance.

D.1.4. Investment Components

The Company identifies the investment component of a contract by determining the amount that it would be required to repay to the cedent in all scenarios with commercial substance. These include circumstances in which an insured event occurs, or the contract matures or is terminated without an insured event occurring. Investment components are excluded from insurance revenue and insurance service expenses.

The Company considers all terms of contracts it issues to determine whether there are amounts payable to the cedent in all circumstances, regardless of contract cancellation, maturity, and the occurrence or non-occurrence of an insured event. Some amounts, once paid by the cedent, are repayable to the cedent in all circumstances. The Company considers such payments to meet the definition of an investment component, irrespective of whether the amount repayable varies over the term of the contract as the amount is repayable only after it has first been paid by the cedent.

Investment component has to be accounted for separately from insurance component. Company accounts for the investment component differently for Life and Non-life.

Life investment component
For Life contracts, investment component is part of the best estimated cash flows and is modelled separately in Company's Prophet model using unique cash flow categories, specifically:

- Death payment – investment component is calculated as mathematical reserve;
- Maturity payment – the whole payment is investment component;
- Surrender payment – the whole payment is investment component.

Based on the percentage of investment component in the best estimate projections (for actual period) the same percentage of investment component is applied on total actual cash flows in the corresponding period. There is no information about payment types in actual cash flows so above-mentioned definition cannot be applied directly.

Corresponding changes of investment component adjust the CSM as prescribed by IFRS 17.

Non-life investment component
For Non-life contracts, investment component is part of the best estimate cash flows but is not modelled separately in Company ResQ model. There is also no separate cash flow category in FPSL for non-life investment component – projected cash flows. It is therefore calculated on the actuals side and taken out from insurance revenue and insurance service expense in this amount in the FPSL.

D.1.5. Amortization of Contractual Service Margin

Coverage Units determine the amortization pattern of CSM under IFRS 17: the CSM should be allocated equally to each coverage unit and is released based on the run-off pattern of coverage units. The number of coverage units in a group represents the quantity of insurance contract services provided by the contracts and is determined by considering for each contract the quantity of benefits provided under a contract and its expected coverage period.

At every subsequent measurement, the coverage units have to be adjusted based on the latest assumptions to derive the revised future coverage units in force at the end of the period.

The actual coverage units in the reporting period should be determined as the sum of:

- the coverage units for existing business at the start of the reporting period (e.g., sum assured in force at the start of the period); and
- the coverage units for the new contracts entering the GIC in the reporting period (e.g., sum assured in force when the new business comes into the group).

The projection of coverage units thereafter (i.e., from the end of the reporting period) are based on the business in force at that time and the up to date (economic and non-economic) assumptions. This ensures that there is an allowance for experience adjustment on the percentage of service provided in the current period.

Coverage units must include discounting with the current yield curve to avoid any economically unreasonable shift of the CSM to later years.

The company determines coverage units separately for Life and Non-Life business.

Life insurance and reinsurance business
Coverage units are projected in the Prophet model for each month in future

- Insurance contracts: Sum at risk for all risks in Life
- Reinsurance contracts: Ceded Sum at risk for all risks in Life

Non-life insurance and reinsurance business
The projected earned premium (i.e., including future lapse, indexation etc.) is considered to be a good approximation of the insurance/reinsurance services provided, as the majority of these services is the insurance/reinsurance coverage.

An analysis of the expected timing of the allocation of the CSM to profit or loss is disclosed in note F.4.

E. RISK REPORTING

E.1. Risk Management

E.1.1. Introduction

The Company is a member of VIG and is compliant with the Group risk management structure. The risk management processes apply to the entire VIG Group and thus to the Company.

The Company's core competence is dealing with risk professionally. The Company's underwriting business is assuming risks from its clients using a variety of reinsurance contract types. Based on its activity as a reinsurance company, VIG Re is exposed to underwriting risk resulting from underwriting Life and Non-Life reinsurance business, market risk stemming from the investments and also general risks such as the counterparty default risk, concentration risk, operational risk. One of the primary responsibilities of risk management is to ensure that the Company's activities are compliant with the Risk Strategy.

E.1.2. Risk Management Objectives and Methods

Risk in VIG Re is understood as the possibility of non-achievement of an explicitly formulated or implicitly resultant goal. A risk that can have a significant negative impact on the Company's solvency of financial position is considered material. Risk management processes are defined to identify, analyse, evaluate, monitor, report and control these risks. The Company's Risk Strategy distinguishes between accepted risks, conditionally accepted risks, and not accepted risks, defining the risk mitigating techniques that can be applied.

Within this context VIG Re defines risk categories covering all possible sources of risks, which are further split into subcategories during further Risk Management processes.

- **Underwriting risk:** The core business of VIG Re is the underwriting of insurance risks transferred from an insurance company to VIG Re. Underwriting risk stems from the Company's Non-Life and Life reinsurance obligations.
- **Credit risk:** This risk quantifies the potential loss due to a potential adverse development in the value of assets and financial instruments related to the unexpected default of counterparties and debtors.
- **Market risk:** Market risk arises from the level or volatility of market prices of financial instruments. Exposure to market risk is measured by the impact of movements in the level of financial variables such as stock prices, interest rates, immovable property prices and exchange rates.
- **Liquidity risk:** Liquidity risk reflects the risk that necessary financial resources cannot be provided in time, without additional costs, to fulfil the company's short- and long-term due payment obligations.
- **Strategic risks:** Strategic risk stems from the risk of adverse business development related to inappropriate business and investment decisions, or to inadequate communication and implementation of goals, or to a lack of

adjustment capacity to changes in the economic environment, or to conflicting business objectives.

- **Operational risks:** This covers risks that are related to potential loss arising from inadequate or failed internal processes, or from personnel and systems, or from external events.

Risk management in VIG and VIG Re is governed by internal standards (polices, guidelines and directives).

VIG Re's Risk Management system further develops the Company's governance culture and values. The system is based on specific principles ensuring effective performance of all activities. The principles include but are not limited to avoidance of conflicts of interest, clear allocation of responsibilities, four eyes principle. The principles are applied in all activities the Company needs for its operation regardless of whether such activities are carried out directly by the Company or are outsourced.

The internal structure of the Risk Management system is structured in three lines of defence, which reflects the Risk Management principles. The essence of this structure lies in transparent segregation of employees' responsibilities into each line of defence, conflicts of interests' prevention and application of effective controls.

E.1.3. Organizational Units and Departments Involved in Risk Management and Control in VIG Re

The overall responsibility of the risks assumed by VIG Re resides with the Board of Directors. Asset Risk Management is supported by other VIG Group companies in the Czech Republic according to the Company's Outsourcing Policy. The responsibilities for the risk categories are allocated as follows:

Risk management: The team is responsible for the implementation and assessment of the internal control system, monitoring and reporting to the Board of Directors on the adherence of risk tolerance and risk appetite of the Company. All relative Solvency II requirements, Own Risk and Solvency Assessment, Solvency Capital Requirement analyses are carried out by Risk Management.

Corporate Underwriting: The department monitors the Company's underwriting risk profile ensuring compliance with the Company's Underwriting Standards and Risk Strategy.

Reserving: The department develops the methodology and tools used for reinsurance modelling which are the source of Premium and Catastrophe risk in the Company's Partial Internal Model. In addition, it is responsible for calculations related to technical provisions and reserve risk. The department also assesses the Company's natural accumulation exposure and is responsible for retrocession efficiency analyses.

Controlling: Controlling, Reporting, and Planning department manages the Company's planning process, monitors and controls the Company's business development by comparing plans and reinsurance contracts signed and is also responsible for data quality management.

Internal Audit: The Company outsources Internal Audit to VIG internal audit department. The internal audit department systematically monitors operating and business processes, the internal controlling system of all operational corporate areas, and the functionality and adequacy of risk management. The internal audit department operates continuously and reports directly to the Board of Directors.

The Company also identifies the holders of key functions and their responsibilities as specified in the governance system of the Solvency II framework, which are Internal Audit, Compliance, Risk management and Actuarial functions.

E.2. Underwriting Risk

Underwriting risk reflects the underwriting process including the collection of data, technical assessment of the underlying portfolios, modelling and pricing of the insurance and reinsurance contracts, reserving, and the conclusion of insurance and reinsurance contracts. It is mitigated by the compliance with the underwriting guidelines and directives of the Company and the governance of quantitative limits, including accumulation control.

The Company assumes reinsurance on proportional and non-proportional, obligatory and facultative basis. It offers services for defined lines of business within the Property and Casualty, Personal Accident and Health and Life segment. Main underwriting territories are Austria and CEE countries, Germany, Switzerland, Italy and Turkey. The Company is also active in French, Spain, Portugal and Japanese markets. Underwriting policy, standards and limits are defined in detail in VIG Re reinsurance underwriting guidelines and underwriting directives.

VIG Re's objective is to maintain strict underwriting policy that, in combination with its very solid financial security and its in-depth understanding of local market standards, provide a strong value proposition to its clients.

In order to achieve this, VIG Re follows a disciplined underwriting policy which is defined in detail in VIG Re's underwriting guidelines. The Company monitors and controls its accumulation risks, especially in the area of natural catastrophe exposure. As part of the risk management strategy, underwriting limits are defined by class of business and underwriting authorities are allocated "ad personam" according to the level of the underwriter's professional expertise.

In respect of business originating from VIG Group companies, VIG Re assumes up to 100% of the respective contracts. In the event of significant underlying exposures, for instance from natural catastrophe, VIG Re acts as an aggregator not retaining a material risk position.

The Company adheres conservative approach towards reinsurance protection, surpassing the VIG reinsurance rules. VIG Re's reinsurance panel is carefully chosen in compliance with VIG security guidelines.

E.2.1. Underwriting Risk Categories

The Company offers services for the following lines of business:

Non-Life

Non-Life underwriting risk arises from Non-life insurance obligations, in relation to the perils covered and the processes followed in the conduct of the business. It is divided into 3 subcategories:

Property insurance: For property insurance contracts frequency of large losses (for example Fire, Terrorism) and unknown accumulations (for example business interruption, CBI) are significant factors which can increase losses significantly. In respect of natural catastrophe reinsurance contracts, climate change gives rise to more frequent and severe extreme weather events and their consequences.

The Company usually assumes one-year insurance policies and thus has the right to re-price the risk on renewal. It also has the ability to impose deductibles and reject fraudulent claims. The greatest likelihood of significant losses on these contracts arises from windstorm and flood perils. The Company buys retrocession cover according to accumulation analysis.

Casualty insurance: The frequency and severity of claims can be affected by several factors. The most significant are the increasing amounts of awards for damage suffered and the increasing numbers of cases coming to court that were inactive or latent for a long period of time. The estimated inflation is also a significant factor due to the long period of time typically required to settle these cases.

Health Non-Similar to Life techniques (NSLT): NSLT risk is arising from health reinsurance obligations, pursued on a technical basis which is similar to Property and Casualty business, in relation to the risks covered and processes used in the conduct of business. This includes the health premium and reserve risk and the NSLT health lapse risk.

Health catastrophe risk is the risk of loss, or of adverse change in the value of insurance and reinsurance liabilities, resulting from significant uncertainty of pricing and provisioning assumptions related to outbreaks of major epidemics, as well as the unusual accumulation of risks under such extreme circumstances. This extends to mass accidents, pandemics and concentration risks. Health catastrophe exposure arise mainly from the VIG Group Personal Accident program.

The Company manages these risks through its underwriting strategy, adequate reinsurance arrangements, and proactive claims management.

Life

Life underwriting risk arises from life insurance obligations, in relation to the risks covered and the processes followed in the conduct of the business.

The largest risk for Life underwriting risk is lapse risk. For most risks, the Company follows the primary insurer approach to risk, however applying its own assumptions in the calculation. The Company underwrites life risk with limits per person, therefore the exposure is limited in this respect.

The risk transfer (retrocession) has been defined and executed from the beginning of the Life active business by the Company. In general, the Company Life Retrocession is very strict and prudent.

The Company has achieved a significant degree of diversification by operating internationally across Europe covering a range of different lines of business. Long-term relations with clients ensure mitigation of unexpected losses over time.

The Company's underlying life business is underwritten using the mutually agreed conditions. The underwriting conditions are precisely defined for every Line of business by setting the maximum sum insured and required medical underwriting procedure.

E.2.2. Retrocession Guidelines

In order to mitigate the underwriting risks the Company pursues a prudent underwriting philosophy and portfolio management using the diversification benefits when assuming underwriting risks from different lines of business and geographies while monitoring potential concentration risks. In order to further mitigate the assumed underwriting risk, the Company uses Retrocession, i.e. reinsurance protection of its assumed reinsurance contracts as a central instrument to hedge especially against major loss events.

The retrocession guidelines and protection structure are jointly determined each year by the Board of Directors and approved by the Supervisory Board of VIG Re, ensuring compliance with the VIG Security Guidelines.

The reinsurance guidelines define the following principles:

- Retrocession contracts shall ensure that the Company's capital is not overexposed. This is achieved through assessing the impact on solvency capital position and underwriting result.
- The Company purchases sufficient protection according to underwriting limits and accumulation analyses. The Company hedges against major loss events, both natural catastrophe and man-made, on the basis of an assumed 1 in 250 years return period (i.e., value of risk quantile of 99.6%).
- The retrocession program shall ensure that the net retention resulting from a single event is not higher than the net underwriting capacity as defined in the Underwriting Guidelines. The Company's net retention shall not exceed 3% of the Company's equity.
- The mitigation of an underwriting risk must ensure that a failure of a single retrocessionaire does not threaten the financial stability of the Company.
- Before a retrocession contract is concluded, a potential retrocessionaire has to be approved as business partner. Limitations apply in respect of liability per lines of business which can be reinsured with a single retrocessionaire. Retrocessionaires not pre-approved according to the VIG Reinsurance Guideline Security List of the or exceeding the limits set out in the Cession Limitation table are subject to approval of the VIG Security Committee.

Sensitivity analysis for insurance risk

The following sensitivity analysis shows the impact (gross and net of reinsurance) on contractual service margin, profit before tax and equity for reasonably possible movements in key assumptions with all other assumptions held constant. The correlation of assumptions will have a significant effect in determining the ultimate impacts, but to demonstrate the impact due to changes in each assumption, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non–linear. Sensitivity information will also vary according to the current economic assumptions, mainly due to the impact of changes to both the intrinsic cost and time value of options. When options exist, they are the main reason for the asymmetry of sensitivities. The method used for deriving sensitivity information and significant assumptions made did not change from the previous period.

2023 in EUR '000			Profit or loss
	Change in assumptions	Gross	Net
Non-Life			
Ultimate Loss ratio	1%	-8 857	-5 296
Ultimate Loss ratio	-1%	8 857	5 296
Life			
Life lapse rate	100%	-26 542	-13 037
Life lapse rate	-50%	16 535	2 333

2022 (restated) in EUR '000		Profit or loss	
	Change in assumptions	Gross	Net
Life			
Life lapse rate	100%	-17 429	-10 360
Life lapse rate	-50%	1 502	-6 029

Claims development

The table below illustrates how estimates of cumulative claims for the Company's non-life segment have developed over time on a gross basis. The table shows how the Company's estimates of total claims for each accident year have developed over time and reconciles the cumulative claims to the amount included in the statement of financial position. Balances have been translated at the exchange rates prevailing at the reporting date.

Claims development table – Non-Life on a gross basis in EUR '000	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Estimate of total cumulative claims at the end of the year	0	0	167 414	257 439	187 939	282 550	296 862	709 847	489 244	581 290	2 972 586
One year later	0	231 165	187 062	299 631	223 278	314 449	331 768	823 542	531 425		2 942 320
Two years later	237 520	244 452	184 839	293 877	210 801	311 586	329 877	810 253			2 623 205
Three years later	262 802	240 223	177 178	298 876	219 658	322 904	319 064				1 840 705
Four years later	262 599	229 923	184 648	302 489	232 174	317 937					1 529 770
Five years later	254 119	231 829	187 256	305 243	234 622						1 213 068
Six years later	250 668	232 301	193 213	308 875							985 056
Seven years later	252 755	236 977	191 039								680 771
Eight years later	258 000	235 491									493 490
Nine years later	254 302										254 302
Cumulative gross claims paid	**239 798**	**211 812**	**161 721**	**269 415**	**192 972**	**256 521**	**246 804**	**593 222**	**291 588**	**169 102**	**2 632 955**
Gross cumulative claims liabilites - from year 2014 to 2023	14 503	23 678	29 318	39 459	41 651	61 416	72 260	217 031	239 838	412 189	1 151 343
Gross liabilities - accident years before 2014											71 071
Valuation Differences Statutory vs. SII											6 937
Effect of payables /receivables											116 312
Effect of discounting											-166 523
Effect of the risk adjustment											26 759
Gross liabilities for incurred claims included in the statement of financial position											**1 205 900**

Outstanding gross claims relating to life (EUR 41 591 ths.) are not included in the above tables due to their relative insignificance.

Claims development table – Non-Life on a net basis in EUR '000	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**Total**
Estimate of total cumulative claims at the end of the year	0	0	97 804	161 071	90 352	152 464	189 897	257 291	288 449	349 692	1 587 020
One year later	0	120 565	115 201	196 768	115 791	194 278	210 065	297 072	326 299		1 576 040
Two years later	130 621	126 442	119 701	203 904	112 067	190 931	206 016	287 633			1 377 315
Three years later	130 315	128 168	117 491	203 767	116 639	197 873	204 743				1 098 996
Four years later	132 271	129 688	118 152	208 102	122 516	194 934					905 664
Five years later	130 880	130 361	117 432	211 674	125 662						716 009
Six years later	131 025	131 894	118 911	210 623							592 453
Seven years later	131 356	131 516	120 620								383 492
Eight years later	132 527	130 866									263 393
Nine years later	131 685										131 685
Cumulative gross claims paid	**126 496**	**125 967**	**108 611**	**194 715**	**106 132**	**164 448**	**159 101**	**227 338**	**202 298**	**101 783**	**1 516 889**
Net cumulative claims liabilites - from year 2014 to 2023	5 189	4 899	12 008	15 908	19 529	30 486	45 642	60 295	124 002	247 909	565 867
Net liabilities - accident years before 2014											51 997
Valuation Differences Statutory vs. SII											1 107
Effect of payables /receivables											-5 320
Effect of discounting											-90 451
Effect of the risk adjustment											15 570
Effect of Non-Performance risk											1 603
Net liabilities for incurred claims included in the statement of financial position											**540 374**

Outstanding net claims relating to life (EUR 20 930 ths.) are not included in the above tables due to their relative insignificance.

E.2.3. Concentration Risk

The highest risk exposure the Company faces is stemming from European Flood risk scenario, followed by Windstorm risk scenario at 99.5% quantile, naturally arising from its exposure in CEE and DACH regions. Non-Life concentration risk is stemming from lack of diversification. The Company faces underwriting concentration risk from natural catastrophe events caused by natural perils or single risk accumulation from various assumed portfolios. Accumulation control for natural catastrophe events is monitored continually especially during the renewal period resulting in a comprehensive retrocession program. The Company is governed by underwriting policies and guidelines and sets underwriting limits on single exposures in order to manage the risk from single risk accumulation. In addition, particular retrocession treaties cover single active treaties or portfolios of active treaties. The portfolios may contain treaties from several reserving segments, several lines of business and proportional or non-proportional business.

E.3. Credit Risk

Credit risk reflects the risk of loss, or adverse change in the value of assets and financial instruments related to the unexpected default of counterparties and debtors.

E.3.1. Credit Risk from Financial Investments

The Company invests in debt securities, bond funds, equity funds and deposits, considering the overall risk position of the Company and the Investment and Risk strategy. For more about the investment strategy, see below.

In managing risks related to credit quality, a distinction must be made between "liquid" or "marketable" risks (e.g., exchange-listed bonds) and "bilateral" risks such as, for example, time deposits and loans. Risks relating to the former are limited at the portfolio level by means of rating and diversification limits. Consideration is only given to those issuers or contracting parties whose credit quality or reliability can be assessed by VIG Re, whether based on an analysis performed by the Company or credit assessments/ratings from recognized sources.

