

**SUMMARY OF THE AUDITED ANNUAL
REPORT OF
ZAVAROVALNICA SAVA FOR 2020**

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STATEMENT OF THE MANAGEMENT'S RESPONSIBILITY

In accordance with their responsibility for the preparation of financial statements of Zavarovalnica Sava d.d., the Management Board of Zavarovalnica Sava d.d. hereby confirms that the financial statements, including the notes, are compiled under the business continuity assumption and are compliant with the valid legislation in Slovenia and International Financial Reporting Standards, as adopted by EU. Relevant assessments, estimates and assumptions, including actuarial assessments, which observe the most appropriate methods for the insurance company under the given circumstances and enable us to give the assurances below, were applied in the compilation of the presented financial statements.

To the best of their knowledge, the members of the Management Board of the insurance company declare:

- The financial report, including financial statements with notes, is compiled in accordance with the adopted reporting principles of the insurance company and presents a true and fair view of assets, liabilities, financial position and profit or loss of the insurance undertaking;
- The business report presents a fair view of the development and performance of the insurance company and its financial position, including a description of the principal risks and opportunities the company is exposed to, and a description of all other information, which are relevant for a true and fair view of the operations of the insurance company.

The Management is responsible for keeping relevant records, which in each moment represent the company's financial position with a reasonable precision, and for ensuring that the company's financial statements are consistent with IFRS adopted by the EU. The Management is also responsible for protecting the company's assets and preventing and detecting fraud and other irregularities.

The tax authorities may at any time inspect the operations of the company and records within 5 years subsequent to the reported tax year, which may impose additional tax assessments and penalties arising from corporate income tax, other taxes and charges. The Company's management board is not aware of any circumstances which may give rise to a potential material liability in this respect.

Zavarovalnica Sava complies with the Insurance Code, which was adopted by the majority of insurance companies in the country.

With their signatures, the members of the Management Board of the insurance company confirm their full responsibility and agreement with the presented audited Annual Report of Zavarovalnica Sava, d.d., for 2020, of 31 March 2021.

Maribor, 31 March 2021

Company management:

David KASTELIC, Chairman of the Management Board



Primož MOČIVNIK, Member of the Management Board



Rok MOLJK, Member of the Management Board



Miha PAHULJE, Member of the Management Board



Robert CIGLARIČ, Member of the Management Board



ADDRESS OF THE MANAGEMENT BOARD

THE CORONA YEAR

The year 2020 was an exceptional year for Zavarovalnica Sava. In 2020, we have not only achieved, but also exceeded the financial goals we set. However, the fourth business year of Zavarovalnica Sava was out of the ordinary especially due to the global pandemic of the new coronavirus, which also started in Europe in the beginning of March. Our work in 2020 was above all based on quick changes and adapting to the conditions we live in. A lot depended on governmental measures and restrictions we faced.

Because of the coronavirus disease, our priority in 2020 was the care for health of our employees and our customers. We are aware that the health of our employees is also the company's health, since we can take excellent care of our customers only with fully healthy team of co-workers. We achieved that with taken measures and with consistent communication. The gratitude for swift adapting of Zavarovalnica Sava's work to new circumstances goes to all our co-workers. Most of our power and energy was invested in intensive development and adjustments of the policy inception and claims settlement. Already in March we developed many modern solutions for remote policy inception, as well as simultaneously concluding the remote claim reporting and claim inspection. Everything in the spirit of putting our policyholders at the centre of our work – while working remotely as well as working on the field. In addition, in 2020 we haven't forgotten of our other values and our focus on the future.

Our focus is set forward - to the future, for which we currently do not know, what it holds. Yet, we firmly believe that with quick adapting to the situations, putting our employees and our policyholders at the centre of our work and with fast development of digitalization, we can handle any upcoming challenges in the years to follow. When making business decisions, plans and changes, our guiding principle was the creation of conditions that will represent healthy growth and firm basis for the preservation and strengthening of the position of Zavarovalnica Sava in the Slovenian and Croatian space even in the period that is challenging for business. Therefore, as the exceptionally significant part of the Sava Group, we will stand shoulder to shoulder with domestic and foreign insurance companies in the future as well.

We are aware that our objectives for the future are audacious. We are also aware that in 2020 we did excellent work in all areas. For this reason, we continue to build and create a successful, safe, trustworthy and stable Zavarovalnica Sava for all our stakeholders.

Management Board

David KASTELIC
*Chairman of the
Management
Board*

Primož MOČIVNIK
*Deputy Chairman of
the Manag. Board*

Rok MOLJK
*Member of
Management
Board*

Miha PAHULJE
*Member of the
Management
Board*

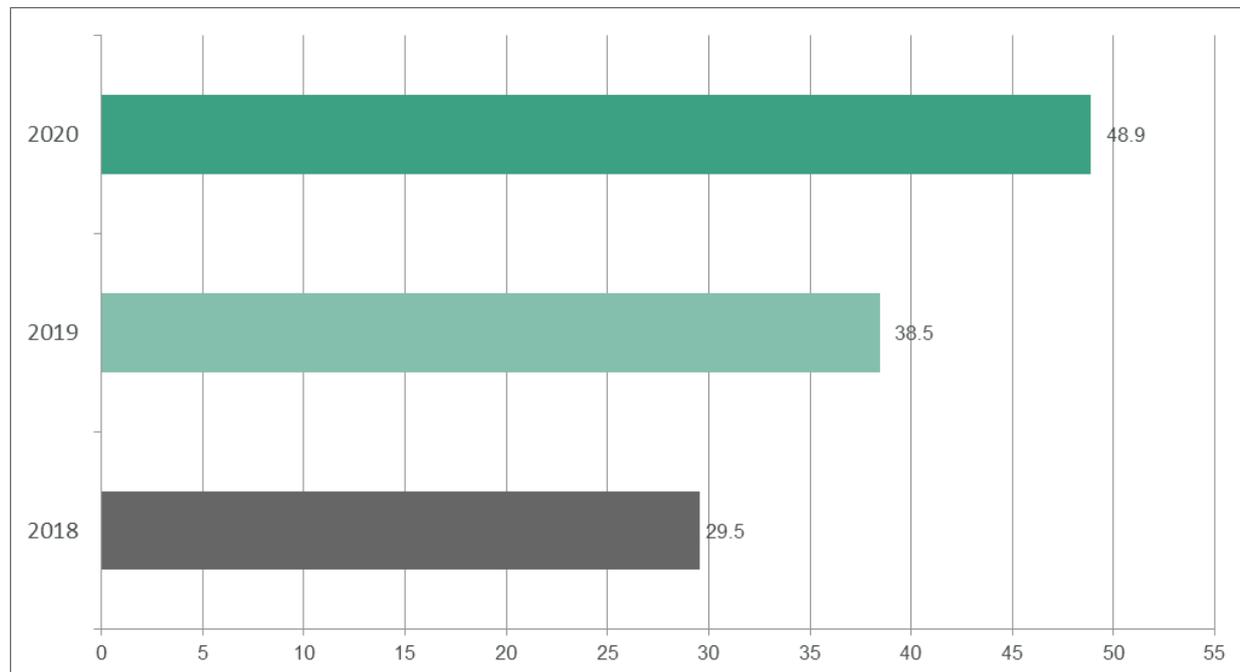
Robert CIGLARIČ
*Member of the
Management
Board,
Worker-Director*



I. BUSINESS REPORT

1. KEY BUSINESS INDICATORS OF ZAVAROVALNICA SAVA

Trend in net profit or loss (in million Euros)

