



*Building a Safer Future*

# Triglav Group 9M 2024 Results with Outlook

Investor Presentation

**triglav**

[triglav.eu](https://triglav.eu)

November 2024



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# Agenda

- 1 9M 2024 Highlights**
- 2 9M 2024 Results**
- 3 2024 Profit Guidance**
- 4 2025 Plan & 2025 – 2030 Strategic Ambitions**

# 9M 2024 Highlights





# Highlights

## ■ 9M 2024 operations

In 9M 2024 strong performance in all segments and high profit growth. Robust financial stability and solvency.

## ■ Profit guidance for 2024

At 9M 2024 confirmation of increased annual profit guidance. Triglav estimates that planned annual EBT of €100 – 120M will be exceeded and will be €130 – €150M, taking into account anticipated operating conditions by the end of the year

## ■ Other highlights

DPS of €1.75 (5% dividend yield). Affirmation of high 'A' credit ratings/Stable by rating agencies S&P and AM Best. State compensation for supplemental health insurance price regulation in 2023. Issue of subordinated bond. Merger of subsidiary Triglav, Zdravstvena zavarovalnica with parent company Zavarovalnica Triglav.

## ■ Corporate governance

Appointment of Barbara Nose and Rok Ponikvar as new SB members – shareholder representatives

## ■ Sustainable development

Continuous implementation of strategic guidelines. Implementation of CSRD/ESRS reporting in progress



# 9M 2024 Key Financials and KPIs

## TOTAL BUSINESS VOLUME

**€ 1,305.4M**



Down by 4% y-o-y  
Up by 8% on comparable basis

Strong growth in NL (and Life) almost fully offset shortfall due to termination of suppl. health insurance in Slovenia

- GWP -5% €1,236.2M
- OTHER INCOME +26% € 69.2M

## EARNINGS BEFORE TAX

**€ 124.7M**



€ -10.1M in 9M 2023

- Strong performance in 9M 2024.
- High profitability in NL.
- Strong performance in Life and AM.
- Health with positive EBT amid restructuring and state compensation.

## CoR NL & HEALTH

**92.5%**



105.2% in 9M 2023

- Claims ratio NL&H: 63.8% (-16.5 pp y-o-y)
- Expense ratio NL&H: 28.7% (+3.8 pp y-o-y) due to change in the business structure

## NEW BUSINESS MARGIN LIFE

**13.7%**



Unchanged y-o-y

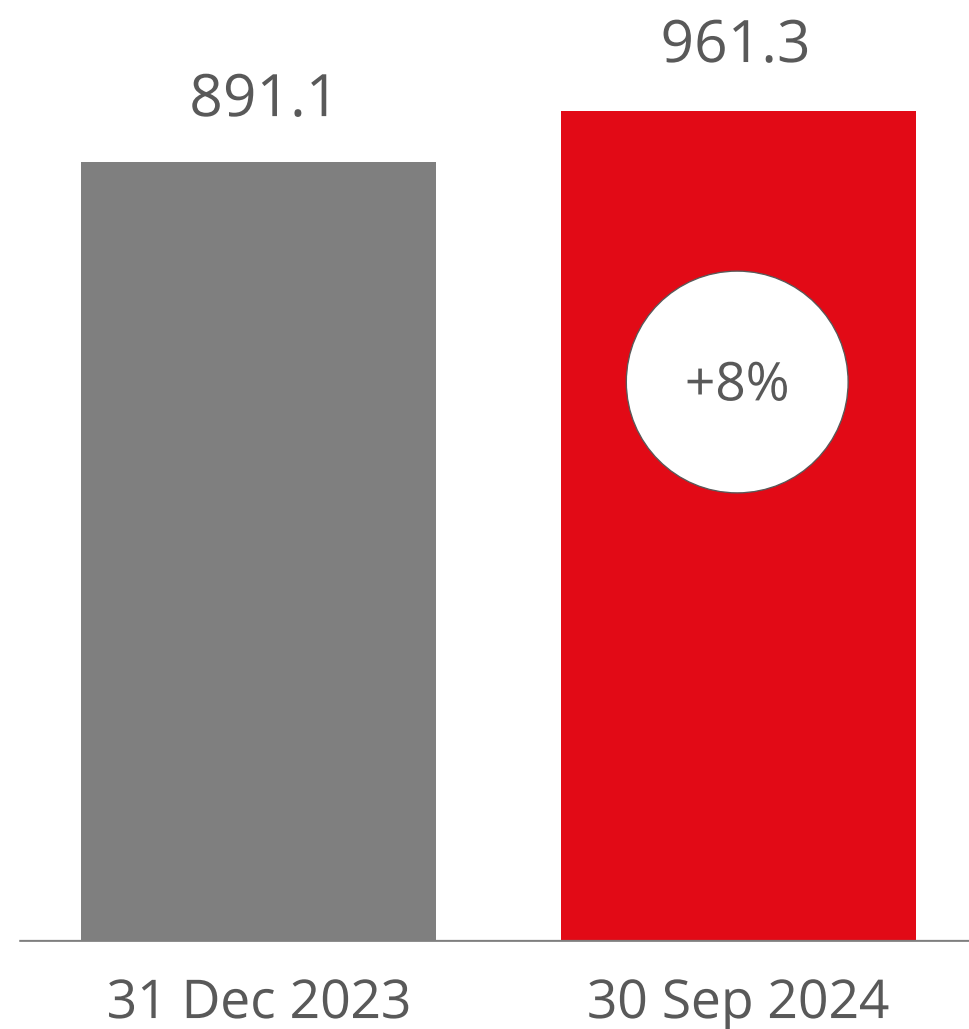
- Life: New business profitability remained strong.
- New CSM/Total CSM 11.2% (-0.4 pp y-o-y)
- Life: CSM €+41.3M in 9M 2024. Strong performance and regular update of parameters.



# Robust Financial Stability and Strong Capital Base

**Rating A/Stable outlook** (2024 by S&P: Business risk profile – strong; Financial risk profile – very strong; Sound reinsurance protection)

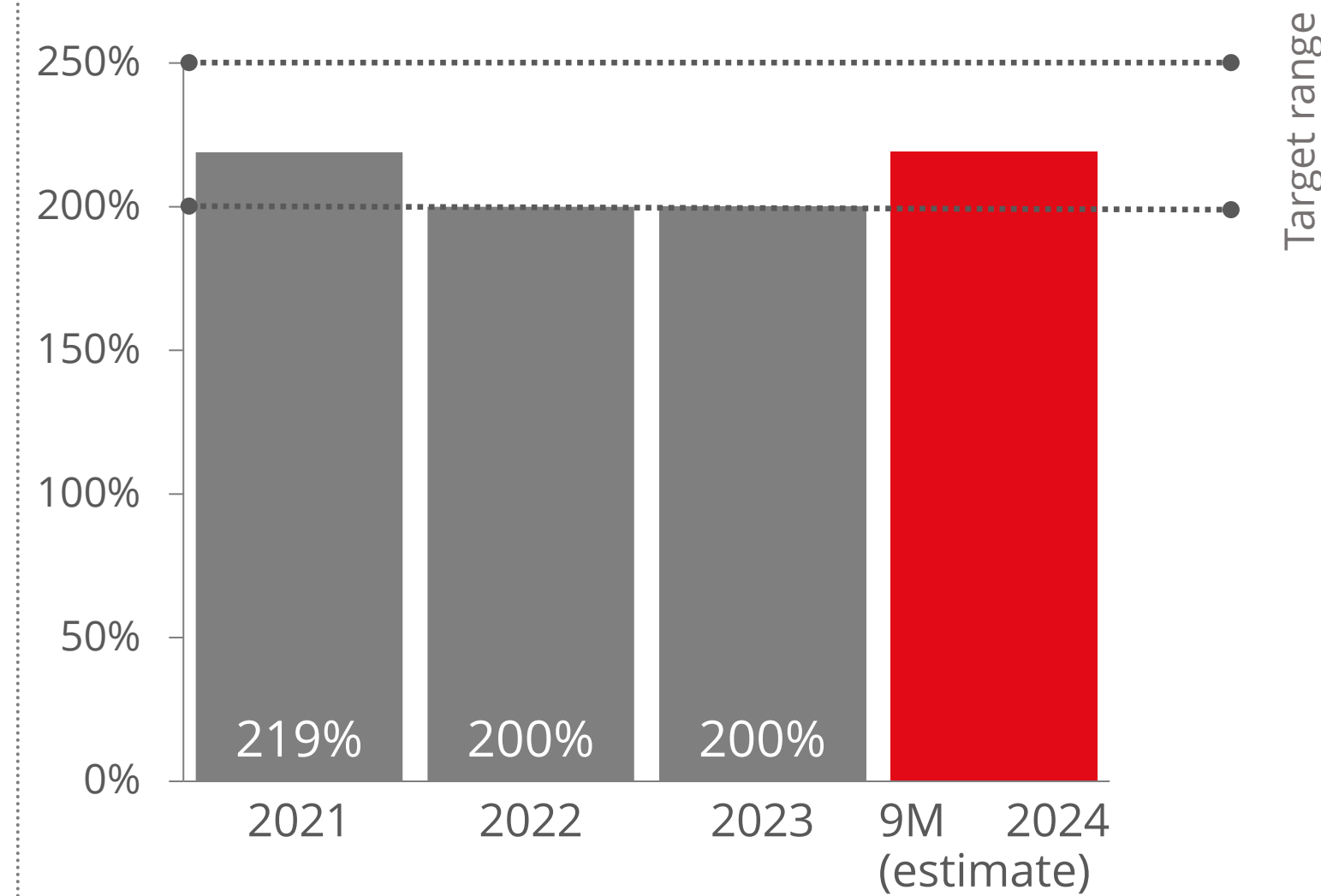
## Equity (in €M)



Growth due to high net income and positive OCI in 9M 2024

## Solvency Ratio

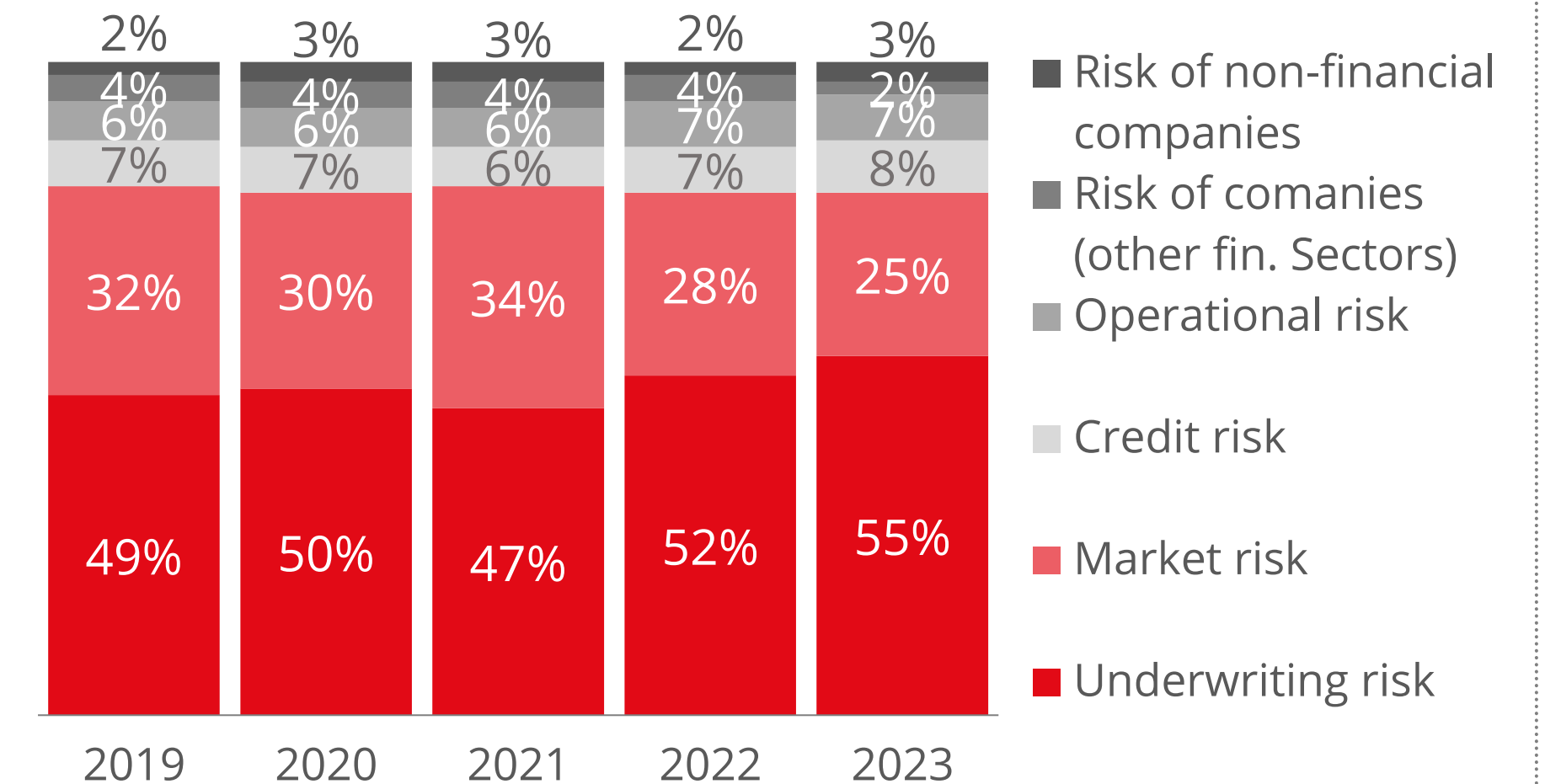
9M 2024: Solid capitalisation, within target range.



Majority of capital is Tier 1 eligible. Increase in 2024 also due to issue of new Tier 2 bond.

## Risk Profile

9M 2024: No major changes compared to 2023YE.