According to the Company Investment and Risk strategy, financial investments (debt securities and term deposits) are made mainly in investments with a rating range of AAA to BBB according to defined limits. There are also specific limits for investments in different asset categories (term deposits, bonds etc.). Investments outside the limits set in the strategy can only made in individual cases and in accordance with decisions made by the Board of Directors and Supervisory Board.

The goals are to achieve the greatest possible diversification among individual issuers, to avoid accumulation risks, to ensure good average credit quality, to control foreign currency gap and to make the majority of investments in mid- to long-term maturities according to the liabilities duration.

E.3.2. Credit Risk – Receivables due from Cedents

The Company assumes business with those issuers or contracting parties whose credit quality or reliability can be assessed by the Company. Before entering a business relationship, especially before submitting a legal binding offer to enter a contractual relationship, a business partner has to be assessed through a client due diligence process.

E.3.3. Credit Risk – Reinsurers Share in Reinsurance Liabilities and Amounts due from Reinsurers in Respect of Claims already Paid (Retrocession)

The Company limits its potential liability from reinsurance business by passing on some of the risks it assumes to the international reinsurance market (retrocession). It spreads this reinsurance coverage over a large number of different international reinsurance companies that VIG Re believes have adequate creditworthiness, to minimize the credit risk due to the insolvency of the reinsurers. The Company strictly adheres to the Security Guidelines issued by the VIG Group, limiting the counterparties with which VIG Re can conclude retrocession contracts.

E.3.4. Credit Risk Exposure

The following table provides the information about the credit quality of financial assets and reinsurance contracts that are assets as at 31.12.2023

Credit quality analysis in EUR '000	**AAA**	**AA**	**A**	**BBB**	**BB and lower**	**No rating**	**Total**
Reinsurance contract assets	0	226 026	262 821	11 119	958	62 959	563 883
Financial investments	176 491	165 847	190 356	80 046	6 019	46 869	665 628
12-month ECL	176 491	165 847	190 356	79 556	1 497	15 786	629 533
Lifetime ECL	0	0	0	0	4 522	0	4 522
Not subject to ECL	0	0	0	490	0	31 083	31 573
Trade and other receivables	0	0	0	0	0	536	536
Cash and cash equivalents	0	0	0	0	0	48 082	48 082
Total	**176 491**	**391 873**	**453 177**	**91 165**	**6 977**	**158 446**	**1 278 129**
in %	13.81%	30.66%	35.46%	7.13%	0.55%	12.40%	100.00%

The following table provides the information about the credit quality of financial assets and reinsurance contracts that are assets as at 31.12.2022:

Credit quality analysis in EUR '000	**AAA**	**AA**	**A**	**BBB**	**BB and lower**	**No rating**	**Total**
Reinsurance contract assets	0	199 984	336 169	12 451	1 368	908	550 880
Financial investments	74 175	102 425	148 474	78 824	11 322	120 306	535 526
12-month ECL	74 175	102 425	148 474	78 363	831	12 419	416 687
Lifetime ECL	0	0	0	0	10 491	0	10 491
Not subject to ECL	0	0	0	461	0	107 887	108 348
Trade and other receivables	0	0	0	0	0	2 846	2 846
Cash and cash equivalents	0	0	0	0	0	32 505	32 505
Total	**74 175**	**302 409**	**484 643**	**91 275**	**12 690**	**156 565**	**1 121 757**
in %	6.61%	26.96%	43.20%	8.14%	1.13%	13.96%	100.00%

The credit quality of neither past due nor impaired financial assets is monitored per individual case. The Company closely monitors each counter party and evaluates its credit quality. The most sizeable financial investments are in bonds issued or guaranteed by the governments of the EU countries where VIG Re operates (Czech Republic, Slovakia, Poland and Austria). Nevertheless, the Company is exposed to credit-related losses that may occur as a result of future negative development in the European Union and/or of any of the rest bond portfolio issuers. The following table provides the amount that best represents maximum exposure to credit risk at the end of the reporting period, separately for insurance contracts and reinsurance contracts:

in EUR '000	**2023**	**2022 (restated)**
Insurance contracts	0	6 282
Reinsurance contracts	556 216	550 880
Total	**556 216**	**557 162**

The credit risk exposure of the Company equals the maximum exposure to credit risk considering the ability to set off, where applicable, under the insurance and reinsurance contracts. The concentration of credit risk has not significantly changed compared to the prior year.

An analysis of changes in the carrying amount for financial assets at amortised costs and the corresponding ECLs is, as follows:

ECL allowance 2023 in EUR '000	**Stage 1**		**Stage 2**		**Stage 3**	
	Carrying amount	**Expected credit loss**	**Carrying amount**	**Expected credit loss**	**Carrying amount**	**Expected credit loss**
Balance as at 1 January	**58 266**	**-53**	**3 644**	**-101**	**61 910**	**-154**
Originated or purchased	2 198 581	-35	0	0	2 198 581	-35
Matured or sold	-2 199 595	2	-97	3	-2 199 692	5
Remeasuments	-55	6	-7	-10	-62	-4
Total impairment charge for the period		-27		-7		-34
Balance as at 31 December	**57 197**	**-80**	**3 540**	**-108**	**60 737**	**-188**

ECL allowance 2022 (restated) in EUR '000	**Stage 1**		**Stage 2**		**Stage 3**	
	Carrying amount	**Expected credit loss**	**Carrying amount**	**Expected credit loss**	**Carrying amount**	**Expected credit loss**
Balance as at 1 January	**34 662**	**-15**	**4 807**	**-132**	**39 469**	**-147**
Originated or purchased	410 867	-18	0	0	410 867	-18
Matured or sold	-387 291	1	-1 163	4	-388 454	5
Remeasuments	28	-21	0	27	28	6
Total impairment charge for the period		-38		31		-7
Balance as at 31 December	**58 266**	**-53**	**3 644**	**-101**	**61 910**	**-154**

An analysis of changes in the ECLs for financial assets at fair value through other comprehensive income is, as follows:

ECL allowance in EUR '000	**2023**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance as at 1 January	**-204**	**-69**	**0**	**-273**
Additions through reallocations	-32	0	0	-32
Disposals through reallocations	0	32	0	32
Originated or purchased	-28	0	0	-28
Matured or sold	6	16	0	22
Remeasuments	23	2	0	25
Total impairment charge for the period	-31	50	0	19
Balance as at 31 December	**-235**	**-19**	**0**	**-254**

ECL allowance in EUR '000	**2022 (restated)**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance as at 1 January	**-134**	**-108**	**0**	**-242**
Additions through reallocations	0	0	-2	-2
Disposals through reallocations	2	0	0	2
Originated or purchased	-49	0	0	-49
Matured or sold	2	0	937	939
Remeasurements	-25	39	-935	-921
Total impairment charge for the period	-70	39	0	-31
Balance as at 31 December	**-204**	**-69**	**0**	**-273**

E.3.5. Concentration of credit risk

Reinsurance is ceded across all geographic regions in which the Company operates. The Company does not have a significant concentration of credit risk with any single reinsurer.

The Company monitors concentrations of credit risk arising from investments in debt instruments by geographic location of the issuer and by sector.

E.4. Liquidity Risk

Liquidity risk refers to the risk of the Company being unable to realize investments and other assets in order to settle their financial obligations when they become due. Liquidity risk may arise because the actual pay-out structure of liabilities differs from that assumed in asset-liability management, for example due to a lengthening or acceleration of the period to pay claims of a line of business or of a particular region.

E.4.1. Management of liquidity risk

The Company regularly assesses its liquidity position, by processing short-term and mid-term overviews of expected inflows and outflows. Long-term Asset and Liability cashflows are also analysed. This enables the Treasury department to properly manage the Company's funds in order to ensure sufficient cash to fulfil its liabilities at any point in time.

Liquidity risk is governed by the Investment and Risk Strategy. The strategy also defines a Liquidity buffer, which consists of highly liquid securities and cash. At least EUR 10 million shall be held in highly liquid investment assets as liquidity cushion (cash, deposits, T-bills, money market funds, floating rate or short-term fixed rate bonds) with other assets ready to cover possible cash-flow needs and deliver needed return.

The Investment and Risk Strategy, Asset and Liability management as well as the liquidity buffer defined, enable the Company to settle its financial obligations in timely manner (including the lease liabilities).

The following table summarises the maturity profile of portfolios of insurance contracts and portfolios of reinsurance contracts that are liabilities of the Company based on the estimates of the present value of the future cash flows expected to be paid out in the periods presented:

Maturity analysis 2023 in EUR '000	**Estimated payment period**						
	1 year or less	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Insurance contracts	-297 905	-211 540	-102 081	-62 143	-38 682	-164 235	**-876 586**
Reinsurance contracts	216 845	109 753	52 395	31 841	20 082	66 339	**497 255**
Total	**-81 060**	**-101 787**	**-49 685**	**-30 301**	**-18 600**	**-97 895**	**-379 331**
In %	21.37%	26.83%	13.10%	7.99%	4.90%	25.81%	100.00%

Maturity analysis 2022 (restated) in EUR '000	**Estimated payment period**						
	1 year or less	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Insurance contracts	-387 319	-181 485	-77 085	-37 632	-21 738	-108 986	**-814 245**
Reinsurance contracts	290 157	96 180	33 757	14 529	8 277	39 465	**482 365**
Total	**-97 162**	**-85 305**	**-43 328**	**-23 103**	**-13 460**	**-69 521**	**-331 880**
In %	29.28%	25.70%	13.06%	6.96%	4.06%	20.95%	100.00%

CSM amounts of EUR 5 624 ths. (EUR 68 347 ths. for insurance contracts, EUR -62 723 ths. for reinsurance contracts) for year 2022 and EUR 23 356 ths. (EUR 80 902 ths. for insurance contracts, EUR -57 546 ths. for reinsurance contracts) for 2023 are excluded from the maturity analysis above.

Maturity analysis for financial assets and liabilities as at 31.12.2023:

Expected contractual maturities in EUR '000	**Less than 1 year**	**Between 1 and 5 years**	**Between 5 and 10 years**	**More than 10 years**	**Not specified**	**Total**
Financial investments	149 252	350 851	111 754	22 687	31 084	665 628
Trade and other receivables	536	0	0	0	0	536
Cash and cash equivalents	48 082	0	0	0	0	48 082
Total financial assets	**197 870**	**350 851**	**111 754**	**22 687**	**31 084**	**714 246**
Subordinated liabilities	742	35 000	0	20 000	0	55 742
Other financial liabilities	365	478	0	0	0	843
Trade and other payables	10 068	0	0	0	0	10 068
Total financial liabilities	**11 175**	**35 478**	**0**	**20 000**	**0**	**66 653**

Maturity analysis for financial assets and liabilities as at 31.12.2022:

Expected contractual maturities in EUR '000	**Less than 1 year**	**Between 1 and 5 years**	**Between 5 and 10 years**	**More than 10 years**	**Not specified**	**Total**
Financial investments	39 926	233 415	130 713	23 585	107 887	535 526
Trade and other receivables	2 846	0	0	0	0	2 846
Cash and cash equivalents	32 505	0	0	0	0	32 505
Total financial assets	**75 277**	**233 415**	**130 713**	**23 585**	**107 887**	**570 877**
Subordinated liabilities	742	0	35 000	20 000	0	55 742
Other financial liabilities	468	910	0	0	0	1 378
Trade and other payables	7 145	0	0	0	0	7 145
Total financial liabilities	**8 355**	**910**	**35 000**	**20 000**	**0**	**64 265**

E.5. Market Risk

Market risk arises from the level or volatility of market prices of financial instruments. Exposure to market risk is measured by the impact of movements in the level of financial variables such as stock prices, interest rates, immovable property prices and exchange rates. The Company invests in debt securities, bond and equity funds and term deposits according to its Investment and Risk Strategy. When determining exposure volumes and limits, the risk inherent in the specified categories and the market risks are of fundamental importance.

Asset Risk Management guidelines are defined on a centralized basis and are mandatory for all VIG Group companies.

The Investment and Risk Strategy of the Company establishes the below mentioned principles:

- The Company invests only in types of assets, for which it can recognize, measure, monitor, manage and control the related risks accordingly by own means.

- VIG Re achieves a proper balance between invested assets and technical provisions while maintaining a balanced risk-return profile.
- The asset allocation is made by defining acceptable limits for each asset class in order to limit the risk related to different industries and groups.
- VIG Re maintains a high liquidity position with money market and short-term bond funds and liquid FVOCI securities which leads to stable returns and low volatility.
- Counterparties are selected by taking into account the credit rating and reputation of each entity. Credit ratings are used as a way of properly identifying and managing the risk attached to a counterparty and the Company ensures only counterparties with a high enough credit rating are used.
- The Company's market risk exposure is defined firstly by interest rate risk and equity risk, followed by spread (covered in Credit risk) and currency risk. Concentration risk, given the diversified investment portfolio of VIG Re, is rather insignificant.

E.5.1. Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level or volatility of foreign exchange rates. Foreign exchange risk arises from both assets and liabilities denominated in another currency than the functional currency.

The Company exposure to foreign currency risk within the investment portfolios supporting the Company's euro zone reinsurance and investment operations, arises primarily from purchased investments and assumed insurance and reinsurance contracts that are denominated or payable in currencies other than Euros. Currency risk is limited by regularly updated and approved Investment and risk strategy. There are defined maximum allocation limits for each specified foreign currency. Through Asset management unit, the Company matches FX exposure coming from assets and liabilities and the resulting GAPs close to minimum.

The tables below summarize the Company's exposure to foreign currency exchange rate risk as of 31 December. The Company's assets and liabilities at carrying amounts are included in the table, categorized by currency at their carrying amount:

Exposure to currency risk in EUR '000	**2023**			**2022 (restated)**		
	Total assets	**Total liabilities**	**Net exposure**	**Total assets**	**Total liabilities**	**Net exposure**
EUR	1 143 794	848 387	295 407	1 024 197	816 590	207 607
TRY	13 697	7 322	6 375	16 872	18 941	-2 069
PLN	35 051	32 649	2 402	28 187	28 136	51
CZK	73 742	45 473	28 269	48 623	44 909	3 714
JPY	11 594	7 465	4 129	10 462	6 510	3 952
CHF	11 323	19 152	-7 829	6 876	15 033	-8 157
HUF	7 113	7 838	-725	6 648	7 122	-474
USD	11 033	8 419	2 614	8 674	4 306	4 368
RSD	-13	5 187	-5 200	3	3 041	-3 038
KRW	10 134	19 202	-9 068	18	11 254	-11 236
GEL	40	1 463	-1 423	210	1 630	-1 420
BAM	1	1 961	-1 960	-1	2 305	-2 306
ALL	209	17 358	-17 149	269	786	-517
Other	10 436	11 347	-911	559	3 460	-2 901
Total	**1 328 154**	**1 033 223**	**294 931**	**1 151 597**	**964 023**	**187 574**

Sensitivity analysis for currency risk

The following analyses show the impact of reasonably possible strengthening or weakening of the 5 currencies with the highest net exposure against all other currencies at the reporting date. These movements could affect the measurement of insurance and reinsurance contracts and financial instruments denominated in a foreign currency. The impact on profit or loss is shown below. This analysis assumes that all other variables remain constant.

Currency risk sensitivity analysis 2023 in EUR '000	Profit or loss	
	Strengthening	Weakening
CZK (5% movement)	**-762**	**762**
Insurance contracts	-2 274	2 274
Reinsurance contracts	1 433	-1 433
Financial instruments	79	-79
TRY (5% movement)	**319**	**-319**
Insurance contracts	-754	754
Reinsurance contracts	545	-545
Financial instruments	528	-528
KRW (5% movement)	**-453**	**453**
Insurance contracts	-960	960
Reinsurance contracts	0	0
Financial instruments	507	-507
RSD (5% movement)	**-260**	**260**
Insurance contracts	-259	259
Reinsurance contracts	-1	1
Financial instruments	0	0
CHF (5% movement)	**-392**	**392**
Insurance contracts	-958	958
Reinsurance contracts	-11	11
Financial instruments	577	-577

Currency risk sensitivity analysis 2022 (restated) in EUR '000	**Profit or loss**	
	Strengthening	**Weakening**
CZK (5% movement)	**-429**	**429**
Insurance contracts	-1 995	1 995
Reinsurance contracts	1 292	-1 292
Financial instruments	274	-274
JPY (5% movement)	**197**	**-197**
Insurance contracts	-326	326
Reinsurance contracts	-12	12
Financial instruments	535	-535
KRW (5% movement)	**-562**	**562**
Insurance contracts	-563	563
Reinsurance contracts	1	-1
Financial instruments	0	0
USD (5% movement)	**219**	**-219**
Insurance contracts	-219	219
Reinsurance contracts	71	-71
Financial instruments	367	-367
CHF (5% movement)	**-408**	**408**
Insurance contracts	-752	752
Reinsurance contracts	0	-0
Financial instruments	344	-344

E.5.2. Interest Rate Risk

For VIG Re, interest rate risk arises from all assets and liabilities, which are sensitive to changes in the term structure of interest rates or interest rate volatility.

The Company's exposure to interest rates arises primarily from the Company's bond portfolio from assets side as these are susceptible to changes in interest rates, and the settlement of future claims, premiums and other projected CFs from the liability side as the discount rates applied to claims settlement projections are impacted by interest yield curves.

Interest rate risk stemming from asset side is governed by the Investment and Risk Strategy though clearly defined limits regarding eligible investments, maturity and issuer types.

The Company's exposure to interest rate risk sensitive insurance and reinsurance contracts and debt instruments are, as follows:

Exposure to interest rate risk in EUR '000	**2023**	**2022 (restated)**
Insurance contract assets	0	6 282
Reinsurance contract assets	563 883	550 880
Insurance contract liabilities	-957 488	-888 874
Reinsurance contract liabilities	-9 082	-5 792
Insurance and reinsurance contracts	**-402 687**	**-337 504**
Financial investments - debt instruments	**634 544**	**427 639**

Sensitivity analysis for interest risk

The sensitivity analyses below for financial assets and liabilities have been determined based on the exposure to interest rates at the balance sheet date. An instantaneous increase or decrease of selected interest rate benchmarks would cause the following impacts to Profit or Loss. These movements represent management's assessment of the reasonably possible change in interest rates.

The correlation of variables will have a significant effect in determining the ultimate impact of interest rate risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non–linear. The method used for deriving sensitivity information and significant variables has not changed from the previous period.

Interest rate sensitivity analysis in EUR '000	Change in interest rate	2023	2022 (restated)
		Impact on profit before tax	Impact on profit before tax
Insurance contracts	+ 100 bps	47 241	53 231
Reinsurance contracts	+ 100 bps	-16 558	-18 441
Financial investments	+ 100 bps	-23 146	-25 804
Insurance contracts	- 100 bps	-53 910	-24 051
Reinsurance contracts	- 100 bps	18 773	20 973
Financial investments	- 100 bps	25 352	27 795

E.5.3. Equity Risk

Equity risk arises from the level or volatility of market prices for equities. Exposure to equity risk refers to all assets and liabilities whose value is sensitive to changes in equity prices.

The exposure in equity risk arises mainly from the Company's investments in investment funds portfolio.

The sensitivity analysis for equity risk is not disclosed as the impact of changes in equity prices on Company's investments is immaterial.

E.6. Capital Management

The Company operates in the insurance/reinsurance sector, which is a regulated industry therefore must comply with all regulations stipulated through the Insurance Act No. 277/2009 Coll. and Regulation No. 306/2016 Coll., including the solvency requirements relating to capital. The capital of the Company is managed also in compliance with quantitative levels and limits of own funds as set out in Commission Delegated Regulation (EU) 2015/35 from 10th October 2014 and Directive 2009/138/EC.

The methodology for Solvency Capital Requirement calculation is defined in the above-mentioned legislation. The Company has developed a Partial Internal Model for Non-Life Underwriting risk and Health Non-Similar to Life techniques Underwriting risk (excluding Health Catastrophe). The Company applied for regulator's approval in June 2020 and received the approval letter from Österreichische Finanzmarketaufsich (FMA) dated 10 December 2020, therefore the model had been used since 2020 year-end calculation. For all the rest risk modules the Company used the Standard Formula approach.