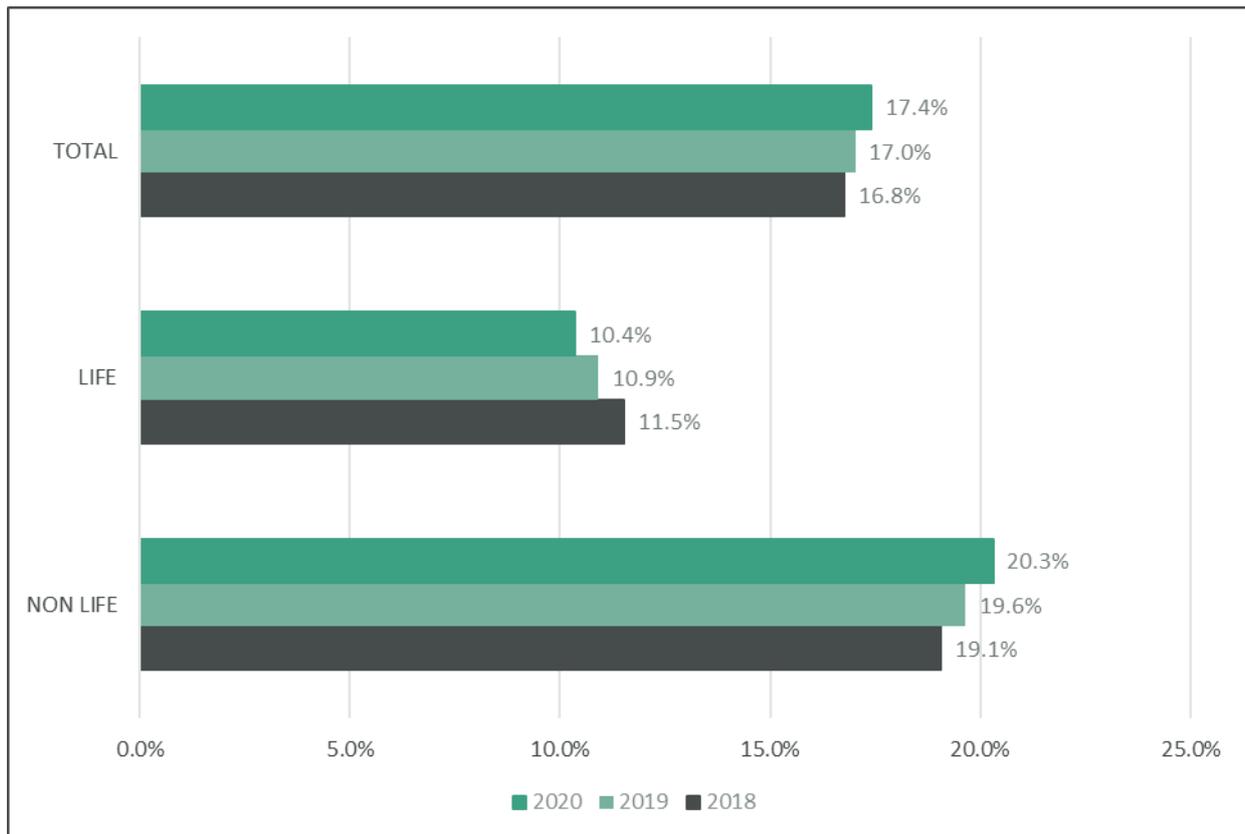


2020 was another extremely successful year, despite the Covid-19 epidemic. Net profit in 2020 is as much as 10.4 million Euros or 27.1 percent higher than the same achieved in 2019. The non-life insurance segment and the life insurance segment accounted for 34.8 million Euros and 14.1 million Euros of net profit, respectively.

In the non-life insurance segment higher profit is mainly the result of higher net premiums earned (increase in gross premium by 10.3 percent) upon simultaneous improvement of net expense ratio. In 2020 we additionally increased the scope of portfolio, which is concluded pursuant to FOS principles. 2020 was also characterised by natural disasters. They are the result of climate changes and have actually become commonplace. Even though none of the natural disasters achieved the amount of damage which may give rise to CAT reinsurance coverage, the events had a significant impact on profit or loss.

In the life insurance segment, the scope of gross premium income is lower mainly due to a large number of matured policies. However, we increased net profit by 11.1 percent.

Market position of Zavarovalnica Sava in the years 2018, 2019 and 2020 for Slovenian insurance companies*

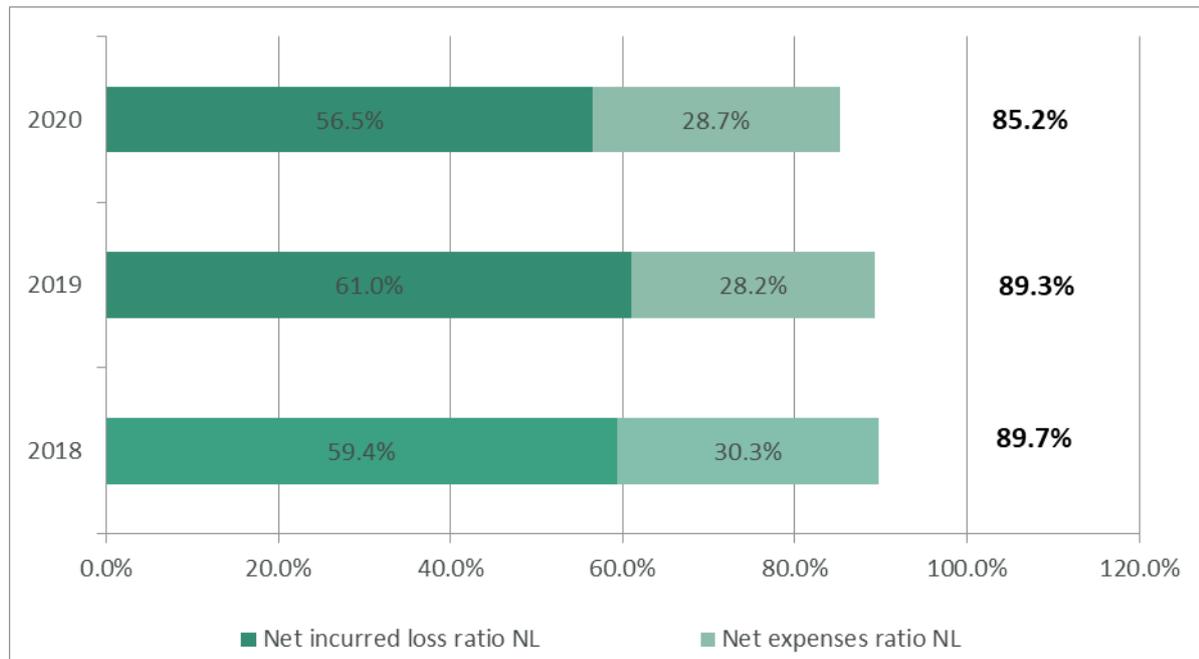


*Data, reported by Slovenian Insurance Association, can sometimes change for the previous periods, due to changes in membership or because members of the Association report changes in data for those periods.

Even in 2020 we successfully preserved and further strengthened our market position. Zavarovalnica Sava remains the second largest insurance company in the market. Market share, calculated on the basis of gross premium, equals 17.4 percent (in 2019: 17.0 percent). In the area of non-life insurance it equals 20.3 percent (in 2019: 19.6 percent). We record the increase of market share in the segments of natural persons as well as of legal persons. In the area of life insurance market share equals 10.4 percent (in 2019: 10.9 percent).

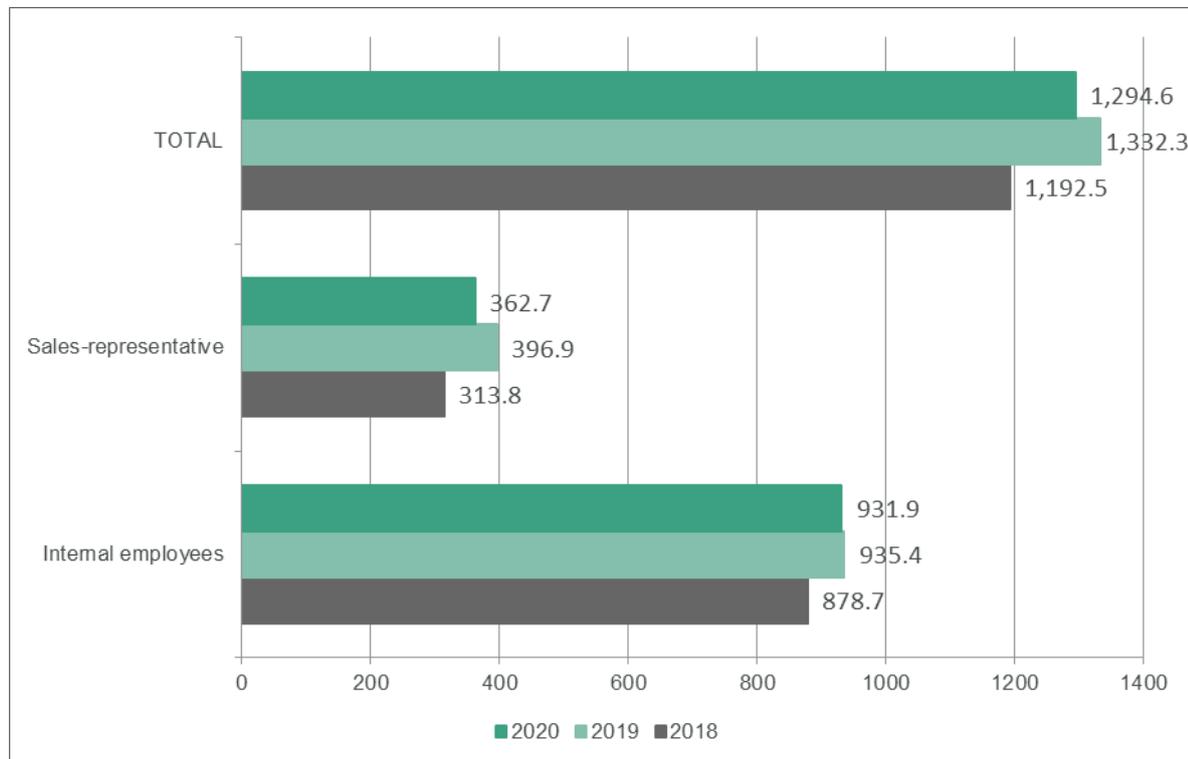
The drop of life insurance market share is the result of an increased scope of matured life insurance policies within the last few years and the fact that the premium of the market includes transfers of assets for payment of pension annuities (10.8 percent of life insurance market), which are not concluded by Zavarovalnica Sava.