# 9M 2024 Results

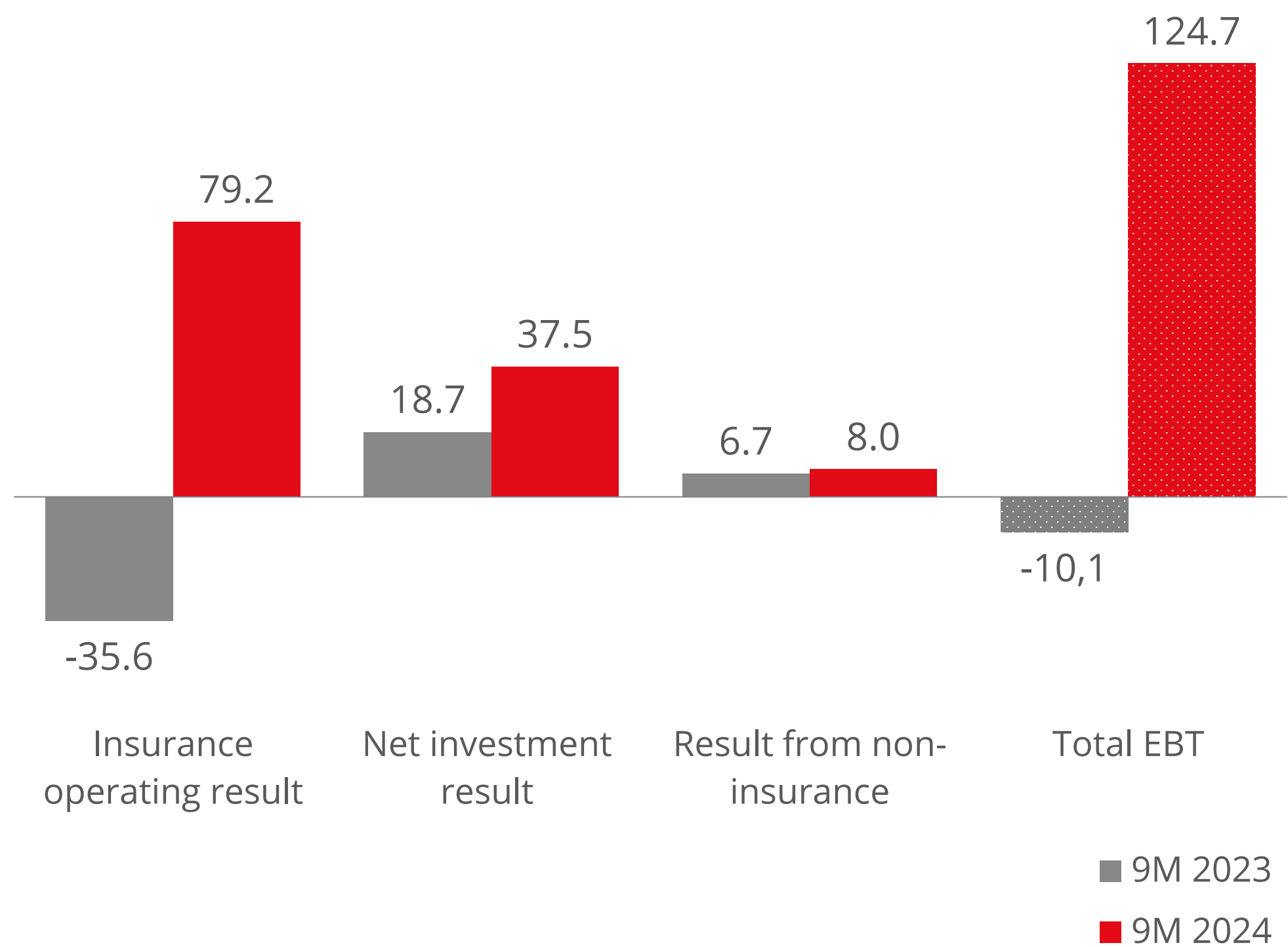




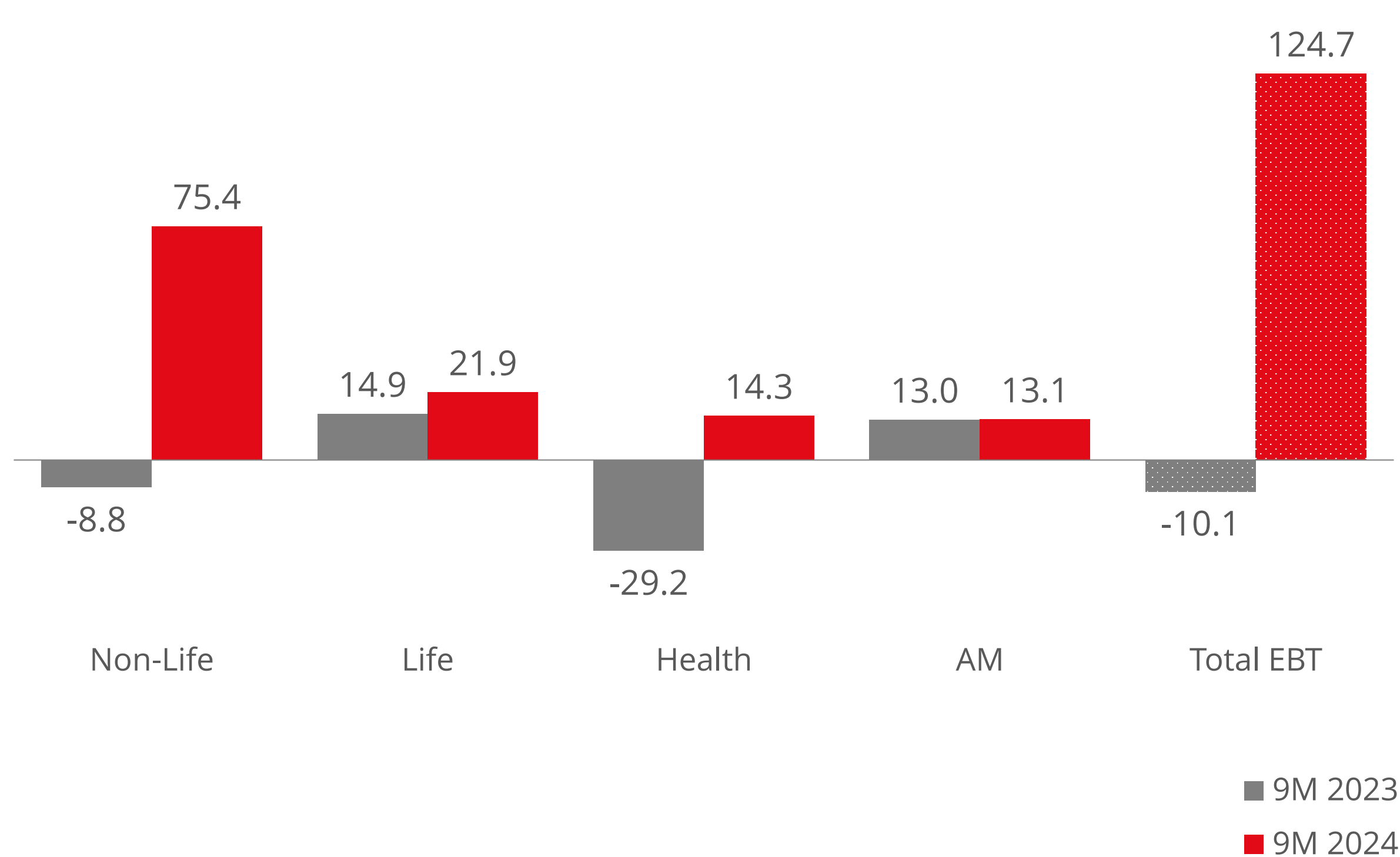


# High EBT Growth. Sharp Increase in Insurance Service Results.

**EBT by Business Lines** (in €M)

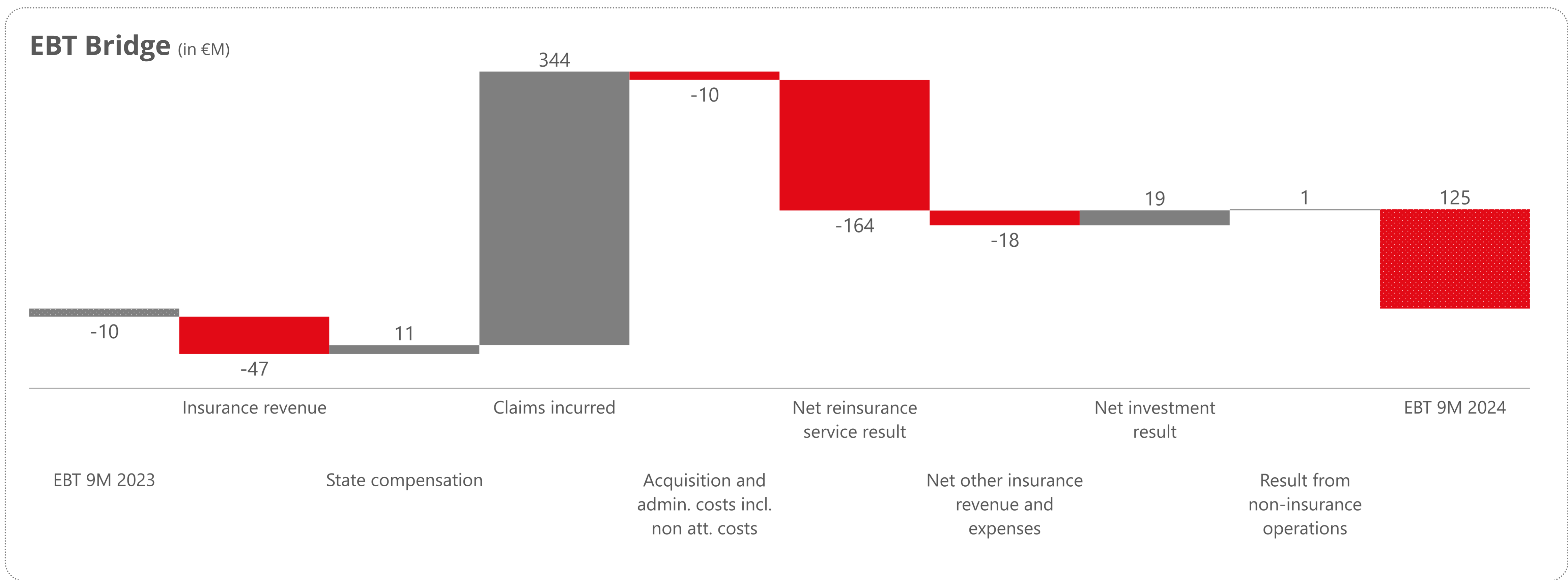


**EBT by Business Segments** (in €M)



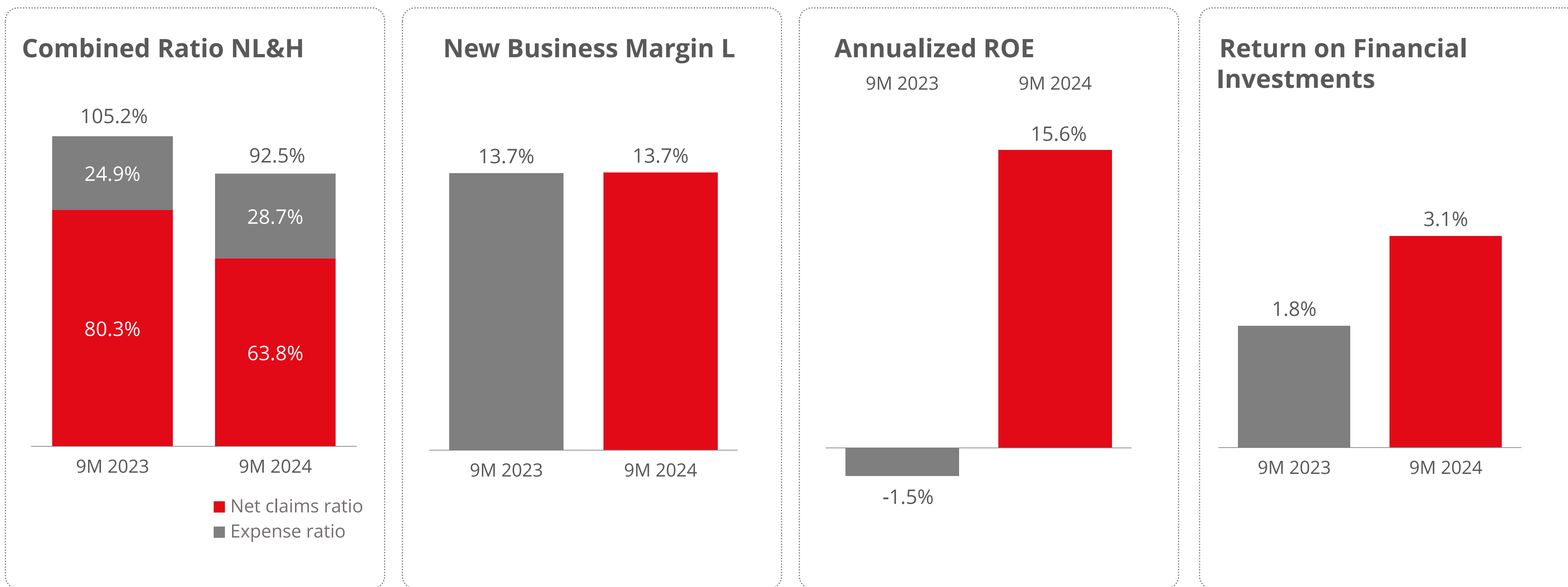


# EBT from 9M 2023 to 9M 2024





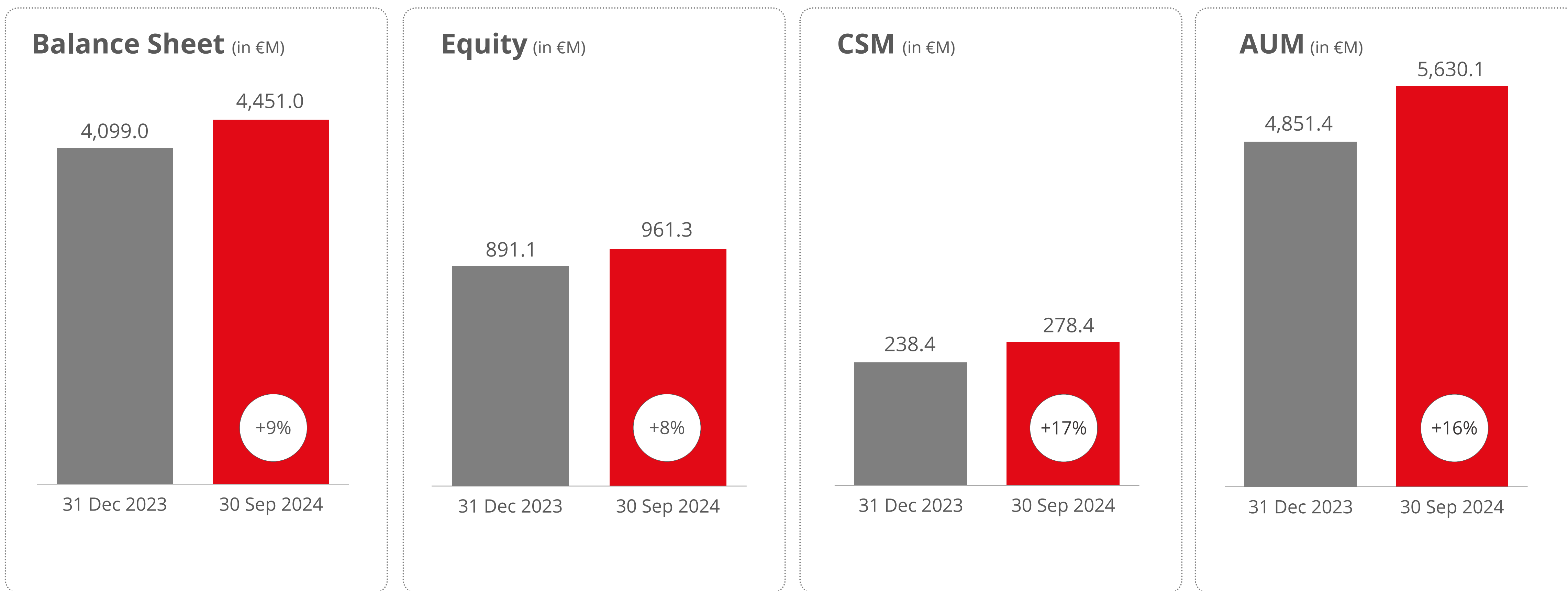
# Improved Key Performance Indicators





# Improved Financial Position Indicators

*Robust financial stability and adequate capitalisation, which is ensured through appropriate risk and capital management. Increased AUM.*

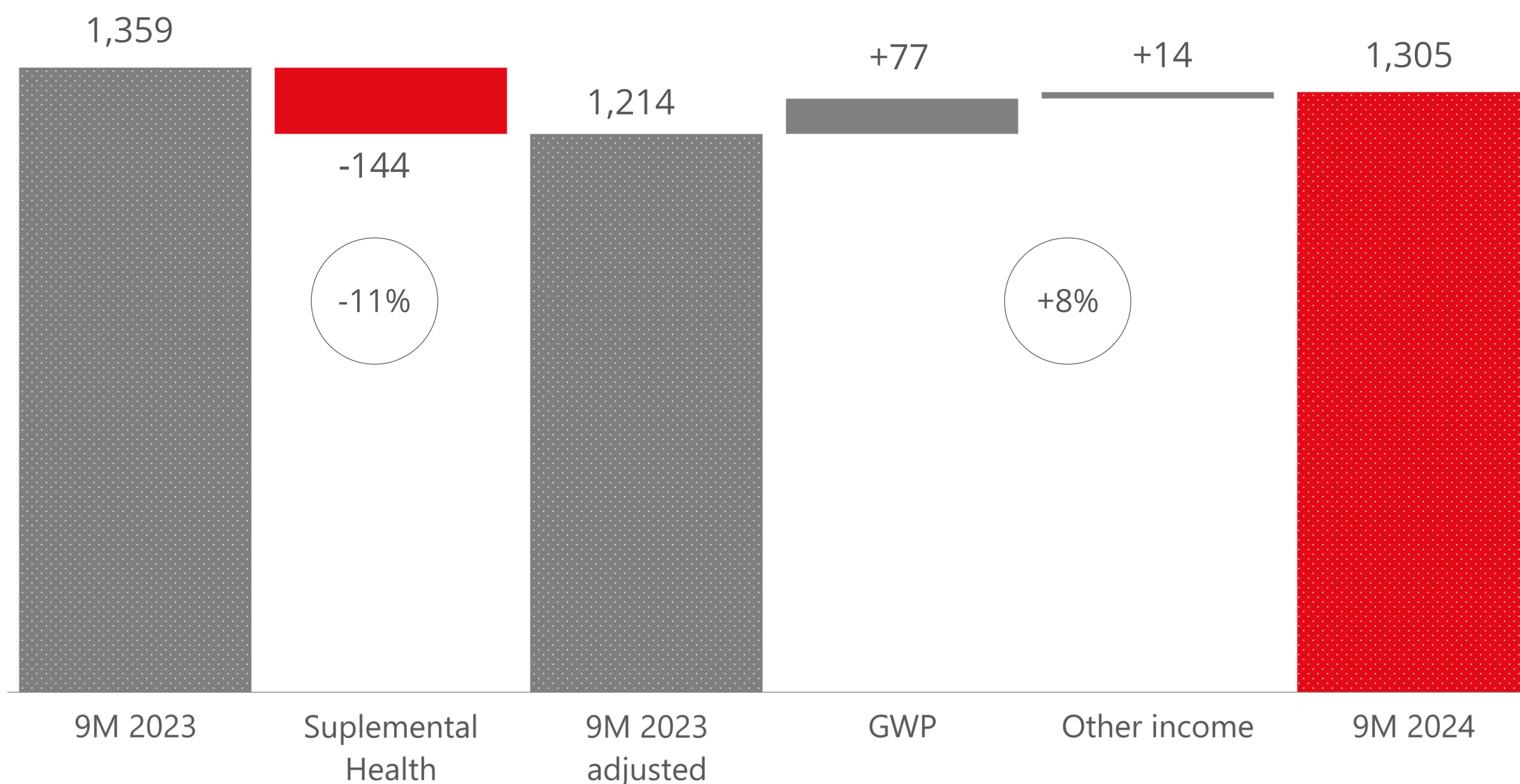




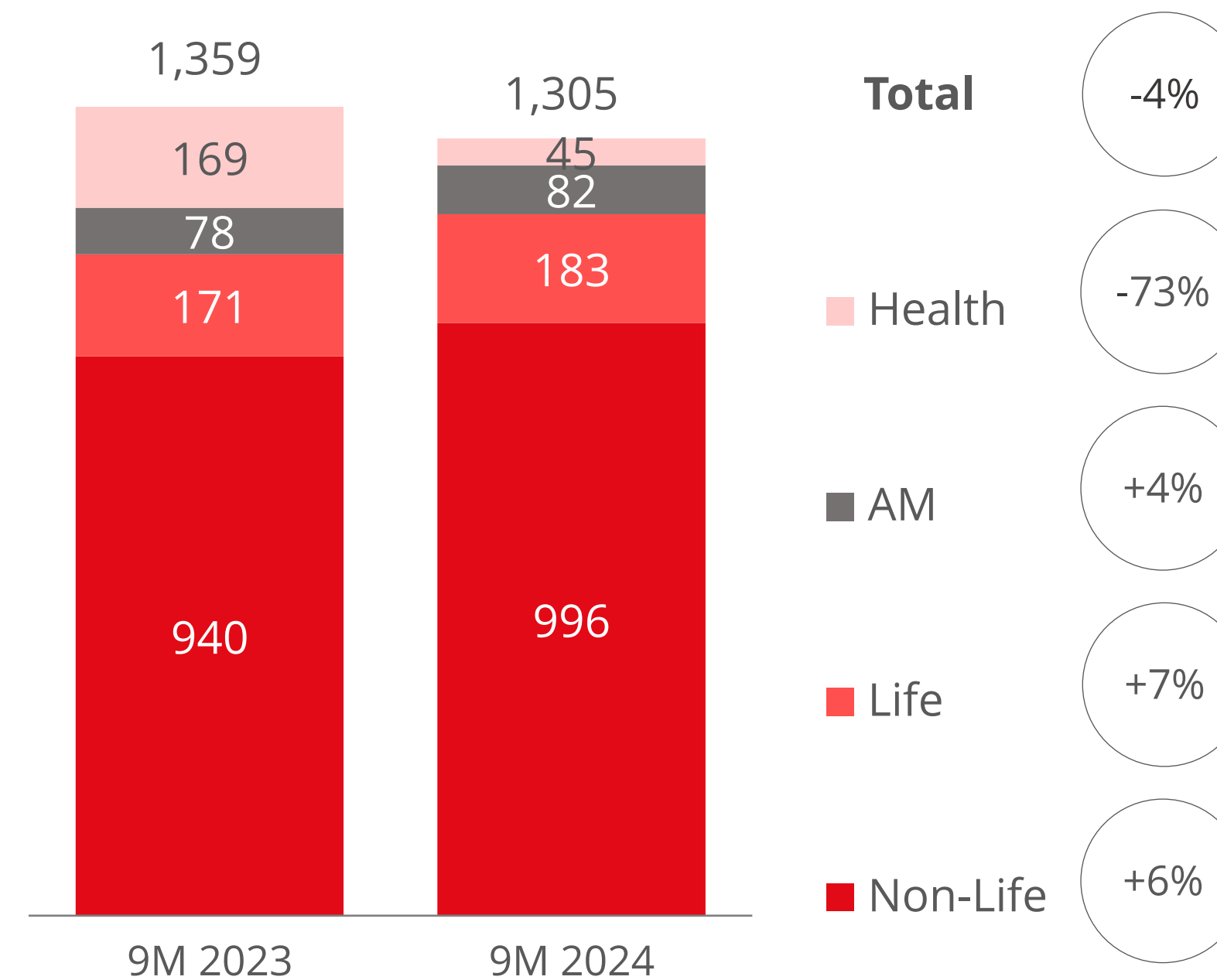
# Successfully Maintained Total Business Volume

Decrease in Health TBV (due to termination of supplemental health insurance) almost fully offset by strong growth in other segments, especially in Non-Life