The Capital management process starts with the assessment of the capital adequacy. During the capital adequacy assessment, the Risk Management Function analyses outputs of plan and projection (Solvency II Balance Sheet, Own funds, SCR) as well as current solvency position.

The industry's regulator is the Czech National Bank, which monitors the capital requirements for the Company.

The Company closely monitors its compliance with the regulatory capital requirements. The current calculation base with respect to capital requirements is based on the Solvency II principles, which replaced the system of regulatory capital calculation – Solvency I in 2016.

The Company has sufficient capital based on the Solvency II principles. For further information please refer to SFCR report.

F. NOTES ON THE FINANCIAL STATEMENTS

F.1. Intangible Assets

Intangible Assets in EUR '000	**2023**	**2022 (restated)**
Software	2 521	2 493
Licences	8 148	6 811
Gross amount	**10 669**	**9 304**
Accumulated amortization	-6 765	-6 200
Intangible assets	**3 904**	**3 104**

Gross amount in EUR '000	**Software**	**Licences**	**Total**
Balance as of 1 January 2022	2 264	5 956	8 220
Additions - separetely acquired	229	855	1 084
Balance as of 31 December 2022	**2 493**	**6 811**	**9 304**
Balance as of 1 January 2023	2 493	6 811	9 304
Additions - separately acquired	92	1 337	1 429
Disposals	-64	0	-64
Balance as of 31 December 2023	**2 521**	**8 148**	**10 669**

Accumulated amortization and impairment losses in EUR '000	**Software**	**Licences**	**Total**
Balance as of 1 January 2022	-1 767	-3 975	-5 742
Amortization	-198	-260	-458
Balance as of 31 December 2022	**-1 965**	**-4 235**	**-6 200**
Balance as of 1 January 2023	-1 965	-4 235	-6 200
Amortization	-185	-442	-627
Disposals	62	0	62
Other changes	947	-947	0
Balance as of 31 December 2023	**-1 141**	**-5 624**	**-6 765**

All intangible assets are valued in functional currency of the Company and are acquired separately.

F.2. Property, Plant and Equipment

in EUR '000	2023	2022 (restated)
Right of use assets	2 637	2 975
Buildings	2 637	2 975
Own used assets	2 221	2 077
Other	1 975	1 970
Motor vehicles	246	107
Gross amount	**4 858**	**5 052**
Accumulated depreciation	-3 197	-2 984
Property, plant and equipment	**1 661**	**2 068**

Gross amount in EUR '000	Right of use assets	Own used assets		Total
	Buildings	Other	Motor vehicles	
Balance as of 1 January 2022	2 929	1 759	107	4 795
Additions	46	239	0	285
Disposals	0	-28	0	-28
Balance as of 31 December 2022	**2 975**	**1 970**	**107**	**5 052**
Balance as of 1 January 2023	2 975	1 970	107	5 052
Additions - separately acquired	0	251	174	425
Disposals	-338	-246	-35	-619
Balance as of 31 December 2023	**2 637**	**1 975**	**246**	**4 858**

Accumulated depreciation and impairment losses in EUR '000	Right of use assets	Own used assets		Total
	Buildings	Other	Motor vehicles	
Balance as of 1 January 2022	-1 233	-962	-53	-2 248
Depreciation	-442	-308	-15	-765
Disposals	0	28	0	28
Balance as of 31 December 2022	**-1 675**	**-1 242**	**-67**	**-2 984**
Balance as of 1 January 2023	-1 675	-1 242	-67	-2 984
Depreciation	-440	-290	-25	-755
Disposals	266	241	35	542
Balance as of 31 December 2023	**-1 849**	**-1 291**	**-57**	**-3 197**

Right-of-use assets are described in F.12 Leases.

All items of Property plant and equipment are valued in functional currency of the Company. There have been no additions through business combinations in current or previous period.

F.3. Insurance and reinsurance contracts

The table below sets out the carrying amounts of portfolios of insurance and reinsurance contract assets and liabilities at the end of reporting date, per reporting segment:

2023 in EUR '000	Non-life	Life	Total
Insurance contract assets	0	0	0
Insurance contract liabilities	-945 144	-12 344	-957 488
Net	**-945 144**	**-12 344**	**-957 488**
Reinsurance contract assets	551 093	12 790	563 883
Reinsurance contract liabilities	-9 082	0	-9 082
Net	**542 011**	**12 790**	**554 801**

2022 (restated) in EUR '000	Non-life	Life	Total
Insurance contract assets	6 282	0	6 282
Insurance contract liabilities	-883 410	-5 464	-888 874
Net	**-877 128**	**-5 464**	**-882 592**
Reinsurance contract assets	529 405	21 475	550 880
Reinsurance contract liabilities	-5 792	0	-5 792
Net	**523 613**	**21 475**	**545 088**

The following reconciliations show how the net carrying amounts of insurance and reinsurance contracts in each segment changed during the year as a result of cash flows and amounts recognised in the statement of profit or loss and OCI.

For each segment, the Company presents a table that separately analyses movements in the liabilities for remaining coverage and movements in the liabilities for incurred claims and reconciles these movements to the line items in the statement of profit or loss and OCI.

A second reconciliation is presented for contracts not measured under the PAA, which separately analyses changes in the estimates of the present value of future cash flows, the risk adjustment for non-financial risk and the CSM.

Non-life:

Insurance contracts (gross)	2023			
Movement in liabilities in EUR '000	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding Loss component	Loss component		
Insurance contract assets (liabilities) as at 01/01	**279 694**	**-30 694**	**-1 126 128**	**-877 128**
Insurance contract assets as at 01/01	8 210	-458	-1 470	6 282
Insurance contract liabilities as at 01/01	271 484	-30 236	-1 124 658	-883 410
Insurance service result	**817 045**	**22 971**	**-705 099**	**134 917**
Insurance revenue	779 911	0	0	779 911
Contracts under fair value approach	3 292	0	0	3 292
Other contracts	776 619	0	0	776 619
Insurance service expenses	-27 176	22 971	-640 789	-644 994
Incurred claims and other incurred insurance service expenses	-7 607	0	-439 296	-446 903
Losses of onerous contracts and reversals of those losses	0	22 971	0	22 971
Changes in liabilities for incurred claims	0	0	-201 493	-201 493
Amortisation of insurance acquisition cash flows	-19 569	0	0	-19 569
Investment components	64 310	0	-64 310	0
Insurance finance income or expenses	**-6 858**	**-1 018**	**-5 687**	**-13 563**
Accretion of interest (rate of initial recognition)	-4 507	-1 037	-11 939	- 17 483
Effects of movements in exchange rates	-1 150	80	6 337	5 267
Risk adjustment for financial risk	-1 201	-61	-85	-1 347
OCI	**-5 119**	**0**	**-10 273**	**-15 392**
(Effects from changes in market variables)	-4 984	0	-12 482	-17 466
(Risk adjustment for financial risk)	-135	0	2 209	2 074
Total changes in the statement of profit or loss and OCI	**805 068**	**21 953**	**-721 059**	**105 962**
Total cash flows	**-815 265**	**0**	**641 287**	**-173 978**
Premiums received	-844 493	0	0	-844 493
Claims and other insurance service expenses paid, including investment components	7 670	0	641 287	648 957
Insurance acquisition cash flows	21 558	0	0	21 558
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Insurance contract assets (liabilities) as at 31/12	**269 497**	**-8 741**	**-1 205 900**	**-945 144**
Insurance contract assets as at 31/12	0	0	0	0
Insurance contract liabilities as at 31/12	269 497	-8 741	-1 205 900	-945 144

Insurance contracts (gross)	**2022 (restated)**			
Movement in liabilities in EUR '000	**Liabilities for remaining coverage**		**Liabilities for incurred claims**	**Total**
	Excluding Loss component	**Loss component**		
Insurance contract assets (liabilities) as at 01/01	**211 909**	**0**	**-1 188 055**	**-976 146**
Insurance contract assets as at 01/01	1 136	0	-1 123	13
Insurance contract liabilities as at 01/01	210 773	0	-1 186 932	-976 159
Insurance service result	**723 270**	**-30 583**	**-643 590**	**49 097**
Insurance revenue	623 422	0	0	623 422
Contracts under fair value approach	65 059	0	0	65 059
Other contracts	558 363	0	0	558 363
Insurance service expenses	-21 725	-30 583	-522 017	-574 325
Incurred claims and other incurred insurance service expenses	-6 045	0	-462 914	-468 959
Losses of onerous contracts and reversals of those losses	0	-30 583	0	-30 583
Changes in liabilities for incurred claims	0	0	-59 103	-59 103
Amortisation of insurance acquisition cash flows	-15 680	0	0	-15 680
Investment components	121 573	0	-121 573	0
Insurance finance income or expenses	**-272**	**-111**	**2 543**	**2 160**
Accretion of interest (rate of initial recognition)	-195	-129	-371	-695
Effects of movements in exchange rates	-178	11	2 916	2 749
Risk adjustment for financial risk	101	7	-2	106
OCI	**4 488**	**0**	**83 508**	**87 996**
(Effects from changes in market variables)	4 370	0	81 416	85 786
(Risk adjustment for financial risk)	118	0	2 092	2 210
Total changes in the statement of profit or loss and OCI	**727 486**	**-30 694**	**-557 539**	**139 253**
Total cash flows	**-659 701**	**0**	**619 466**	**-40 235**
Premiums received	-682 428	0	0	-682 428
Claims and other insurance service expenses paid, including investment components	6 045	0	619 466	625 511
Insurance acquisition cash flows	16 682	0	0	16 682
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Insurance contract assets (liabilities) as at 31/12	**279 694**	**-30 694**	**-1 126 128**	**-877 128**
Insurance contract assets as at 31/12	8 210	-458	-1 470	6 282
Insurance contract liabilities as at 31/12	271 484	-30 236	-1 124 658	-883 410

Reinsurance contracts	2023			
Movement in assets in EUR '000	Asset for remaining coverage		Asset for incurred claims	Total
	Without loss recovery componenet	With loss recovery component		
Reinsurance contract assets (liabilities) as at 01/01	**-113 361**	**15 661**	**621 313**	**523 613**
Reinsurance contract assets as at 01/01	-104 550	15 110	618 845	529 405
Reinsurance contract liabilities as at 01/01	-8 811	551	2 468	-5 792
Net income or expense from reinsurance contracts	**-372 662**	**-14 246**	**297 840**	**-89 068**
Allocation of reinsurance premiums	-342 089	0	0	-342 089
Contracts under fair value approach	-863	0	0	-863
Other contracts	-341 226	0	0	-341 226
Amounts recoverable from reinsurers	3 353	-14 246	263 914	253 021
Amounts recoverable for claims and other expenses incurred in the period	2 363	0	183 128	185 491
Changes in loss recovery component	0	-14 246	0	-14 246
Changes in assets for incurred claims	0	0	81 035	81 035
Effect of changes in non-performance risk of reinsurer	990	0	-249	741
Reinsurance Investment Components	-33 926	0	33 926	0
Reinsurance finance income or expenses	**4 054**	**1 093**	**-1 436**	**3 711**
Accretion of interest (rate of initial recognition)	1 267	777	6 231	8 275
Effects of movements in exchange rates	1 571	316	-7 701	-5 814
Risk adjustment for financial risk	1 216	0	34	1 250
OCI	**2 767**	**0**	**2 138**	**4 905**
(Effects from changes in market variables)	2 689	0	3 014	5 703
(Risk adjustment for financial risk)	78	0	-876	-798
Total changes in the statement of profit or loss and OCI	**-365 841**	**-13 153**	**298 542**	**-80 452**
Total cash flows	**353 179**	**0**	**-254 329**	**98 850**
Premiums paid	356 160	0	0	356 160
Claims received and other insurance service expenses paid	1 861	0	-254 329	-252 468
Reinsurance acquisition cash flows	-4 842	0	0	-4 842
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Reinsurance contract assets (liabilities) as at 31/12	**-126 023**	**2 508**	**665 526**	**542 011**
Reinsurance contract assets as at 31/12	-96 165	2 136	645 122	551 093
Reinsurance contract liabilities as at 31/12	-29 858	372	20 404	-9 082

Reinsurance contracts	**2022 (restated)**			
Movement in assets in EUR '000	**Asset for remaining coverage**		**Asset for incurred claims**	**Total**
	Excluding loss recovery component	**Loss recovery component**		
Reinsurance contract assets (liabilities) as at 01/01	**-81 985**	**0**	**726 653**	**644 668**
Reinsurance contract assets as at 01/01	-81 674	0	726 369	644 695
Reinsurance contract liabilities as at 01/01	-311	0	284	-27
Net income or expense from reinsurance contracts	**-334 610**	**15 536**	**279 195**	**-39 879**
Allocation of reinsurance premiums	-295 487	0	0	-295 487
Contracts under fair value approach	-40 300	0	0	-40 300
Other contracts	-255 187	0	0	-255 187
Amounts recoverable from reinsurers	-1	15 536	240 073	255 608
Amounts recoverable for claims and other expenses incurred in the period	-700	0	270 698	269 998
Changes in loss recovery component	0	15 536	0	15 536
Changes in assets for incurred claims	0	0	-30 827	-30 827
Effect of changes in non-performance risk of reinsurer	699	0	202	901
Reinsurance Investment Components	-39 122	0	39 122	0
Reinsurance finance income or expenses	**-960**	**125**	**-1 746**	**-2 581**
Accretion of interest (rate of initial recognition)	137	94	295	526
Effects of movements in exchange rates	-970	31	-2 044	-2 983
Risk adjustment for financial risk	-127	0	3	-124
OCI	**-2 246**	**0**	**-37 400**	**-39 646**
(Effects from changes in market variables)	-2 180	0	-36 699	-38 879
(Risk adjustment for financial risk)	-66	0	-701	-767
Total changes in the statement of profit or loss and OCI	**-337 816**	**15 661**	**240 049**	**-82 106**
Total cash flows	**306 440**	**0**	**-345 389**	**-38 949**
Premiums paid	306 360	0	0	306 360
Claims received and other insurance service expenses paid	1 459	0	-345 389	-343 930
Reinsurance acquisition cash flows	-1 379	0	0	-1 379
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Reinsurance contract assets (liabilities) as at 31/12	**-113 361**	**15 661**	**621 313**	**523 613**
Reinsurance contract assets as at 31/12	-104 550	15 110	618 845	529 405
Reinsurance contract liabilities as at 31/12	-8 811	551	2 468	-5 792

Insurance contracts (gross)	**2023**			
Movement in building block components in EUR '000	**Estimates of the present value of the future cash flows**	**Risk adjustment**	**CSM**	**Total**
Insurance contract assets (liabilities) as at 01/01	**-857 516**	**-13 191**	**-6 421**	**-877 128**
Insurance contract assets as at 01/01	6 358	-41	-35	6 282
Insurance contract liabilities as at 01/01	-863 874	-13 150	-6 386	-883 410
Insurance service result	**160 743**	**-16 669**	**-9 157**	**134 917**
Changes that relate to current services	-260 051	51 488	102 112	-106 451
Contractual service margin recognised for services provided	0	0	102 112	102 112
Risk adjustment recognised for the risk expired	0	51 488	0	51 488
Experience adjustments	-260 051	0	0	-260 051
Changes that relate to future services	191 683	-57 381	-111 269	23 033
Contracts initially recognised in the period	105 924	-61 073	-82 344	-37 493
Changes in estimates that adjust the contractual service margin	29 493	-568	-28 925	0
Changes in estimates that do not adjust the contractual service margin (losses and reversal of losses)	56 266	4 260	0	60 526
Changes that relate to past services	229 111	-10 776	0	218 335
Changes in liabilities for incurred claims	229 111	-10 776	0	218 335
Insurance finance income or expenses	**-9 756**	**-1 205**	**-2 602**	**-13 563**
(Accretion of interest (rate of initial recognition))	-14 279	0	-3 203	-17 482
Effects of movements in exchange rates	4 523	143	601	5 267
Risk adjustment for financial risk	0	-1 348	0	-1 348
OCI	**-17 466**	**2 074**	**0**	**-15 392**
(Effects from changes in market variables)	-17 466	0	0	-17 466
(Risk adjustment for financial risk)	0	2 074	0	2 074
Total changes in the statement of profit or loss and OCI	**133 521**	**-15 800**	**-11 759**	**105 962**
Total Cash flows	**-173 978**	**0**	**0**	**-173 978**
Premiums received	-844 493	0	0	-844 493
Claims and other insurance service expenses paid, including investment components	648 957	0	0	648 957
Insurance acquisition cash flows	21 558	0	0	21 558
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Insurance contract assets (liabilities) as at 31/12	**-897 973**	**-28 991**	**-18 180**	**-945 144**
Insurance contract assets as at 31/12	0	0	0	0
Insurance contract liabilities as at 31/12	-897 973	-28 991	-18 180	-945 144

Insurance contracts (gross)	2022 (restated)			
Movement in building block components in EUR '000	**Estimates of the present value of the future cash flows**	**Risk adjustment**	**CSM**	**Total**
Insurance contract assets (liabilities) as at 01/01	**-953 786**	**-15 820**	**-6 539**	**-976 145**
Insurance contract assets as at 01/01	66	-43	-9	14
Insurance contract liabilities as at 01/01	-953 852	-15 777	-6 530	-976 159
Insurance service result	**48 607**	**264**	**225**	**49 096**
Changes that relate to current services	-278 401	44 404	49 953	-184 044
Contractual service margin recognised for services provided	0	0	49 953	49 953
Risk adjustment recognised for the risk expired	0	44 404	0	44 404
Experience adjustments	-278 401	0	0	-278 401
Changes that relate to future services	60 823	-47 015	-49 728	-35 920
Contracts initially recognised in the period	62 310	-50 049	-45 787	-33 526
Changes in estimates that adjust the contractual service margin	2 720	1 221	-3 941	0
Changes in estimates that do not adjust the contractual service margin (losses and reversal of losses)	-4 207	1 813	0	-2 394
Changes that relate to past services	266 185	2 875	0	269 060
Changes in liabilities for incurred claims	266 185	2 875	0	269 060
Insurance finance income or expenses	**2 112**	**155**	**-107**	**2 160**
(Accretion of interest (rate of initial recognition))	-564	0	-132	-696
Effects of movements in exchange rates	2 676	48	25	2 749
Risk adjustment for financial risk	0	107	0	107
OCI	**85 786**	**2 210**	**0**	**87 996**
(Effects from changes in market variables)	85 786	0	0	85 786
(Risk adjustment for financial risk)	0	2 210	0	2 210
Total changes in the statement of profit or loss and OCI	**136 505**	**2 629**	**118**	**139 252**
Total Cash flows	**-40 235**	**0**	**0**	**-40 235**
Premiums received	-682 428	0	0	-682 428
Claims and other insurance service expenses paid, including investment components	625 511	0	0	625 511
Insurance acquisition cash flows	16 682	0	0	16 682
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Insurance contract assets (liabilities) as at 31/12	**-857 516**	**-13 191**	**-6 421**	**-877 128**
Insurance contract assets as at 31/12	6 358	-41	-35	6 282
Insurance contract liabilities as at 31/12	-863 874	-13 150	-6 386	-883 410

The balances and movements of CSM component in the following tables also include balances and movements related to Loss Recovery Component (LoReCo).