Trend in net combined ratio for non-life segment



In comparison to 2019, net combined ratio of non-life insurance improved by 4.1 percentage points. Even though the net expense ratio of non-life insurance is somewhat higher than in the previous year (by 0.5 percentage points), the net incurred loss ratio of non-life insurance improved (by 4.5 percentage points).

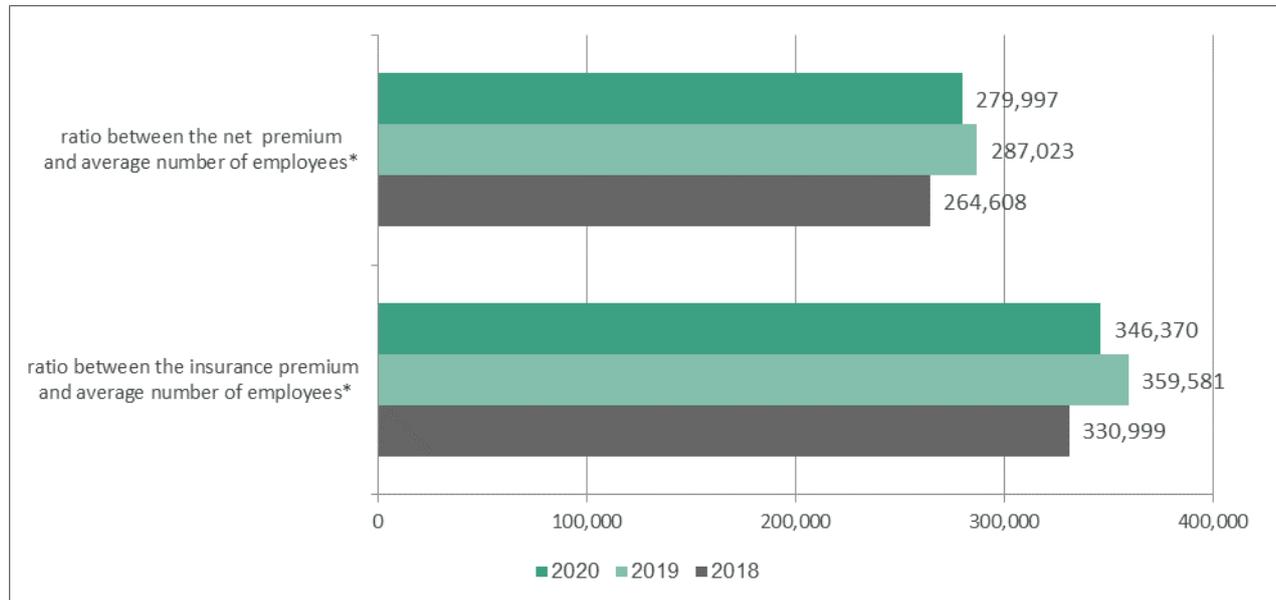
Number of employees according to the full-time equivalence as at 31 December 2018, 2019 and 2020



At the end of 2020, the company employed 1,388 workers, which is 32 less than in the previous year. The full-time equivalence (FTE) as at 31 December 2020 amounted to 1,294.6 and decreased by 37.7 employees in comparison to 2019.

In comparison to the previous year, the largest drop of the number of employees was in the position sales-representative.

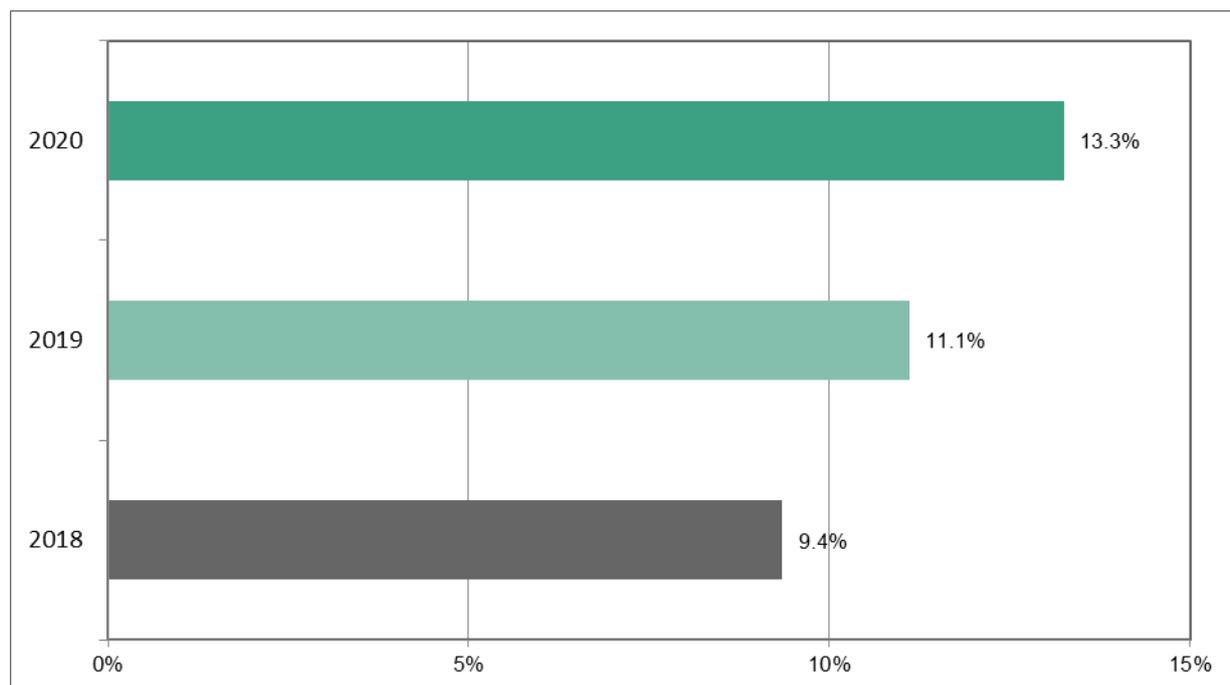
Employee productivity 2018 – 2020 (in Euros, no cents)



*Average number of employees according to the full-time equivalence – average of twelve month balances

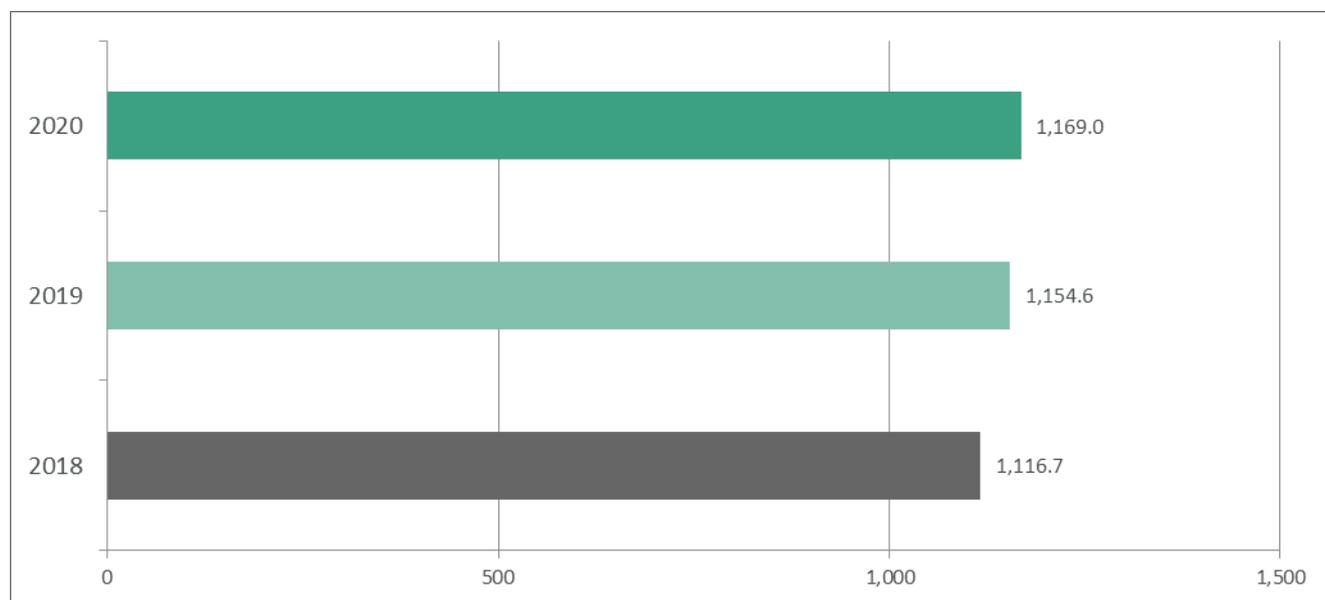
Employee productivity, measured as the ratio between net or gross premium earned and the average number of employees, calculated on the basis of average full-time equivalent balances, decreased in 2020. The lower ratio is due to Branch Office Croatia, where the employee productivity decreased due to the transfer of portfolio in the companies ERGO osiguranje and ERGO životno osiguranje to Zavarovalnica Sava, the Branch Office Croatia. In Slovenian part of business, the employee productivity improved in the reporting period again.