**TBV Y-o-Y Development** (in €M)



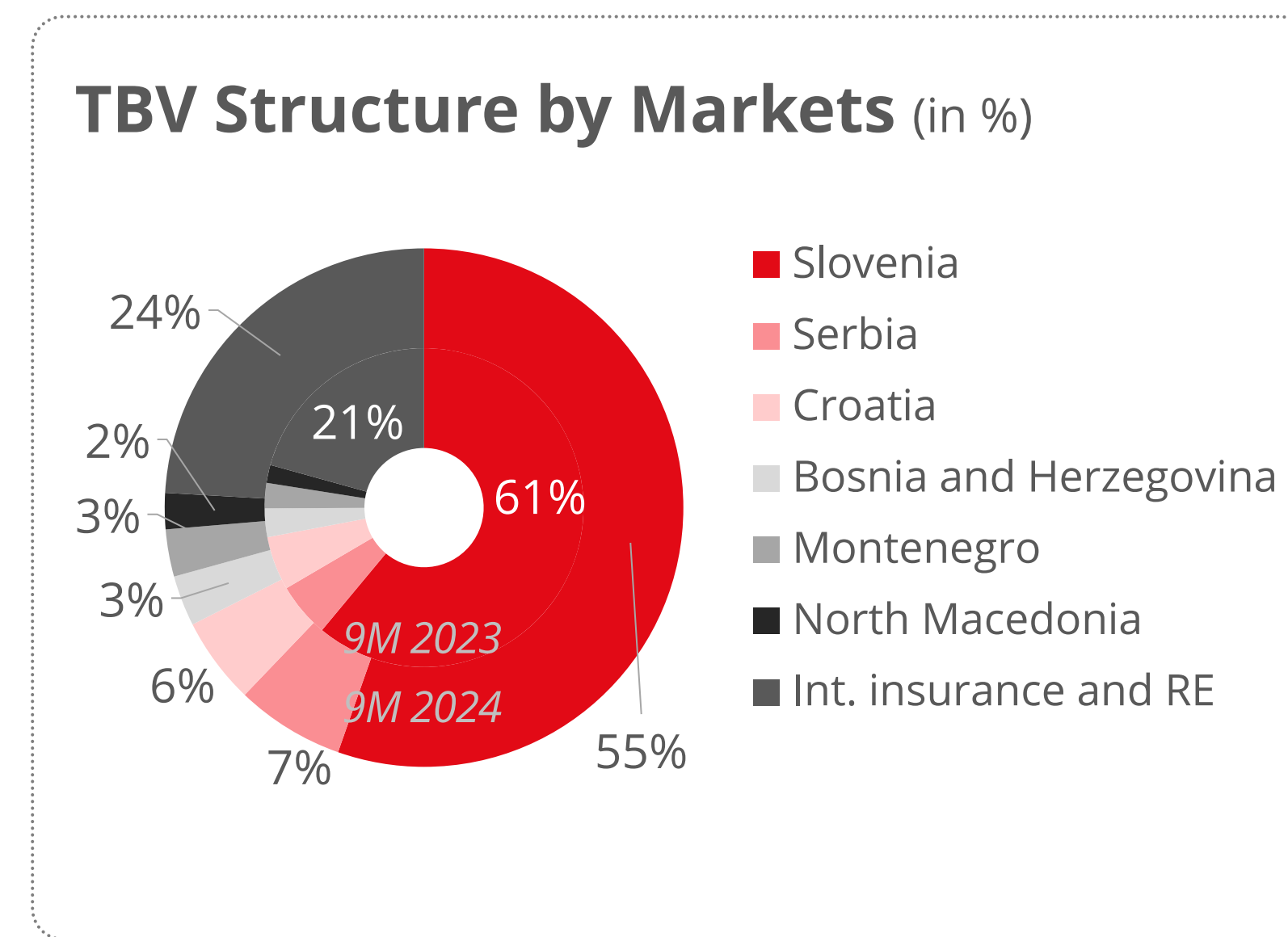
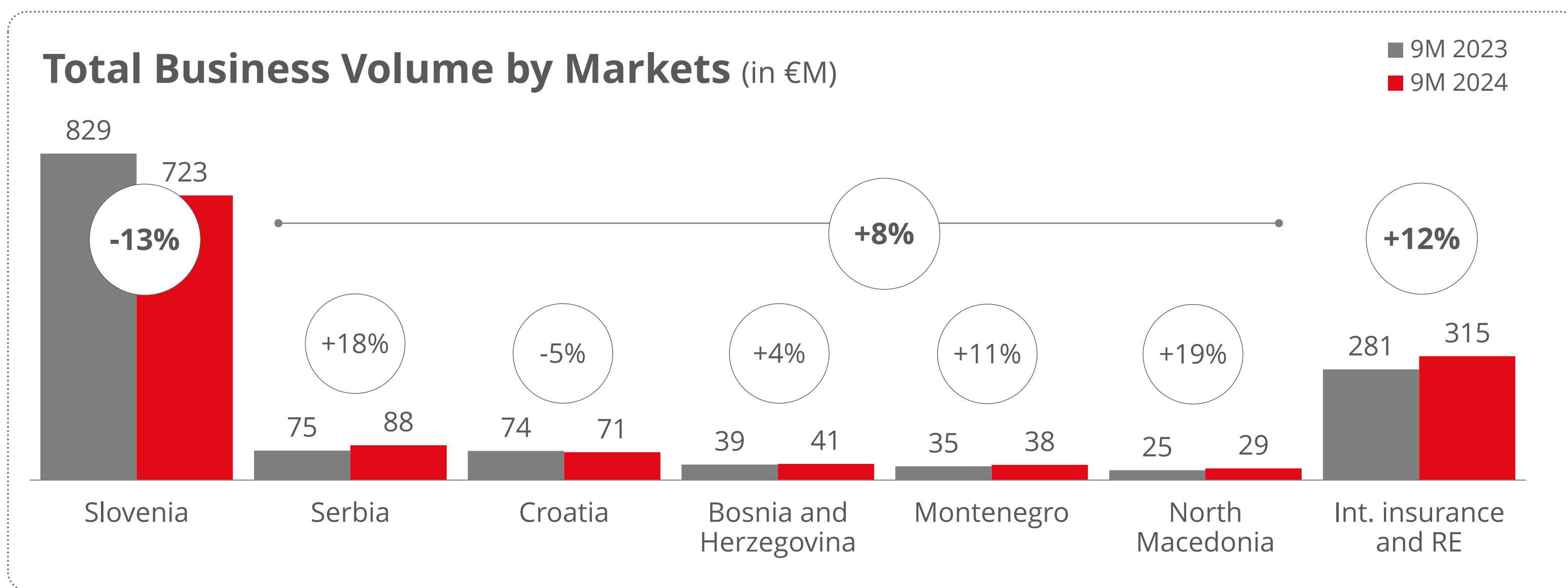
**TBV by Business Segments** (in €M)





# Triglav Group Markets

Shortfall in Slovenia almost fully offset by strong growth in TBV outside Slovenia. Leading market position in Adria region. Restored profitability in Slovenia due to effects of price increases, other underwriting and claims handling measures in NL and effects of positive run-off in Health.



	Slovenia	Serbia	Croatia	Montenegro	B and H	N Macedonia
<b>CoR</b> (9M 2024; y-o-y)	91.7% (-16.5 pp)	101.1% (+1.3 pp)	104.0% (-3.2 pp)	93.7% (+2.2 pp)	97.9% (+0.3 pp)	100.1% (+3.1 pp)
<b>Market share</b> (9M 2024):	40.6% (+1.0 pp)	7.8% (H1 2024)	4.7% (-0.6 pp)	34.6% (-0.9 pp)	8.6% (-0.6 pp)	14.3% (+0.7 pp)
<b>Market position</b> (9M 2024):	1 <sup>st</sup> rank	5 <sup>th</sup> rank	8 <sup>th</sup> rank	1 <sup>st</sup> rank	5 <sup>th</sup> rank	3 <sup>rd</sup> rank

**ADRIA REGION**

**Market leader**

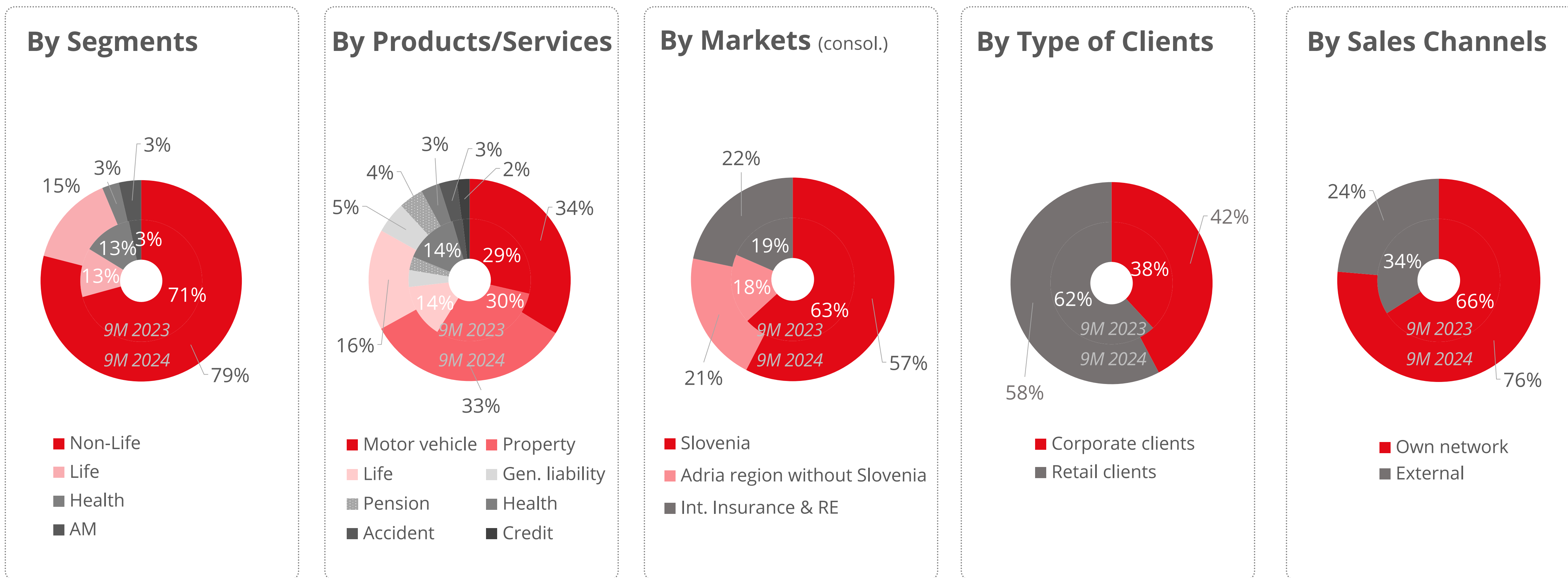
**21.8%**  
(2023 YE; +0.1 pp y-o-y)



# Well Balanced GWP Structure

Increased share of GWP from outside Slovenia in line with strategic goals.

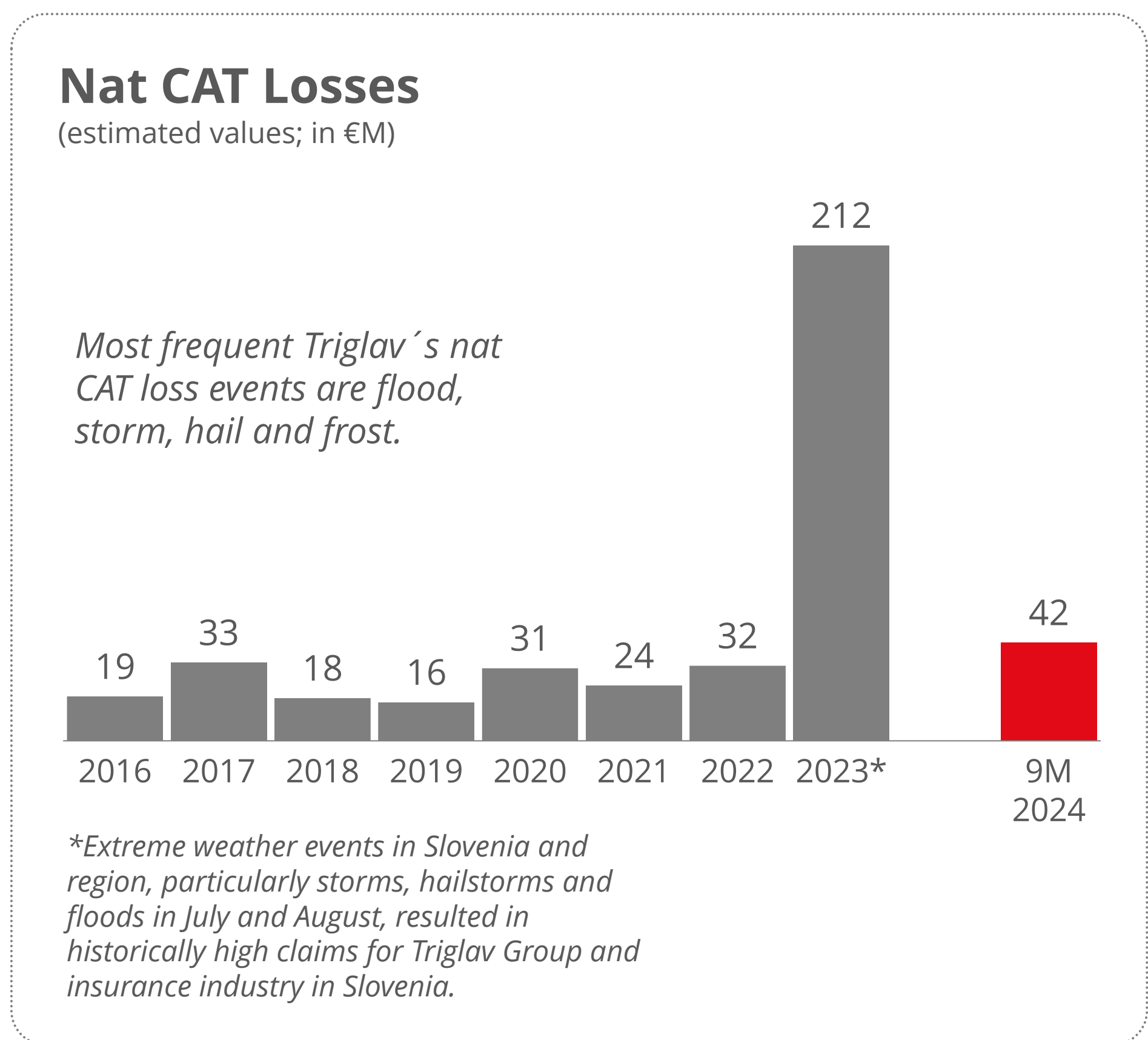
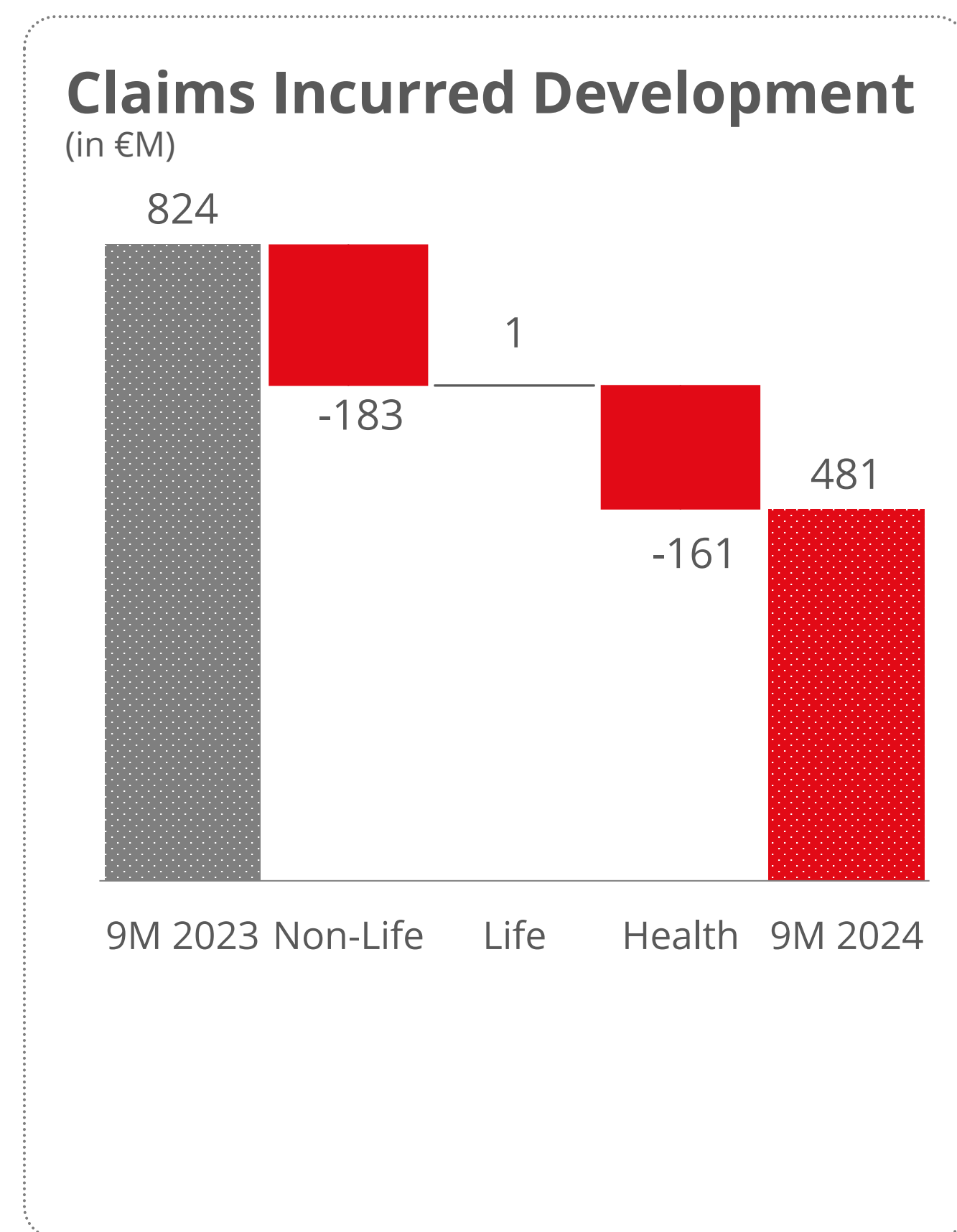
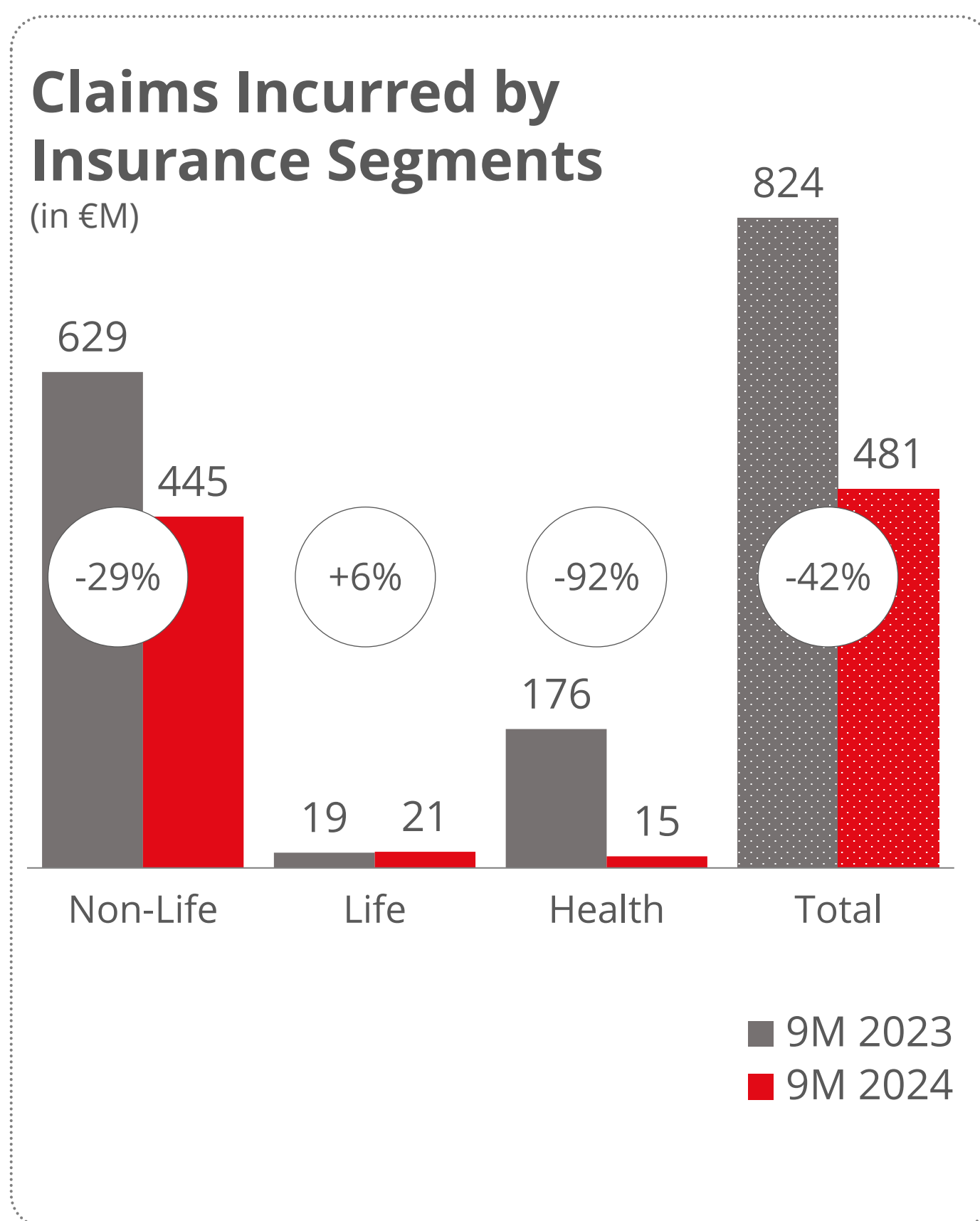
Structure by GWP non-consolidated, RE not included





# Lower Incurred Claims Intensity in 9M 2024

Sharp decrease y-o-y due to supplemental health insurance discontinuation and last year's extreme nat CAT.





