



ANNUAL REPORT

2023

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STATEMENT FROM THE CEO OF SLAVIA POJIŠŤOVNA A.S.

Ladies and Gentlemen,

Our results were good in 2023 and we were a force to be reckoned with in the insurance sector, especially thanks to reporting the fastest growth in motor insurance. We were also able to develop other segments, expand the business network and onboard many business partners.

We had a successful year even though the economy was accompanied by double-digit inflation, burdening all insurance claims related to the construction and car repair industries, thus increasing both total and partial losses. We also achieved great results despite the absence of our comprehensive health insurance for foreigners, which we were only able to return to at the end of the year.

Despite these obstacles, we achieved significant growth again. We have been able to increase our performance by 46% over the past four years. Our annual gross premiums written approached CZK 1.5 billion in 2023. Net profit (according to Czech accounting standards) in 2023 amounted to TCZK 28,012. Total gross premiums written in 2023 came to TCZK 1,474,814, premium billing thus increasing by 32% compared to 2022.

We moved up two places among non-life insurance companies last year to stand as the ninth largest such business at the end of the year. It was a clear signal that we had chosen the right direction when innovating our offer and were able to combine the traditional and strong Slavia pojišťovna brand with modern procedures.

We introduced new car insurance to our clients, covering both third-party insurance and accident insurance, characterised by higher benefit limits, coverage of a greater number of risks and more generous assistance. Thanks to our new segmentation, Slavia has also become attractive to owners of more expensive or luxury vehicles, and it has also come up with more appealing collision insurance for drivers of high-end cars.

We modernised property insurance in 2023. Thanks to the modification of a number of its parameters and clearer communication, we significantly increased interest in the Šťastný Domov insurance. All key information is now stated in the contract itself, not in the accompanying insurance terms and conditions. The more attractive pricing and the option of insuring an unlimited number of photovoltaic panels, which are becoming an ever increasing sight on roofs, undoubtedly contributed to this fact.

We also saw a high increase in travel insurance, fleet insurance, and industry insurance. We introduced our new 2coffee product, which is a property and liability insurance product tailored to young people. We took our inspiration for this from the principles used by Spotify and Netflix.

We viewed the demonopolisation of comprehensive health insurance for foreigners as a significant commitment going forwards, and as affirmation of our steadfast attitudes and arguments. We were able to reintroduce this product to our portfolio after a hiatus of two

years, this time with a larger network of healthcare facilities and a new ten-million coverage limit.

Slavia pojišťovna has strong roots in the Czech landscape and market, so it also supports events that resonate with our company. Last year, it once again teamed up with the oldest and most difficult race in continental Europe – the Grand Pardubice Steeplechase.

One of the CSR highlights was the Slavia pojišťovna Sport Team project. Its mission is not only to support elite sport, but also to motivate people to engage in physical activities and a healthy lifestyle. Besides the Grand Pardubice Steeplechase, we sponsored the Český Krumlov River Marathon and, together with the Police of the Czech Republic, we carried out another three parts of the Ztracená pomněnka (Lost Forget-me-not) project, which aims to motivate people to help each other, have empathy, and be considerate. The efforts of those who had volunteered to search for a missing person, even though they were not professional rescuers, were recognised in Rokycany, Brno, and Prague.

In 2023, Slavia pojišťovna was again reinsured by strong highly-rated international reinsurance companies who appreciated our stable management and the changes we made in the product portfolio during the year. We will continue to work on improving our services and products.

The company intends to continue along its development trajectory, with one key initiative being its expansion into the Dutch market in 2024, with a specific focus on car insurance sales.

Karel Waisser
CEO and Chairman of the Board

2023 Management Report

In 2023, the Board of Slavia pojišťovna a.s. faced the challenge of high inflation, which added pressure to all insurance claims, and the continuing monopoly exerted by PVZP (going by the name of General Health Insurance Company in English) over comprehensive health insurance for foreigners.

It was a successful year for Slavia. Once again, we processed countless claims and expanded our product range and services. We maintained a sufficient level of capital and liquidity, while keeping staff professionalism and moral high. We remained an attractive proposition to both clients and business partners by introducing numerous new features.

We continued to make significant innovations in our product portfolio. We started 2023 with 200,000 insured vehicles and saw this number rise significantly over the next months, underpinned by new car insurance with higher benefit limits, wider risk coverage, and a greater scope of assistance. We also introduced the modified property insurance Šťastný Domov (Happy Home) and registered keen interest in our travel and fleet insurance.