Return on revenue (ROR) in 2018, 2019 and 2020



In 2020, return on revenue (ROR), measured as net profit from net premiums earned, improved by 2.2 percentage points in comparison to 2019 and amounts to 13.3 percent.

Movement in balance sheet total (in million Euros)



In 2020, balance sheet total increased by 1.2 percent. The growth in balance sheet total derives from the non-life insurance segment (increased by 9.8 percent), which is the result of positive cash flow in non-life insurance. In the life insurance segment, the balance sheet total decreased by 8.2 percent.

Financial indicators

in Euros, no cents

TEXT	2020	2019	2018	Index 2020/2019	Index 2019/2018
Gross Insurance premium with received co-insurance	456,509,369	433,694,362	395,134,724	105.3	109.8
Net premium earned	369,029,951	346,181,821	315,878,861	106.6	109.6
Gross claims with received co-insurance	307,981,865	311,009,487	275,701,977	99.0	112.8
Net claims incurred	268,133,000	273,071,646	223,907,602	98.2	122.0
Operating costs	122,954,617	112,419,564	103,989,733	109.4	108.1
Gross claims ratio Non-life insurance	53.3%	55.8%	60.7%	95.4	91.9
Gross incurred loss ratio Non-life insurance	55.9%	59.6%	57.4%	93.9	103.7
Net incurred loss ratio Non-life insurance	56.5%	61.0%	59.4%	92.6	102.8
Gross expense ratio	26.9%	25.9%	26.3%	103.9	98.5
Net expenses ratio	28.0%	27.6%	28.8%	101.5	95.6
Net combined ratio Non-life insurance	85.2%	89.3%	89.7%	95.5	99.5
Profit or loss before tax	60,615,083	47,386,567	37,555,651	127.9	126.2
Net profit or loss	48,896,888	38,477,269	29,540,622	127.1	130.3
Net technical provisions (including technical provisions in respect of life insurance holders, which bear investment risk)	754,218,936	806,929,577	818,095,770	93.5	98.6
Assets	1,168,961,531	1,154,583,219	1,116,725,121	101.2	103.4
Equity balances	215,094,630	161,300,721	151,146,017	133.4	106.7
Return on average assets (after taxation) - ROA	4.2%	3.4%	2.6%	124.1	130.2
Return on average equity (after taxation) - ROE	26.0%	24.6%	19.1%	105.5	128.9
Return on revenue (after taxation) - ROR	13.3%	11.1%	9.4%	119.2	118.9

2. DEVELOPMENT STRATEGY OF ZAVAROVALNICA SAVA

2.1. MISSION, VISION, VALUES

MISSION

Our mission is to take a good care of a continuous progress and create as high quality of life as possible. This is the only way enabling our employees and our policyholders to develop their potentials in a safe manner. This goal can only be achieved through professional and committed relations with customers, business partners, and the environment, while complying with the highest standards.

Zavarovalnica Sava relies on its people and, as the second biggest insurance company in the region, we are aware that insurance goes far beyond an insurance contract. It is a relationship, which needs to be mutually respected and nurtured in order to become a lasting and stable partnership providing the feeling of security.

VISION

We are creating a modern, society-oriented, and sustainable insurance company.

Modern:

In Zavarovalnica Sava, customers are placed in the heart of all our activities, and we develop high-quality and competitive solutions to meet their needs. We provide high-quality services and manage risks effectively, which makes us one of the most trusted companies in the industry. Being a united European insurance company, we have our business system organised in a transparent and modern way, providing high-quality services and long-term development.

Society-oriented:

We are an understanding and trustworthy partner. We listen to each person and deeply engage in a relationship, as we know that even small things can make a difference. By ensuring stable and secure operations, professional competence of our employees, and by taking care of the quality of life of individuals and communities, we want to be a constant in the lives of our partners, customers, and employees.

Sustainable:

In Zavarovalnica Sava, we will make sure that you will never be alone, because through our commitment and efforts, we are paying back to the environment where we operate, giving special attention to the most vulnerable.

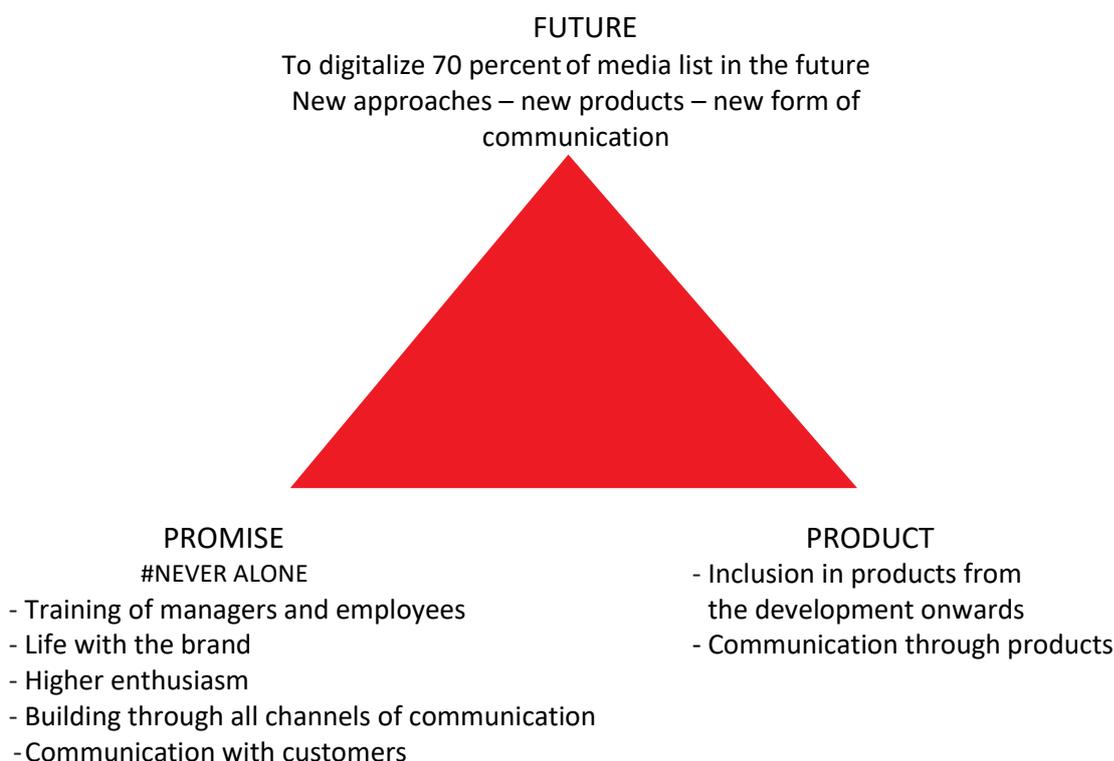
VALUES

We adhere to the Company's values in all areas of our operations. We live them under the tagline **#NEVERALONE**, both in relation to our employees and externally, to our customers and the environment where we operate.

Our values:

- Respectful, fair and honest attitude,
- Professionalism,
- Ethical and transparent operations,
- Accessibility and responsiveness,
- Responsibility.

2.2. ZAVAROVALNICA SAVA BRAND



Objectives of the Zavarovalnica Sava brand

With our actions and communication continually demonstrate that we do things differently – insurance contract is upgraded to a comprehensive customer relationship. We are building an extensive customer relationship. We are a **different, good insurance company, which is there for people and takes over their concerns.**

Challenge

Zavarovalnica Sava relies on its people – employees and their actions. Therefore, the key challenge is the concern to always entirely fulfill our promise, through the entire chain of service and relations. That the promise would be kept alive from the planning of the product until the contact with an insurance agent or a consultant and during further after-sales activities: in a place of business, online, in media, through sponsorships and other activities in the company, and would build the image of a strong, reliable, trustworthy, professional, correct and friendly insurance company in the Slovenian market.