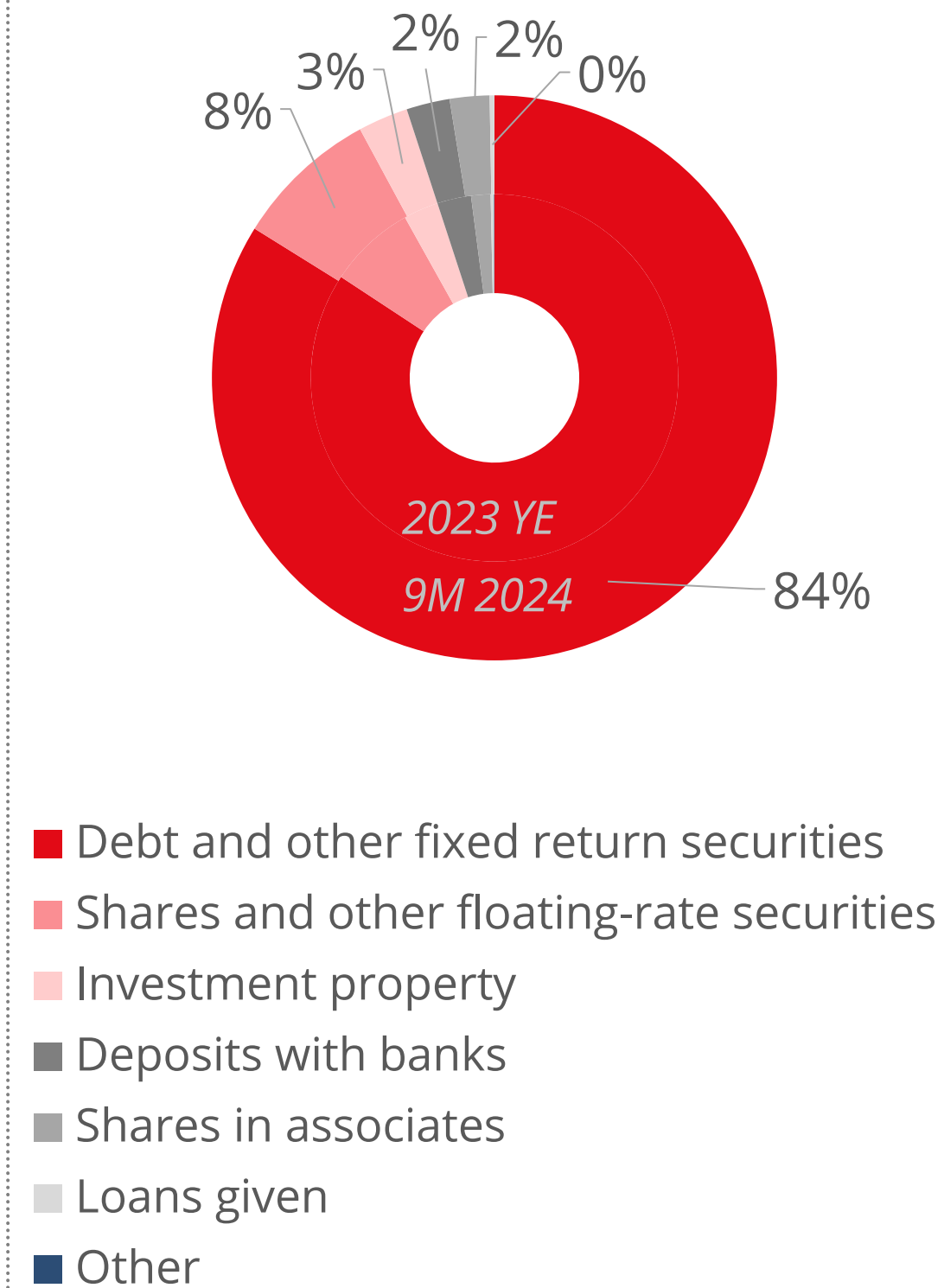


# Financial Investments of Triglav Group

## Portfolio structure (Insurance portfolios, Unit-linked portfolios and Assets from financial contracts)

Instruments (in €M)	30 Sep 2024	31 Dec 2023	Index
Investment property	70.0	68.0	103
Investments in associates	55.5	37.7	147
Shares and other variable-income securities	201.7	168.7	120
Debt and other fixed-income securities	2,049.3	1,860.0	110
Loans given	6.7	6.6	102
Bank deposits	60.6	65.8	92
Other financial instruments	0.9	0.9	103
<b>Total (1)</b>	<b>2,444.7</b>	<b>2,207.6</b>	<b>111</b>
Unit-linked life insurance contract investments (2)	641.7	540.9	119
Financial investments from financial contracts (3)	717.3	650.0	110
<b>Total (1+2+3)</b>	<b>3,803.7</b>	<b>3,398.5</b>	<b>112</b>

## Asset Allocation (Unit-linked products and financial contracts excluded)



## Return on financial investments of insurance portfolios

Return on financial investments <sup>1</sup> (in M€)	9M 2024	9M 2023
Interest income <sup>2</sup>	34.3	25.2
Dividend income	1.4	1.6
Net gains/losses on financial assets at FVTPL	9.4	3.1
Net gains/losses on financial assets at AC	0.0	0.0
Net gains/losses on financial assets at FVOCI	-3.4	-3.7
Net impairment/reversal of impairment of financial assets	3.5	1.6
Other investment income/expenses	0.2	-1.7
<b>Total return on financial investments (1)<sup>1</sup></b>	<b>45.5</b>	<b>26.2</b>
Gains/losses and impairments of investments in associates (2)	6.8	2.1
<b>Total (1+2)</b>	<b>52.3</b>	<b>28.2</b>
<b>Rate of return on investment without UL</b>	<b>3.1%</b>	<b>1.8%</b>

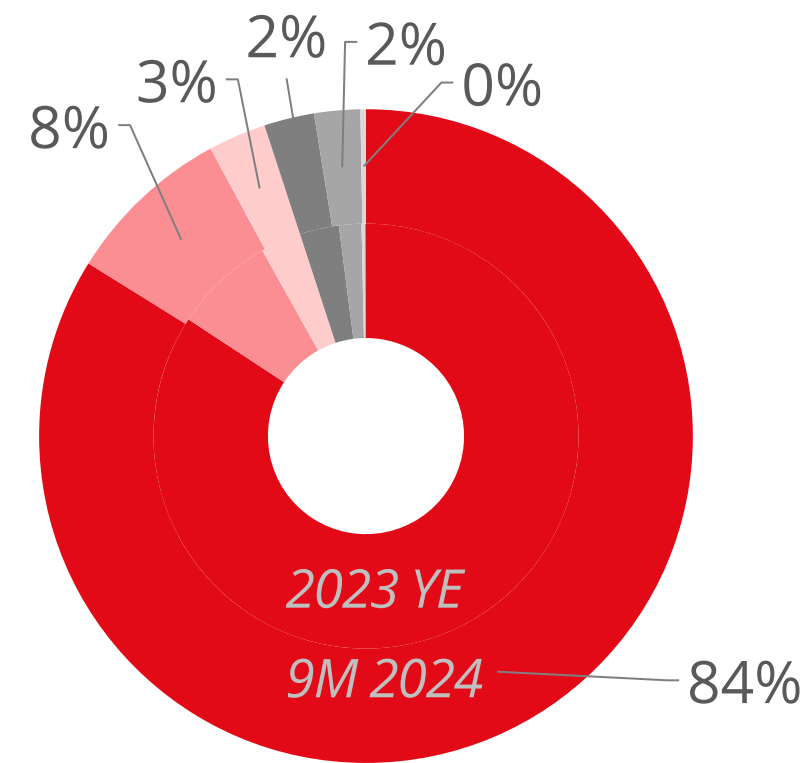
<sup>1</sup> Unit-linked life insurance assets excluded  
<sup>2</sup> Calculated using effective interest method



# High Quality Investment Portfolio

## Portfolio structure

(Insurance portfolios, UL portfolios and from financial contracts)

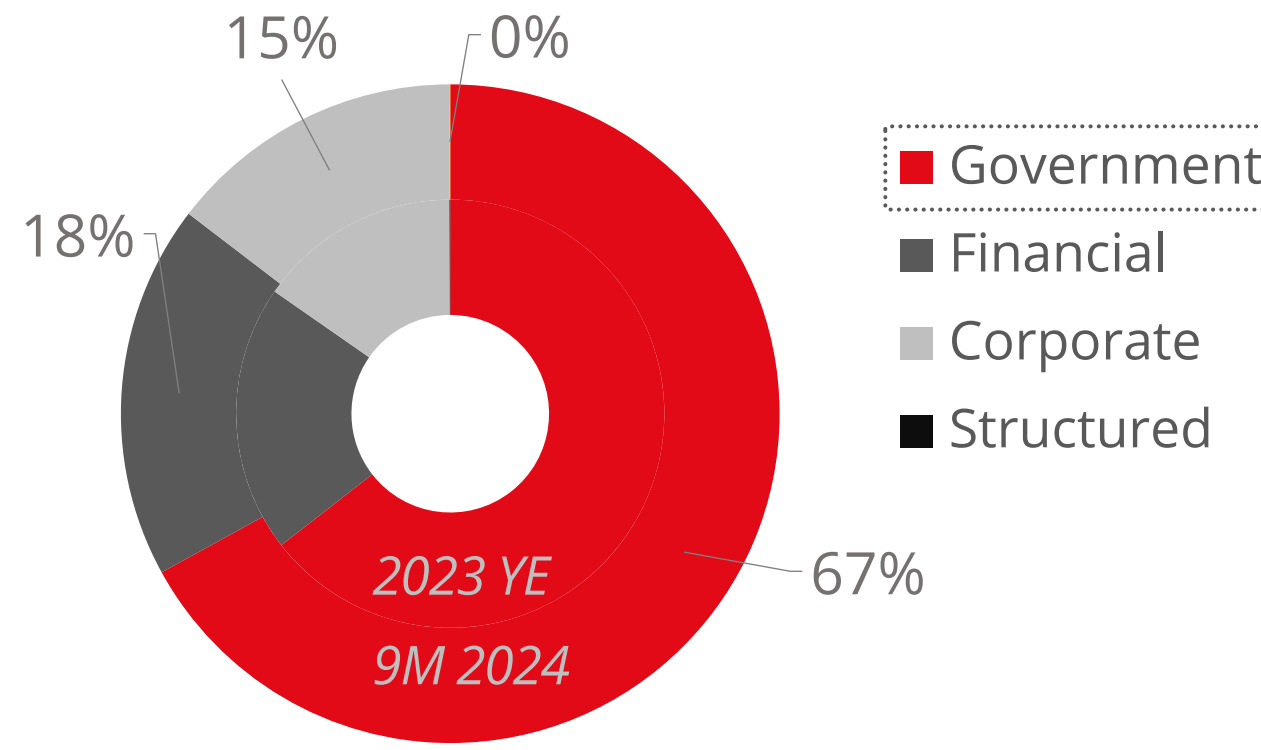


- Debt and other fixed return securities
- Shares and other floating-rate securities
- Investment property
- Deposits with banks
- Shares in associates
- Loans given
- Other

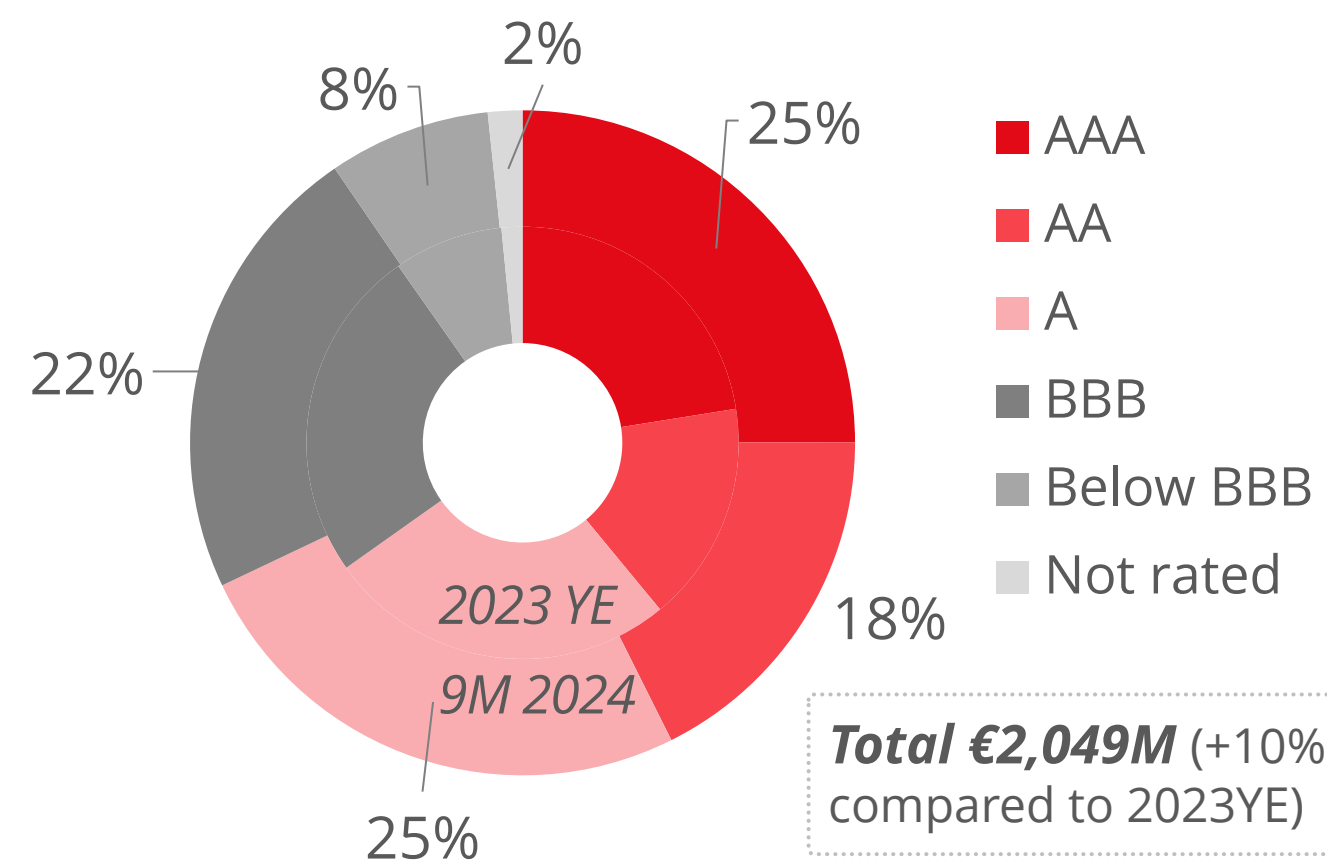
**Total €3,804M** (+12% compared to 2023YE)

## Debt Instruments

(United-linked products and from financial contracts excluded)



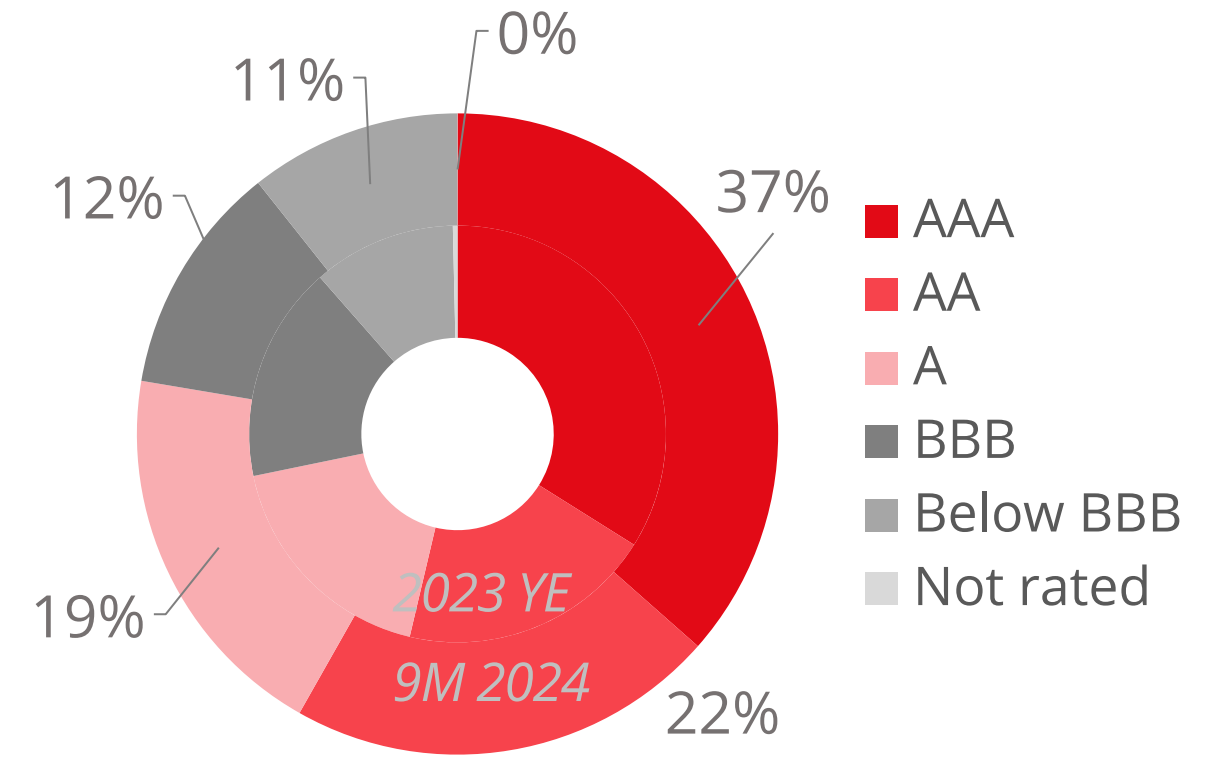
- Government
- Financial
- Corporate
- Structured