The demonopolisation of comprehensive health insurance for foreigners was an important moment that Slavia pojišťovna had been anticipating for two years. We could thus once again include this product in our portfolio at the end of last year and we are confident that, with the return to the free market, we will regain clients who had not had the freedom to choose this insurance.

We continued to provide information on what was happening at the company through regular training sessions and seminars. Our partners and agents appreciated receiving regular financial and product tips in the newsletters we published for target segments.

In our marketing activities, we continued to sponsor the Grand Pardubice Steeplechase and Slavia Pojišťovna Sport Team, and we again partnered the Český Krumlov Water Marathon. The Ztracená pomněnka (Lost Forget-me-not) project, which aims to motivate people to help each other, was implemented in 2023 in Prague, Brno and Rokycany. This was an opportunity for us and the Police of the Czech Republic to thank people who were mindful of the problems of others and were able to help find a missing person in time, despite not being professional rescuers.

In its activities, Slavia pojišťovna meets the legislative requirements of the European Union's Solvency II Directive. From the point of view of the management and control system, it follows up on the processes established in recent years under a quality management system set up according to the ČSN EN ISO 9001:2016 standards. We also continued to implement the new international accounting standard IFRS 17, which significantly changes the methods of portfolio valuation and reporting. In keeping with our long-term strategy, we have worked with highly rated reputable and capital-strong reinsurance companies.

The Board recommends that the General Meeting approve the financial statements for 2023 and transfer the profit of TCZK 28,012 to the accumulated loss.

On behalf of the Board, I would like to thank the management and all employees for their support in 2023. We view the results as a guiding beacon and source of motivation for our further efforts. Our vision of relentlessly improving the company remains unchanged and we will continue to pursue it in the coming years.

Karel Waisser
CEO and Chairman of the Board

Karel Bezděka
Chief Commercial Officer
Member of the Board

I. Information about the Company

COMPANY SNAPSHOT

Company name: Slavia pojišťovna a.s.
Share capital: CZK 371,000,000
Registered office: 140 00 Praha 4, Táborská 940/31
Registration number: 601 97 501
Incorporation: 1 June 1994 by registration in the Commercial Register

CORPORATE GOVERNANCE

(as at 31 December 2023)

BOARD OF DIRECTORS

Karel Waisser	– Chairman of the Board
Tomáš Polák	– Vice-Chairman of the Board
Milan Kolanda	– Member of the Board
Petr Pořízek	– Member of the Board
Bohumil Vrhel	– Member of the Board
Karel Bezděka	– Member of the Board

SUPERVISORY BOARD

Pavel Sehnal	– Chairman of the Supervisory Board
Jakub Schejbal	– Member of the Supervisory Board
Adam Herclík	– Member of the Supervisory Board
Libor Kotěšovec	– Member of the Supervisory Board (until 31 December 2023)
Pavel Balák	– Member of the Supervisory Board
Jiří Staněk	– Member of the Supervisory Board (until 1 June 2023)
Pavel Zetek	– Member of the Supervisory Board (since 1 June 2023)

CEO

Karel Waisser

AUDIT COMMITTEE

Ladislav Jirka	– Chairman of the Audit Committee
Libor Kotěšovec	– Member of the Audit Committee (until 31 December 2023)
Jaroslava Roubíčková	– Member of the Audit Committee
Michaela Svobodová	– Member of the Audit Committee (since 1 January 2024)

II. Overview of Activities

PRODUCTS

BUSINESS LINES

Catastrophe and water insurance
Theft and vandalism insurance
Glass insurance
Machinery and electronics insurance
Business interruption or restriction insurance
Construction and erection risks insurance, including liability

Liability and product liability insurance
Professional liability insurance
Employee liability insurance
Directors and officers insurance
Medical malpractice insurance

Motor third-party liability insurance
Motor vehicle collision insurance
Carrier financial capacity insurance
Carrier liability insurance
Shipping insurance

Insurance for cities and municipalities

Labour agency bankruptcy insurance
Travel agency bankruptcy insurance

PERSONAL LINES

Permanently occupied property insurance (Šťastný Domov)
Recreational property insurance
Permanently occupied household contents insurance (Šťastný Domov)
Recreational household contents insurance
Property under construction and reconstruction insurance