Strong brand as the umbrella element of the strategy

Business policy and marketing strategy focus on the creation of the state-of-the-art brand of Zavarovalnica Sava and its promise #NEVERALONE. The brand is more than just a letter on a paper, it connects all employees. By placing the brand in the centre of attention, the marketing activities of the company will get a common denominator and thereby also the basis for higher efficiency of invested resources. Therefore, in the eyes of all groups of stakeholders, the company will become more clearly defined and more convincing in its communication.

Consistent functioning in the reinforcement of the desired position

Brand is merely an aggregate of messages and symbols, until its value is recognized and until all key target groups of stakeholders believe in it. Therefore, Zavarovalnica Sava will place consistency among the key modes of action – on all levels of operation it will inform and operate in accordance with the declared concepts and promises of

the brand, in order to establish itself as a competent, trustworthy and interesting co-speaker of everyone, who expect an optimum insurance solution.

Placing the user experience at the centre of attention

The strategic priority of Zavarovalnica Sava is products and services required by customers that are classified by customers among optimum solutions in the Slovenian market. For that reason, the insurance company carefully plans all elements, which impact user experience throughout the customer's journey through a service. Doing this, the company utilizes its strength – developed and successful sales network of representatives and partners, as well as new technologies.

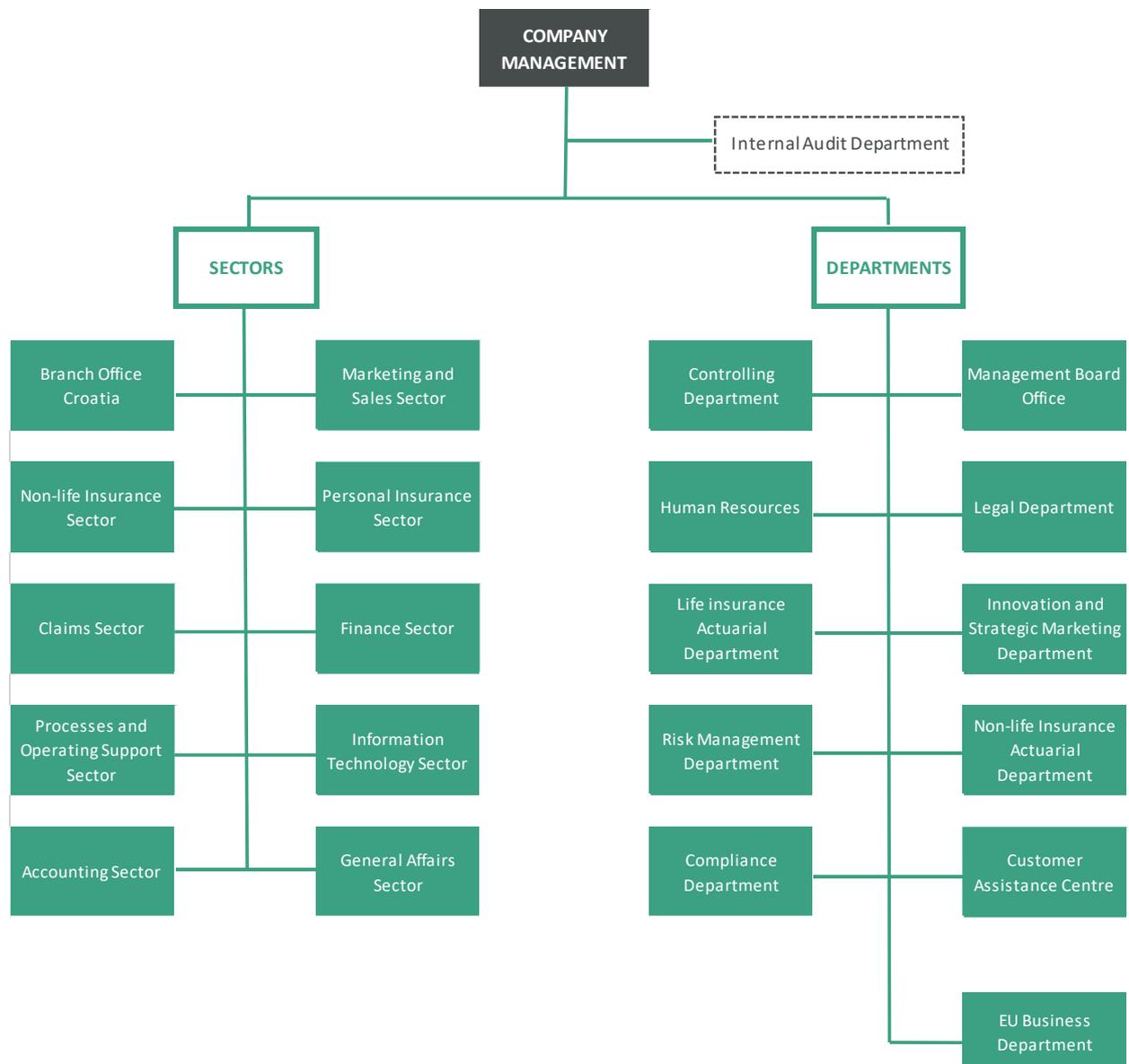
CREATING A MODERN, SOCIETY-FOCUSED AND SUSTAINABILITY ORIENTED INSURANCE COMPANY. #NEVERALONE

3. ZAVAROVALNICA SAVA COMPANY ID

Registered name:	Zavarovalnica Sava, zavarovalna družba d.d.
Registered office:	Cankarjeva ulica 3, 2000 Maribor
Phone:	+386 2/2332 100
Free of charge number for principals:	080 19 20
Year of entry into the court register:	2016 Entry number 1/03762/00 District Court in Maribor
Tax number: VAT ID:	44814631 SI44814631
Registration number:	5063400
Share capital:	68,417,377.44
Body competent for insurance supervision	Insurance Supervision Agency, Trg republike 3, 1000 Ljubljana
E-mail: Website:	info@zav-sava.si www.zav-sava.si

Registered name:	Sava osiguranje, d.d. - Podružnica Hrvatska
Registered office:	R. Frangeša Mihanovića 9, 10110 Zagreb, Croatia
Phone:	+385 (0)1 66 66 300
Free of charge number for principals:	0800 913 023
OIB:	45237012600
MBS (company's registration number):	081032510, Zagreb Commercial Court
Registration number:	2269937
Website:	www.sava-osiguranje.hr

4. ORGANIZATIONAL STRUCTURE AS AT 31 DECEMBER 2020



- Company management
- Sectors/Departments
- Internal Audit Departments*

*In accordance with Outsourcing contract for the internal audit function between Zavarovalnica Sava and Sava Re, dated 1 February 2018, the internal audit for Zavarovalnica Sava is permanently carried out by the employees of Internal Audit Department of Sava Re. Zavarovalnica Sava authorized Polonca Jug Mauko as the internal audit function holder at Sava Re.

5. BUSINESS NETWORK AS AT 31 DECEMBER 2020

The business network of Zavarovalnica Sava is present in all regions of the Republic of Slovenia and in all regions of the Republic of Croatia. Business operations in Slovenia are organized through 9 business units, 9 agencies, 10 branch offices and 57 representative offices. Operations in Croatia are organised through 5 business units, 13 agencies and 41 representative offices. Further, the business network of Zavarovalnica Sava includes representatives in permanent employment relationship – own sales network, and insurance representation and brokerage agencies – external sales network. Zavarovalnica Sava also cooperates with specialised sellers, such as companies that perform roadworthiness tests for motor vehicles, forwarding agents and tourist agencies.