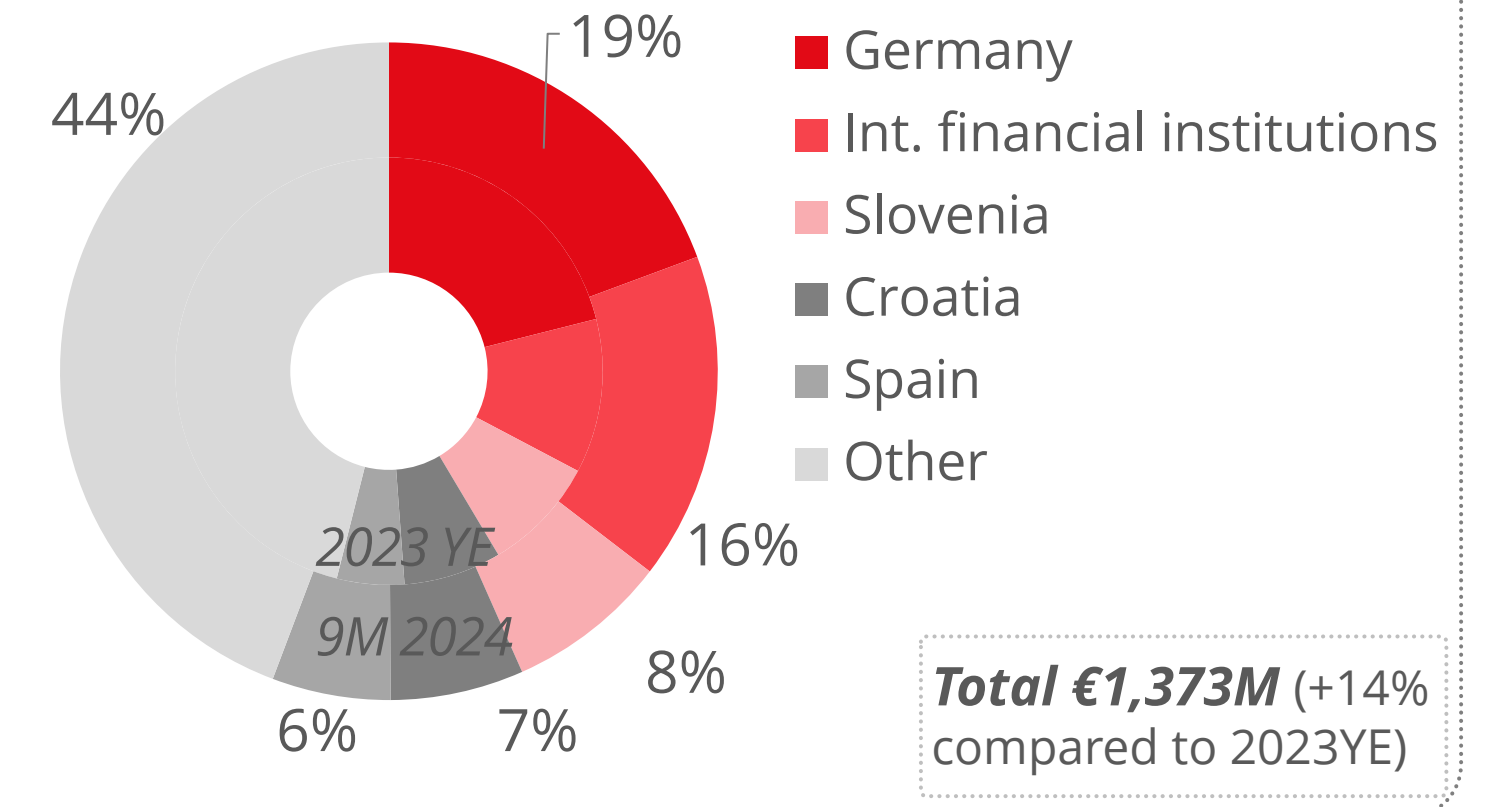
- AAA
- AA
- A
- BBB
- Below BBB
- Not rated

**Total €2,049M** (+10% compared to 2023YE)

## Government Bonds



- AAA
- AA
- A
- BBB
- Below BBB
- Not rated



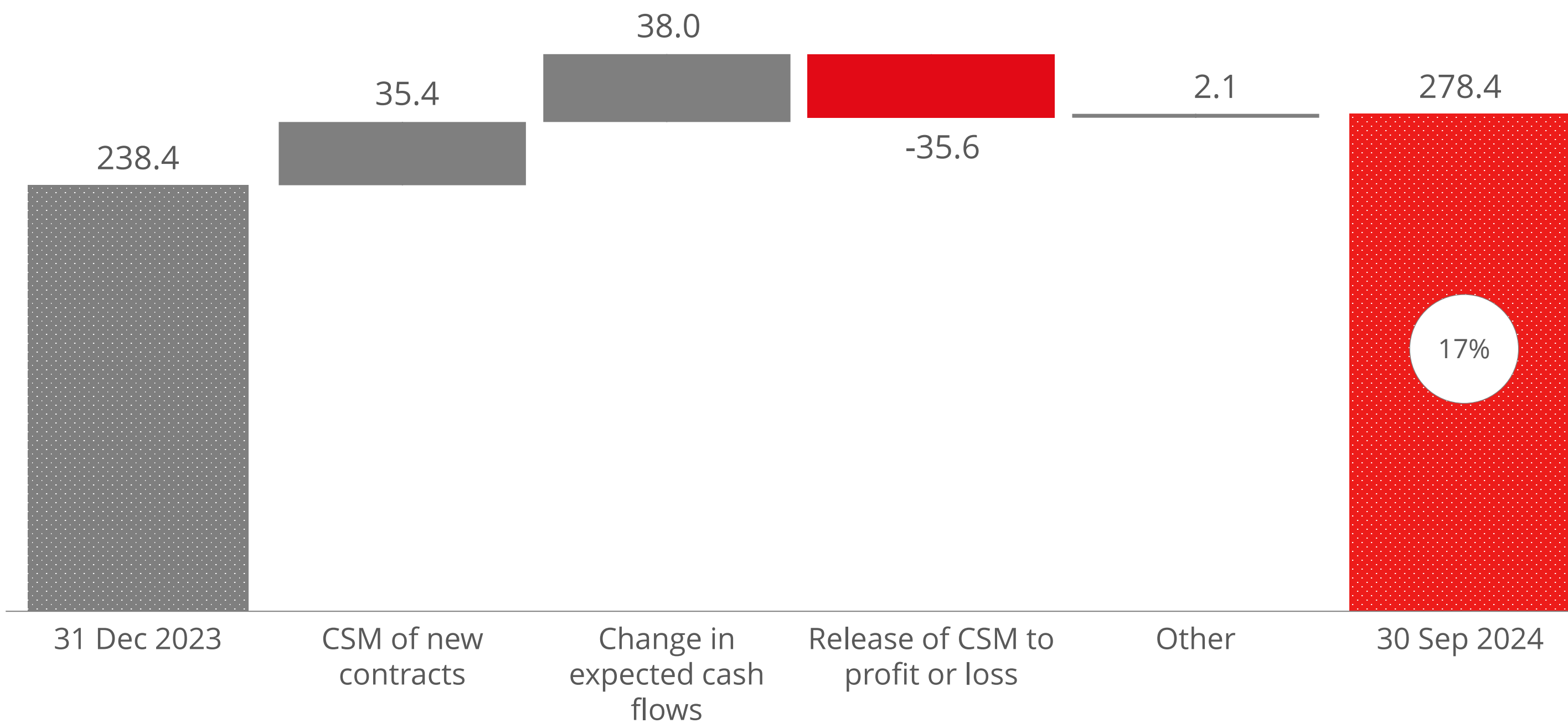
- Germany
- Int. financial institutions
- Slovenia
- Croatia
- Spain
- Other

**Total €1,373M** (+14% compared to 2023YE)



# Development of CSM

**Total Contractual Service Margin (CSM) Development** (in €M)



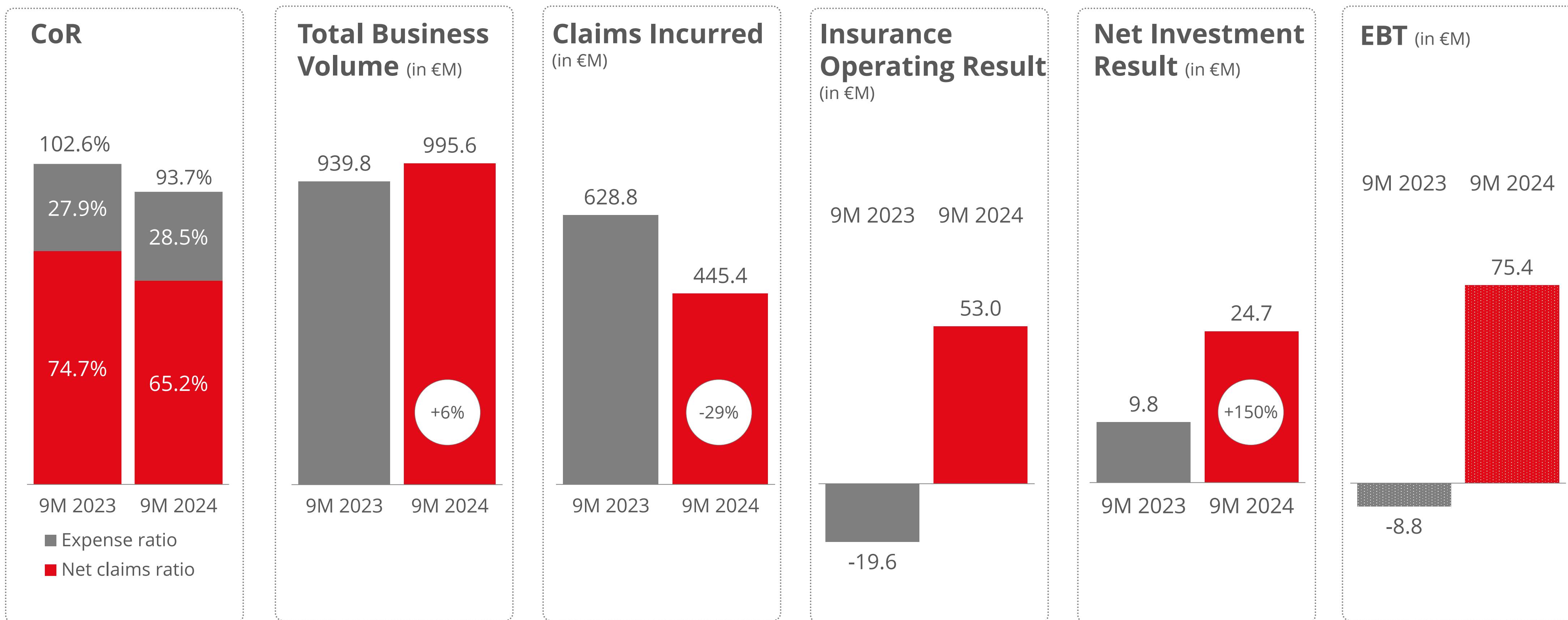
- CSM of new contracts/CSM: 12.7% (-0.3 pp y-o-y)

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



# Segment: Non-Life

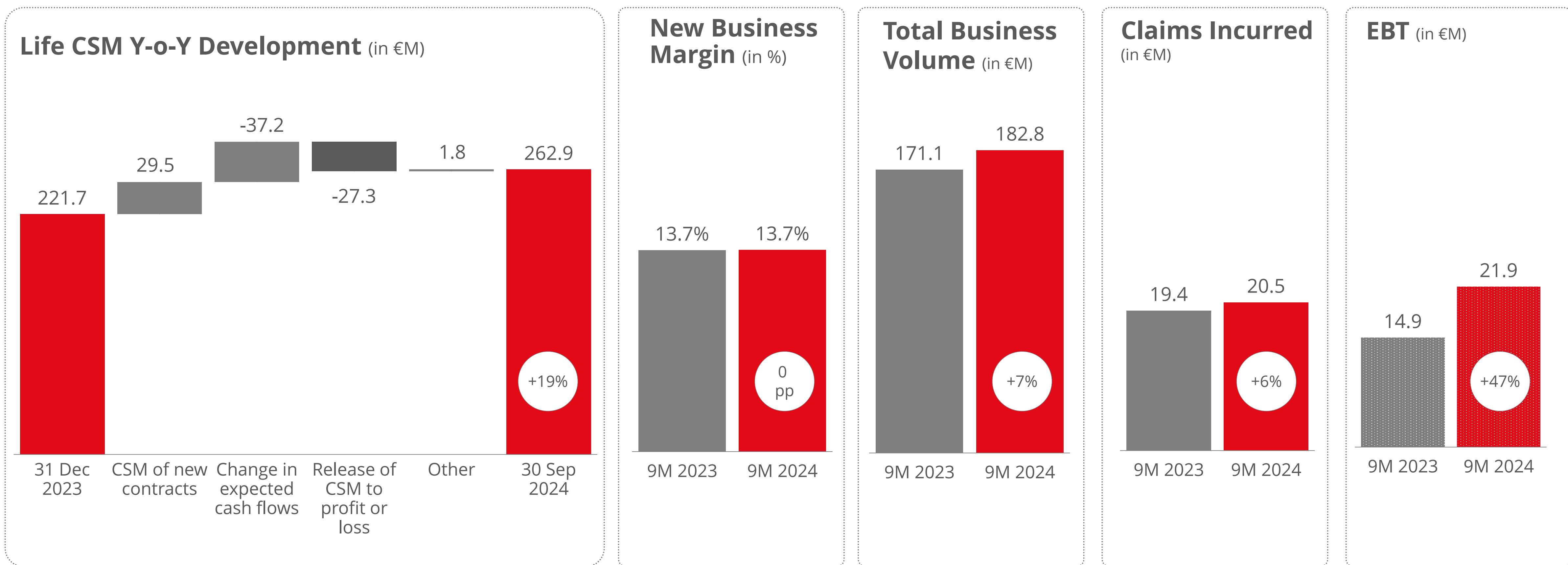
Strong performance with high insurance operating result driven by higher client insurance coverage, price increases, numerous underwriting and claims handling measures and lower claims frequency. Net investment result growth influenced by higher interest income and one-offs.





# Segment: Life

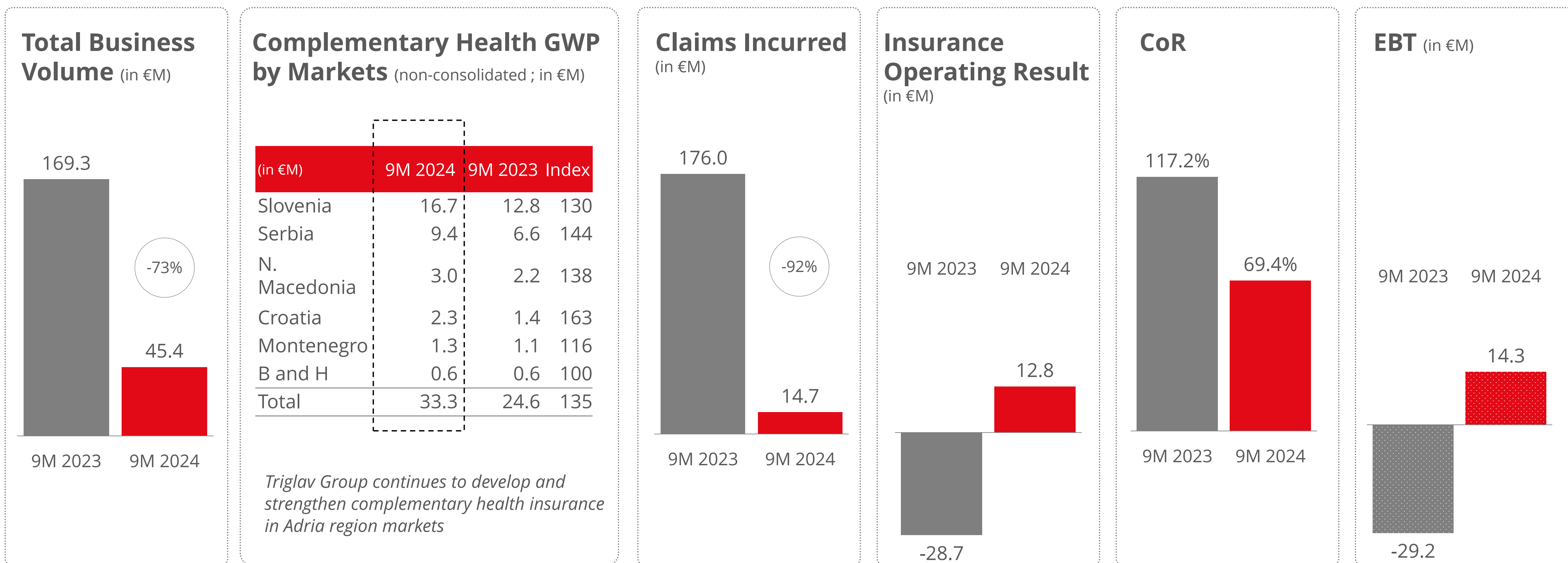
*Profitable performance influenced by increased TBV and decreased claims*