Reinsurance contracts	**2023**			
Movement in building block components in EUR '000	**Estimates of the present value of the future cash flows**	**Risk adjustment**	**CSM**	**Total**
Reinsurance contract assets (liabilities) as at 01/01	**508 646**	**7 052**	**7 915**	**523 613**
Reinsurance contract assets as at 01/01	515 125	6 739	7 541	529 405
Reinsurance contract liabilities as at 01/01	-6 479	313	374	-5 792
Net income or expense from reinsurance contracts	**-97 305**	**5 611**	**2 626**	**-89 068**
Changes that relate to current services	79 328	-58 690	993	21 631
Contractual service margin recognised for services received	0	0	993	993
Risk adjustment recognised for the risk expired	0	-58 690	0	-58 690
Experience adjustments	79 328	0	0	79 328
Changes that relate to future services	-75 612	59 733	1 633	-14 246
Contracts initially recognised in the period	-58 070	59 161	23 629	24 720
Changes in the estimates that adjust the contractual service margin	-17 542	572	16 970	0
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	0	0	-38 966	-38 966
Changes that relate to past services	-101 762	4 568	0	-97 194
Changes in assets for incurred claims	-101 762	4 568	0	-97 194
Effect of changes in non-performance risk of reinsurer	741	0	0	741
Reinsurance finance income or expenses	**2 392**	**1 190**	**129**	**3 711**
(Accretion of interest (rate of initial recognition))	7 463	0	812	8 275
Effects of movements in exchange rates	-5 071	-60	-683	-5 814
Risk adjustment for financial risk	0	1 250	0	1 250
OCI	**5 703**	**-798**	**0**	**4 905**
(Effects from changes in market variables)	5 703	0	0	5 703
(Risk adjustment for financial risk)	0	-798	0	-798
Total changes in the statement of profit or loss and OCI	**-89 210**	**6 003**	**2 755**	**-80 452**
Total Cash flows	**98 850**	**0**	**0**	**98 850**
Premiums paid	356 160	0	0	356 160
Claims received and other insurance service expenses paid	-252 468	0	0	-252 468
Reinsurance acquisition cash flows	-4 842	0	0	-4 842
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Reinsurance contract assets (liabilities) as at 31/12	**518 286**	**13 055**	**10 670**	**542 011**
Reinsurance contract assets as at 31/12	529 154	12 951	8 988	551 093
Reinsurance contract liabilities as at 31/12	-10 868	104	1 682	-9 082

Reinsurance contracts	2022 (restated)			
Movement in building block components in EUR '000	**Estimates of the present value of the future cash flows**	**Risk adjustment**	**CSM**	**Total**
Reinsurance contract assets (liabilities) as at 01/01	**633 358**	**6 630**	**4 680**	**644 668**
Reinsurance contract assets as at 01/01	633 495	6 555	4 645	644 695
Reinsurance contract liabilities as at 01/01	-137	75	35	-27
Net income or expense from reinsurance contracts	**-44 403**	**1 335**	**3 189**	**-39 879**
Changes that relate to current services	148 275	-45 061	20 823	124 037
Contractual service margin recognised for services received	0	0	20 823	20 823
Risk adjustment recognised for the risk expired	0	-45 061	0	-45 061
Experience adjustments	148 275	0	0	148 275
Changes that relate to future services	-14 373	47 544	-17 634	15 537
Contracts initially recognised in the period	-33 400	46 791	10 296	23 687
Changes in the estimates that adjust the contractual service margin	19 027	753	-19 780	0
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	0	0	-8 150	-8 150
Changes that relate to past services	-179 206	-1 148	0	-180 354
Changes in assets for incurred claims	-179 206	-1 148	0	-180 354
Effect of changes in non-performance risk of reinsurer	901	0	0	901
Reinsurance finance income or expenses	**-2 481**	**-146**	**46**	**-2 581**
(Accretion of interest (rate of initial recognition))	492	0	34	526
Effects of movements in exchange rates	-2 973	-22	12	-2 983
Risk adjustment for financial risk	0	-124	0	-124
OCI	**-38 879**	**-767**	**0**	**-39 646**
(Effects from changes in market variables)	-38 879	0	0	-38 879
(Risk adjustment for financial risk)	0	-767	0	-767
Total changes in the statement of profit or loss and OCI	**-85 763**	**422**	**3 235**	**-82 106**
Total Cash flows	**-38 949**	**0**	**0**	**-38 949**
Premiums paid	306 360	0	0	306 360
Claims received and other insurance service expenses paid	-343 930	0	0	-343 930
Reinsurance acquisition cash flows	-1 379	0	0	-1 379
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Reinsurance contract assets (liabilities) as at 31/12	**508 646**	**7 052**	**7 915**	**523 613**
Reinsurance contract assets as at 31/12	515 125	6 739	7 541	529 405
Reinsurance contract liabilities as at 31/12	-6 479	313	374	-5 792

Life:

Insurance contracts (gross)	**2023**			
Movement in liabilities in EUR '000	**Liabilities for remaining coverage**		**Liabilities for incurred claims**	**Total**
	Excluding Loss component	**Loss component**		
Insurance contract assets (liabilities) as at 01/01	**21 692**	**-3 041**	**-24 115**	**-5 464**
Insurance contract assets as at 01/01	0	0	0	0
Insurance contract liabilities as at 01/01	21 692	-3 041	-24 115	-5 464
Insurance service result	**52 380**	**-4 525**	**-46 213**	**1 642**
Insurance revenue	39 490	0	0	39 490
Contracts under fair value approach	16 588	0	0	16 588
Other contracts	22 902	0	0	22 902
Insurance service expenses	-1 770	-4 525	-31 553	-37 848
Incurred claims and other incurred insurance service expenses	-998	0	-25 861	-26 859
Losses of onerous contracts and reversals of those losses	0	-4 525	0	-4 525
Changes in liabilities for incurred claims	0	0	-5 692	-5 692
Amortisation of insurance acquisition cash flows	-772	0	0	-772
Investment components	14 660	0	-14 660	0
Insurance finance income or expenses	**12**	**-42**	**116**	**86**
Accretion of interest (rate of initial recognition)	309	-64	-7	238
Effects of movements in exchange rates	164	25	123	312
Risk adjustment for financial risk	-461	-3	0	-464
OCI	**8 049**	**0**	**-1 161**	**6 888**
(Effects from changes in market variables)	6 889	0	-1 157	5 732
(Risk adjustment for financial risk)	1 160	0	-4	1 156
Total changes in the statement of profit or loss and OCI	**60 441**	**-4 567**	**-47 258**	**8 616**
Total cash flows	**-45 204**	**0**	**29 708**	**-15 496**
Premiums received	-46 430	0	0	-46 430
Claims and other insurance service expenses paid, including investment components	423	0	29 708	30 131
Insurance acquisition cash flows	803	0	0	803
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Insurance contract assets (liabilities) as at 31/12	**36 929**	**-7 608**	**-41 665**	**-12 344**
Insurance contract assets as at 31/12	0	0	0	0
Insurance contract liabilities as at 31/12	36 929	-7 608	-41 665	-12 344

Insurance contracts (gross)	**2022 (restated)**			
Movement in liabilities in EUR '000	**Liabilities for remaining coverage**		**Liabilities for incurred claims**	**Total**
	Excluding Loss component	**Loss component**		
Insurance contract assets/(liabilities) as at 01/01	**40 054**	**0**	**-18 938**	**21 116**
Insurance contract assets as at 01/01	37 664	0	-18 796	18 868
Insurance contract liabilities as at 01/01	2 390	0	-142	2 248
Insurance service result	**27 893**	**-3 055**	**-25 520**	**-682**
Insurance revenue	28 087	0	0	28 087
Contracts under fair value approach	19 936	0	0	19 936
Other contracts	8 151	0	0	8 151
Insurance service expenses	-9 683	-3 055	-16 031	-28 769
Incurred claims and other incurred insurance service expenses	-9 266	0	-13 311	-22 577
Losses of onerous contracts and reversals of those losses	0	-3 055	0	-3 055
Changes in liabilities for incurred claims	0	0	-2 720	-2 720
Amortisation of insurance acquisition cash flows	-417	0	0	-417
Investment components	9 489	0	-9 489	0
Insurance finance income or expenses	**-181**	**14**	**-38**	**-205**
Accretion of interest (rate of initial recognition)	-100	6	3	-91
Effects of movements in exchange rates	-121	8	-41	-154
Risk adjustment for financial risk	40	0	0	40
OCI	**-15 463**	**0**	**1 279**	**-14 184**
(Effects from changes in market variables)	-15 778	0	1 275	-14 503
(Risk adjustment for financial risk)	315	0	4	319
Total changes in the statement of profit or loss and OCI	**12 249**	**-3 041**	**-24 279**	**-15 071**
Total cash flows	**-30 611**	**0**	**19 102**	**-11 509**
Premiums received	-31 424	0	0	-31 424
Claims and other insurance service expenses paid, including investment components	320	0	19 102	19 422
Insurance acquisition cash flows	493	0	0	493
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Insurance contract assets/(liabilities) as at 31/12	**21 692**	**-3 041**	**-24 115**	**-5 464**
Insurance contract assets as at 31/12	0	0	0	0
Insurance contract liabilities as at 31/12	21 692	-3 041	-24 115	-5 464

Reinsurance contracts	**2023**			
Movement in assets in EUR '000	**Asset for remaining coverage**		**Asset for incurred claims**	**Total**
	Without loss recovery componenet	**With loss recovery component**		
Reinsurance contract assets (liabilities) as at 01/01	**13 902**	**1 115**	**6 458**	**21 475**
Reinsurance contract assets as at 01/01	13 902	1 115	6 458	21 475
Reinsurance contract liabilities as at 01/01	0	0	0	0
Net income or expense from reinsurance contracts	**-25 558**	**794**	**18 744**	**-6 020**
Allocation of reinsurance premiums	-25 238	0	0	-25 238
Contracts under fair value approach	-10 048	0	0	-10 048
Other contracts	-15 190	0	0	-15 190
Amounts recoverable from reinsurers	-320	794	18 744	19 218
Amounts recoverable for claims and other expenses incurred in the period	-304	0	15 359	15 055
Changes in loss recovery component	0	794	0	794
Changes in assets for incurred claims	0	0	3 397	3 397
Effect of changes in non-performance risk of reinsurer	-16	0	-12	-28
Reinsurance Investment Components	0	0	0	0
Reinsurance finance income or expenses	**12**	**27**	**-10**	**29**
Accretion of interest (rate of initial recognition)	-24	8	-5	-21
Effects of movements in exchange rates	-5	19	-5	9
Risk adjustment for financial risk	41	0	0	41
OCI	**-6 883**	**0**	**807**	**-6 076**
(Effects from changes in market variables)	-6 604	0	805	-5 799
(Risk adjustment for financial risk)	-279	0	2	-277
Total changes in the statement of profit or loss and OCI	**-32 429**	**821**	**19 541**	**-12 067**
Total cash flows	**8 721**	**0**	**-5 339**	**3 382**
Premiums paid	8 417	0	0	8 417
Claims received and other insurance service expenses paid	140	0	-5 339	-5 199
Reinsurance acquisition cash flows	164	0	0	164
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Reinsurance contract assets (liabilities) as at 31/12	**-9 806**	**1 936**	**20 660**	**12 790**
Reinsurance contract assets as at 31/12	-9 806	1 936	20 660	12 790
Reinsurance contract liabilities as at 31/12	0	0	0	0

Reinsurance contracts	2022 (restated)			
Movement in assets in EUR '000	Asset for remaining coverage		Asset for incurred claims	Total
	Excluding loss recovery component	Loss recovery component		
Reinsurance contract assets (liabilities) as at 01/01	**9 138**	**0**	**2 509**	**11 647**
Reinsurance contract assets as at 01/01	9 138	0	2 509	11 647
Reinsurance contract liabilities as at 01/01	0	0	0	0
Net income or expense from reinsurance contracts	**-12 868**	**1 117**	**7 721**	**-4 030**
Allocation of reinsurance premiums	-12 771	0	0	-12 771
Contracts under fair value approach	-9 063	0	0	-9 063
Other contracts	-3 708	0	0	-3 708
Amounts recoverable from reinsurers	-97	1 117	7 721	8 741
Amounts recoverable for claims and other expenses incurred in the period	-127	0	2 911	2 784
Changes in loss recovery component	0	1 117	0	1 117
Changes in assets for incurred claims	0	0	4 822	4 822
Effect of changes in non-performance risk of reinsurer	30	0	-12	18
Reinsurance Investment Components	0	0	0	0
Reinsurance finance income or expenses	**194**	**-2**	**4**	**196**
Accretion of interest (rate of initial recognition)	138	-2	1	137
Effects of movements in exchange rates	19	0	3	22
Risk adjustment for financial risk	37	0	0	37
OCI	**10 359**	**0**	**-872**	**9 487**
(Effects from changes in market variables)	10 535	0	-870	9 665
(Risk adjustment for financial risk)	-176	0	-2	-178
Total changes in the statement of profit or loss and OCI	**-2 315**	**1 115**	**6 853**	**5 653**
Total cash flows	**7 079**	**0**	**-2 904**	**4 175**
Premiums paid	6 941	0	0	6 941
Claims received and other insurance service expenses paid	77	0	-2 904	-2 827
Reinsurance acquisition cash flows	61	0	0	61
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Reinsurance contract assets (liabilities) as at 31/12	**13 902**	**1 115**	**6 458**	**21 475**
Reinsurance contract assets as at 31/12	13 902	1 115	6 458	21 475
Reinsurance contract liabilities as at 31/12	0	0	0	0

Insurance contracts (gross)	**2023**			
Movement in building block components in EUR '000	**Estimates of the present value of the future cash flows**	**Risk adjustment**	**CSM**	**Total**
Insurance contract assets (liabilities) as at 01/01	**57 810**	**-1 348**	**-61 926**	**-5 464**
Insurance contract assets as at 01/01	0	0	0	0
Insurance contract liabilities as at 01/01	57 810	-1 348	-61 926	-5 464
Insurance service result	**11 283**	**-10 210**	**569**	**1 642**
Changes that relate to current services	-11 434	599	18 503	7 668
Contractual service margin recognised for services provided	0	0	18 503	18 503
Risk adjustment recognised for the risk expired	0	599	0	599
Experience adjustments	-11 434	0	0	-11 434
Changes that relate to future services	24 428	-10 833	-17 934	-4 339
Contracts initially recognised in the period	44 136	-13 781	-31 574	-1 219
Changes in estimates that adjust the contractual service margin	-16 681	3 041	13 640	0
Changes in estimates that do not adjust the contractual service margin (losses and reversal of losses)	-3 027	-93	0	-3 120
Changes that relate to past services	-1 711	24	0	-1 687
Changes in liabilities for incurred claims	-1 711	24	0	-1 687
Insurance finance income or expenses	**1 935**	**-484**	**-1 365**	**86**
(Accretion of interest (rate of initial recognition))	1 404	0	-1 166	238
Effects of movements in exchange rates	531	-20	-199	312
Risk adjustment for financial risk	0	-464	0	-464
OCI	**5 732**	**1 156**	**0**	**6 888**
(Effects from changes in market variables)	5 732	0	0	5 732
(Risk adjustment for financial risk)	0	1 156	0	1 156
Total changes in the statement of profit or loss and OCI	**18 950**	**-9 538**	**-796**	**8 616**
Total Cash flows	**-15 496**	**0**	**0**	**-15 496**
Premiums received	-46 430	0	0	-46 430
Claims and other insurance service expenses paid, including investment components	30 131	0	0	30 131
Insurance acquisition cash flows	803	0	0	803
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Insurance contract assets (liabilities) as at 31/12	**61 264**	**-10 886**	**-62 722**	**-12 344**
Insurance contract assets as at 31/12	0	0	0	0
Insurance contract liabilities as at 31/12	61 264	-10 886	-62 722	-12 344

Insurance contracts (gross)	2022 (restated)			
Movement in building block components in EUR '000	**Estimates of the present value of the future cash flows**	**Risk adjustment**	**CSM**	**Total**
Insurance contract assets (liabilities) as at 01/01	**77 407**	**-7 752**	**-48 540**	**21 115**
Insurance contract assets as at 01/01	75 159	-7 752	-48 540	18 867
Insurance contract liabilities as at 01/01	2 248	0	0	2 248
Insurance service result	**6 781**	**6 041**	**-13 503**	**-681**
Changes that relate to current services	-10 278	1 168	14 093	4 983
Contractual service margin recognised for services provided	0	0	14 093	14 093
Risk adjustment recognised for the risk expired	0	1 168	0	1 168
Experience adjustments	-10 278	0	0	-10 278
Changes that relate to future services	19 261	4 872	-27 596	-3 463
Contracts initially recognised in the period	6 494	-4 262	-6 584	-4 352
Changes in estimates that adjust the contractual service margin	12 440	8 572	-21 012	0
Changes in estimates that do not adjust the contractual service margin (losses and reversal of losses)	327	562	0	889
Changes that relate to past services	-2 202	1	0	-2 201
Changes in liabilities for incurred claims	-2 202	1	0	-2 201
Insurance finance income or expenses	**-366**	**44**	**117**	**-205**
(Accretion of interest (rate of initial recognition))	-150	0	59	-91
Effects of movements in exchange rates	-216	4	58	-154
Risk adjustment for financial risk	0	40	0	40
OCI	**-14 503**	**319**	**0**	**-14 184**
(Effects from changes in market variables)	-14 503	0	0	-14 503
(Risk adjustment for financial risk)	0	319	0	319
Total changes in the statement of profit or loss and OCI	**-8 088**	**6 404**	**-13 386**	**-15 070**
Total Cash flows	**-11 509**	**0**	**0**	**-11 509**
Premiums received	-31 424	0	0	-31 424
Claims and other insurance service expenses paid, including investment components	19 422	0	0	19 422
Insurance acquisition cash flows	493	0	0	493
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Insurance contract assets (liabilities) as at 31/12	**57 810**	**-1 348**	**-61 926**	**-5 464**
Insurance contract assets as at 31/12	0	0	0	0
Insurance contract liabilities as at 31/12	57 810	-1 348	-61 926	-5 464

The balances and movements of CSM component in the following tables also include balances and movements related to Loss Recovery Component (LoReCo).

Reinsurance contracts	**2023**			
Movement in building block components in EUR '000	**Estimates of the present value of the future cash flows**	**Risk adjustment**	**CSM**	**Total**
Reinsurance contract assets (liabilities) as at 01/01	**-34 073**	**739**	**54 809**	**21 475**
Reinsurance contract assets as at 01/01	-34 073	739	54 809	21 475
Reinsurance contract liabilities as at 01/01	0	0	0	0
Net income or expense from reinsurance contracts	**-251**	**3 011**	**-8 780**	**-6 020**
Changes that relate to current services	-271	-188	-7 024	-7 483
Contractual service margin recognised for services received	0	0	-7 024	-7 024
Risk adjustment recognised for the risk expired	0	-188	0	-188
Experience adjustments	-271	0	0	-271
Changes that relate to future services	-664	3 215	-1 756	795
Contracts initially recognised in the period	-23 921	1 246	23 228	553
Changes in the estimates that adjust the contractual service margin	23 257	1 969	-25 226	0
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	0	0	242	242
Changes that relate to past services	712	-16	0	696
Changes in assets for incurred claims	712	-16	0	696
Effect of changes in non-performance risk of reinsurer	-28	0	0	-28
Reinsurance finance income or expenses	**-868**	**49**	**848**	**29**
(Accretion of interest (rate of initial recognition))	-813	0	792	-21
Effects of movements in exchange rates	-55	8	56	9
Risk adjustment for financial risk	0	41	0	41
OCI	**-5 799**	**-277**	**0**	**-6 076**
(Effects from changes in market variables)	-5 799	0	0	-5 799
(Risk adjustment for financial risk)	0	-277	0	-277
Total changes in the statement of profit or loss and OCI	**-6 918**	**2 783**	**-7 932**	**-12 067**
Total Cash flows	**3 382**	**0**	**0**	**3 382**
Premiums paid	8 417	0	0	8 417
Claims received and other insurance service expenses paid	-5 199	0	0	-5 199
Reinsurance acquisition cash flows	164	0	0	164
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Reinsurance contract assets (liabilities) as at 31/12	**-37 609**	**3 522**	**46 877**	**12 790**
Reinsurance contract assets as at 31/12	-37 609	3 522	46 877	12 790
Reinsurance contract liabilities as at 31/12	0	0	0	0

Reinsurance contracts	**2022 (restated)**			
Movement in building block components in EUR '000	**Estimates of the present value of the future cash flows**	**Risk adjustment**	**CSM**	**Total**
Reinsurance contract assets (liabilities) as at 01/01	**-20 655**	**3 476**	**28 826**	**11 647**
Reinsurance contract assets as at 01/01	-20 655	3 476	28 826	11 647
Reinsurance contract liabilities as at 01/01	0	0	0	0
Net income or expense from reinsurance contracts	**-27 605**	**-2 596**	**26 171**	**-4 030**
Changes that relate to current services	-2 791	-592	-6 580	-9 963
Contractual service margin recognised for services received	0	0	-6 580	-6 580
Risk adjustment recognised for the risk expired	0	-592	0	-592
Experience adjustments	-2 791	0	0	-2 791
Changes that relate to future services	-29 614	-2 020	32 751	1 117
Contracts initially recognised in the period	-4 765	3 171	4 457	2 863
Changes in the estimates that adjust the contractual service margin	-24 849	-5 191	30 040	0
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	0	0	-1 746	-1 746
Changes that relate to past services	4 782	16	0	4 798
Changes in assets for incurred claims	4 782	16	0	4 798
Effect of changes in non-performance risk of reinsurer	18	0	0	18
Reinsurance finance income or expenses	**347**	**37**	**-188**	**196**
(Accretion of interest (rate of initial recognition))	324	0	-187	137
Effects of movements in exchange rates	23	0	-1	22
Risk adjustment for financial risk	0	37	0	37
OCI	**9 665**	**-178**	**0**	**9 487**
(Effects from changes in market variables)	9 665	0	0	9 665
(Risk adjustment for financial risk)	0	-178	0	-178
Total changes in the statement of profit or loss and OCI	**-17 593**	**-2 737**	**25 983**	**5 653**
Total Cash flows	**4 175**	**0**	**0**	**4 175**
Premiums paid	6 941	0	0	6 941
Claims received and other insurance service expenses paid	-2 827	0	0	-2 827
Reinsurance acquisition cash flows	61	0	0	61
Other movements (transfers, modifications, etc.)	**0**	**0**	**0**	**0**
Reinsurance contract assets (liabilities) as at 31/12	**-34 073**	**739**	**54 809**	**21 475**
Reinsurance contract assets as at 31/12	-34 073	739	54 809	21 475
Reinsurance contract liabilities as at 31/12	0	0	0	0

The following tables summarise the effect on the measurement components arising from the initial recognition of insurance and reinsurance contracts in the year.