5.1. SLOVENIA – BUSINESS UNITS

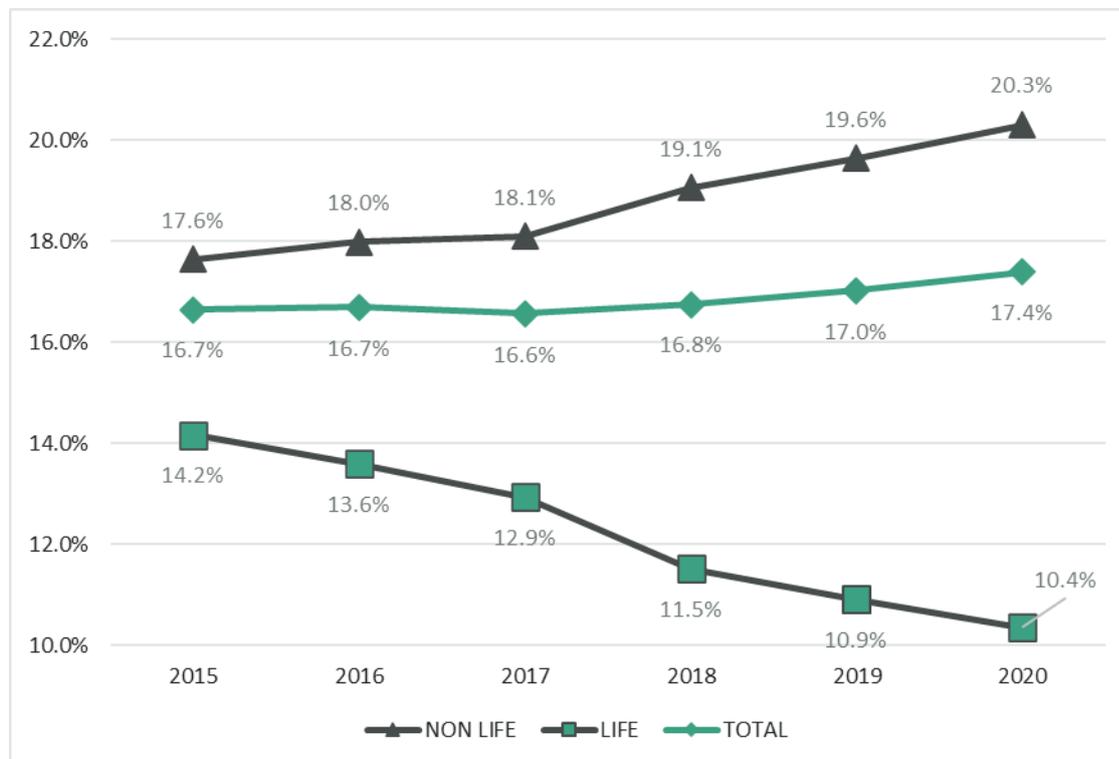


5.2. CROATIA – BUSINESS UNITS



6. MARKET SHARE OF ZAVAROVALNICA SAVA

Movement of market share of Zavarovalnica Sava in 2015–2020*



SOURCE: Slovenian Insurance Association, January 2021

*Data, reported by Slovenian Insurance Association, can sometimes change for the previous periods, due to changes in membership or because members of the Association report changes in data for those periods.

The market share is calculated on the basis of gross premium. With a 17.4-percent market share, Zavarovalnica Sava remains the second largest insurance company in the market (in 2019: 17.0 percent). In the area of non-life insurance and life insurance, the market shares equal 20.3 percent (in 2019: 19.6 percent) and 10.4 percent (in 2019: 10.9 percent), respectively.

7. NET PREMIUMS EARNED

in Euros, no cents

Insurance class	2020	2019	razlika 20-19	indeks 20/19
1 Accident insurance	23,036,488	21,492,176	1,544,311	107.2
2 Health insurance	1,392,006	883,737	508,269	157.5
3 Land vehicles casco insurance	98,884,627	89,886,083	8,998,543	110.0
4 Railway rolling stock insurance	16,881	15,729	1,153	107.3
5 Aircraft casco insurance	66,944	44,501	22,444	150.4
6 Marine hull insurance	1,290,356	327,702	962,654	393.8
7 Goods in transit insurance	1,539,970	1,523,428	16,541	101.1
8 Fire and natural forces insurance	20,955,321	19,934,234	1,021,088	105.1
9 Other damage to property insurance	20,962,788	18,983,047	1,979,741	110.4
10 Motor liability insurance	89,130,193	79,922,474	9,207,718	111.5
11 Aircraft liability insurance	13,224	8,316	4,908	159.0
12 Liability for ships insurance	248,417	254,122	-5,705	97.8
13 General liability insurance	14,658,785	13,129,494	1,529,291	111.6
14 Credit insurance	2,899,075	2,794,970	104,105	103.7
15 Suretyship insurance	79,136	74,343	4,793	106.4
16 Miscellaneous financial loss insurance	1,402,862	1,704,189	-301,327	82.3
17 Legal expenses insurance	131,372	119,765	11,607	109.7
18 Assistance insurance	15,001,361	13,278,378	1,722,983	113.0
19 Life insurance	34,702,383	36,873,152	-2,170,769	94.1
21 Unit-linked life insurance	42,617,763	44,931,982	-2,314,219	94.8
Total	369,029,951	346,181,821	22,848,130	106.6
Non-life	291,709,805	264,376,687	27,333,118	110.3
Life	77,320,146	81,805,134	-4,484,988	94.5

The majority of revenues are generated by the company in respect of insurance premium. Net premiums earned in 2020 increased in comparison to 2019. In 2020, the company generated 369.0 million Euros of net premiums, which is 6.6 percent higher than in the previous accounting period. Increase in net premiums earned is registered in nearly all insurance classes of non-life insurance, mainly in the car insurance segment, which is the result of higher average premium and increase in the number of insurances, and we also acquired some new insurance holders and increased the portfolio from the transactions concluded pursuant to the FOS principles. In the life insurance segment in the insurance class 19 – Life insurance, we record a drop in net premium earned, which is a result of matured policies in recent years, for which we paid out endowments, whereby no payments of new premiums are made from such policies. As of 1 December 2019, we have transferred portfolio of the companies ERGO osiguranje and ERGO životno osiguranje to Zavarovalnica Sava, the Branch Office Croatia, which had lower influence on net premiums earned in 2019, the overall impact is reflected in 2020.

8. NET CLAIMS INCURRED

Insurance class	in Euros, no cents			
	2020	2019	razlika 20-19	indeks 20/19
1 Accident insurance	4,396,682	7,605,291	-3,208,609	57.8
2 Health insurance	159,743	123,190	36,554	129.7
3 Land vehicles casco insurance	59,274,508	63,326,147	-4,051,639	93.6
4 Railway rolling stock insurance	4,483	0	4,483	
5 Aircraft casco insurance	24,082	62,728	-38,647	38.4
6 Marine hull insurance	1,350,712	257,516	1,093,195	524.5
7 Goods in transit insurance	484,817	516,030	-31,214	94.0
8 Fire and natural forces insurance	16,596,741	12,834,694	3,762,047	129.3
9 Other damage to property insurance	10,131,643	10,314,564	-182,921	98.2
10 Motor liability insurance	59,612,864	53,220,828	6,392,036	112.0
11 Aircraft liability insurance	16,094	4,425	11,670	363.7
12 Liability for ships insurance	42,779	59,803	-17,024	71.5
13 General liability insurance	2,001,608	3,613,689	-1,612,081	55.4
14 Credit insurance	-639,159	-32,645	-606,513	1,957.9
15 Suretyship insurance	5,518	18,003	-12,485	30.6
16 Miscellaneous financial loss insurance	3,885,418	547,274	3,338,144	710.0
17 Legal expenses insurance	17,474	11,219	6,256	155.8
18 Assistance insurance	7,512,025	8,918,429	-1,406,404	84.2
19 Life insurance	63,925,510	76,420,898	-12,495,389	83.6
21 Unit-linked life insurance	39,329,458	35,249,564	4,079,894	111.6
Total	268,133,000	273,071,646	-4,938,646	98.2
Non-life	164,878,032	161,401,184	3,476,848	102.2
Life	103,254,968	111,670,462	-8,415,494	92.5

Net claims incurred are lower than in the previous accounting period by 1.8 percent or 4.9 million Euros. In the non-life insurance segment net claim amounts are higher than in 2019 (by 3.5 million Euros). The increase is due to net claims incurred in the portfolio from the transactions concluded pursuant to the FOS principles (13.8 million Euros). In the life insurance segment, lower net claims incurred (decrease by 8.4 million Euros) are mainly the result of fewer matured policies compared to the previous year.

9. EMPLOYEES

At the end of 2020, the company registered 1,388 employees, which is 32 less than the year before.

Number of employees on the last day of the year

	Total number 31.Dec.2020	Total number 31.Dec.2019	Difference 31 Dec.2020 & 31 Dec 2019	Index 31 Dec 2020 / 31 Dec 2019
Internal employees	983	986	-3	99.7
Sales – representatives	405	434	-29	93.3
TOTAL	1,388	1,420	-32	97.7

Full-time equivalence on the last day of the year

	FTE 31.Dec.2020	FTE 31.Dec.2019	Difference 31 Dec.2020 & 31 Dec 2019	Index 31 Dec 2020 / 31 Dec 2019
Internal employees	931.90	935.42	-3.52	99.6
Sales – representatives	362.74	396.93	-34.19	91.4
TOTAL	1,294.64	1,332.35	-37.71	97.2

II. THE SUMMARY OF FINANCIAL STATEMENTS

Summary financial statements:

The summary financial statements are derived from the audited financial statements, prepared in accordance with International reporting standards, as adopted by EU, as at December 31, 2020 and December 31, 2019 and for the years then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited financial statements. Information presented in the summary is assessed by Management as significant and important. Management prepared these summary financial statements using the following criteria:

- (a) the summary financial statements include a statement for each statement included in the audited financial statements;
- (b) information in the summary financial statements agrees with the related information in the audited financial statements;
- (c) major subtotals, totals and comparative information from the audited financial statements are included.

The audited financial statements of Zavarovalnica Sava are available on our website: <https://www.zav-sava.si>.