# Segment: Health

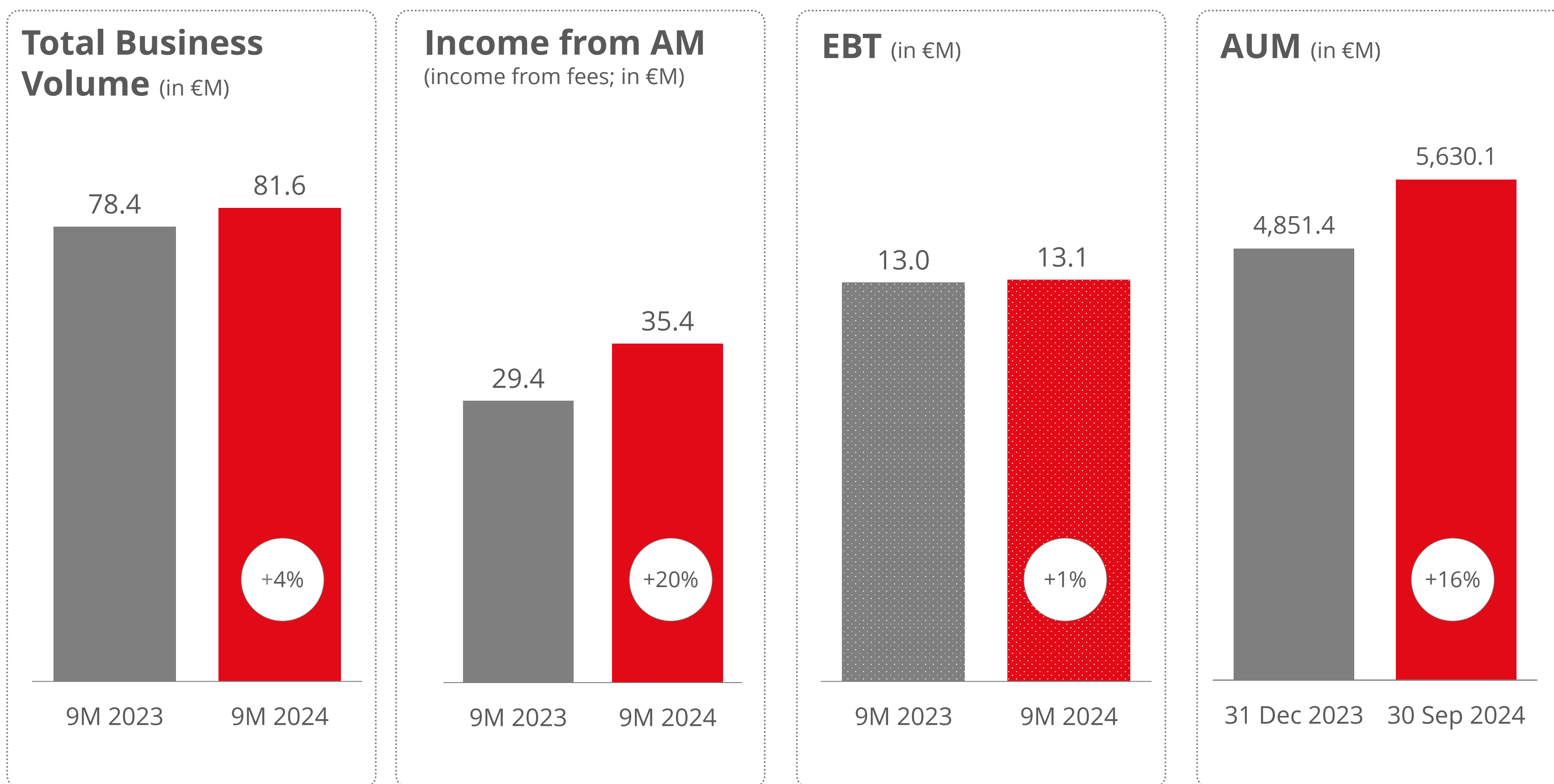
Sharp decrease in TBV and incurred claims due to termination of supplemental health insurance in Slovenia. Positive one-off effects on EBT e.g. state compensation in amount of € 11M.





# Segment: Asset Management

*High growth of income from asset management. Increased AUM.*



*Note: AM segment includes clients' pension saving through insurance services, AM and management of clients' assets in mutual funds and discretionary mandate assets. Investment results of own insurance portfolios are taken into account in insurance segments.*



# 9M 2024 Performance at a Glance

<b>P&amp;L Highlights</b> (in €M)	9M 2024	9M 2023	Index
<b>Total business volume (1+2)</b>	1,305.4	1,358.5	96
<i>Gross written premium (1)</i>	1,236.2	1,303.7	95
<i>Other income (2)</i>	69.2	54.9	126
<b>Insurance operating result (a)</b>	<b>79.2</b>	<b>-35.6</b>	
<i>Insurance revenue</i>	942.3	989.1	95
<i>State compensation pursuant to the Decree on suppl. health insurance premium</i>	11.0	0.0	
<i>Claims incurred</i>	480.7	824.2	58
<i>Acquisition &amp; admin.costs incl. non-attributable items</i>	270.1	259.6	104
<i>Net reinsurance service result</i>	-101.5	62.6	
<i>Net other insurance income/expenses</i>	-22.0	-3.5	625
<b>Net Investment result (b)</b>	<b>37.5</b>	<b>18.7</b>	<b>201</b>
<i>Investment result</i>	113.6	51.1	222
<i>Financial result from insurance operations</i>	-83.7	-40.5	207
<i>Change in provisions for unmet guaranteed yield</i>	0.9	6.1	15
<i>Attributable gains/losses on investments in associates</i>	6.8	2.1	327
<b>Result from non-insurance operations (c)</b>	<b>8.0</b>	<b>6.7</b>	<b>118</b>
<b>Earnings before tax (a+b+c)</b>	<b>124.7</b>	<b>-10.1</b>	
<b>Net earnings</b>	<b>106.8</b>	<b>-9.6</b>	
<i>Other comprehensive income</i>	3.2	16.8	19

<b>Financial position indicators</b> (in €M)	30 Sep 2024	31 Dec 2023	Index
Balance sheet total	4,451.0	4,099.0	109
Equity	961.3	891.1	108
Asset under management (AUM)	5,630.1	4,851.4	116
Contractual service margin (CSM)	278.4	238.4	117
Number of employees	5,207	5,318	98
Number of employees FTE	5,121	5,190	99

<b>Key performance indicators</b>	9M 2024	9M 2023	Change
ROE annualised	15.6%	-1.5%	17.1 p.p.
Combined ratio NL & Health	92.5%	105.2%	-12.7 p.p.
Claims ratio NL & Health	63.8%	80.3%	-16.5 p.p.
Expense ratio NL & Health	28.7%	24.9%	3.8 p.p.
Non-Life: Combined ratio	93.7%	102.6%	-8.9 p.p.
Health: Combined ratio	69.4%	117.2%	-47.8 p.p.
Life: New business margin (NBM)	13.7%	13.7%	0.0 p.p.

\*Figures for comparative period differ from those reported for 9M 2023 because last year's figures were reported on unconsolidated basis and, in addition, some improvements were made to IFRS 17 calculations throughout 2023. Figures for Total business volume differ from those reported for the 9M 2023 because Reinsurance commission is excluded from Other income in Total business volume.

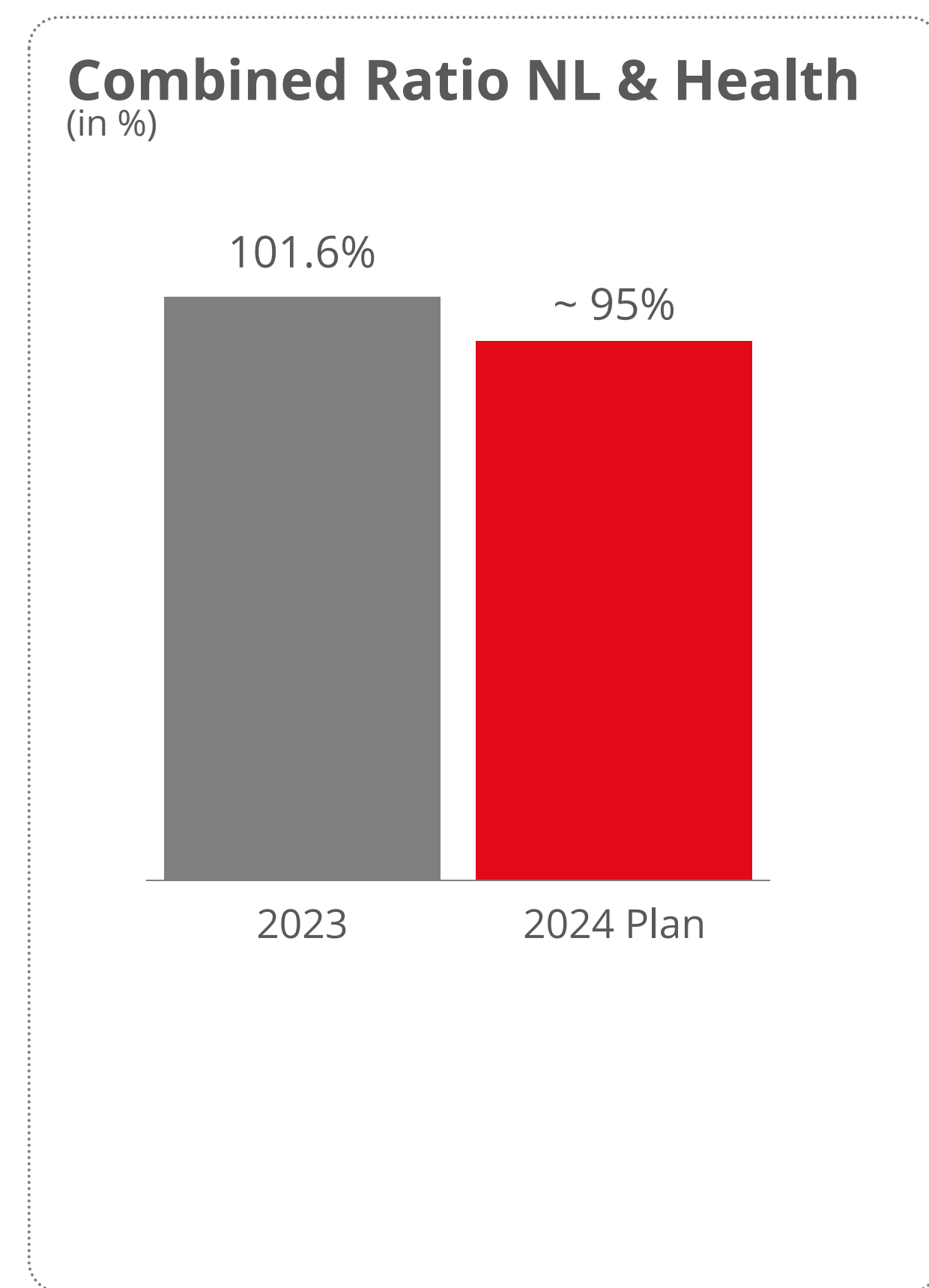
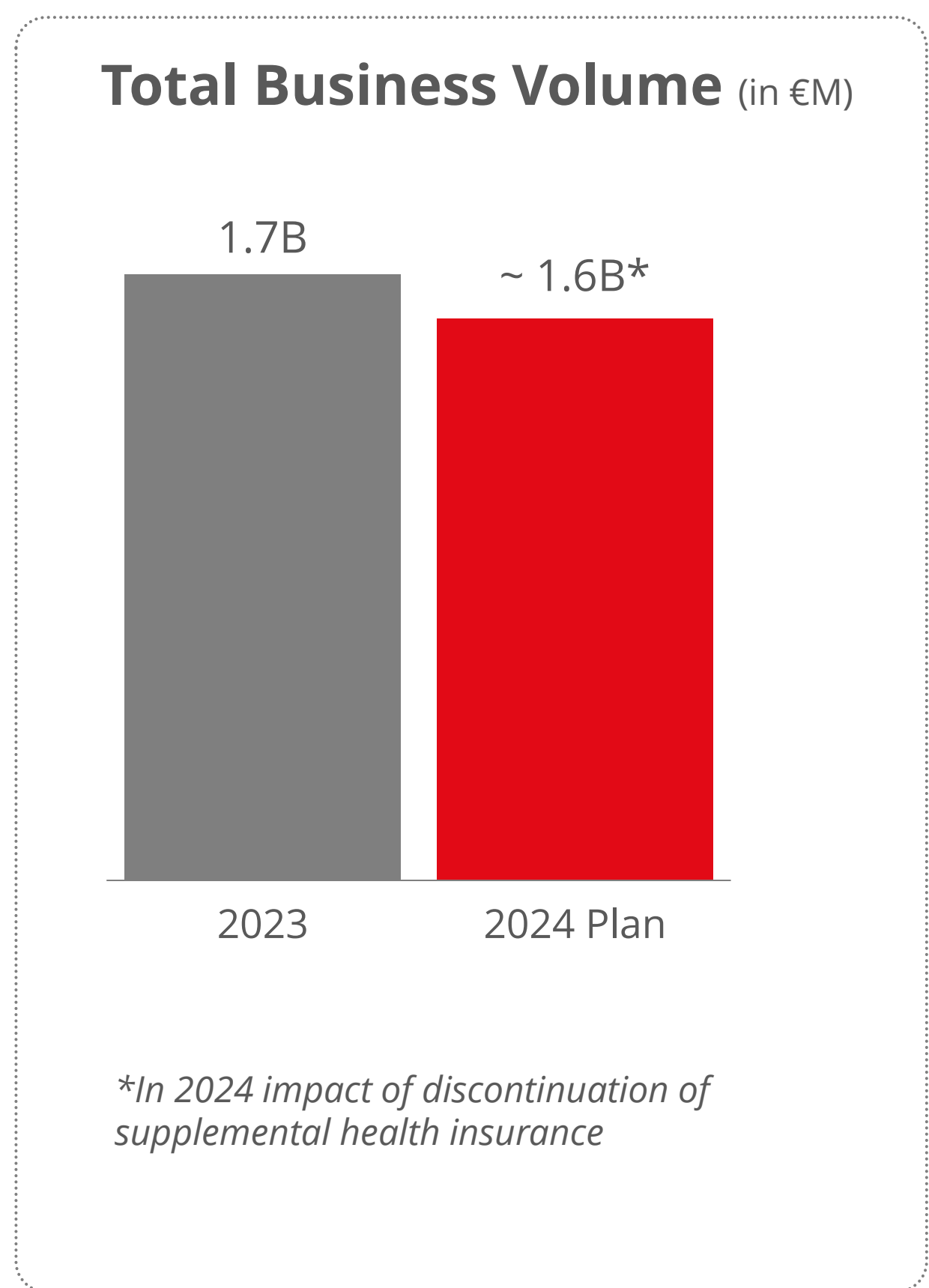
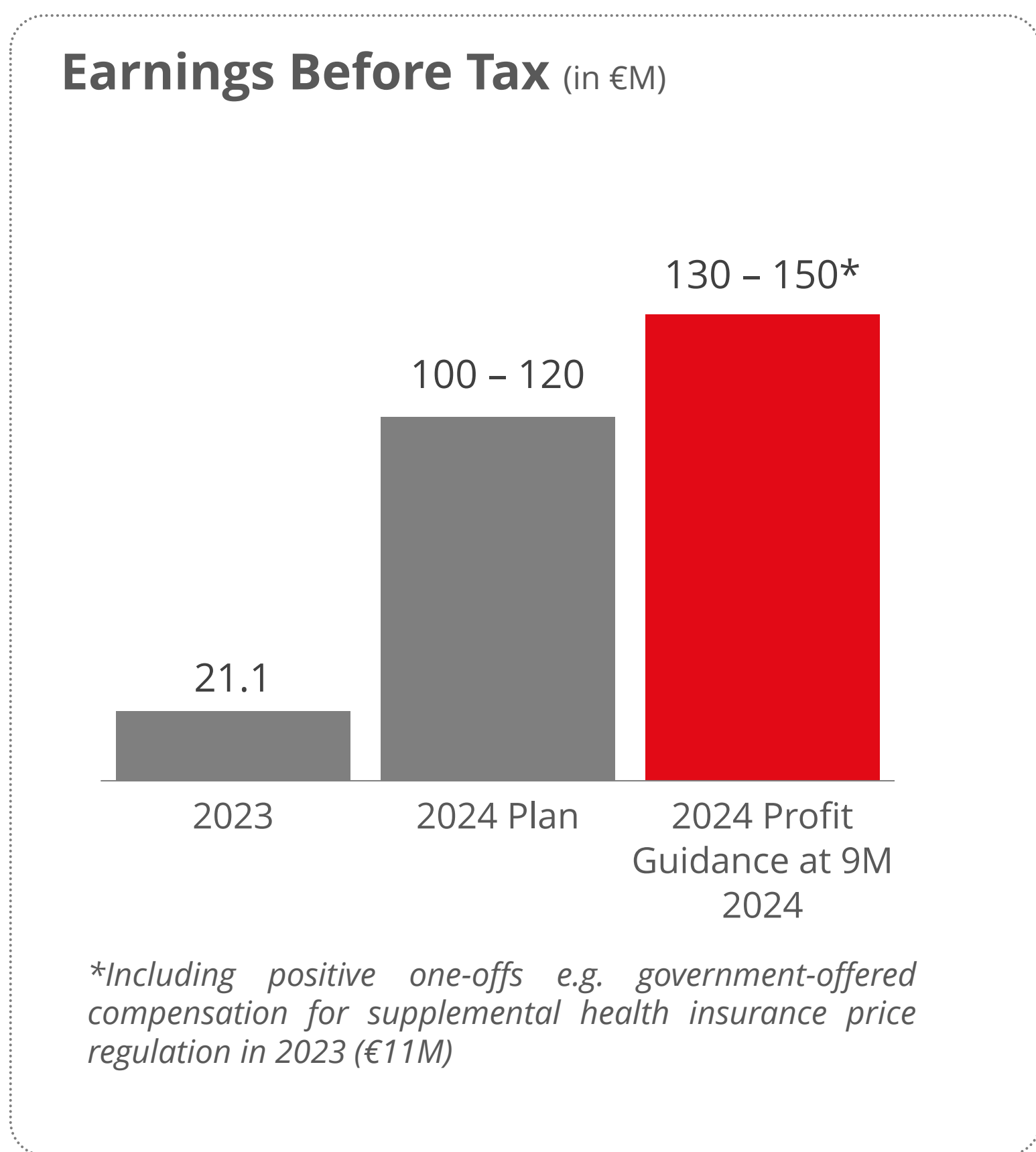