Incapacity for work and disability insurance
Hospitalisation insurance
Personal accident insurance

Travel insurance
Comprehensive health insurance for foreigners
Health insurance for foreigners in case of necessary and urgent health care

Veterinary care insurance – Pejsek a kočička
Scooter insurance
Domain insurance
2coffee

Liability insurance
Motor third-party liability insurance
Motor vehicle collision insurance

III. Financial Highlights

Premiums and claims incurred by sector

(reported as TCZK)

Direct insurance	Year	Gross premiums		Costs for claims*
		Written (gross)	Earned (gross)	
Fire and other property damage	2022	160,115	148,152	209,776
	2023	193,827	189,056	67,354
Motor vehicles	2022	135,445	121,519	68,024
	2023	218,392	182,792	99,781
Contractual liability	2022	713,998	682,904	343,876
	2023	931,868	838,360	411,774
Other	2022	103,378	167,507	79,431
	2023	130,727	132,513	24,335
Total	2022	1,112,936	1,120,082	701,107
	2023	1,474,814	1,342,721	603,244

* without change in the provision for claims

All insurance contracts were concluded in the Czech Republic.

IV. Summary of Assets and Liabilities

	(reported as TCZK)	
Assets	31 Dec 2022	31 Dec 2023
Intangible assets	34,172	45,712
Tangible assets	2,017	4,282
Investments	960,895	1,149,000
Insurance/reinsurance receivables	121,231	422,718
Other receivables	4,480	11,066
Cash	156,693	102,643
Other assets	100,598	127,094
Total ASSETS	1,380,086	1,862,515

	(reported as TCZK)	
Liabilities and equity	31 Dec 2022	31 Dec 2023
Share capital	371,000	371,000
Share premium	56,143	56,143
Other capital funds	24,060	27,493
Accumulated loss	(195,862)	(174,903)
Profit/loss	20,959	28,012
Subordinated liabilities	64,228	69,357
Technical provisions	606,457	742,270
Other provisions	615	284
Insurance/reinsurance liabilities	255,693	518,828
Other liabilities	41,865	64,208
Other liabilities and equity	134,928	159,823
Total LIABILITIES AND EQUITY	1,380,086	1,862,515

V. Profit and Loss Account Highlights

Item	(reported as TCZK)	
	2022	2023
Premiums earned, net of reinsurance	667,002	768,702
Investment income transferred from non-technical account	21,396	37,793
Other technical income	4,633	7,696
Cost of claims incurred, net of reinsurance	(304,796)	(412,729)
Change in other technical provisions	(356)	2,084
Bonuses and discounts	(4,874)	(3,682)
Net operating expenses	(331,673)	(308,295)
Other technical expenses – adjusted	(30,218)	(48,960)
Balance of non-life insurance technical account	21,114	42,609
Investment income	38,605	153,413
Investment expenses	(4,204)	(101,565)
Transfer of investment income to non-life insurance technical account	(21,396)	(37,793)
Other income	10,720	1,588
Other expenses	(15,212)	(21,545)
Tax on income from ordinary activities	(8,583)	(8,695)
Other taxes and charges	(85)	0
Profit/loss for the accounting period	20,959	28,012

VI. Other Data

1. Development of other economic indicators

Item	(reported as TCZK)	
	2022	2023
Average number of employees as at 31 December (persons)	108	108
Wage costs	73,864	80,831
Social security and health insurance	24,893	27,400
Other staff expenses	1,363	1,983
Bonuses to board members	2,233	2,675
Profit/loss from investments	34,401	51,848
Total amount of provisions for receivables	37,713	36,384
Accumulated loss	(195,862)	(174,903)
Balance of non-technical account	(155)	(14,597)

2. Investments in securities and real estate

Acquisition and book value of securities as at 31 December 2022 and 31 December 2023.

(reported as TCZK)

Item	31 Dec 2022		31 Dec 2023	
	Acquisition value	Book value	Acquisition value	Book value
Yield securities	248,362	250,025	539,818	548,193
- variable	153,623	150,230	191,732	197,792
Land and buildings	178,263	171,727	40,966	33,424
Deposits with banks	538,943	538,943	428,886	428,886

VII. Solvency

The common methodology of the European Union described in Act 277/2009, as amended, has been used for reporting solvency in the Czech Republic since 2016. Based on this legislation, the so-called solvency capital requirement, the minimum capital requirement and the company's available funds are calculated, resulting from the balance sheet compiled according to the definitions of Solvency II, specified in the act, to cover these capital requirements.