Insurance contracts

Effect of contracts initially recognised in the year 2023 in EUR '000	Life		Non-life		Total	
	Non-onerous contracts	Onerous contracts	Non-onerous contracts	Onerous contracts	Non-onerous contracts	Onerous contracts
Estimates of present value of cash inflows	111 324	864	499 274	267 696	610 598	268 560
Estimates of present value of cash outflows	-66 150	-1 902	-371 033	-290 013	-437 183	-291 915
Claims and other insurance service expenses payables	-64 903	-1 839	-361 323	-287 614	-426 226	-289 453
Insurance acquisition cashflows	-1 247	-63	-9 710	-2 399	-10 957	-2 462
Risk adjustment for non-financial risk	-13 600	-181	-45 897	-15 176	-59 497	-15 357
CSM	-31 574	0	-82 344	0	-113 918	0
Losses recognized in initial recognition	**0**	**-1 219**	**0**	**-37 493**	**0**	**-38 712**

Effect of contracts initially recognised in the year 2022 (restated) in EUR '000	Life		Non-life		Total	
	Non-onerous contracts	Onerous contracts	Non-onerous contracts	Onerous contracts	Non-onerous contracts	Onerous contracts
Estimates of present value of cash inflows	33 735	14 477	371 103	231 880	404 838	246 357
Estimates of present value of cash outflows	-25 412	-16 306	-298 086	-242 587	-323 498	-258 893
Claims and other insurance service expenses payables	-24 425	-16 270	-289 123	-237 670	-313 548	-253 940
Insurance acquisition cashflows	-987	-36	-8 963	-4 917	-9 950	-4 953
Risk adjustment for non-financial risk	-1 739	-2 523	-27 230	-22 818	-28 969	-25 342
CSM	-6 584	0	-45 787	0	-52 371	0
Losses recognized in initial recognition	**0**	**-4 352**	**0**	**-33 526**	**0**	**-37 878**

Reinsurance contracts

Effect of contracts initially recognised in the year 2023 in EUR '000	Life	Non-life	Total
Estimates of present value of cash inflows	32 815	293 474	326 289
Estimates of present value of cash outflows	-56 736	-351 544	-408 280
Risk adjustment for non-financial risk	1 246	59 161	60 407
CSM	23 228	23 629	46 857
Income recognised on initial recognition	**553**	**24 720**	**25 273**

Effect of contracts initially recognised in the year 2022 (restated) in EUR '000	Life	Non-life	Total
Estimates of present value of cash inflows	16 213	205 406	221 619
Estimates of present value of cash outflows	-20 978	-238 806	-259 784
Risk adjustment for non-financial risk	3 171	46 791	49 962
CSM	4 457	10 296	14 753
Income recognised on initial recognition	**2 863**	**23 687**	**26 550**

There have been no contracts acquired from other entities in transfers of insurance or reinsurance contracts or business combinations.

The following tables sets out when the Company expects to recognise the remaining CSM in profit or loss after the reporting date for contracts not measured under the PAA:

Contractual service margin 31 December 2023 in EUR '000	1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
Insurance contracts								
Life	-13 500	-7 723	-6 486	-5 470	-4 545	-14 077	-10 921	-62 722
Non-life	-17 528	-523	-103	-22	-4	0	0	-18 180
Total	**-31 028**	**-8 246**	**-6 589**	**-5 492**	**-4 549**	**-14 077**	**-10 921**	**-80 902**
Reinsurance contracts								
Life	7 004	5 745	4 709	4 018	3 392	11 304	10 705	46 877
Non-life	10 590	80	0	0	0	0	0	10 670
Total	**17 594**	**5 825**	**4 709**	**4 018**	**3 392**	**11 304**	**10 705**	**57 547**

Contractual service margin 31 December 2022 (restated) in EUR '000	1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
Insurance contracts								
Life	-10 202	-7 496	-6 197	-5 310	-4 545	-14 816	-13 360	-61 926
Non-life	-6 408	-13	0	0	0	0	0	-6 421
Total	**-16 610**	**-7 509**	**-6 197**	**-5 310**	**-4 545**	**-14 816**	**-13 360**	**-68 347**
Reinsurance contracts								
Life	5 716	4 992	4 499	3 768	3 342	12 950	19 542	54 809
Non-life	7 911	4	0	0	0	0	0	7 915
Total	**13 627**	**4 996**	**4 499**	**3 768**	**3 342**	**12 950**	**19 542**	**62 724**

The following tables show the reconcilation of CSM balances based on the transition approach used for the contracts:

Insurance contracts	**2023**					
CSM reconciliation for contracts measured using different transition approaches in EUR '000	**Contracts using the fair value approach**			**All other contracts**		
	Life	**Non-life**	**Total**	**Life**	**Non-life**	**Total**
Contractual Service Margin as at 01/01	**-53 489**	**-2 345**	**-55 834**	**-8 437**	**-4 076**	**-12 513**
Insurance service result	14 614	-1 652	12 962	-14 045	-7 505	-21 550
Changes that relate to future services	4 587	-11 254	-6 667	-22 521	-100 015	-122 536
Contracts initially recognised in the period	0	-2	-2	-31 574	-82 342	-113 916
Changes in estimates that adjust the contractual service margin	4 587	-11 252	-6 665	9 053	-17 673	-8 620
Changes that relate to current services	10 027	9 602	19 629	8 476	92 510	100 986
Release of contractual service margin	10 027	9 602	19 629	8 476	92 510	100 986
Insurance finance income or expenses	-99	-15	-114	-1 266	-2 587	-3 853
Total changes in the statement of profit or loss	**14 515**	**-1 667**	**12 848**	**-15 311**	**-10 092**	**-25 403**
Other movements (transfers, modifications, etc.)			0			0
Contractual Service Margin as at 31/12	**-38 974**	**-4 012**	**-42 986**	**-23 748**	**-14 168**	**-37 916**

Insurance contracts	2022 (restated)					
CSM reconciliation for contracts measured using different transition approaches in EUR '000	**Contracts using the fair value approach**			**All other contracts**		
	Life	**Non-life**	**Total**	**Life**	**Non-life**	**Total**
Contractual Service Margin as at 01/01	**-48 540**	**-6 539**	**-55 079**	**0**	**0**	**0**
Reinsurance service result	-5 095	4 205	-890	-8 408	-3 980	-12 388
Changes that relate to future services	-15 558	-11 738	-27 296	-12 038	-37 990	-50 028
Contracts initially recognised in the period	-459	0	-459	-6 125	-45 787	-51 912
Changes in estimates that adjust the contractual service margin	-15 099	-11 738	-26 837	-5 913	7 797	1 884
Changes that relate to current services	10 463	15 943	26 406	3 630	34 010	37 640
Release of contractual service margin	10 463	15 943	26 406	3 630	34 010	37 640
Reinsurance finance income or expenses	146	-11	135	-29	-96	-125
Total changes in the statement of profit or loss	**-4 949**	**4 194**	**-755**	**-8 437**	**-4 076**	**-12 513**
Other movements (transfers, modifications, etc.)			0			0
Contractual Service Margin as at 31/12	**-53 489**	**-2 345**	**-55 834**	**-8 437**	**-4 076**	**-12 513**

The balances and movements of CSM component in the following tables also include balances and movements related to Loss Recovery Component (LoReCo)

Reinsurance contracts	2023					
CSM reconciliation for contracts measured using different transition approaches in EUR '000	**Contracts using the fair value approach**			**All other contracts**		
	Life	**Non-life**	**Total**	**Life**	**Non-life**	**Total**
Contractual Service Margin as at 01/01	**35 617**	**516**	**36 133**	**19 192**	**7 399**	**26 591**
Reinsurance service result	-8 184	1 522	-6 662	-596	1 104	508
Changes that relate to future services	-4 448	4 911	463	2 692	-3 278	-586
Contracts initially recognised in the period	0	0	0	23 228	23 629	46 857
Changes in estimates that adjust the contractual service margin	-4 362	4 911	549	-20 864	12 059	-8 805
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-86	0	-86	328	-38 966	-38 638
Changes that relate to current services	-3 736	-3 389	-7 125	-3 288	4 382	1 094
Release of contractual service margin	-3 736	-3 389	-7 125	-3 288	4 382	1 094
Reinsurance finance income or expenses	-50	11	-39	898	118	1 016
Total changes in the statement of profit or loss	**-8 234**	**1 533**	**-6 701**	**302**	**1 222**	**1 524**
Other movements (transfers, modifications, etc.)			0			0
Contractual Service Margin as at 31/12	**27 383**	**2 049**	**29 432**	**19 494**	**8 621**	**28 115**

Reinsurance contracts	2022 (restated)					
CSM reconciliation for contracts measured using different transition approaches in EUR '000	**Contracts using the fair value approach**			**All other contracts**		
	Life	**Non-life**	**Total**	**Life**	**Non-life**	**Total**
Contractual Service Margin as at 01/01	**28 826**	**4 680**	**33 506**	**0**	**0**	**0**
Reinsurance service result	6 961	-4 170	2 791	19 210	7 359	26 569
Changes that relate to future services	11 463	3 876	15 339	21 288	-21 510	-222
Contracts initially recognised in the period	57	0	57	4 400	10 296	14 696
Changes in estimates that adjust the contractual service margin	10 513	3 876	14 389	19 527	-23 656	-4 129
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	893	0	893	-2 639	-8 150	-10 789
Changes that relate to current services	-4 502	-8 046	-12 548	-2 078	28 869	26 791
Release of contractual service margin	-4 502	-8 046	-12 548	-2 078	28 869	26 791
Reinsurance finance income or expenses	-170	6	-164	-18	40	22
Total changes in the statement of profit or loss	**6 791**	**-4 164**	**2 627**	**19 192**	**7 399**	**26 591**
Other movements (transfers, modifications, etc.)			0			0
Contractual Service Margin as at 31/12	**35 617**	**516**	**36 133**	**19 192**	**7 399**	**26 591**

F.3.1. Insurance service result

The following tables shows the reconciliations of insurance service result:

Insurance revenue in EUR '000	2023			2022 (restated)		
	Life	Non-life	Total	Life	Non-life	Total
Changes in liabilities for remaining coverage	38 233	771 440	809 673	27 833	611 935	639 768
Expected incurred claims and other insurance service expenses	17 278	546 712	563 990	15 949	391 683	407 632
Experience adjustment premiums current and past period	1 853	64 415	66 268	-3 377	122 312	118 935
Change in the risk adjustment for non-financial risk	599	58 201	58 800	1 168	47 987	49 155
CSM recognised for the services provided	18 503	102 112	120 615	14 093	49 953	64 046
Recovery of insurance acquisition cash flows	1 257	8 471	9 728	254	11 487	11 741
Insurance revenue	**39 490**	**779 911**	**819 401**	**28 087**	**623 422**	**651 509**

Insurance service expenses in EUR '000	2023			2022 (restated)		
	Life	Non-life	Total	Life	Non-life	Total
Incurred claims and other incurred insurance service expenses	-26 859	-446 903	-473 762	-22 577	-468 959	-491 536
Losses of onerous contracts and reversals of those losses	-4 525	22 971	18 446	-3 055	-30 583	-33 638
Changes in liabilities for incurred claims	-5 692	-201 493	-207 185	-2 720	-59 103	-61 823
Amortisation of insurance acquisition cash flows	-772	-19 569	-20 341	-417	-15 680	-16 097
Insurance service expenses	**-37 848**	**-644 994**	**-682 842**	**-28 769**	**-574 325**	**-603 094**

Allocation of reinsurance premiums paid in EUR '000	2023			2022 (restated)		
	Life	Non-life	Total	Life	Non-life	Total
Changes in assets for remaining coverage	-25 238	-342 089	-367 327	-12 771	-295 487	-308 258
Expected claims and other expenses recovery	-9 320	-264 850	-274 170	-4 670	-171 507	-176 177
Experience adjustment for premiums paid	-8 707	-16 808	-25 515	-930	-98 135	-99 065
Change in the risk adjustment for non-financial risk	-188	-61 424	-61 612	-592	-46 668	-47 260
CSM recognised for the services received	-7 023	993	-6 030	-6 579	20 823	14 244
Allocation of reinsurance premiums paid	**-25 238**	**-342 089**	**-367 327**	**-12 771**	**-295 487**	**-308 258**

Amounts recoverable from reinsurers in EUR '000	2023			2022 (restated)		
	Life	Non-life	Total	Life	Non-life	Total
Amounts recoverable for claims and other expenses incurred in the period	15 055	185 491	200 546	2 784	269 998	272 782
Changes in loss recovery component	794	-14 246	-13 452	1 117	15 536	16 653
Changes in assets for incurred claims	3 397	81 035	84 432	4 822	-30 827	-26 005
Effect of changes in non-performance risk of reinsurer	-28	741	713	18	901	919
Amounts recovered from reinsurance contracts held	**19 218**	**253 021**	**272 239**	**8 741**	**255 608**	**264 349**

F.4. Financial assets and liabilities

Financial assets and liabilities 2023 in EUR '000	AC	FVOCI		FVTPL	Total
		Designated	Mandatory	Mandatory	
Financial assets					
Financial investments	60 737	16 352	573 317	15 222	665 628
Government bonds	27 698	0	302 938	0	330 636
Corporate bonds	0	0	270 379	490	270 869
Equity instruments	0	16 352	0	953	17 305
Investment funds	0	0	0	13 779	13 779
Loans	23 703	0	0	0	23 703
Term deposits	9 336	0	0	0	9 336
Cash and cash equivalents	48 082	0	0	0	48 082
Total Investment assets and Cash and cash equivalents	**108 819**	**16 352**	**573 317**	**15 222**	**713 710**
Subordinated liabilities	-55 742	0	0	0	-55 742
Other financial liabilities other than lease liabilities	0	0	0	0	0
Financial liabilities	**-55 742**	**0**	**0**	**0**	**-55 742**

Financial assets and liabilities 2022 (restated) in EUR '000	AC	FVOCI		FVTPL	Total
		Designated	Mandatory	Mandatory	
Financial assets					
Financial investments	61 910	16 445	365 268	91 903	535 526
Government bonds	27 678	0	185 724	0	213 402
Corporate bonds	0	0	179 544	461	180 005
Equity instruments	0	16 445	0	664	17 109
Investment funds	0	0	0	90 778	90 778
Loans	17 225	0	0	0	17 225
Term deposits	17 007	0	0	0	17 007
Cash and cash equivalents	32 505	0	0	0	32 505
Total Investment assets and Cash and cash equivalents	**94 415**	**16 445**	**365 268**	**91 903**	**568 031**
Subordinated liabilities	-55 742	0	0	0	-55 742
Other financial liabilities other than lease liabilities	-7	0	0	0	-7
Financial liabilities	**-55 749**	**0**	**0**	**0**	**-55 749**

F.4.1. Equity investments designated as at FVOCI

The Company has designated the following equity investment as at FVOCI because it intends to hold it for the long term for strategic purposes:

Equity investments designated as at FVOCI in EUR '000	Fair value at 31 December		Dividend income recognised	
	2023	2022 (restated)	2023	2022 (restated)
WIENER RE AKCIONARSKO DRUŠTVO ZA REOSIGURANJE	7 347	7 522	557	456
VIG FUND CZ a.s	9 005	8 923	210	201
Total	**16 352**	**16 445**	**767**	**657**

No strategic investments were disposed of during 2023 and 2022, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

F.4.2. Financial instruments not measured at fair value

The following table sets out the fair values of financial instruments not measured at fair value. It does not include fair value information for cash and cash equivalents, receivables and payables, whose carrying amounts are a reasonable approximation of fair value, or for lease liabilities:

Fair value of Financial assets and liabilities measured at AC in EUR '000	**2023**		**2022 (restated)**	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial assets at amortised costs	60 737	59 829	61 910	59 697
Government bonds	27 698	28 353	27 678	28 762
Loans	23 703	22 140	17 225	13 927
Term deposits	9 336	9 336	17 007	17 008
Cash and cash equivalents	48 082	48 082	32 505	32 505
Financial assets measured at amortised costs	**108 819**	**107 911**	**94 415**	**92 202**
Subordinated liabilities	-55 742	-52 800	-55 742	-49 757
Other financial liabilities other than lease liabilities	0	0	-7	-7
Financial liabilities	**-55 742**	**-52 800**	**-55 749**	**-49 764**

F.4.3. Fair value measurement

For the description of the fair value hierarchy categories, the valuation technique(s) and the inputs used in the fair value measurement see chapter C.3.2.