REPORT OF THE INDEPENDENT AUDITOR



KPMG SLOVENIJA, podjetje za revidiranje, d.o.o.
Železna cesta 8a
SI-1000 Ljubljana
Slovenija

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Report of the independent auditor on the summary financial statements

**To the owner of Zavarovalnica Sava, zavarovalna
družba, d.d.**

Opinion

The summary financial statements, which
comprise:

- the summary statement of balance
sheet as at 31 December 2020;
and for the year ended
- the summary statement of income
statement;
- the summary statement of other
comprehensive income;
- the summary statement of cash flows;
and

- the summary statement of changes in
equity for the year then ended,

are derived from the audited financial
statements of the insurance company
Zavarovalnica Sava, zavarovalna družba,
d.d. for the year ended 31 December 2020.

In our opinion, the accompanying summary
financial statements are consistent, in all
material respects, with the audited financial
statements, in accordance with the
International Financial Reporting Standards
as adopted by the European Union.

Summary Financial Statements

The summary financial statements do not
contain all the disclosures required by the
International Financial Reporting Standards
as adopted by the European Union.

Reading the summary financial statements
and our report thereon, therefore, is not a
substitute for reading the audited financial

statements and the auditor's report thereon.
The summary financial statements and
audited financial statements do not reflect
the effects of events that occurred
subsequent to that date of our report on the
audited financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion
on the audited financial statements in our
report dated 31 March 2021. That report

also includes the communication of key
audit matter.

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družba z omejeno odgovornostjo in članica globalne organizacije
neodvisnih članic, ki so povezane s KPMG International Limited,
zasebno angleško družbo z omejeno odgovornostjo. Vse pravice
priznane.

TRR: 5156 2399 0000 1851 182
upis v sodni register: Družbo sodišče v Ljubljani
il. reg. vl.: 06112062100
osnovni kapital: 54.862,00 EUR
ID za DDV: SI20437145
matična št.: 3648556



Responsibility of Those Charged with Governance for the Summary Financial Statements

Those Charged with Governance are responsible for the preparation of the summary financial statements on basis

described in note "Summary financial statements".

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which

were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

On behalf of the auditing company

KPMG SLOVENIJA,
podjetje za revidiranje, d.o.o.

Metka Sedej, FCCA
Certified Auditor

Ljubljana, 22 April 2021

Barbara Kunc
Certified Auditor
Partner

KPMG Slovenija, d.o.o.

1. SUMMARY STATEMENT OF BALANCE SHEET

in Euros, no cents

	31.Dec.2020	31.Dec.2019 - restated balance sheet*	1.Jan.2019 - restated balance sheet*
ASSETS	1,168,961,531	1,154,583,219	1,115,116,626
A. Non-current assets	12,463,765	8,149,880	6,706,336
B. Property, plant and equipment	32,987,308	33,866,243	21,962,761
C. Non-current assets held for sale and discounted operations	742,955	24,451	49,890
D. Deferred tax assets	1,221,885	874,209	0
E. Investment property	3,895,406	3,962,763	3,780,473
F. Financial investment in group companies and in associates	2,309,878	4,284,026	2,199,805
G. Financial investments:	650,166,891	654,076,435	664,702,619
1 - loans and deposits	362,897	4,549,422	2,368,996
2 - held to maturity	7,695,505	29,236,797	591,709,077
3 - available for sale	630,237,159	609,455,772	4,152,191
4 - at fair value	11,871,330	10,834,444	66,472,355
H. Investments for the benefit of policyholders who bear the investment risk:	213,201,970	213,159,889	204,818,504
I. Reinsurers' share of technical provisions	110,879,715	97,428,559	76,923,680
K. Receivables	84,396,236	83,580,376	69,915,949
1 Receivables from primary insurance business	68,484,692	67,165,219	55,893,768
2 Receivables from co-insurance and reinsurance business	14,086,554	14,492,168	13,019,487
3 Other receivables	1,824,991	1,922,989	1,002,694
L. Other assets	25,094,594	21,566,010	15,992,517
M. Cash and cash equivalents	31,600,927	33,610,375	48,064,091
LIABILITIES AND EQUITY	1,168,961,531	1,154,583,219	1,115,116,626
A. Equity	215,094,630	161,300,721	151,146,017
1 Called-up capital	68,417,377	68,417,377	68,417,377
2 Share premium	16,207,877	16,207,877	16,207,877
3 Profit reserves	8,213,896	8,213,896	8,213,896
4 Revaluation surplus	21,555,632	16,697,360	11,196,330
5 Retained earnings	51,784,099	13,306,830	17,586,414
6 Net profit/loss for the period	48,896,888	38,477,269	29,540,622
7 Translation reserve	18,859	-19,889	-16,501
C. Technical provisions	653,821,903	683,744,437	684,986,813
1 Unearned premiums	154,855,751	154,621,427	134,543,548
2 Mathematical provisions	148,733,251	191,653,363	237,148,176
3 Provisions for outstanding claims	342,158,004	324,779,731	304,699,890
4 Other technical provisions	8,074,896	12,689,916	8,595,198
D. Technical provisions for the benefit of life insurance policyholders who bear the investment risk	211,276,749	220,613,699	210,032,637
E. Other provisions	7,824,807	7,473,324	6,809,878
F. Deferred tax liabilities	5,092,398	3,785,006	1,742,138
I. Financial liabilities	5,062,384	7,143,804	0
J. Operating liabilities	38,290,473	39,879,743	29,605,298
1 Liabilities from primary insurance business	14,986,928	16,797,952	12,948,280
2 Liabilities from co-insurance and reinsurance business	19,021,726	22,098,231	15,125,626
3 Tax liabilities	4,281,818	983,559	1,531,391
K. Other liabilities	32,498,187	30,642,489	30,793,845

*

On 31 December 2020, the company reclassified reinsurance part of provisions for unexpired risk. The Company presented reinsurance part of provisions for unexpired risks in the item Other technical provisions. It was established that the company shall present the reinsurance part for unexpired risk as an Asset, in the position Reinsurers' share of technical provisions. The correction had no impact on the statement of profit or loss for any periods reports.

2. SUMMARY STATEMENT OF INCOME STATEMENT

		<i>in Euros, no cent</i>	
		1. 1. to 31. 12. 2020	1. 1. to 31. 12. 2019
A.	NET PREMIUMS EARNED	369,029,951	346,181,821
	- Gross premiums written	446,993,271	428,684,887
	- Premiums written ceded to reinsurers and co-insurers	-78,111,240	-74,019,919
	- Change in unearned premiums	147,919	-8,483,146
B.	INVESTMENT INCOME FROM PARTICIPATING INTERESTS	0	0
C.	INVESTMENT INCOME	14,667,912	33,322,083
D.	OTHER TECHNICAL INCOME, of this	22,594,864	19,920,490
	- Commission income	20,749,654	18,115,408
E.	OTHER INCOME	4,812,959	7,370,256
F.	NET CLAIMS INCURRED	268,133,000	273,071,646
	- Gross claims paid	297,399,814	303,404,379
	- Reinsurers' and co-insurers' share of claims paid	-30,100,550	-32,351,886
	- Change in provisions for outstanding claims	833,735	2,019,153
G.	CHANGE IN OTHER TECHNICAL PROVISIONS	-45,883,711	-50,867,800
H.	CHANGE IN TECHNICAL PROVISIONS FOR THE BENEFIT OF LIFE INSURANCE POLICYHOLDERS WHO BEAR THE INVESTMENT RISK	-8,438,104	13,407,371
J.	EXPENSES FOR BONUSES NAD REBATES	59,846	-162,003
K.	OPERATING EXPENSES, of this	122,954,617	112,419,564
	- Acquisition costs	44,566,281	38,852,547
M.	INVESTMENT EXPENSES	1,027,151	416,488
N.	OTHER TECHNICAL EXPENSES	7,259,991	6,764,610
O.	OTHER EXPENSES	5,377,813	4,358,208
P.	PROFIT BEFORE TAX	60,615,083	47,386,567
R.	CURRENT TAX	11,718,195	8,909,297
S.	NET PROFIT/LOSS FOR THE PERIOD	48,896,888	38,477,269