The company has met the minimum capital requirement¹ since the effective date of the Solvency II legislative framework. The company has sufficient funds available² to fully cover the solvency capital requirement at the date of preparation of this Annual Report. The company's management ensured coverage of the requirements under the applicable legislation throughout 2023 and will continue to comply with the solvency requirement under the applicable legislative rules in 2024.

VIII. Technical Provisions

In addition to the above actual solvency ratio, technical provisions ensure the ability of the insurance company to meet its obligations. Their amount is determined in accordance with the Insurance Act and the relevant implementing decree.

The following table shows the development of the technical provisions of Slavia pojišťovna a.s. in recent years at their gross value relative to reinsurance.

(reported as TCZK)

	31 Dec 2022	31 Dec 2023
Provision for bonuses and discounts	15,157	11,186
Provision for claims outstanding	554,636	651,656
Provision for unearned premiums	441,857	573,950
Total technical provisions (gross)	1,011,650	1,236,792

¹The calculation of the minimum capital requirement has not been verified by a statutory auditor

²The calculation of the solvency capital requirement has not been verified by a statutory auditor

IX. Information on Reinsurance

Reinsurance broker: Guy Carpenter & Company GmbH, a spin-off enterprise, for 2023

Reinsurer	Property Bouquet Q/S, Surplus 2023	Property XL	Rating
VIG RE	35.00%	35.00%	A+ (S&P)
Swiss Re	-	27.00%	AA- (S&P)
SCOR	--	--	A+ (S&P)
Everest Re	20.00%	--	A+ (S&P)
Nacional Re	5.00%	4.00%	A (S&P)
Odyssey Re	6.00%	-	A (S&P)
MS Amlin	9.50%	--	A (S&P)
Deutsche Rueck	5.00%	-	A+ (S&P)
Signal Iduna	10.00%	2.00%	A- (Fitch)
Polish Re	7.50%	7.50%	A- (AM Best)
DEVK	-	12.50%	A+ (S&P)
Central Re	2.00%		A- (S&P)
Kuwait Re	-	5.00%	A- (S&P)
Sukoon	-	7.00%	A (S&P)
TOTAL	100.00%	100.00%	

Reinsurer	MTPL Q/S 2023	MTPL XL 2023	Rating
VIG RE	7.00%	10.00%	A+ (S&P)
Swiss Re	22.00%	30.00%	M- (S&P)
SCOR	20.00%	30.00%	A+ (S&P)
Everest Re	20.00%	~	A+ (S&P)
Nacional Re	4.00%	4.00%	A (S&P)
Odyssey Re	4.00%	4.00%	A (S&P)
MS Amlin	8.00%	-	A (S&P)
Deutsche Rueck	5.00%	-	A+ (S&P)
Signal Iduna	10.00%	5.00%	A- (Fitch)
Korean Re	--	5.00%	A (S&P)
Liberty	-	12.00%	A (S&P)
TOTAL	100.00%	100.00%	

* rating New Re

Other reinsurance contracts: CAT XL, Liability XL, D&O, Marine Cargo Q/S & Surplus, Insolvency of Employment agencies Q/S, Travel Agency, Bond Insurance Q/S, always with reinsurers with an A rating or higher (according to AM Best, S&P or Fitch).

X. Miscellaneous

The company did not carry out any activities in the field of research and development in 2022 and 2023. It is in full compliance with applicable legislation in the field of environmental protection and labour relations. The company does not have any organisational units abroad. The insurance company did not acquire any of its own shares in 2022 or 2023.

XI. Subsequent Events

The company's management is not aware of any other significant subsequent events that would require an adjustment to the company's Annual Report beyond the subsequent events published in the notes to the financial statements.

Karel Waisser
CEO and Chairman of the Board

Karel Bezděka
Chief Commercial Officer
Member of the Board



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Independent Auditor's Report **to the Shareholders of Slavia pojišť'ovna a.s.**

Report on the audit of the financial statements

Auditor's opinion

We have audited the accompanying financial statements of Slavia pojišť'ovna a.s. (the "Company") prepared in accordance with Czech accounting regulations, which comprises the balance sheet as at 31 December 2023, the profit and loss account, the statement of changes in equity for the year ended 31 December 2023, and the notes to the financial statements, including material information on the accounting methods used. Details of the Company are set out in note 1 to these financial statements.