# 2024 Outlook

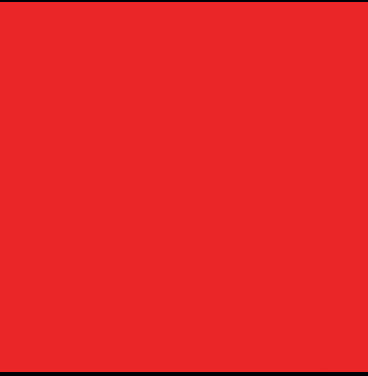




# 2024 Outlook with Increased Profit Guidance



# 2025 Plan

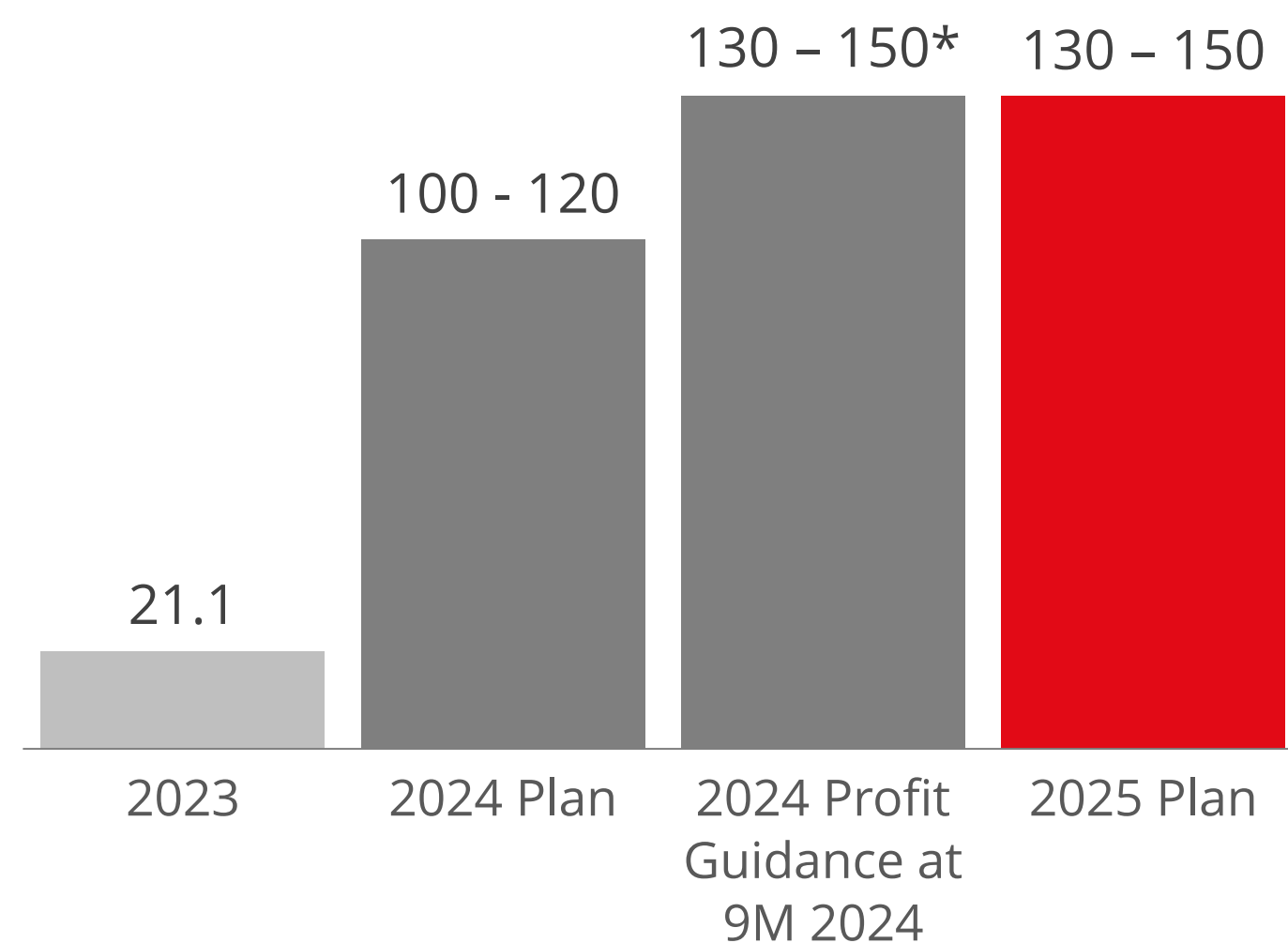




# 2025 Plan

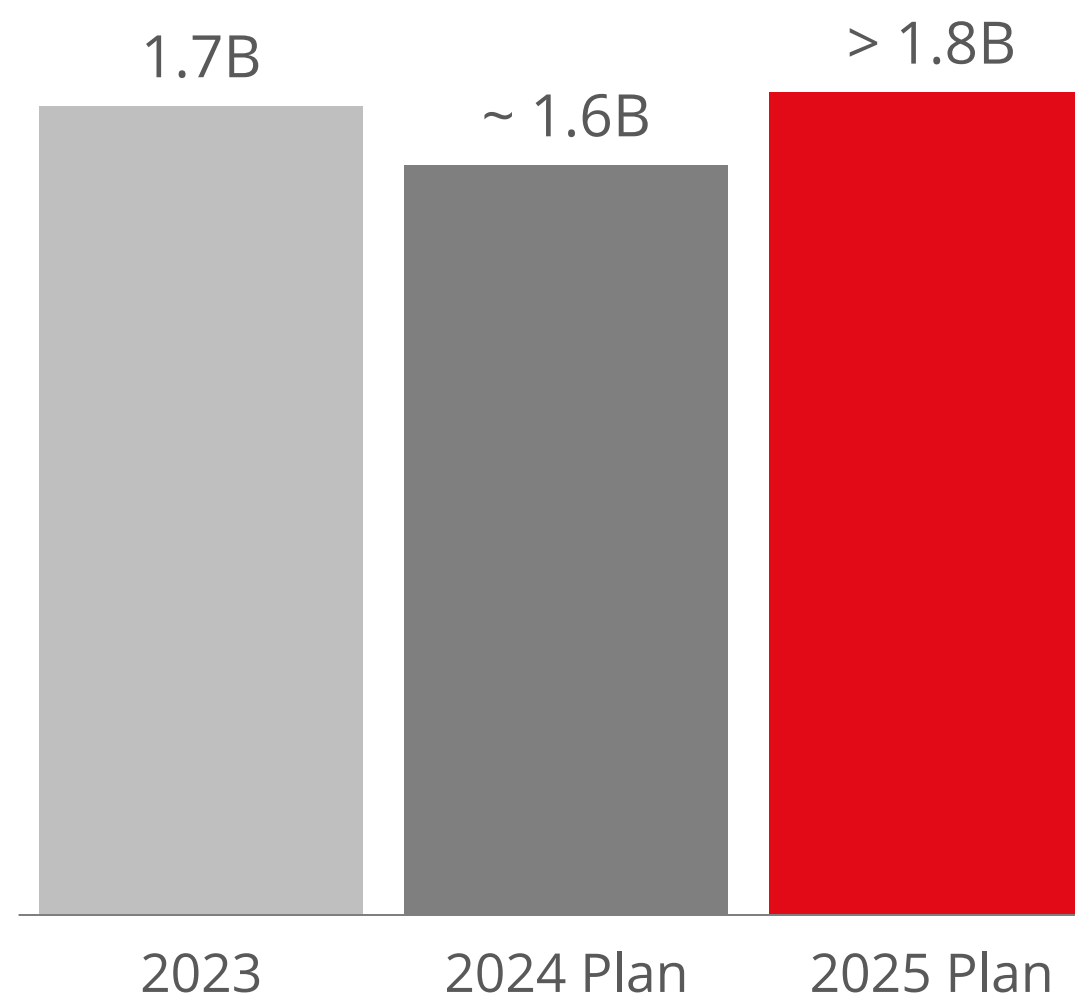
Group's performance will depend on macroeconomic situation, financial market trend, reinsurance coverage and potential of its markets. **Focus on profitability. Growth in business volume. Safe operations and target capital adequacy. Maintaining A credit rating. Cost and process optimisation. Further geographic diversification of business.**

**Earnings Before Tax** (in €M)



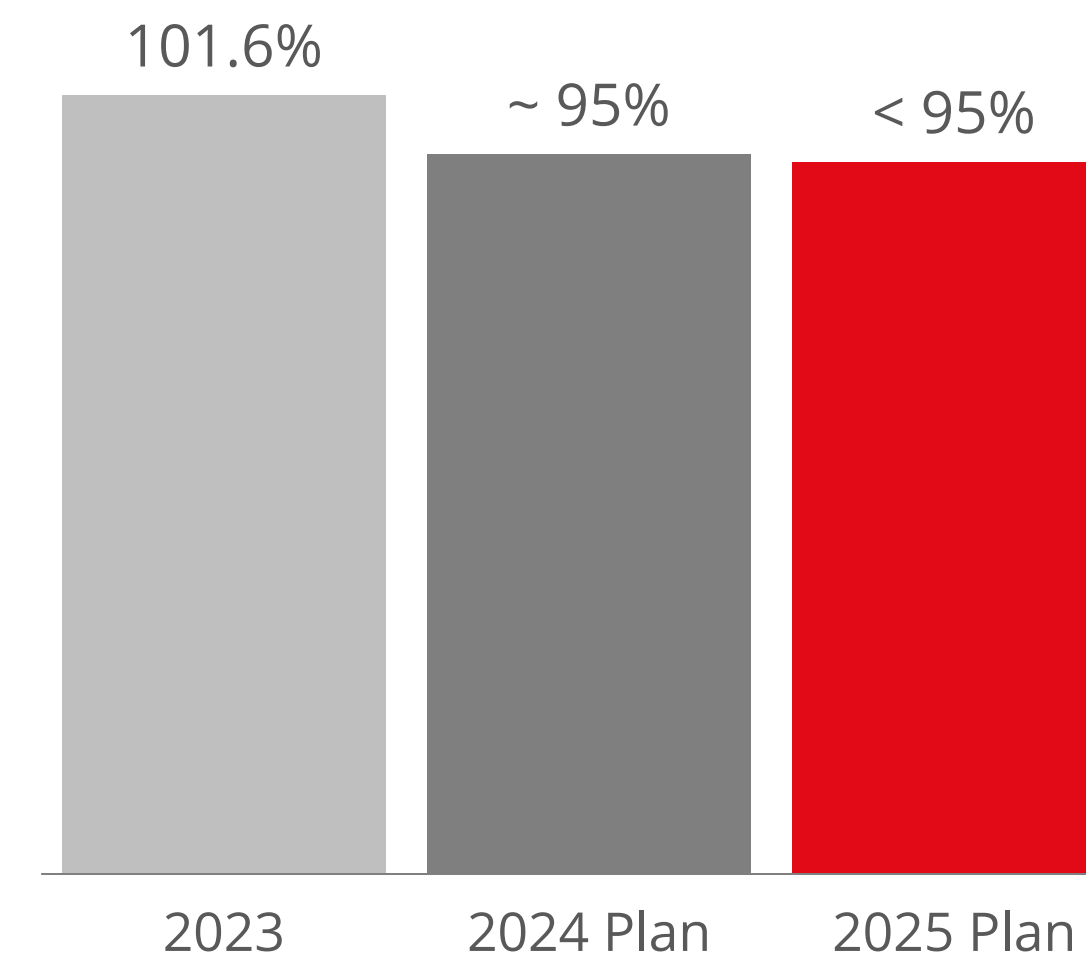
\*Including positive one-offs e.g. government-offered compensation for supplemental health insurance price regulation in 2023 (€11M)

**Total Business Volume** (in €M)



In 2024 impact of discontinuation of supplemental health insurance included

**Combined Ratio NL & Health** (in %)






**2025 - 2030**  
**Strategic Ambitions**  
(Highlights)





# 2025 – 2030 Strategic Ambitions



**Profitable operations creating value for shareholders.**  
*By 2030 Triglav Group EBT will reach € 250 – 300 M.*


**Further growth in markets outside Slovenia.**  
*Internationalization & diversification of profit stream.*


**Ambitious growth of business volume and AUM.**  
*Organic growth and M&A activities if suitable opportunities arise.*

**Best customer experience.**  
*Innovative, accessible and simple solutions, reflecting customer needs.*


**Agile and efficient organization.**  
*Simplified processes and digital business model.*

**Attract and retain the best talent.**  
*High-performance organisational culture.*

 **Mission** **We build a safer future**  
*We are customer centric  
We help our partners to grow  
We foster development of our employees  
We are profitable, stable and safe investment*

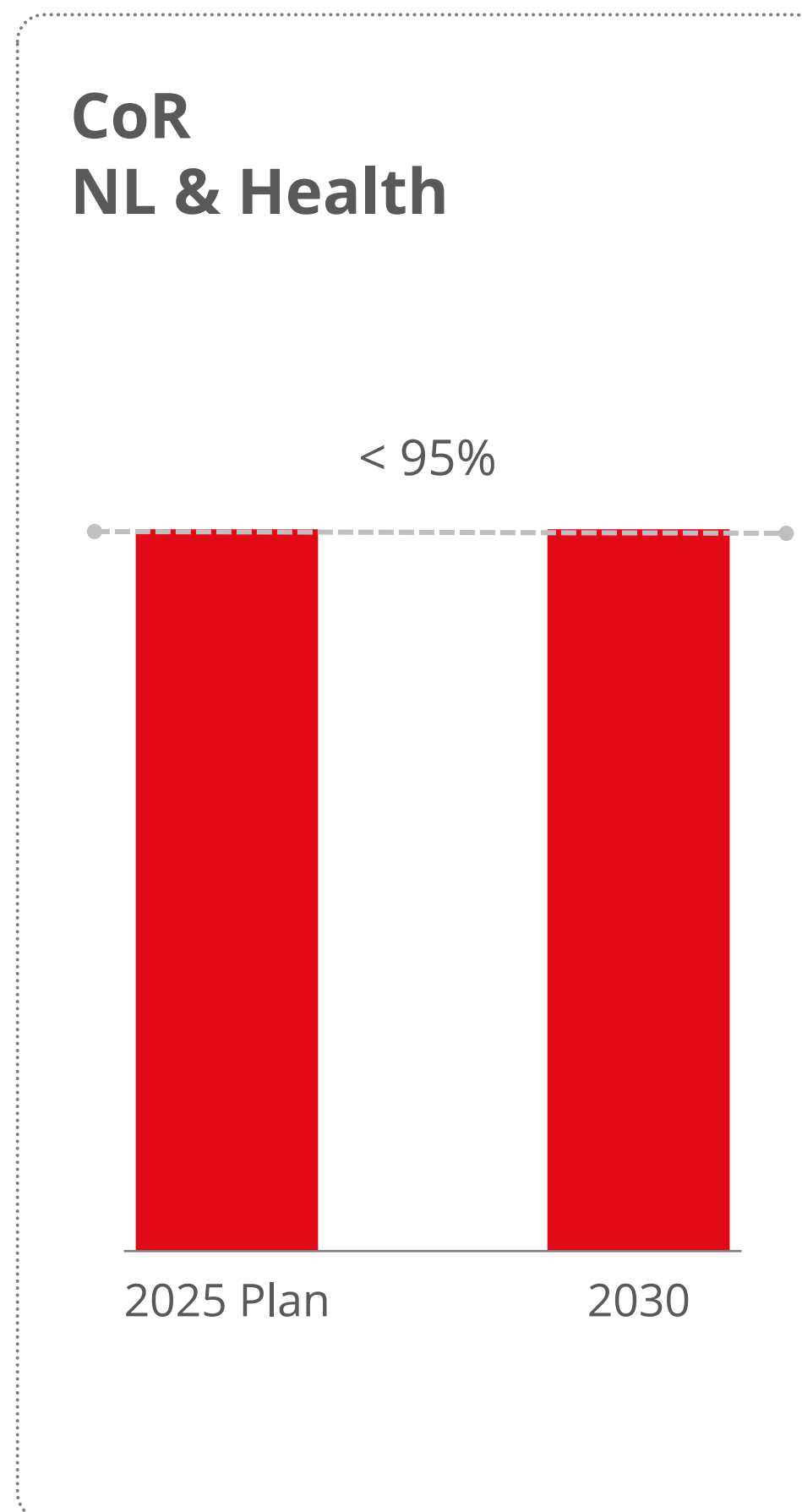
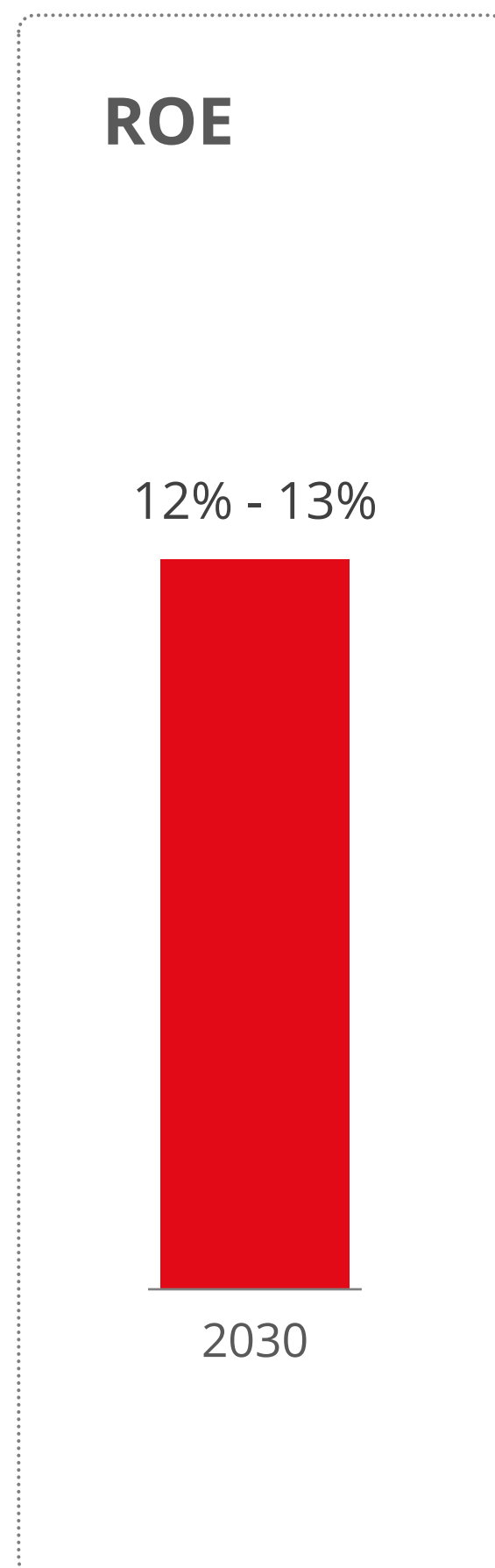
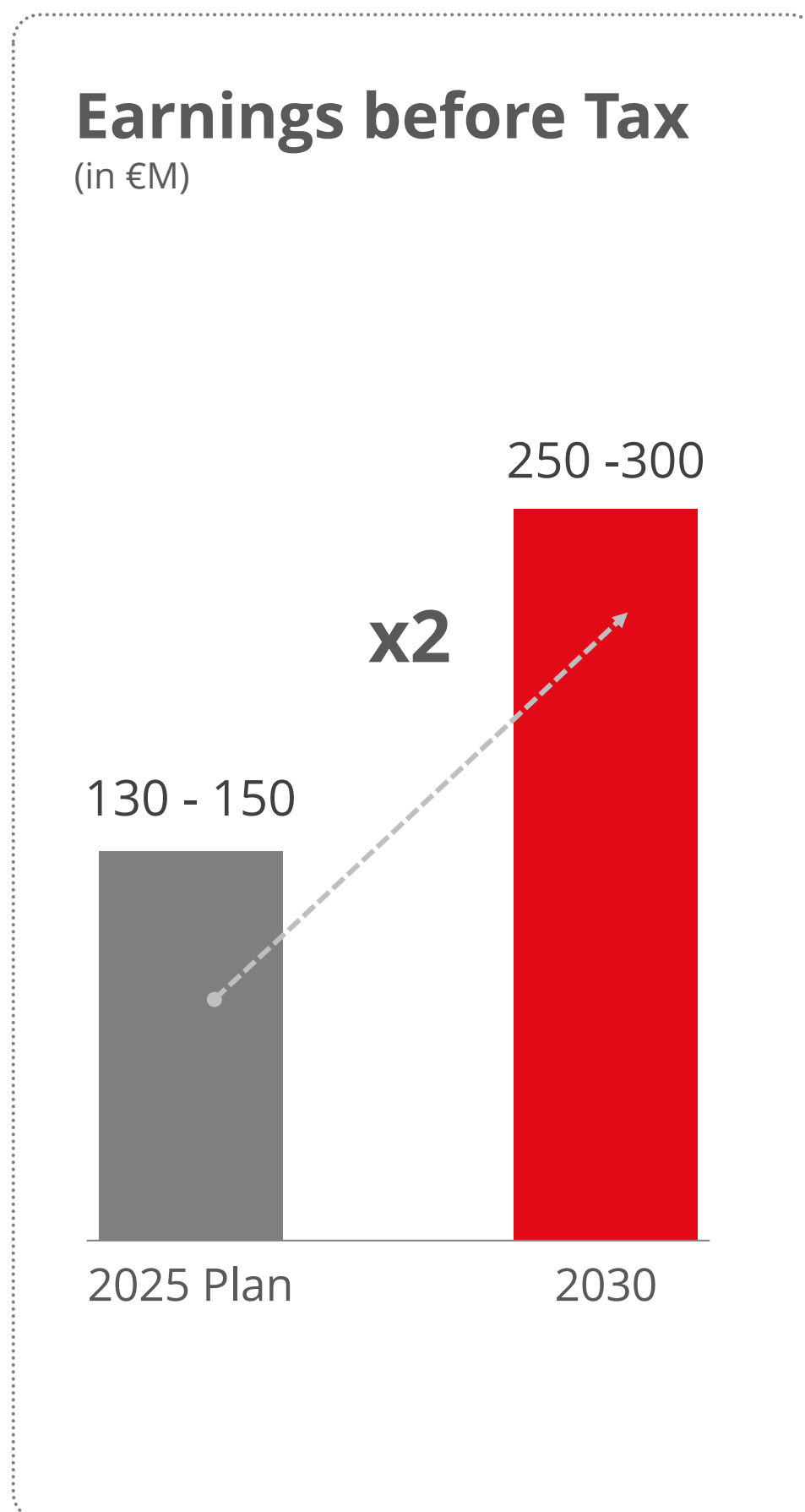
 **Vision** **We are international insurance-financial group**  

