

Prague 9th March 2022

Profitable growth amidst record natural catastrophe losses

VIG Re announced preliminary financial results for 2021. Highlights:

- Profit before taxes: EUR 26.8 million (up by 19% YoY, all time high)
- Gross written premium increased to EUR 661 million (up by 14.2% YoY)
- Total assets up by 41% to EUR 1.4 billion
- Return on equity 11.7%
- Net combined ratio 96.1%, impacted by weather related losses in Continental Europe
- S&P FSR rating of A+ re-confirmed for the 13th year in a row
- Solvency II Own Funds increased to EUR 267 m (+ 8.5%), Solvency Ratio expected to exceed the lower bound of the comfort zone of 170%-220%

VIG Re will report its full year 2021 results on 30th April 2022, but announces the following unaudited key financial figures:

Despite record high natural catastrophe losses, especially flood, windstorm, and hail losses in Continental Europe, VIG Re generated a record profit before tax of EUR 26.8 million, a 19% increase in comparison to 2020. VIG Re's gross written premium increased by 14.2% to EUR 661.3 million, driven by all market segments. Above average growth was driven by Third Party business underwritten by the French branch (+52%) and the German branch office (+23%). Consequently, the share of reinsurance assumed from companies outside of VIG Group increased to 42% of VIG Re's portfolio (40% in 2020). Net Combined ratio for 2021 improved to 96.1% (96.9% in 2020).

Total assets grew by 41% to EUR 1.4 billion, driven by reinsurance receivables in connection to the Nat Cat events 2021. Impacted by the Nat Cat events 2021, the Company's SCR increased to EUR 155.8 m (+8.9%). The Company issued a subordinated note in the amount of EUR 20 m, qualifying as Solvency restricted tier 1 capital to maintain the SCR ratio within its defined comfort zone of above 170%. The financial strength of the company (FSR rating A+) has been re-confirmed S&P in November 2021 for the 13th year in a row.

"A number of severe weather-related events made their mark in 2021, causing in total the highest recorded losses in a year in Continental Europe. Especially Germany and Belgium were hit by the "Bernd flooding", but we have also encountered a high frequency of severe hailstorms and weather anomalies in Austria, Switzerland, and other European countries. Due to a better diversified portfolio and prudent reinsurance protection I am glad to report that VIG Re weathered these storms well and demonstrated the resilience of its business model. Together with our conservative investment and retrocession policy, we achieved another year of profitable growth for VIG Re. While the saying that we live in uncertain and turbulent times is more true than ever, we are well prepared for the challenges and opportunities that lie ahead of us," said Johannes Martin Hartmann, Chairman of the Board of Directors at VIG Re.

About VIG Re

VIG Re is the reinsurance company of Vienna Insurance Group, operating today Prague, Frankfurt a. M. and Paris. The Company has been established in 2008 and enjoyed an “A+” rating with a stable outlook from Standard & Poor’s from the first year of its operation, most recently confirmed on 4th November 2021. VIG Re pursues a conservative investment strategy and reinsurance policy. The successful execution of its strategy is reflected in rising number of clients, servicing now more than 550 clients in 45 countries, and its superior underwriting performance.

For more enquiries, please contact:

VIG RE zajišťovna, a.s.

Martina Lambert, Communication and Marketing Officer, m.lambert@vig-re.com, tel.: 00420 602 333 682

This press release can also be found at <http://www.vig-re.com>