In our opinion, the accompanying financial statements give a true and fair view of the assets and liabilities of the Company as at 31 December 2023, and of its income and expenses and its result for the year ended 31 December 2023 in accordance with Czech accounting regulations.

Basis for the 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 the standards of the Chamber of Auditors of the Czech Republic for auditing, which are the International Standards on Auditing (ISA), where appropriate supplemented and modified by related application clauses. Our responsibilities under these regulations are described in more detail in the section Auditor's Responsibilities for the Audit of the Financial Statements. In accordance with the Act on Auditors and the Code of Conduct adopted by the Chamber of Auditors of the Czech Republic, we are independent of the Company and have fulfilled other ethical obligations arising from these regulations. We believe that the evidence we have gathered provides a sufficient and appropriate basis for our opinion.

Main audit matters

The principal audit matters are those matters that, in our professional judgement, were most significant in our audit of the financial statements for the current period. We considered these matters in the context of our audit of the financial statements, taken as a whole, and in forming our opinion on those financial statements. We do not express a separate opinion on these matters.

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Valuation of the provision for insurance claims

Provision for insurance claims as at 31 December 2023: TCZK 651,656 (including a provision to cover liabilities from insurance claims incurred in the current accounting period but not reported in this period (IBNR) in the amount of TCZK 137,408 and provisions to cover liabilities from claims already incurred and reported but not yet settled (RBNS) in the amount of TCZK 514,248. Further information is set out in notes 4.3.13 and 5.8 to the Company's financial statements.

Main audit matter

The valuation of loss provisions is a complex matter in which the expected ultimate cost of claims already incurred but not reported ("IBNR") and reported but not settled ("RBNS") must be assessed. A number of methods can be used to determine them.

In many cases, it is necessary to adapt standard actuarial methods to specific circumstances, which also requires the use of significant judgements.

The Company uses actuarial and statistical methods to determine the amount of the IBNR provisions. The Company uses the Chain Ladder method for all insurance classes. For individually significant losses arising from motor third-party liability insurance, the Company uses a frequency-severity model.

The input parameters used for the determination of the IBNR provisions are mainly information on claims incurred in previous periods, in particular their amount and frequency, as well as market data on claims (for IBNR in the motor insurance class).

To determine the amount of the RBNS provisions, the Company estimates the total amount of claims in each policy class, which are then weighted by an estimate of expected regress and other similar claims of the Company.

Relatively small changes in the Company's management assumptions may have a significant impact on the amount of reported claims provisions.

Given the above, we have assessed the area as a major audit matter.

How the audit matter was handled

In collaboration with our actuarial specialists, we performed, among other things, the audit procedures below:

We tested the design and implementation of selected controls over the proper determination of claims provisions, including those related to the determination of actuarial assumptions. Specific to the RBNS provisions, we also tested the operating effectiveness of selected controls, such as controls over claims costs and periodic reviews of provision balances by Company management.

We critically evaluated the methods and models used in the valuation of the claims provision in relation to market practice and relevant financial reporting requirements.

For the IBNR provisions, we:

- critically assessed the key assumptions used based on the nature of the insurance portfolio, such as the expected amount and frequency of future claims payments, taking into account publicly available market data and the Company's experience; and
- analysed significant year-on-year variations in the level of the provision and asked the Company's actuarial experts about them. We also performed an independent recalculation of the IBNR provisions.

As part of our testing of the RBNS provision, we queried the Company's management on a sample of claims for the reasons for the change at the level of the provision from the previous year, reconciled the underlying data for the actuarial calculations to the source data, and other data to available supporting documentation relating to the relevant insurance policies and claims.

We assessed the adequacy of the IBNR and RBNS claims provisions by comparing previously expected results to actual results.

We have also assessed the disclosures in respect of claims provisions made by the company in the Annex to the financial statements against the requirements of the relevant financial reporting standards.

Other information

In accordance with section 2(b) of the Auditors Act, "other information" means information contained in the Annual Report other than the financial statements and our auditor's report. Other information is the responsibility of the Company's governing body.

Our opinion on the financial statements is not applicable to the other information. Nevertheless, part of our responsibilities in connection with an audit of financial statements is to read the other information and assess whether the other information is materially inconsistent with the financial statements or our knowledge of the entity obtained in the course of the audit of the financial statements or otherwise appears to be materially misstated. We also assess whether the other information has been prepared in all material respects in accordance with the relevant legislation.