Fair value hierarchies

The following table analyses financial instruments measured at fair value and financial instruments not measured at fair value at the reporting date by the level of the fair value hierarchy into which the fair value measurement is categorised:

Fair value hierarchy levels in EUR '000	2023			
	Level 1	Level 2	Level 3	Total
Financial investments at FVTPL	590	0	14 632	15 222
Corporate bonds	490	0	0	490
Equity instruments	0	0	953	953
Investment funds	100	0	13 679	13 779
Financial investments at FVOCI	490 653	77 760	21 256	589 669
Government bonds	281 839	21 099	0	302 938
Corporate bonds	208 814	56 661	4 904	270 379
Equity instruments	0	0	16 352	16 352
Total financial investments at FV	**491 243**	**77 760**	**35 888**	**604 891**
Financial investments at AC	28 353	31 476	0	59 829
Government bonds	28 353	0	0	28 353
Loans	0	22 140	0	22 140
Term deposits	0	9 336	0	9 336
Financial assets	**519 596**	**109 236**	**35 888**	**664 720**
Cash and cash equivalents	**0**	**48 082**	**0**	**48 082**
Subordinated liabilities	0	-17 092	-35 708	-52 800
Other financial liabilities other than lease liabilities	0	0	0	0
Financial liabilities	**0**	**-17 092**	**-35 708**	**-52 800**

Fair value hierarchy levels in EUR '000	2022 (restated)			
	Level 1	Level 2	Level 3	Total
Financial investments at FVTPL	78 894	0	13 009	91 903
Corporate bonds	461	0	0	461
Equity instruments	0	0	664	664
Investment funds	78 433	0	12 345	90 778
Financial investments at FVOCI	345 128	20 140	16 445	381 713
Government bonds	183 805	1 919	0	185 724
Corporate bonds	161 323	18 221	0	179 544
Equity instruments	0	0	16 445	16 445
Total financial investments at FV	**424 022**	**20 140**	**29 454**	**473 616**
Financial investments at AC	28 762	30 935	0	59 697
Government bonds	28 762	0	0	28 762
Loans	0	13 927	0	13 927
Term deposits	0	17 008	0	17 008
Financial assets	**452 784**	**51 075**	**29 454**	**533 313**
Cash and cash equivalents	**0**	**32 505**	**0**	**32 505**
Subordinated liabilities	0	-14 050	-35 707	-49 757
Other financial liabilities other than lease liabilities	0	-7	0	-7
Financial liabilities	**0**	**-14 057**	**-35 707**	**-49 764**

The following table shows a reconciliation from the opening balances to the closing balances for recurring fair value measurements in Level 3 of the fair value hierarchy and analyses the total gains and losses recognised in profit or loss and OCI during the year:

Reconciliation of Level 3 movements in EUR '000	2023			2022 (restated)		
	FVOCI	FVTPL	Total	FVOCI	FVTPL	Total
Carrying amount as at 1 January	16 445	13 009	29 454	16 488	13 071	29 559
Transfers from Level 1 and Level 2	0	0	0	0	0	0
Gains (losses) recognised in profit or loss	-65	-1 477	-1 542	0	-1 839	-1 839
Net realised and non-realised gains (losses) from financial instruments	-65	-1 477	-1 542	0	-1 839	-1 839
Gains (losses) recognised in OCI	-57	0	-57	-43	0	-43
Purchases	5 639	3 636	9 275	0	1 777	1 777
Sales	-706	-536	-1 242	0	0	0
Carrying amount as at 31 December	**21 256**	**14 632**	**35 888**	**16 445**	**13 009**	**29 454**

The following table shows for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis, the amounts of any transfers between Level 1 and Level 2 of the fair value hierarchy:

Transfers between Level 1 and Level 2 in EUR '000	**2023**	**2022 (restated)**
Transfers from Level 1 to Level 2	34 668	4 341
Transfers from Level 2 to Level 1	0	0
Total	**34 668**	**4 341**

In 2022, government and corporate bonds were transferred from Level 1 to Level 2 even though their valuation is acquired from Bloomberg. These instruments were assessed by VIG ARM as illiquid. In 2022, the transfer from Level 1 to Level 2 represents investments, which were in the past priced on active markets and their valuation was acquired from Bloomberg (Level 1) are currently measured by VIG model (level 2), because the investment is no longer liquid.

F.4.4. Total investment result and net insurance financial result

The table below presents an analysis of total investment income and insurance finance result recognised in profit or loss and OCI in the period:

Total investment income and insurance finance result recognised in profit or loss and OCI in EUR '000	**2023**			**2022 (restated)**		
	Non-Life	**Life**	**Total**	**Non-Life**	**Life**	**Total**
Investment result recognized in profit and loss						
Interest revenue calculated using the effective interest method	12 022	125	12 147	6 726	126	6 852
Impairment loss and reversal of impairment loss	-151	25	-126	-1 640	16	-1 624
Net realised and non-realised gains (losses) from financial instruments	-2 189	0	-2 189	-7 093	0	-7 093
Other investment result	1 068	0	1 068	709	0	709
Investment result recognized in OCI						
FV revaluation	19 746	660	20 406	-49 753	-2 005	-51 758
Expected credit loss (ECL)	6	-25	-19	47	-16	31
Total investment result	**30 502**	**785**	**31 287**	**-51 004**	**-1 879**	**-52 883**
Represented by:						
Amounts recognised in profit or loss	10 750	150	10 900	-1 298	142	-1 156
Amounts recognised in OCI	19 752	635	20 387	-49 706	-2 021	-51 727

Total investment income and insurance finance result recognised in profit or loss and OCI in EUR '000	**2023**			**2022 (restated)**		
	Non-Life	**Life**	**Total**	**Non-Life**	**Life**	**Total**
Insurance finance income (expenses) from insurance contracts						
Interest accreted to insurance contracts using locked-in rate	-18 830	-226	-19 056	-589	-51	-640
Changes in interest rates and other financial assumptions	-15 392	6 888	-8 504	87 996	-14 184	73 812
Net foreign exchange income / (expense)	5 267	312	5 579	2 749	-154	2 595
Total insurance finance income / (expenses) from insurance contracts	**-28 955**	**6 974**	**-21 981**	**90 156**	**-14 389**	**75 767**
Represented by:						
Amounts recognised in profit or loss	-13 563	86	-13 477	2 160	-205	1 955
Amounts recognised in OCI	-15 392	6 888	-8 504	87 996	-14 184	73 812
Reinsurance finance income (expenses) from reinsurance contracts						
Interest accreted to reinsurance contracts using locked-in rate	9 525	20	9 545	402	174	576
Changes in interest rates and other financial assumptions	4 905	-6 076	-1 171	-39 646	9 487	-30 159
Net foreign exchange income / (expense)	-5 814	9	-5 805	-2 983	22	-2 961
Total reinsurance finance income (expenses) from reinsurance contracts	**8 616**	**-6 047**	**2 569**	**-42 227**	**9 683**	**-32 544**
Represented by:						
Amounts recognised in profit or loss	3 711	29	3 740	-2 581	196	-2 385
Amounts recognised in OCI	4 905	-6 076	-1 171	-39 646	9 487	-30 159
Total net investment income, insurance finance expense and reinsurance finance income	**10 266**	**1 712**	**11 978**	**-3 050**	**-6 585**	**-9 635**
Represented by:						
Amounts recognised in profit or loss	898	265	1 163	-1 719	133	-1 586
Amounts recognised in OCI	9 265	1 447	10 712	-1 356	-6 718	-8 074

The following table shows reconciliation of amounts included in OCI for financial assets at fair value through Other comprehensive income:

Reconciliation of amounts included in OCI for financial assets at FVOCI in EUR '000	2023			2022 (restated)		
	Non-Life	Life	Total	Non-Life	Life	Total
Cumulative other comprehensive income as at 1 January	**-44 025**	**-1 696**	**-45 721**	**5 681**	**325**	**6 006**
Gains or losses recognised in other comprehensive income in the period	18 692	635	19 327	-49 864	-2 021	-51 885
Amounts recognised in profit or loss during the period	1 060	0	1 060	158	0	158
Cumulative other comprehensive income as at 31 December	**-24 273**	**-1 061**	**-25 334**	**-44 025**	**-1 696**	**-45 721**

F.4.5. Interest revenue calculated using the effective interest rate

Interest revenue calculated using the effective interest rate 2023 in EUR '000	AC	FVOCI	Total
		Mandatory	
Government bonds	1 324	3 948	5 272
Corporate bonds	0	5 085	5 085
Loans	588	0	588
Term deposits	1 202	0	1 202
Interest revenue calculated using the effective interest method	**3 114**	**9 033**	**12 147**

Interest revenue calculated using the effective interest rate 2022 (restated) in EUR '000	AC	FVOCI	Total
		Mandatory	
Government bonds	1 323	2 249	3 572
Corporate bonds	0	2 245	2 245
Loans	340	0	340
Term deposits	695	0	695
Interest revenue calculated using the effective interest method	**2 358**	**4 494**	**6 852**

F.4.6. Impairment loss and reversal of impairment loss

Impairment loss and reversal of impairment loss in EUR '000	2023			2022 (restated)		
	Impairment losses	Reversal of impairment losses	Total	Impairment losses	Reversal of impairment losses	Total
Financial assets at AC	-67	33	-34	-42	35	-7
Financial assets at FVOCI	-321	340	19	-2 203	2 172	-31
Trade and other receivables	-111	0	-111	-1 586	0	-1 586
Impairment loss and reversal of impairment loss	**-499**	**373**	**-126**	**-3 831**	**2 207**	**-1 624**

F.4.7. Net realised and non-realised gains (losses) from financial instruments

Net realised and non-realised gains (losses) from financial instruments 2023 in EUR '000	FVOCI	FVTPL	Total
	Mandatory	Mandatory	
Net realised and non-realised gains (losses) recognized in profit and loss			
Non-realised gains (losses)	0	-1 432	-1 432
Corporate bonds	0	29	29
Equity instruments	0	84	84
Investment funds	0	-1 545	-1 545
Realised gains (losses)	-888	131	-757
Government bonds	-244	0	-244
Corporate bonds	-644	0	-644
Investment funds	0	131	131
Net realised and non-realised gains (losses) recognized in OCI			
FV revaluation	20 406	0	20 406
Net realised and non-realised gains (losses) from financial instruments	**19 518**	**-1 301**	**18 217**
Amounts recognised in profit and loss	-888	-1 301	-2 189
Amounts recognised in OCI	20 406	0	20 406

Net realised and non-realised gains (losses) from financial instruments 2022 (restated) in EUR '000	FVOCI	FVTPL	Total
	Mandatory	Mandatory	
Net realised and non-realised gains (losses) recognized in profit and loss			
Non-realised gains (losses)	0	-7 298	-7 298
Corporate bonds	0	-46	-46
Equity instruments	0	-675	-675
Investment funds	0	-6 577	-6 577
Realised gains (losses)	583	-378	205
Government bonds	583	0	583
Investment funds	0	-303	-303
Loans	0	-75	-75
Net realised and non-realised gains (losses) recognized in OCI			
FV revaluation	-51 758	0	-51 758
Net realised and non-realised gains (losses) from financial instruments	**-51 175**	**-7 676**	**-58 851**
Amounts recognised in profit and loss	583	-7 676	-7 093
Amounts recognised in OCI	-51 758	0	-51 758

The Company does not have any gains or losses arising from the derecognition of financial assets measured at amortised cost.

F.4.8. Other investment result

Other investment result in EUR '000	2023	2022 (restated)
Kick-back fee	-8	25
Current income	1 194	1 414
Corporate bonds	12	9
Equity instruments	767	656
Investment funds	399	729
Bank accounts	16	20
Foreign exchange gains (losses)	463	-678
Government bonds	285	-424
Corporate bonds	-10	224
Term deposits	-135	-661
Bank accounts	323	183
Other income (expense) from financial instruments	-581	-52
Other investment result	**1 068**	**709**

F.4.9. Finance costs

Finance costs in EUR '000	**2023**	**2022 (restated)**
Interest expense from subordinated liabilities	-2 202	-2 177
Interest from other investments	-602	-27
Interest on lease liabilities	-31	-44
Unrealized foreign currency losses	-1 854	-394
Finance costs	**-4 689**	**-2 642**

F.5. Trade and other receivables

Trade and other receivables in EUR '000	**2023**	**2022 (restated)**
Receivables from sales of capital investments	1 696	4 296
Receivables from employees	103	0
Other receivables	433	136
Gross amount	**2 232**	**4 432**
Accumulated allowances	-1 696	-1 586
Trade and other receivables	**536**	**2 846**

The accumulated allowance of EUR 1 696 ths. (2022: EUR 1 586 ths.) relates to receivables from sales of capital investments. There are no other receivables overdue.

Due to the short-term nature of receivables the book value does not materially differ from fair value. All receivables are allocated to the Level 3 of the fair value hierarchy.

F.6. Other Assets

Other assets in EUR '000	**2023**	**2022 (restated)**
Prepaid expenses	957	1 003
Other assets	**957**	**1 003**

F.7. Cash and cash equivalents

Cash and cash equivalents in EUR '000	**2023**	**2022 (restated)**
Cash at bank	48 080	32 504
Cash in hand	2	1
Cash and cash equivalents	**48 082**	**32 505**

F.8. Shareholders' equity

Share capital in EUR '000	2023	2022 (restated)
Authorized and issued number of shares		
25 000 of 100 000 CZK shares	0	101 958
6 500 of 100 000 CZK shares	0	24 892
31 500 of 4 027 EUR shares	126 850	0
10 000 of 10 000 EUR shares	100 000	0
Share capital	**226 850**	**126 850**

The Share capital of the Company was transferred to EUR currency based on decision made by the General Meeting of Shareholders on 28 April 2023. The translated value of 126 850 500 EUR was registered in the Commercial register as of 1 st May 2023. In December 2023, the Share capital of the Company was increased by the amount of EUR 100 000 ths. by subscribing of 10 000 pieces of ordinary registered shares in the nominal value of EUR 10 ths. each.

F.9. Subordinated liabilities

Subordinated liabilities in EUR '000	2023	2022 (restated)
Nominal value	55 000	55 000
Accrued interest	742	742
Subordinated liabilities	**55 742**	**55 742**

Company borrowed subordinated loan in nominal value of EUR 35 million with ten years maturity and interest rate 4% from Vienna Insurance Group AG Wiener Versicherung Gruppe in June 2018. The Company issued perpetual subordinated unsecured income certificates in nominal value of EUR 20 million on 15 December 2021. The coupon is 3.8864% until the first call date (10th anniversary of the issue date). The certificates were fully subscribed by Vienna Insurance Group AG Wiener Versicherung Gruppe.

F.10. Trade and other payables

Trade and other payables in EUR '000	2023	2022 (restated)
Trade payables	1 474	810
Wages and salaries	448	495
Social security and health insurance	521	351
Accruals	4 575	3 726
Other payables	3 050	1 763
Trade and other payables	**10 068**	**7 145**

F.11. Other operating income and expenses

F.11.1. Other operating income

Other operating income in EUR '000	**2023**	**2022 (restated)**
Foreign currency gains	297	436
Other operating income	34	15
Other operating income	**331**	**451**

F.11.2. Expenses by nature

Expenses by nature in EUR '000	**2023**	**2022 (restated)**
Claims and benefits	-266 313	-202 357
Fees and commissions	-8 418	-8 565
Operating expenses entering IFRS 17 allocation	-23 022	-17 045
Personnel expenses	-11 063	-8 373
Mandatory social security contributions and expenses	-3 047	-2 305
Other administrative and IT expenses	-6 722	-4 322
Rental expenses	-808	-722
Depreciation of fixed and leased assets	-1 382	-1 323
Operating expenses attributed to IFRS 17 based on allocation	-21 484	-16 223
Operating expenses not attributed to IFRS 17 based on allocation	**-1 538**	**-822**
Amounts attributed to insurance acquisition cashflows incurred during the year	10 570	11 026
Amortization of insurance acquisition cashflows (excl. experience adjustment)	-7 884	-10 279
Operating expenses not entering IFRS 17 allocation	-1 354	-1 171
Other non-technical operating expenses	-3 774	463
Represented by:		
Other operating expenses	-6 666	-1 530
Incurred expenses entering Insurance service expense	-293 529	-226 398

Expenses attributed to insurance acquisition cash flows and other directly attributable expenses comprise expenses incurred by the Company in the reporting period that relate directly to the fulfilment of insurance and reinsurance contracts within IFRS 17's scope. These expenses are recognised in the statement of profit or loss based on IFRS 17 measurement requirements. Changes in liabilities/assets for incurred claims, losses on onerous contracts and reversals of those losses, changes in loss recovery component and effect of changes in non-performance risk, which are presented in Insurance service expense have been excluded from the reconciliation above, because they are not related to incurred expenses.

The Company incurred following expenses for audit and non-audit services:

Audit and other fees in EUR '000	**2023**	**2022 (restated)**
Stautory audit fee	120	53
Non-audit services fee	35	34
Other assurance services fee	141	0

Management and employee statistics in EUR '000	**2023**	**2022 (restated)**
Number of members		
Management – BoD	4	3
Other employees	142	110
Total	**146**	**113**

Board of Directors and Supervisory Board compensation in EUR '000	**2023**	**2022 (restated)**
Board of Directors compensation	-1 432	-1 107
Supervisory Board compensation	-118	-111
Total	**-1 550**	**-1 218**

F.12. Leases

The Company leases its head office building in Prague, the Czech Republic and office premises of its branches in Munich, Germany and Paris, France. Information about leases for which the Company is a lessee is presented below.

F.12.1. Right-of-use assets

Right of use assets - Buildings in EUR '000	**2023**	**2022 (restated)**
Balance at 1 January	1 300	1 696
Depreciation charge for the year	-440	-442
Additions/Disposals	-72	46
Balance at 31 December	**788**	**1 300**

F.12.2. Lease liabilities

Maturity analysis – contractual undiscounted cash flows in EUR '000	**2023**	**2022 (restated)**
Less than one year	383	491
One to five years	487	938
Total undiscounted lease liabilities at 31 December	870	1 429
Lease liabilities included in the statement of financial position at 31 December	**843**	**1 370**
Current	365	460
Non-current	478	910

Lease liabilities are presented in Other financial liabilities in the statement of financial position.

F.12.3. Amounts recognised in profit or loss

Amounts recognised in profit or loss in EUR '000	**2023**	**2022 (restated)**
Interest on lease liabilities	-31	-45
Depreciation charge for the year	-440	-442
Total	**-471**	**-487**

F.12.4. Amounts recognised in the statement of cash flows

Amounts recognised in the statement of cash flows in EUR '000	**2023**	**2022 (restated)**
Total cash outflow for leases	-486	-486

F.13. Taxes

F.13.1. Tax expense

Tax expense in EUR '000	**2023**	**2022 (restated)**
Current income tax	-24 607	-14 755
Actual taxes current period	-5 505	-14 038
Actual taxes related to other periods	-19 102	-717
Deferred tax	17 442	12 744
Tax from FVOCI investments	115	-113
Other deferred tax	17 327	12 857
Other income tax	0	0
Total taxes	**-7 165**	**-2 011**

Tax expense in EUR '000	**2023**	**2022 (restated)**
Expected tax rate in %	19.00%	19.00%
Profit before tax	31 610	-801
Expected tax expense	-6 006	152
Adjusted for tax effects due to:		
Tax rate changes	2 898	0
Withholding taxes / foreign income taxes	-87	-76
Non-deductible expenses	-928	-96
Tax exempt income	1 134	1 698
Other permanent differences	-4 176	-3 689
Tax expense	**-7 165**	**-2 011**
Effective tax rate in %	**22.67%**	**-251.06%**

F.13.2. Deferred taxes

The deferred tax assets and liabilities recognized relate to the amounts of temporary differences in balance sheet items listed in the following table. The differences were already valued using applicable tax rates.

Deferred tax in EUR '000	**2023**		**2022 (restated)**	
Balance sheet position	**Deferred tax assets**	**Deferred tax liabilities**	**Deferred tax assets**	**Deferred tax liabilities**
Property, plant and equipment	56	0	219	0
Intangible assets	0	-22	0	-171
Financial investments	6 306	-212	10 945	-172
Right of use and lease liabilities	177	-166	260	-247
Insurance contracts*	98 892	-73 244	54 955	-49 277
Other	864	-53	871	0
Total	**106 295**	**-73 697**	**67 250**	**-49 867**
Net Balance	**32 598**	**0**	**17 383**	**0**

* Deferred tax assets from technical provisions consists of taxation of technical provisions based on new Act no. 364/2019 Coll., that came into effect on 1 January 2020.

Movement in deferred tax in EUR '000	**2023**	**2022 (restated)**
Net deferred tax assets (liability) as at 1 January	17 383	3 122
Deferred tax income (expense) through Profit or Loss	17 442	12 744
Deferred tax through Other comprehensive income	-2 227	1 517
Insurance finance income/expenses	1 159	-8 294
Revaluation of financial instruments through OCI	-3 386	9 811
Net deferred tax asset (liability) as at 31 December	**32 598**	**17 383**

In accordance with the accounting method described in C.5, the amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date which is 21% for the years in question (2022: 19%).