3. SUMMARY STATEMENT OF OTHER COMPREHENSIVE INCOME

in Euros, no cents

		TOTAL 1. 1. to 31. 12. 2020	TOTAL 1. 1. to 31. 12. 2019
I	NET PROFIT/LOSS FOR THE PERIOD, NET OF TAX	48,896,888	38,477,269
II	OTHER COMPREHENSIVE INCOME, NET OF TAX	4,897,020	5,497,641
a)	Items that will not be reclassified subsequently to profit or loss (1+2+3+4+5)	46,581	124,237
	3. Actuarial net profits/losses for pension schemes	-99,111	141,022
	5. Other items that will not be reclassified subsequently to profit or loss	38,749	-3,389
	6. Tax on items that may be reclassified subsequently to profit or loss	106,944	-13,397
b)	Items that will be reclassified subsequently to profit or loss (1+2+3+4+5)	4,850,440	5,373,405
	1. Net profits / losses from remeasuring available-for-sale financial assets	5,988,663	6,628,898
	1.1. Profits/losses and translation differences, recognized in revaluation surplus	8,189,797	6,976,120
	1.2. Transfer of profits/losses from revaluation surplus to profit or loss	-2,201,134	-347,222
	5. Tax on items that may be reclassified subsequently to profit or loss	-1,138,223	-1,255,493
III.	COMPREHENSIVE INCOME OF THE BUSINESS YEAR AFTER TAXATION (I+II)	53,793,908	43,974,911

4. SUMMARY STATEMENT OF CASH FLOW STATEMENT

in Euros, no cents	From 1 Jan to 31 Dec 2020	From 1 Jan to 31 Dec 2019
A. Cash flows from operating activities		
a) Items of the income statement	53,689,653	19,104,348
<i>Net profit or loss</i>	48,896,888	38,477,269
Adjustments for:		
1. Realised gains/profits in disposal of subsidiaries	-2,485,826	0
2. Realised gains/profits in the disposal of tangible fixed assets	-108,447	-188,128
3. Gains/losses of subsidiaries - equity method	141,419	0
4. Impairment of tangible/intangible assets	148,678	466,445
5. Unrealised net gains and other net financial expenses/revenues	-10,944,452	-32,846,653
6. Depreciation	4,932,841	4,294,464
7. Tax expense	11,718,195	8,909,297
8. Net exchange difference	1,390,356	-8,346
b) Changes in net current assets (insurance receivables, other receivables, other assets and deferred tax assets and liabilities) of operating items of balance sheet	-66,465,859	-58,539,780
1. Opening less closing receivables from direct insurance	-1,294,454	-11,250,929
2. Opening less closing receivables from reinsurance	419,266	-1,472,681
3. Opening less closing other receivables from insurance business	-71,083	294,122
4. Opening less closing deferred costs of insurance acquisition	-1,632,070	-3,077,768
5. Opening less closing other receivables and assets	-2,594,862	-3,678,277
6. Opening less closing stocks	0	0
7. Closing less opening liabilities from direct insurance	-1,811,024	3,843,840
8. Closing less opening liabilities from reinsurance	-3,090,157	6,971,567
9. Closing less opening other operating liabilities	4,810,672	-691,404
10. Changes in insurance technical provisions	-52,710,641	-39,920,890
11. Cash payments for payment of tax	-8,491,507	-9,557,360
c) Net receipts or net disbursement from operating activities (a + b)	-12,776,207	-39,435,431
B. Cash flows from investing activities		
a) Cash receipts from investing activities	251,322,851	243,807,092
1. Receipts from interest related to investment activities	8,957,521	9,109,179
2. Receipts from dividends and share in profit of others	591,532	1,494,712
3. Receipts from disposal of intangible assets	0	0
4. Receipts from disposal of tangible fixed assets	230,369	408,457
5. Receipts from investment property	229,639	224,394
6. Receipts from disposal of financial investments	241,313,789	232,570,351
6.1. Receipts from disposal of subsidiaries or other companies	4,318,555	0
6.2. Other receipts from disposal of financial investments	236,995,234	232,570,351
b) Cash disbursements from investing activities	-239,050,993	-183,845,842
1. Cash payments to acquire intangibles	-4,689,456	-1,953,207
2. Cash payments to acquire tangible fixed assets	-5,283,076	-3,863,786
3. Cash payments to acquire investment property	-132,772	-30,552
4. Cash payments to acquire financial investments	-228,945,688	-177,998,297
4.1. Cash payments to acquire subsidiaries or other companies	0	-4,333,712
4.2. Other cash payments to acquire financial investments	-228,945,688	-173,664,585
c) Net cash or net disbursement from from investing activities (a + b)	12,271,858	59,961,250
C. Cash flows from financing activities	0	0
a) Cash receipts from financing activities	0	0
b) Cash disbursements from financing activities	-1,505,100	-35,013,326
1. Interests paid	-91,654	-82,598
2. Cash repayments on equity	0	0
3. Cash repayments of long-term financial liabilities	-1,413,446	-1,110,522
4. Cash repayments of short-term financial liabilities	0	0
5. Cash repayments for dividends and other profit participation	0	-33,820,206
c) Net cash or net disbursement from financing activities (a + b)	-1,505,100	-35,013,326
D. Closing balance of cash and cash equivalents	31,600,927	33,610,375
x) Net cash inflow or outflow for the period (sum total of net cash Ac, Bc and Cc)	-2,009,448	-14,487,508
y) Opening balance of cash and cash equivalents	33,610,375	48,064,091
Cash assets acquisition	0	33,792

5. SUMMARY STATEMENT OF STATEMENT OF CHANGES IN EQUITY

Summary statement of changes in equity for the period 1.1.2020 – 31.12.2020

in Euros, no cents	I. Share capital	II. Capital reserves	III. Profit reserves		IV. Revaluation surplus	IV_a. Cumulative translation adjustment	IV_b. Other reserves	V. Retained earnings	VI. Net profit or loss	TOTAL CAPITAL (from 1 to 11)
			Statutory reserves	Other reserves from profit						
			1	2						
1. BALANCE AS AT THE END OF THE PREVIOUS BUSINESS YEAR	68,417,377	16,207,877	6,974,396	1,239,500	15,768,277	-19,889	929,083	13,306,830	38,477,269	161,300,722
4. OPENING BALANCE in the business period (1+2+3)	68,417,377	16,207,877	6,974,396	1,239,500	15,768,277	-19,889	929,083	13,306,830	38,477,269	161,300,722
5. Comprehensive income of the business year after taxation	0	0	0	0	4,850,440	38,749	7,832	0	48,896,888	53,793,908
a.) Net profit or loss	0	0	0	0	0	0	0	0	48,896,888	48,896,888
b.) Other comprehensive income	0	0	0	0	4,850,440	0	7,832	0	0	4,858,272
c.) Net profits/losses arising from the translation of financial statements of an affiliated company	0	0	0	0	0	38,749	0	0	0	38,749
CHANGES IN EQUITY	0	0	0	0	0	0	0	38,477,269	-38,477,269	0
12. Distribution of net profit to profit reserves	0	0	0	0	0	0	0	38,477,269	-38,477,269	0
16. CLOSING BALANCE IN THE BUSINESS PERIOD (4+5+6+7+8+9+10+11+12+13+14+15)	68,417,377	16,207,877	6,974,396	1,239,500	20,618,717	18,859	936,915	51,784,100	48,896,888	215,094,630

Summary statement of changes in equity for the period 1.1.2019 – 31.12.2019

in Euros, no cents	I. Share capital	II. Capital reserves	III. Profit reserves		IV. Revaluation surplus	IV_a. Cumulative translation adjustment	IV_b. Other reserves	V. Retained earnings	VI. Net profit or loss	TOTAL CAPITAL (from 1 to 11)
			Statutory reserves	Other reserves from profit						
			1	2						
1. BALANCE AS AT THE END OF THE PREVIOUS BUSINESS YEAR	68,417,377	16,207,877	6,974,396	1,239,500	10,394,873	-16,501	801,458	17,586,414	29,540,622	151,146,017
4. OPENING BALANCE in the business period (1+2+3)	68,417,377	16,207,877	6,974,396	1,239,500	10,394,873	-16,501	801,458	17,586,414	29,540,622	151,146,017
5. Comprehensive income of the business year after taxation	0	0	0	0	5,373,405	-3,389	127,625	0	38,477,269	43,974,911
a.) Net profit or loss	0	0	0	0	0	0	0	0	38,477,269	38,477,269
b.) Other comprehensive income	0	0	0	0	5,373,405	0	127,625	0	0	5,501,030
c.) Net profits/losses arising from the translation of financial statements of an affiliated company	0	0	0	0	0	-3,389	0	0	0	-3,389
OWNER TRANSACTIONS - Payouts	0	0	0	0	0	0		-33,820,206	0	-33,820,206
9. Payment (statement of accounts) of dividends/bonuses in the form of shares	0	0	0	0	0	0	0	-33,820,206	0	-33,820,206
CHANGES IN EQUITY	0	0	0	0	0	0	0	29,540,622	-29,540,622	0
12. Distribution of net profit to profit reserves	0	0	0	0	0	0	0	29,540,622	-29,540,622	0
16. CLOSING BALANCE IN THE BUSINESS PERIOD (4+5+6+7+8+9+10+11+12+13+14+15)	68,417,377	16,207,877	6,974,396	1,239,500	15,768,277	-19,889	929,083	13,306,830	38,477,269	161,300,722