This assessment means evaluating whether the other information complies with legal requirements on formalities and the process of preparing other information in the context of materiality, i.e. whether any failure to comply with these requirements would be likely to affect the judgement made on the basis of the other information.

On the basis of the procedures carried out, to the extent that we can judge, we state that:

- the other information that describes the facts that are also presented in the financial statements is consistent in all material respects with the financial statements; and
- the other information has been prepared in accordance with legislation.

We are also required to state whether, based on our knowledge and understanding of the company obtained in the course of our audit, the other information is free from material misstatement. As part of these procedures, we did not identify any material misstatements in the other information received.

Responsibility of the governing body, the Supervisory Board and the Audit Committee of the Company for the financial statements

The Company's governing body is responsible for the preparation of financial statements that give a true and fair view in accordance with Czech accounting regulations and for such internal control as it 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 Company's governing body is required to

assess the Company's ability to continue as a going concern and, if applicable, to describe in the notes to the financial statements the matters relating to its going concern and the application of the going concern assumption in preparing the financial statements, except where the governing body plans to wind up the Company or to cease trading 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 responsibility for the audit of financial statements

Our objective is to obtain reasonable assurance about whether the financial statements, taken 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. A reasonable degree of assurance is a high degree of assurance, but it is not a guarantee that an audit performed in accordance with the above provisions will, in all cases, detect any material misstatement that may exist in the financial statements. Misstatements may arise from fraud or error and are considered material if, individually or on aggregate, they could reasonably be expected to influence the economic decisions that users of the financial statements make on the basis of the financial statements.

When conducting an audit in accordance with the above regulations, it is our responsibility to exercise professional judgement and maintain professional scepticism throughout the audit. Furthermore, it is our duty to:

- identify and evaluate the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures to address those risks, and obtain sufficient appropriate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is greater than the risk of not detecting a material misstatement due to error because fraud may involve collusion, forgery, deliberate omissions, misrepresentations or circumvention of internal controls;
- obtain an understanding of the Company's 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 system;
- assess the appropriateness of the accounting methods used, the reasonableness of the accounting estimates made and the information provided by the Company's governing body in this regard in the notes to the financial statements;
- assess the appropriateness of the use of the going concern basis in the preparation of the financial statements by the governing body and whether, in the light of the evidence gathered, a material uncertainty exists as a result of events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that such a material uncertainty exists, it is our responsibility to draw attention in our report to the information provided in the notes to the financial statements in this regard and, if that information is not sufficient, to express a modified opinion. Our conclusions regarding the Company's ability to continue as a going concern are based on the evidence we have obtained up to the date of our report. However, future events or conditions may cause the Company to lose its ability to continue uninterrupted;



- evaluate the overall presentation, disaggregation and content of the financial statements, including the notes, and whether the financial statements present the underlying transactions and events in a manner that results in a fair presentation.

Our responsibility is to inform those charged with governance of, among other things, the planned scope and timing of the audit and the significant findings we have made during the audit, including any identified material weaknesses in the internal control system.

We also have a duty to provide those charged with governance with a statement that we have complied with the relevant ethical requirements relating to independence and to inform them of any relationships and other matters that could reasonably be expected to affect our independence and any related arrangements.

It is also our responsibility to select, based on the matters communicated to the Company's directors, those matters that are most significant in relation to the audit of the current year's financial statements and therefore constitute key audit matters and to describe those matters in our report. This obligation does not apply where legislation prohibits disclosure of the matter or where, in a very exceptional case, we consider that we should not report on the matter because the potential negative impact of disclosure can reasonably be expected to outweigh the public interest benefits.

Report on other regulatory requirements

In accordance with Article 10(2) of Regulation (EU) No 537/2014 of the European Parliament and of the Council, we include in our independent auditor's report the following information required by International Standards on Auditing:

Appointment of the auditor and duration of the audit

We were appointed auditor of the Company by the Company's Annual General Meeting on 20 October 2023. We have been the Company's auditor continuously for 10 years.



Compliance with the additional report to the Audit Committee

We confirm that our opinion on the financial statements set out in this report is consistent with our supplementary report to the Company's Audit Committee dated 19 April 2024 and prepared 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 as referred to in Article 5 of Regulation (EU) No 537/2014 of the European Parliament and of the Council have been provided.