F.14. Related Parties

The related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

F.14.1. Shareholders

Statement of financial position in EUR '000	The parent		Entities with joint control of, or significant influence over, the entity*	
	2023	2022 restated	2023	2022 restated
Property, plant and equipment	0	0	734	995
Insurance contract assets	0	0	0	-51
Reinsurance contract assets	5 656	18 534	384	1 203
Trade and other receivables	54	0	0	0
Other assets	1 220	675	18	28
Subordinated liabilities	55 742	55 742	0	0
Other financial liabilities	0	0	781	1 047
Insurance contract liabilities	66 389	73 062	258 776	268 527
Reinsurance contract liabilities	5 693	0	0	21
Trade and other payables	-13 915	326	-2 203	-22

Statement of comprehensive income in EUR '000	The parent		Entities with joint control of, or significant influence over, the entity*	
	2023	2022 restated	2023	2022 restated
Insurance revenue	27 766	23 503	300 065	247 506
Insurance service expenses	1 959	-34 919	-221 503	-220 951
Allocation of reinsurance premiums paid	-3 483	260	58	-370
Amounts recovered from reinsurance contracts	-1 630	-2 123	-629	25
Insurance finance income (expenses) from insurance contracts	-212	381	-5 384	-212
Finance income (expenses) from reinsurance contracts	-2 337	-1 558	-2	-10
Interest revenue calculated using the effective interest method	51	51	0	0
Other investment result	-166	0	0	0
Other operating expenses	0	0	325	315
Finance costs	-2 202	-2 177	-26	-34

* Donau Versicherung AG, Kooperativa pojišťovna, a.s., Kooperativa poisťovna, a.s., Wiener Städtidsche Versicherung AG

Transactions between the Company and its parent and entities with joint control relate mainly to reinsurance/retrocession contracts and servicing contracts related to back office, mainly Shared service agreement and IT services.

F.14.2. Subsidiaries and other related parties

Statement of financial position in EUR '000	Subsidiary		Other related parties	
	2023	2022 restated	2023	2022 restated
Property, plant and equipment	0	0	0	153
Insurance contract assets	0	-26	0	67
Reinsurance contract assets	0	0	14	0
Other financial liabilities	0	0	0	158
Insurance contract liabilities	9 055	6 873	244 999	213 375
Reinsurance contract liabilities	0	0	0	-6
Trade and other payables	0	0	-37	0

Statement of comprehensive income in EUR '000	Subsidiary		Other related parties	
	2023	2022 restated	2023	2022 restated
Insurance revenue	15 902	8 442	155 417	124 353
Insurance service expenses	-14 819	-5 582	-135 967	-96 295
Allocation of reinsurance premiums paid	0	0	-22	-98
Insurance finance income (expenses) from insurance contracts	-243	-30	-2 929	1 522
Interest revenue calculated using the effective interest method	0	0	544	320
Impairment loss and reversal of impairment loss	0	0	-22	-9
Other investment result	560	456	188	180
Other operating expenses	0	0	51	65
Finance costs	0	0	-3	-5

The Company has one subsidiary: Wiener Re a.d.o. Serbia. Transactions between the Company and its subsidiaries relate to reinsurance/retrocession contracts and servicing contracts related to back office.

Other related parties comprise fellow subsidiaries, associates and joint ventures of the ultimate parent company. Transactions between the Company and other related parties are based only on insurance and reinsurance contracts.

F.14.3. Key Management Personnel of the Entity and its Parent

Key management personnel are those persons with authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The key management personnel are comprised of the Board of Directors and the Supervisory Board, together with members of the Board of Directors of VIG. Close family members of key management personnel are also deemed to be related parties. The Company has no transactions with family members of key management personnel and key management personnel except for the compensation mentioned in F.11.2.

F.15. Consolidated Statements

Based on Act on Accounting No. 563/1991 Coll, as amended, par. 22aa, the Company does not have to prepare its consolidated financial statements, as the Company is fully consolidated by VIG holding, therefore the conditions of par 22aa were fulfilled. The Company also does not have to prepare its consolidated financial statements based on IFRS 10 as it meets all conditions of IFRS 10:4(a).

F.16. Subsequent Events

The Company expects to become a taxpayer for the next financial year in accordance with Act No. 416/2023 Coll., on equalisation taxes for large multinational groups and large domestic groups. At this point in time, the exact impact on the total tax liability in the following financial year cannot be estimated with sufficient precision. The Group is currently preparing a Group-wide tool that will govern the calculation of the equalisation tax for Group companies in all affected jurisdictions. The Company anticipates that the impact on the overall tax liability will not be material.

Mr. Tobias Sonndorfer was appointed vice-chairman of the Board of Directors effective as of 1 February 2024.

The Company's management is not aware of any other event that has occurred since the balance sheet date that would have a material impact on the financial statements.

The financial statements were authorized by the Board of Directors of the Company on 2 April 2024.

Johannes Martin Hartmann
Chairman of the Board of Directors

Ivana Jurčíková
Member of the Board of Directors

REPORT OF THE BOARD OF DIRECTORS ON RELATED PARTIES

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Report of the Board of Directors

on relations between the controlling party and the controlled party and between the controlled party and other parties controlled by the same controlling party in accordance with Section 82 of the Act No. 90/2012 Coll., on Business Companies and Cooperatives (on Business Corporations), as amended (hereinafter the "**Act on Business Corporations**").

Financial period from 1st January 2023 to 31st December 2023 is the vesting period of this Report on relations between the controlling party and the controlled party and between the controlled party and other parties controlled by the same controlling party (hereinafter the "**Report on Relations**").

I. STRUCTURE OF RELATIONS

VIG RE zajišťovna, a.s., a company with its registered office at Templová 747/5, 110 01 Prague 1, Id. No.: 28445589, registered in the Commercial Register kept by the Municipal Court in Prague, Section B, File 14560 (hereinafter **"VIG Re"**), is the **controlled person**.

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, a company with its registered office at Schottenring 30, Vienna 1010, Austria, registered in the Commercial Register kept by the Commercial Court in Vienna, Section FN, File 75687 F (hereinafter **"VIG AG"**), is the **controlling person**.

On 7 December 2023, the General Meeting of VIG Re decided on increase of the registered capital by issuing new shares in the total amount of EUR 100,000,000. All shareholders subscribed for shares in the proportion of their existing holdings. There has therefore been no change in the company's ownership structure.

II. ROLE OF THE COMPANY IN THE VIG GROUP

VIG AG is the leading person of the Vienna Insurance Group (hereinafter **„VIG Group"**), having the legal form of a joint-stock company.

VIG Re is a part of the VIG Group and engages especially in reinsurance activities under the Insurance Act.

III. METHOD AND MEANS OF CONTROL

VIG AG holds shares of VIG Re in the aggregate nominal value of 55 % of the registered capital, whereby it fully controls VIG Re, especially by making decisions at the General Meeting.

VIG AG's shares in other subsidiaries, expressed in per cent of the registered capital, are specified in Annex 2 to this Report (hereinafter **"VIG Group Companies"**).

IV. OVERVIEW OF MUTUAL AGREEMENTS BETWEEN VIG RE AND VIG GROUP COMPANIES VALID IN THE YEAR 2023

The list of agreements between VIG Re and VIG Group Companies is enclosed in Annex 1 to this Report.

V. OVERVIEW OF STEPS TAKEN DURING THE LAST ACCOUNTING PERIOD AT THE INSTIGATION OR IN THE INTEREST OF VIG AG OR OTHER VIG GROUP COMPANIES

In 2023, no legal acts or other measures were undertaken in the interest or at the initiative of related parties. VIG Re only paid off the relevant dividend to the controlling person and other shareholders, in line with the resolution of the General Meeting.

VI. CONFIDENTIALITY

Information and facts that form business secrets of the VIG Group Companies as well as information that has been designated as confidential by any VIG Group Company are deemed confidential within the VIG Group. Furthermore, confidential information also includes any information obtained in the course of trade that could be, in itself or in connection with other information or facts, to the detriment of any of the VIG Group Companies.

With a view to avoiding any harm to VIG Re, this Report on Relations does not comprise financial details of any performance or counter-performance under the concluded contracts and agreements.

VII. EVALUATION OF THE RELATIONS AND RISKS WITHIN THE VIG GROUP

The VIG Group is one of the leading insurance and reinsurance operators on the European market. VIG Re thus has access to know-how, inter alia, in the fields of Solvency II, audit, compliance and information technology. It is possible to conclude that VIG Re prevailingly benefits from the relationships within the VIG Group. VIG Re did not suffer any harm in 2023 based on agreements concluded between VIG Re on the one hand and VIG AG and other VIG Group Companies on the other.

VIII. CONCLUSION

This Report was drawn up by the Board of Directors of the controlled person, VIG RE zajišťovna, a.s., for the period from 1st January 2023 to 31st December 2023 and will be presented for review to the Supervisory Board. Given that VIG Re is required by law to prepare an annual report, this Report will be attached to it as its integral part. The annual report will be submitted for audit to audit firm KPMG Česká republika Audit, s.r.o.

In Prague, on 31. 03. 2024

Johannes Martin Hartmann
Chairman of the Board of Directors

Ivana Jurčíková
Member of the Board of Directors

ANNEX 1 TO THE REPORT ON RELATIONS PARTIES 2023

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Overview of mutual agreements between VIG Re and VIG Group Companies

Contracts and Agreements in effect for VIG AG and VIG Re in 2023
Re-insurance contracts between VIG Re and VIG AG
Outsourcing Contract for performing the duties of Internal Audit at the Outsourcing Company by VIG Holding
Data Processor Agreement
Asset Management Agreement between VIG Re and VIG Holding
Outsourcing contract on performance of the duties regarding validation of PIM
Data Center Service Contract
Prophet License Agreement
Agreement SAP Core Software
SAP License Settlement Agreement
SimCorp Dimension Agreement
Service Agreement

Contracts and Agreements in effect for VIG Re and other Controlled Parties, where the Controlling party is VIG AG in 2023
Subordinated Loan Agreement between VIG Re and VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe
Agreement on sharing of costs between VIG Re and Kooperativa pojišťovna, a.s., Vienna Insurance Group
Agreement on sharing of costs between VIG Re and VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe
Agreement on sharing of costs between VIG Re and InterRisk Versicherungs-AG Vienna Insurance Group
Lease contract between VIG Re and Kooperativa pojišťovna, a.s., Vienna Insurance Group
Lease Agreement on Work of Art between VIG Re and Kooperativa pojišťovna, a.s., Vienna Insurance Group
Lease contract between VIG Re and InterRisk Versicherungs-AG Vienna Insurance Group
Insurance contracts between VIG Re and Kooperativa pojišťovna, a.s., Vienna Insurance Group
Loan Agreement between VIG Re and KKB Real Estate SIA
Agreement between VIG Re, S-správa nemovitostí, a.s. and Kooperativa pojišťovna, a.s., Vienna Insurance Group, Prague
Loan Agreement between VIG Re and Sanatorium Astoria a.s.
Parent Guarantee to Sanatorium Astoria a.s. to Loan Agreement between VIG Re zajišťovna, a.s. and HOTELY SRNÍ, a.s.
Subordinated Loan Agreement Tier 2 between VIG Re and WIENER RE A.D.O. Beograd
Loan Agreement between VIG Re Hymel Sp. z.o.o. to NNC Real Estate SP Zoo
Loan Facilities Agreement between VIG Re and SIA LiveOn

Intercreditor Agreement between VIG Re and VIG FUND, a.s.
Loan Agreement Project Atrium Tower between VIG Re and VIG FUND, a.s.
Re-insurance contracts between VIG Re and BTA Baltic Insurance Company AAS, Riga
Re-insurance contracts between VIG Re and ASIGURAREA ROMANEASCA - ASIROM VIENNA INSURANCE GROUP S.A., Bucharest
Re-insurance contracts between VIG Re and "BULSTRAD LIFE VIENNA INSURANCE GROUP" EAD, Sofia
Re-insurance contracts between VIG Re and INSURANCE JOINT-STOCK COMPANY "BULSTRAD VIENNA INSURANCE GROUP", Sofia
Re-insurance contracts between VIG Re and Compania de Asigurari "DONARIS VIENNA INSURANCE GROUP" Societate pe Actiuni, Chisinau
Re-insurance contracts between VIG Re and Compensa Life Vienna Insurance Group SE, Tallinn
Re-insurance contracts between VIG Re and Compensa Towarzystwo Ubezpieczen Na Zycie Spolka Akcyjna Vienna Insurance Group, Warsaw
Re-insurance contracts between VIG Re and Compensa Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group, Warsaw
Re-insurance contracts between VIG Re and Compensa Vienna Insurance Group, akcine draudimo bendrove, Vilnius
Re-insurance contracts between VIG Re and Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group, Prague
Re-insurance contracts between VIG Re and DONAU Versicherung AG Vienna Insurance Group, Vienna
Re-insurance contracts between VIG Re and Stock Company for Insurance and Reinsurance MAKEDONIJA Skopje Vienna Insurance Group, Skopje
Re-insurance contracts between VIG Re and Joint Stock Company International Insurance Company IRAO, Tbilisi
Re-insurance contracts between VIG Re and InterRisk Lebensversicherungs-AG Vienna Insurance Group, Wiesbaden
Re-insurance contracts between VIG Re and InterRisk Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group, Warsaw
Re-insurance contracts between VIG Re and InterRisk Versicherungs-AG Vienna Insurance Group, Wiesbaden
Re-insurance contracts between VIG Re and INTERSIG VIENNA INSURANCE GROUP Sh.A., Tirana
Re-insurance contracts between VIG Re and Joint Stock insurance company WINNER - Vienna Insurance Group, Skopje
Re-insurance contracts between VIG Re and Joint Stock Company Insurance Company GPI Holding, Tbilisi
Re-insurance contracts between VIG Re and Komunálna Poistovna a.s. Vienna Insurance Group, Bratislava
Re-insurance contracts between VIG Re and KOOPERATIVA poisťovňa, a.s. Vienna Insurance Group, Bratislava
Re-insurance contracts between VIG Re and Kooperativa pojišt'ovna, a.s. Vienna Insurance Group, Prague
Re-insurance contracts between VIG Re and OMNIASIG VIENNA INSURANCE GROUP S.A., Bucharest
Re-insurance contracts between VIG Re and Private Joint-Stock Company "INSURANCE COMPANY "KNIAZHA LIFE VIENNA INSURANCE GROUP", Kiev
Re-insurance contracts between VIG Re and Private Joint-Stock Company “Insurance company “USG”, Kiev
Re-insurance contracts between VIG Re and PRIVATE JOINT-STOCK COMPANY "UKRAINIAN INSURANCE COMPANY " KNIAZHA VIENNA INSURANCE GROUP", Kiev
Re-insurance contracts between VIG Re and Ray Sigorta Anonim Sirketi, Istanbul
Re-insurance contracts between VIG Re and Sigma Interalbanian Vienna Insurance Group Sh.a., Tirana
Re-insurance contracts between VIG Re and UNION Vienna Insurance Group Biztosító Zrt., Budapest

Re-insurance contracts between VIG Re and Wiener Osiguranje Vienna Insurance Group ad, Banja Luka
Re-insurance contracts between VIG Re and Wiener osiguranje Vienna Insurance Group dioničko društvo za osiguranje, Zagreb
Re-insurance contracts between VIG Re and WIENER RE akcionarsko društvo za reosiguranje, Beograd, Belgrade
Re-insurance contracts between VIG Re and WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group, Vienna
Re-insurance contracts between VIG Re and Joint Stock Insurance Company WINNER LIFE - Vienna Insurance Group, Skopje
Re-insurance contracts between VIG Re and Vienna Life Towarzystwo Ubezpieczeń na Życie S.A. Vienna Insurance Group, Warsaw
Re-insurance contracts between VIG Re and Viennalife Emeklilik ve Hayat A.Ş. Vienna Insurance Group, Istanbul
Re-insurance contracts between VIG Re and Wiener TU S.A, Vienna Insurance Group, Warsaw, Poland
Re-insurance contracts between VIG Re and Wiener Städtische životno osiguranje Podgorica ad VIG Podgorica, Montenegro
Re-insurance contracts between VIG Re and BCR Asigurari de Viata Vienna Insurance Group SA, Romania
Re-insurance contracts between VIG Re and Vienna-Life Lebensversicherung AG, Lichtenstein
Re-insurance contracts between VIG Re and Vienna osiguranje d.d., Bosnia and Herzegovina
Re-insurance contracts between VIG Re and Alfa Vienna Insurance Group Biztosító Zrt., Hungary

ANNEX 2 TO THE RELATED PARTIES REPORT 2023

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Related parties to VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe

Company	Country	The current capital share in %
Consolidated companies		
"BULSTRAD LIFE VIENNA INSURANCE GROUP" EAD	Bulgaria	100.00
"Grüner Baum" Errichtungs- und Verwaltungsges.m.b.H.	Austria	100.00
AB Modřice, a.s.	Czech Republic	100.00
Alfa Vienna Insurance Group Biztosito Zartkörüen Müködö Reszvenytarsasag	Hungary	100.00
Alfa VIG Penztarszolgaltato Zartkörüen Müködö Reszvenytarsasag	Hungary	100.00
Anděl Investment Praha s.r.o.	Czech Republic	100.00
Anif-Residenz GmbH & Co KG	Austria	100.00
ASIGURAREA ROMANEASCA - ASIROM VIENNA INSURANCE GROUP S.A.	Romania	99.79
ATBIH GmbH	Austria	100.00
Atrium Tower spolka z ograniczona odpowiedzialnoscia	Poland	100.00
Atzlergasse 13-15 GmbH	Austria	100.00
Atzlergasse 13-15 GmbH & Co KG	Austria	100.00
AUTODROM SOSNOVÁ u České Lípy a.s.	Czech Republic	100.00
BCR Asigurari de Viata Vienna Insurance Group S.A.	Romania	93.98
Blizzard Real Sp. z o.o.	Poland	100.00
Brockmanngasse 32 Immobilienbesitz GmbH	Austria	100.00
BTA Baltic Insurance Company AAS	Latvia	100.00
Businesspark Brunn Entwicklungs GmbH	Austria	100.00
CAPITOL, akciova spolocnost'	Slovakia	100.00
Central Point Insurance IT-Solutions GmbH in Liqu.	Austria	100.00
Česká podnikatelská pojišt'ovna, a.s., Vienna Insurance Group	Czech Republic	100.00
Chrášťany komerční areál a.s.	Czech Republic	100.00
Compania de Asigurari "DONARIS VIENNA INSURANCE GROUP" Societate pe Actiuni	Moldova	99.99
Compensa Life Vienna Insurance Group SE	Estonia	100.00
Compensa Towarzystwo Ubezpieczen Na Zycie Spolka Akcyjna Vienna Insurance Group	Poland	99.97
Compensa Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group	Poland	99.95
Compensa Vienna Insurance Group, akcine draudimo bendrove	Lithuania	100.00
CP Solutions a.s.	Czech Republic	100.00
DBLV Immobesitz GmbH & Co KG	Austria	100.00
DBR-Liegenschaften GmbH & Co KG	Germany	100.00
Deutschmeisterplatz 2 Objektverwaltung GmbH	Austria	100.00
Donau Brokerline Versicherungs-Service GmbH	Austria	100.00
DONAU Versicherung AG Vienna Insurance Group	Austria	100.00
DV Immoholding GmbH	Austria	100.00
DVIB alpha GmbH	Austria	100.00