- *Triglav is leading insurance-financial group in Adria region - we reinforce our leading position in the region.*
- *We are international - we are strengthening our identity and visibility as international group. Together, regional and international markets will outweigh revenues from domestic market.*

 **Values** **Responsiveness, simplicity and reliability** are reflected every day in our work.



# Doubling of Profit Through Various Initiatives

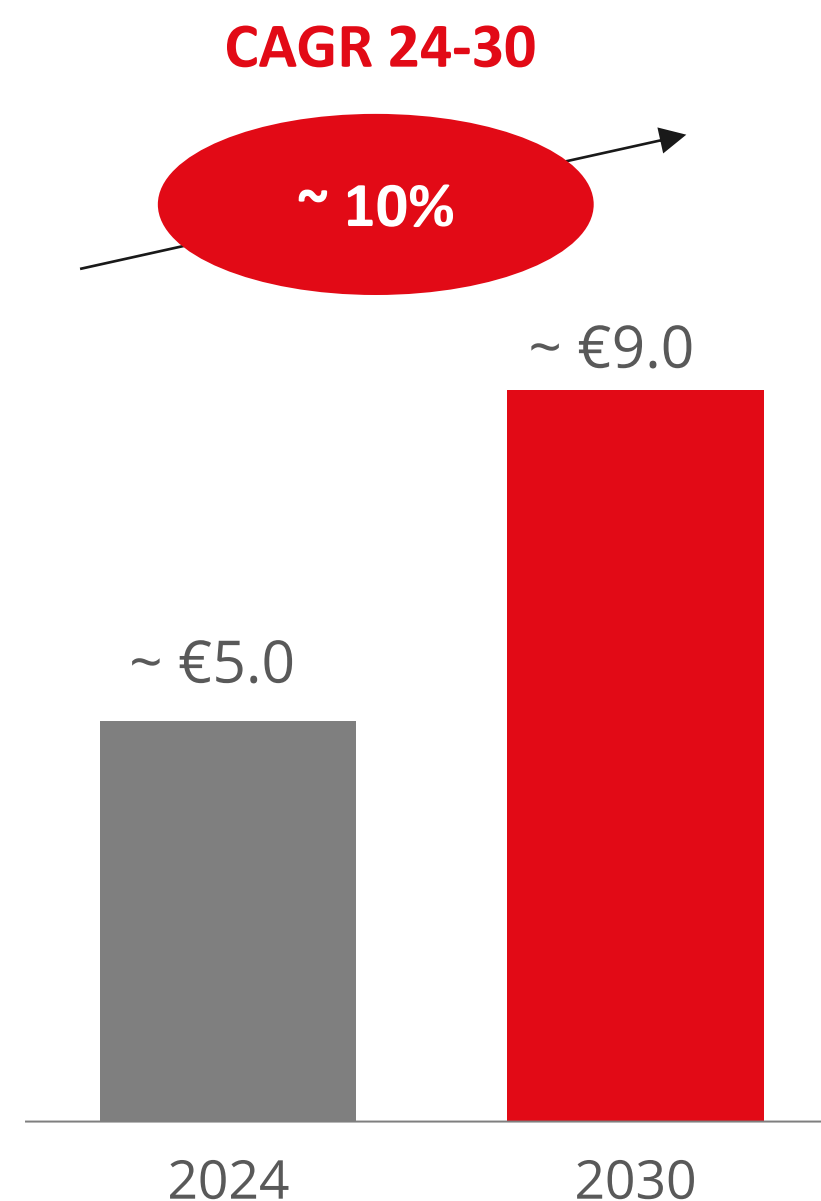


- **High ambitions** in terms of future results, growth of business volume, and leading market position.
- **Cost and process efficiency** (simplifications, centralization, digitalization, inclusion of modern technologies).
- Product & service **simplification**.
- Exploiting **economies of scale** effects.
- Geographical and product-service **diversification**.
- **„A“ credit rated group**.
- Sustainable business operations.



# Delivering Value to Shareholders

## Ambitious EPS Growth



50%

Returned to shareholders<sup>1</sup>

50%

Retained to fund organic growth and nontransformational acquisitions

## We remain profitable, stable and safe investment for our investors

### Attractive Capital Return to Shareholders

~ €400m to be returned over 2025 – 2030<sup>2</sup>

### Driving Book Value Growth Over Time

- ROE 12% - 13% in 2030
- BVPS CAGR 24-30 ~ 8%

### Maintaining Strong Balance Sheet and Capitalization

- SCR ratio 200 – 250%
- „A“ range rating

### Continuous Investor & Management Engagement

<sup>1</sup> Payout based on dividend policy & organic growth capital needs.

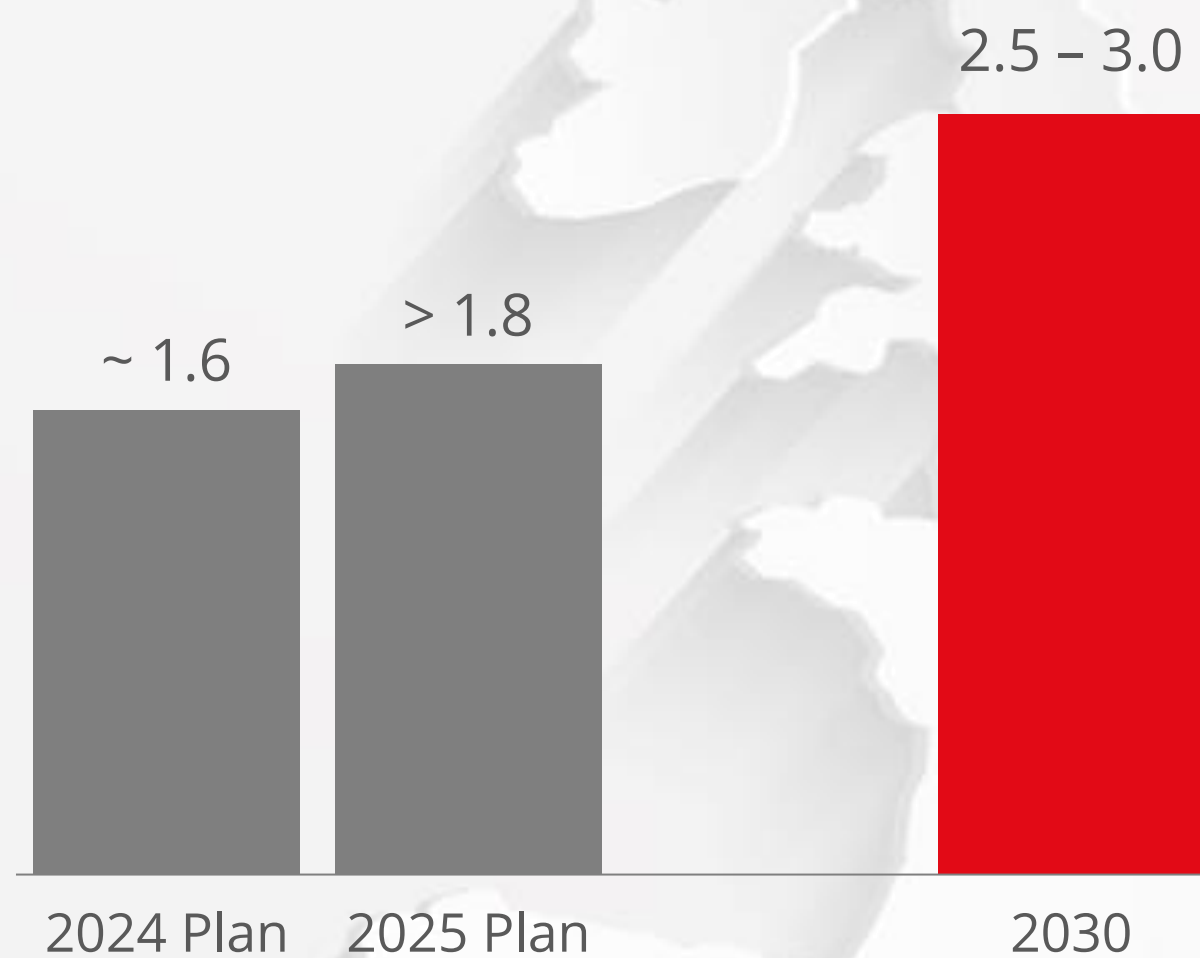
<sup>2</sup> Dividends paid in 2025 to 2030.





# Ambitious Growth of Business Volume

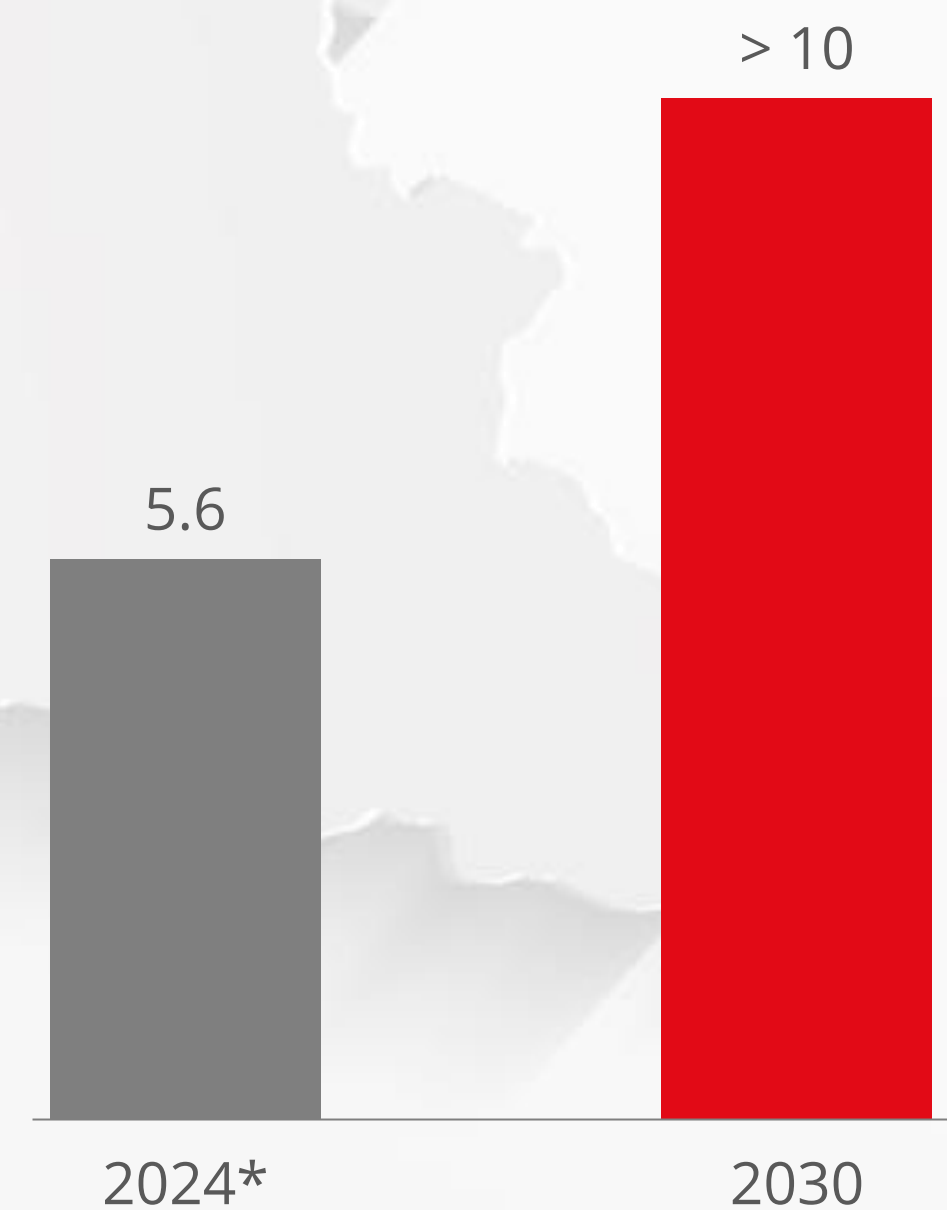
**Total Business Volume** (in €bn)



- **Ambitious growth** of business volume and AuM on existing and new markets.
- Increasing share of business **from regional markets outside of Slovenia**.
- Strengthening recognition as international group and seizing growth opportunities in **international re(insurance) markets** (by reinsurance and new business models) and leveraging new business models (FOS and MGA).
- Complementing **ambitious organic** growth with **acquisition activities** if suitable opportunities arise.

**ADRIA REGION**  
**Market leader**  
 (21.8% market share; 2023 YE)

**AuM** (in €bn)



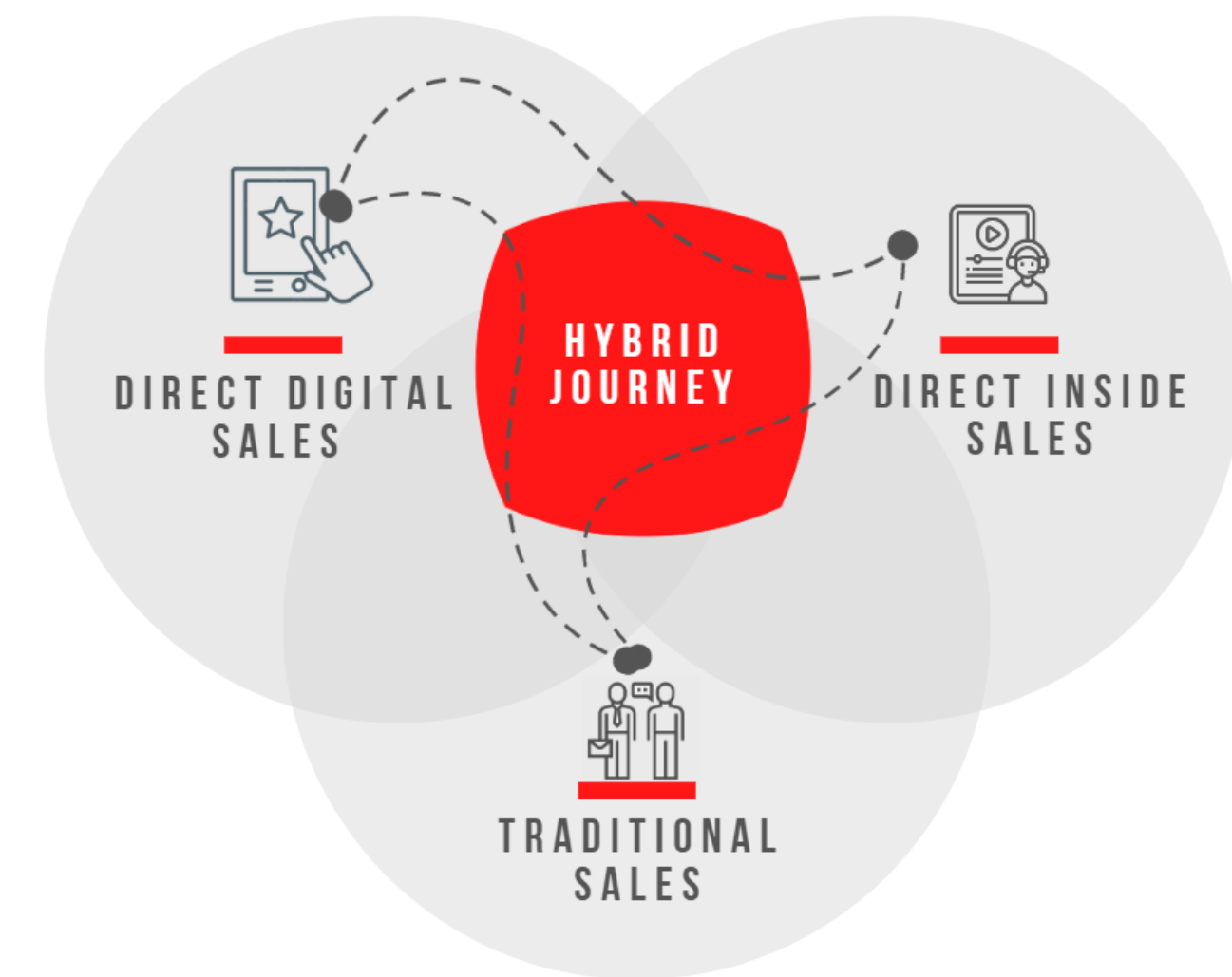
\* Data as at 30 Sep 2024



# Best Customer Experience

## Customers remain at the center of our activities

- **Best customer experience** regardless of customer journey
- **Innovative** insurance and investment solutions tailored to customer needs
- **Accessible and simple** products
- **Comprehensive** solutions that provide customers with well-being and increase quality of their lives



*Hybrid journey as step towards fully integrated omnichannel customer experience.*



# Agile & Efficient Organization. Culture. Sustainability.

## Our mindset

- **Agility and adaptability** to challenges and changes in environment.
- **Engaged employees** in high-performance organisational culture
- **Simplified processes and** cost efficiency.
- Integrating **new technologies** and digital business model.

## We are committed to sustainability and responsibility towards society and environment

We focus on four key areas:

- business processes,
- asset management,
- responsible stakeholder engagement,
- effective corporate governance.

By pursuing sustainability goals, Triglav Group is creating long-term stable basis for its profitable and safe operations, promoting transition to sustainable society and reducing its impact on climate change.

*More information available on [www.triglav.eu](http://www.triglav.eu).*



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



# For more information, please contact

## **Investor Relations Department**

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