Other than the statutory audit, we have not provided any services to the Company or the entities it controls that are not disclosed in the notes to the Company's 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 Slavia pojišťovna a.s. as at 31 December 2023, on the basis of which this independent auditor's report has been prepared.

Prague, 23 April 2024

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

.....
Ondřej Fikrle
Partner
Licence number 2525

Financial statements as at 31 December 2023

Company name:	Slavia pojišťovna a.s.
Registered office:	Táborská 940/31, 140 00 Praha 4 (as of 14 January 2020)
Legal form:	public limited company
Registration number:	601 97 501

The persons having significant or decisive influence over the Company as at 31 December 2023:

Capital Management Company, a.s.	68.5%
SPGroup a.s.	16.2%
LIMITRANA TRADING LIMITED	8.1%
New Property Management a.s.	7.2%

Organisational structure:

The basic organisational structure of Slavia pojišťovna is as follows:

- CEO, Internal Audit, Legal Department, Compliance;
- Finance Department + Information Technology;
- Operations Department;
- Sales Department, Underwriting;
- Product Development and Management Department;
- Claims Handling Department.

Components of the financial statements:

Balance sheet

Profit and loss account

Statement of changes in equity

Notes to the financial statements

The financial statements were prepared on 19 April 2024.

Slavia pojišťovna a.s.
Balance sheet as at 31 December 2023
(reporting as TCZK)

Registered office: Tábořská 940/31, 140 00 Praha 4

Registration number: 601 97 501

Text	2023		2022	
	Gross	Adjustment	Net	Net
I. ASSETS				
B. Intangible fixed assets, of which:	179,541	133,829	45,712	34,172
C. Investments	1,156,542	7,542	1,149,000	960,895
I. Land and buildings, of which:	40,966	7,542	33,424	171,727
1. Land	4,055		4,055	141,352
2. Buildings	36,911	7,542	29,369	30,375
(a) operational investments	700	127	573	589
II. Investments in business groups	138,497		138,497	200
1. Interests in controlled entities	137,497		137,497	200
2 Debt securities issued by controlled entities and loans to these entities	1,000		1,000	0
III. Other investments	977,079		977,079	788,968
2. Debt securities, including:	548,193		548,193	250,025
(a) securities at fair value	548,193		548,193	
(b) held to maturity				250,025
6. Deposits with financial institutions	428,886		428,886	538,943
E. Debtors	470,168	36,384	433,784	125,711
I. Receivables from direct insurance operations	110,192	35,630	74,562	59,413
1. Policyholders	108,347	35,630	72,717	57,451
2. Insurance intermediaries	1,845		1,845	1,962
II. Reinsurance receivables	348,156		348,156	61,818
III. Other receivables	11,820	754	11,066	4,480
F. Other assets	121,219	14,294	106,925	158,710
I. Tangible fixed assets, other than those under "C.I. Land and buildings", and inventories	18,576	14,294	4,282	2,017
II. Cash at financial institutions and cash in hand	102,643		102,643	156,693
G. Transitional asset accounts	127,094		127,094	100,598
II Deferred costs of insurance contracts	122,931		122,931	96,216
III. Other transitional asset accounts	4,163		4,163	4,382
(a) estimated receivables	3,326		3,326	2,817
TOTAL ASSETS	2,054,564	192,049	1,862,515	1,380,086

Text	2023	2022
II. LIABILITIES AND EQUITY		
A. Equity	307,745	276,300
I. Share capital, of which:	371,000	371,000
II. Share premium	56,143	56,143
IV. Other capital funds	27,493	24,060
VI. Retained earnings	(174,903)	(195,862)
VII. Profit or loss for the current accounting period	28,012	20,959
B. Subordinated liabilities	69,357	64,228
C. Technical provisions	742,270	606,457
1. Provisions for unearned premiums	357,425	272,240
(a) gross amount	573,950	441,857
(b) value of reinsurance (-)	216,525	169,617
3. Provision for claims on outstanding claims	380,313	327,601
(a) gross amount	651,656	554,636
(b) value of reinsurance (-)	271,343	227,035
4. Provisions for bonuses and discounts	4,532	6,616
(a) gross amount	11,186	15,157
(b) value of reinsurance (-)	6,654	8,541
E. Provisions	284	615
2. Provision for taxes	0	355
3. Other provisions	284	260
G. Creditors	583,036	297,558
I. Liabilities from direct insurance operations	166,370	197,303
II. Liabilities from reinsurance operations	352,458	58,390
V. Other liabilities, of which:	64,208	41,865
(a) tax and social security liabilities	28,599	17,838
H. Transitional liability accounts	159,823	134,928
I. Accrued expenses and deferred income	70,810	55,847
II. Other transitional liability accounts	89,013	79,081
TOTAL LIABILITIES AND EQUITY	1,862,515	1,380,086

Slavia pojišťovna a.s.