DVIB GmbH	Austria	100.00
ELVP Beteiligungen GmbH	Austria	100.00
EUROPEUM Business Center s.r.o.	Slovakia	100.00
Floridsdorf am Spitz 4 Immobilienverwertungs GmbH	Austria	100.00
Gesundheitspark Wien-Oberlaa Gesellschaft m.b.H.	Austria	100.00
GLOBAL ASSISTANCE, a.s.	Czech Republic	100.00
Hansenstraße 3-5 Immobilienbesitz GmbH	Austria	100.00
HUN BM Korlatolt Felelössegü Tarsasag	Hungary	100.00
Insurance Company Vienna osiguranje d.d., Vienna Insurance Group	Bosnia and Herzegovina	100.00
INSURANCE ONE-SHAREHOLDER JOINT-STOCK COMPANY BULSTRAD VIENNA INSURANCE GROUP EAD	Bulgaria	100.00
InterRisk Lebensversicherungs-AG Vienna Insurance Group	Germany	100.00
InterRisk Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group	Poland	100.00
InterRisk Versicherungs-AG Vienna Insurance Group	Germany	100.00
INTERSIG VIENNA INSURANCE GROUP Sh.A.	Albania	89.98
Joint Stock Company Insurance Company GPI Holding	Georgia	90.00
Joint Stock Company International Insurance Company IRAO	Georgia	100.00
Joint Stock Insurance Company WINNER-Vienna Insurance Group	North Macedonia	100.00
Kaiserstraße 113 GmbH	Austria	100.00
KALVIN TOWER Ingatlanfejlesztesi es Beruhazasi Korlatolt Felelössegü Tarsasag	Hungary	100.00
KAPITOL, a.s.	Czech Republic	100.00
KKB Real Estate SIA	Latvia	100.00
KOMUNALNA poistovna, a.s. Vienna Insurance Group	Slovakia	100.00
KOOPERATIVA dochodkova spravcovska spolocnosť, a.s.	Slovakia	100.00
KOOPERATIVA poist'ovna, a.s. Vienna Insurance Group	Slovakia	98.47
Kooperativa, pojišt'ovna, a.s. Vienna Insurance Group	Czech Republic	97.28
KOPUS Nordbahnhof Wohnungserrichtungs GmbH	Austria	100.00
LVP Holding GmbH	Austria	100.00
MAP-WSV Beteiligungen GmbH	Austria	100.00
MC EINS Investment GmbH	Austria	100.00
MH 54 Immobilienanlage GmbH	Austria	100.00
NNC Real Estate spolka z ograniczona odpowiedzialnoscia	Poland	100.00
Nordbahnhof Projekt EPW8 GmbH & Co KG	Austria	100.00
Nordbahnhof Projekt EPW8 Komplementär GmbH	Austria	100.00
Nordbahnhof Projekt Taborstraße 123 GmbH & Co KG	Austria	100.00
Nordbahnhof Projekt Taborstraße 123 Komplementär GmbH	Austria	100.00
Nußdorfer Straße 90-92 Projektentwicklung GmbH & Co KG	Austria	100.00
OMNIASIG VIENNA INSURANCE GROUP S.A.	Romania	99.54
OÜ LiveOn Paevalille	Estonia	100.00
Palais Hansen Immobilienentwicklung GmbH	Austria	100.00
Passat Real Sp. z o.o.	Poland	100.00
Pension Assurance Company Doverie AD	Bulgaria	82.59
Pereca 11 Spółka z ograniczoną odpowiedzialnością	Poland	100.00

PFG Holding GmbH	Austria	89.23
PFG Liegenschaftsbewirtschaftungs GmbH & Co KG	Austria	92.88
Porzellangasse 4 Liegenschaftsverwaltung GmbH & Co KG	Austria	100.00
Private Joint Stock Company "Insurance Company "USG"	Ukraine	100.00
Private Joint-Stock Company "INSURANCE COMPANY "KNIAZHA LIFE VIENNA INSURANCE GROUP"	Ukraine	99.81
PRIVATE JOINT-STOCK COMPANY "UKRAINIAN INSURANCE COMPANY "KNIAZHA VIENNA INSURANCE GROUP"	Ukraine	100.00
PROGRESS Beteiligungsges.m.b.H.	Austria	70.00
Projektbau GesmbH	Austria	100.00
Projektbau Holding GmbH	Austria	100.00
Rathstraße 8 Liegenschaftsverwertungs GmbH	Austria	100.00
Ray Sigorta Anonim Sirketi	Turkey	94.96
Rößlergasse Bauteil Drei GmbH	Austria	100.00
Rößlergasse Bauteil Zwei GmbH	Austria	100.00
S - budovy, a.s.	Czech Republic	100.00
Schulring 21 Bürohaus Errichtungs- und Vermietungs GmbH & Co KG	Austria	100.00
SECURIA majetkovospravna a podielova s.r.o.	Slovakia	100.00
Senioren Residenz Fultererpark Errichtungs- und Verwaltungs GmbH	Austria	100.00
Senioren Residenz Veldidenapark Errichtungs- und Verwaltungs GmbH	Austria	66.70
SIA "Alauksta 13/15"	Latvia	100.00
SIA "Gertrudes 121"	Latvia	100.00
SIA "Global Assistance Baltic"	Latvia	100.00
SIA "LiveOn Stirnu"	Latvia	100.00
SIA "LiveOn Terbatas"	Latvia	100.00
SIA "LiveOn"	Latvia	100.00
SIA "Urban Space"	Latvia	100.00
SIA “Artilerijas 35”	Latvia	100.00
SIGMA VIENNA INSURANCE GROUP Sh.A.	Albania	89.05
SK BM s.r.o.	Slovakia	100.00
SMARDAN 5 DEVELOPMENT S.R.L.	Romania	100.00
Stock Company for Insurance and Reinsurance MAKEDONIJA Skopje - Vienna Insurance Group	North Macedonia	94.50
SVZ GmbH	Austria	100.00
SVZD GmbH	Austria	100.00
SVZI GmbH	Austria	100.00
T 125 GmbH	Austria	100.00
TECHBASE Science Park Vienna GmbH	Austria	100.00
twinformatics GmbH	Austria	100.00
UAB LiveOn Linkmenu	Lithuania	100.00
UNION Vienna Insurance Group Biztosító Zrt.	Hungary	98.64
Untere Donaulände 40 GmbH & Co KG	Austria	100.00
Vienibas Gatve Investments OÜ	Estonia	100.00
Vienibas Gatve Properties SIA	Latvia	100.00

Vienna Insurance Group Polska Spolka z ograniczona odpowiedzialnoscia	Poland	100.00
Vienna Life Towarzystwo Ubezpieczen na Zycie S.A. Vienna Insurance Group	Poland	100.00
VIENNALIFE EMEKLILIK VE HAYAT A.S.	Turkey	100.00
Vienna-Life Lebensversicherung AG Vienna Insurance Group	Liechtenstein	100.00
VIG Befektetesi Alapkezelö Magyarorszag Zartkörüen Müködö Reszvenytarsasag	Hungary	100.00
VIG FUND, a.s.	Czech Republic	100.00
VIG Home, s.r.o.	Slovakia	100.00
VIG HU GmbH	Austria	100.00
VIG IT - Digital Solutions GmbH	Austria	100.00
VIG Magyarország Befektetesi Zartköröen Müködö Reszvenytarsasag	Hungary	90.00
VIG ND, a.s.	Czech Republic	100.00
VIG Offices, s.r.o.	Slovakia	100.00
VIG Properties Bulgaria AD in Liquidation	Bulgaria	99.97
VIG RE zajišt'ovna, a.s.	Czech Republic	100.00
VIG REAL ESTATE DOO	Serbia	100.00
VIG Türkiye Holding B.V.	Netherlands	100.00
VIG ZP, s. r. o.	Slovakia	100.00
VIG-AT Beteiligungen GmbH	Austria	100.00
VIG-CZ Real Estate GmbH	Austria	100.00
VIVECA Beteiligungen GmbH	Austria	100.00
WGPV Holding GmbH	Austria	100.00
WIBG Holding GmbH & Co KG	Austria	100.00
WIBG Projektentwicklungs GmbH & Co KG	Austria	100.00
Wiener Osiguranje Vienna Insurance Group a.d.	Bosnia and Herzegovina	100.00
Wiener osiguranje Vienna Insurance Group dionicko drustvo za osiguranje	Croatia	97.82
WIENER RE akcionarsko drustvo za reosiguranje, Beograd	Serbia	100.00
WIENER STÄDTISCHE OSIGURANJE akcionarsko drustvo za osiguranje Beograd	Serbia	100.00
WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group	Austria	97.75
Wiener Towarzystwo Ubezpiezen Spolka Akcyjna Vienna Insurance Group	Poland	100.00
WIENER VEREIN BESTATTUNGS- UND VERSICHERUNGSSERVICE-GESELLSCHAFT M.B.H.	Austria	100.00
WILA GmbH	Austria	100.00
WINO GmbH	Austria	100.00
WNH Liegenschaftsbesitz GmbH	Austria	100.00
Wohnquartier 11b Immobilienbesitz GmbH	Austria	100.00
Wohnquartier 12b Immobilienbesitz GmbH	Austria	100.00
WSBV Beteiligungsverwaltung GmbH & Co KG	Austria	100.00
WSV Beta Immoholding GmbH	Austria	100.00
WSV Immoholding GmbH	Austria	100.00
WSV Triesterstraße 91 Besitz GmbH & Co KG	Austria	100.00
WSV Vermögensverwaltung GmbH	Austria	100.00
WSVA Liegenschaftbesitz GmbH	Austria	100.00
WSVB Liegenschaftbesitz GmbH	Austria	100.00
WSVC Liegenschaftbesitz GmbH	Austria	100.00

Companies consolidated using the equity method

Beteiligungs- und Immobilien GmbH	Austria	25.00
Beteiligungs- und Wohnungsanlagen GmbH	Austria	25.00
CROWN-WSF spol. s.r.o.	Czech Republic	30.00
ERSTE drustvo s ogranicenom odgovornoscu za upravljanje obveznim i dobrovljnim mirovinskim fondovima	Croatia	25.30
Gewista-Werbegesellschaft m.b.H.	Austria	33.00
Towarzystwo Ubezpieczen Wzajemnych "TUW"	Poland	52.16
VBV - Betriebliche Altersvorsorge AG (Konzernabschluss)	Austria	25.32
Österreichisches Verkehrsbüro Aktiengesellschaft (Konzernabschluss)	Austria	36.58

Unconsolidated companies

Assistance Company "Ukrainian Assistance Service" LLC	Ukraine	100.00
"LifeTrust" EOOD	Bulgaria	100.00
"MEDICINSKI CENTER AMERIMED" OOD	Bulgaria	51.00
"OC PROPERTIES" OOD	Bulgaria	51.00
AEGON Services Sp. zoo.	Poland	100.00
AEGON Towarzystwo Ubezpieczen na Zycie Społka Akcyjna	Poland	100.00
AIS Servis, s.r.o.	Czech Republic	98.10
Akcionarsko drustvo za zivotno osiguranje Wiener Städtische Podgorica, Vienna Insurance Group	Montenegro (Rep.)	100.00
Alfa VIG Közvetitö Zartkörüen müködö Reszvenytarsasag	Hungary	90.00
Amadi GmbH	Germany	100.00
AQUILA Hausmanagement GmbH	Austria	97.75
AREALIS Liegenschaftsmanagement GmbH	Austria	48.87
arithmetica Consulting GmbH	Austria	98.31
Auto - Poly spol. s r.o.	Czech Republic	98.10
Autocentrum Lukáš s.r.o.	Czech Republic	98.10
AUTONOVA BRNO s.r.o.	Czech Republic	98.10
Autosig SRL	Romania	99.54
B&A Insurance Consulting s.r.o.	Czech Republic	48.45
Beesafe Spolka z Ogranziczona Odpowiedzialnoscia	Poland	99.99
Benefia Ubezpieczenia Spolka z ograniczona odpowiedzialnoscia	Poland	99.95
Bohemika a.s.	Czech Republic	100.00
Bohemika HYPO s.r.o.	Czech Republic	100.00
BSA + OFK Germany Real Estate Immobilien 4 GmbH	Germany	97.75
Bulstrad Trudova Meditzina EOOD	Bulgaria	100.00
Camelot Informatik und Consulting Gesellschaft m.b.H.	Austria	92.86
CARPATHIA PENSII-SOCIETATE DE ADMINISTRARE A FONDURILOR DE PENSII PRIVATE S.A.	Romania	100.00
CARPLUS Versicherungsvermittlungsagentur GmbH	Austria	97.75
CLAIM EXPERT SERVICES S.R.L.	Romania	99.16
Color Car, společnost s ručením omezeným (s.r.o.)	Czech Republic	98.10

Compensa Dystrybucja Spolka z ograniczona odpowiedzialnoscia	Poland	99.97
ČPP Servis, s.r.o.	Czech Republic	100.00
DBLV Immobesitz GmbH	Austria	100.00
DBR-Liegenschaften Verwaltungs GmbH	Germany	97.75
DELOIS s. r. o.	Slovakia	98.47
Domácí péče Haná s.r.o.	Czech Republic	63.23
DV Asset Management EAD	Bulgaria	100.00
DV CONSULTING EOOD	Bulgaria	100.00
DV Invest EAD	Bulgaria	100.00
EBV-Leasing Gesellschaft m.b.H.	Austria	47.90
EKG UW Nord GmbH	Austria	24.46
Elsö Maganegeszsegügyi Halozat Zrt.	Hungary	43.50
Erste Biztositasi Alkusz Kft	Hungary	88.78
European Insurance & Reinsurance Brokers Ltd.	United Kingdom	100.00
EXPERTA Schadenregulierungs-Gesellschaft mbH	Austria	99.44
Finanzpartner GmbH	Austria	48.87
FinServis Plus, s.r.o.	Czech Republic	100.00
Foreign limited liability company "InterInvestUchastie"	Belarus	100.00
FRANCE CAR, s.r.o.	Czech Republic	98.10
GELUP GmbH	Austria	32.58
GGVier Projekt-GmbH	Austria	53.76
Glamas Beteiligungsverwaltungs GmbH & Co "Beta" KG	Austria	42.76
GLOBAL ASSISTANCE Croatia drustvo s ogranicenom odgovornoscu za usluge	Croatia	49.46
GLOBAL ASSISTANCE D.O.O. BEOGRAD	Serbia	100.00
Global Assistance Georgia LLC	Georgia	95.00
Global Assistance Polska Spolka z ograniczona odpowiedzialnoscia	Poland	99.99
GLOBAL ASSISTANCE SERVICES s.r.o.	Czech Republic	100.00
GLOBAL ASSISTANCE SERVICES SRL	Romania	99.23
GLOBAL ASSISTANCE SLOVAKIA s.r.o.	Slovakia	99.22
Global Expert, s.r.o.	Czech Republic	98.10
Global Partner Beskydy, s.r.o.	Czech Republic	63.23
Global Partner Péče, z.ú.	Czech Republic	63.23
Global Partner Praha s.r.o.	Czech Republic	63.23
Global Partner Zdraví, s.r.o.	Czech Republic	63.23
Global Partner, a.s.	Czech Republic	63.23
Global Repair Centres, s.r.o.	Czech Republic	98.10
Global Services Bulgaria JSC	Bulgaria	100.00
Help24 Assistance Korlatolt Felelösségü Tarsasag	Hungary	90.00
HORIZONT Personal-, Team- und Organisationsentwicklung GmbH	Austria	98.29
Hotel Voltino in Liquidation	Croatia	97.82
HOTELY SRNÍ, a.s.	Czech Republic	97.28
Hyundai Hradec s.r.o.	Czech Republic	98.10

insureX IT GmbH	Austria	98.87
InterRisk Informatik GmbH	Germany	100.00
ITIS Spolka z ograniczona odpowiedzialnoscia spolka komandytowa	Poland	99.99
ITIS Spolka z ograniczona odpowiedzialnosczia	Poland	99.99
Joint Stock Company "Curatio"	Georgia	90.00
Joint Stock Insurance Company WINNER LIFE - Vienna Insurance Group Skopje	North Macedonia	100.00
K A P P A - P, spol. s r.o.	Czech Republic	98.10
Kitzbüheler Bestattung WV GmbH	Austria	97.75
KUPALA Belarusian-Austrian Closed Joint Stock Insurance Company	Belarus	98.26
KWC Campus Errichtungsgesellschaft m.b.H.	Austria	48.87
LD Vermögensverwaltung GmbH	Austria	98.65
Lead Equities II.Private Equity Mittelstandsfinanzierungs AG	Austria	21.59
LiSciV Muthgasse GmbH & Co KG	Austria	42.76
Main Point Karlín II., a.s.	Czech Republic	97.28
Money & More Pénzügyi Tanácsadó Zártkörüen Müködö Részvénytársaság	Hungary	88.78
Nadacia poisťovne KOOPERATIVA	Slovakia	98.47
Palais Hansen Hotelbetriebs GmbH	Austria	97.75
PFG Liegenschaftsbewirtschaftungs GmbH	Austria	73.42
POLISA - ZYCIE Ubezpieczenia Spolka z ograniczona odpowieszialnoscia	Poland	99.97
Privat Joint-Stock Company "OWN SERVICE"	Ukraine	100.00
Profitowi S.A.	Poland	100.00
Renaissance Hotel Realbesitz GmbH	Austria	40.00
Risk Consult Bulgaria EOOD	Bulgaria	100.00
Risk Consult Polska Sp.z.o.o.	Poland	100.00
RISK CONSULT Sicherheits- und Risiko- Managementberatung Gesellschaft m.b.H.	Austria	100.00
Risk Expert Risk ve Hasar Danismanlik Hizmetleri Limited Sirketi	Turkey	98.49
Risk Experts s.r.o.	Slovakia	100.00
Risk Logics Risikoberatung GmbH	Austria	100.00
S. C. SOCIETATEA TRAINING IN ASIGURARI S.R.L.	Romania	99.16
S.C. Risk Consult & Engineering Romania S.R.L.	Romania	100.00
S.O.S.- EXPERT d.o.o. za poslovanje nekretninama	Croatia	100.00
samavu s.r.o	Slovakia	98.47
Sanatorium Astoria, a.s.	Czech Republic	97.28
Senioren Residenzen gemeinnützige Betriebsgesellschaft mbH	Austria	97.75
serviceline contact center dienstleistungs-gmbh	Austria	97.75
Slovexperta, s.r.o.	Slovakia	98.70
Soleta Beteiligungsverwaltungs GmbH	Austria	42.76
Sparkassen-Versicherungsservice Gesellschaft m.b.H.	Austria	97.75
Spoldzielnia Uslugowa VIG EKSPERT W WARSZAWIE	Poland	99.97
SURPMO, a.s.	Czech Republic	97.28
TAUROS Capital Investment GmbH & Co KG	Austria	19.55
TAUROS Capital Management GmbH	Austria	25.30

TeleDoc Holding GmbH	Austria	25.01
TGMZ Team Gesund Medizin Zentren GmbH	Austria	39.10
TOGETHER CCA GmbH	Austria	24.71
UAB "Compensa Life Distribution"	Lithuania	100.00
UNION-Erted Ellatasszervezö Korlatold Felelösségü Tarsasag	Hungary	88.78
VENPACE GmbH & Co. KG	Germany	23.53
Versicherungsbüro Dr. Ignaz Fiala Gesellschaft m.b.H.	Austria	47.90
Vienna International Underwriters GmbH	Austria	100.00
VIENNA POWSZECHNE TOWARZYSTWO EMERYTALNE SPÓŁKA AKCYJNA VIENNA INSURANCE GROUP	Poland	100.00
viesure innovation center GmbH	Austria	98.87
VIG AM Real Estate, a.s.	Czech Republic	100.00
VIG AM Services GmbH	Austria	100.00
VIG Management Service SRL	Romania	99.16
VIG platform partners GmbH	Austria	100.00
VIG Poland/Romania Holding B.V.	Netherlands	100.00
VIG Polska Real Estate Spolka z Ograniczona Odpowiedzialnosc	Poland	99.97
VIG Services Bulgaria EOOD	Bulgaria	100.00
VIG Services Shqiperi Sh.p.K.	Albania	89.52
VIG Services Ukraine, LLC	Ukraine	89.52
VIG/C-QUADRAT Towarzystwo Funduszy Inwestycyjnych SPOLKA AKCYJNA	Poland	50.99
VÖB Direkt Versicherungsagentur GmbH	Austria	48.87
WIENER AUTO CENTAR d.o.o.	Bosnia and Herzegovina	100.00
Wiener Städtische Donau Leasing GmbH	Austria	97.75
Wiener Verein Bestattungsbetriebe GmbH	Austria	97.75
WSBV Beteiligungsverwaltung GmbH	Austria	97.75
zuuri s.r.o.	Slovakia	98.47

DECLARATION BY THE BOARD OF DIRECTORS

WE'VE GOT YOUR BACK

Declaration by the Board of Directors

We declare that the information stated in this annual report corresponds to the actual situation and that no fundamental information that could influence a correct and precise assessment has been omitted.

In Prague, 2 April 2024

Johannes Martin Hartmann
Chairman of the Board
of Directors

Ivana Jurčíková
Member of the Board
of Directors

WE'VE
GOT
YOUR
BACK

VIG Re
VIENNA INSURANCE GROUP

15 YEARS
OF PARTNERSHIP

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