Profit and loss account for the year ending 31 December 2023 (reported as TCZK)

Registered office: Táborská 940/31, 140 00 Praha 4

Registration number: 601 97 501

Text	2023 Base	2023 Subtotal	2023 Result	2022 Result
I. TECHNICAL ACCOUNT FOR NON-LIFE INSURANCE	X	X	X	X
1. Premiums earned, net of reinsurance	X	X	X	X
(a) gross premiums written	1,474,814	X	X	X
(b) outward reinsurance premiums (-)	620,927	853,887	X	X
(c) change in the gross amount of the provision for unearned premiums (+/-)	132,093	X	X	X
(d) change in the unearned premium provision, reinsurers' share (+/-)	46,908	85,185	768,702	667,002
2. Investment income transferred from the non-technical account (item III.6.)	X	X	37,793	21,396
3. Other technical income, net of reinsurance	X	X	7,696	4,633
4. Claims costs, net of reinsurance:	X	X	X	X
(a) claims costs :	X	X	X	X
(aa) gross amount	603,244	X	X	X
(bb) share of reinsurers (-)	243,227	360,017	X	X
(b) change in the claims provisions:	X	X	X	X
(aa) gross amount	97,021	X	X	X
(bb) share of reinsurers (-)	44,309	52,712	412,729	304,796
5. Change in other technical provisions, net of reinsurance (+/-)	X	X	(2,084)	356
6. Bonuses and discounts, net of reinsurance	X	X	3,682	4,874
7. Net amount of operating costs:	X	X	X	X
(a) acquisition costs of insurance policies	X	200,296	X	X
(b) change in accrued acquisition costs (+/-)	X	(26,716)	X	X
(c) administrative overhead	X	380,975	X	X
(d) commissions from reinsurers and profit sharing (-)	X	246,260	308,295	331,673
8. Other technical costs, net of reinsurance	X	X	48,960	30,218
10. Subtotal, balance of the technical account for non-life insurance (item III.1.)	X	X	42,609	21,114

Text	2023 Base	2023 Subtotal	2023 Result	2022 Result
II.NON-TECHNICAL ACCOUNT	X	X	X	X
1. Balance of the technical account for non-life insurance (item I.10.)	X	X	42,609	21,114
3. Investment income:	X	X	X	X
(b) income from other investments, with particular reference to that derived from controlled persons:	X	X	X	X
(ab) income from land and buildings	3,518	X	X	X
(bb) income from other investments	55,124	58,642	X	X
(c) changes in the value of investments	X	8	X	X
(d) proceeds from the realisation of investments	X	94,763	153,413	38,605
4. Investment income transferred from the technical account for life insurance (item II.12.)	X	X		
5. Investment costs:	X	X	X	X
(a) investment management costs, including interest	X	3,485	X	X
(b) changes in the value of investments	X	1,368	X	X
(c) costs associated with the implementation of investments	X	96,712	101,565	4,204
6. Transfer of investment income to the technical account for non-life insurance (item I.2.)	X	X	37,793	21,396
7. Other income	X	X	1,588	10,720
8. Other costs	X	X	21,545	15,212
9. Tax on direct income from ordinary activities	X	X	8,695	8,583
10. Profit or loss on ordinary activities after tax	X	X	28,012	21,044
15. Other tax not mentioned in the previous items	X	X	0	85
16. Profit or loss for the accounting period	X	X	28,012	20,959

Slavia pojišťovna a.s.

Statement of changes in equity for the year ending 31 December 2023
(reported as TCZK)

Registered office: Táborská 940/31, 140 00 Praha 4

Registration number: 601 97 501

	Share capital	Share premium	Capital funds	Profit (loss)	Total
BALANCE AS AT 1 JANUARY 2022	371,000	56,143	24,020	(195,862)	255,301
Valuation differences not included in profit or loss			40		40
Net profit/loss for the accounting period				20,959	20,959
BALANCE AT 31 DECEMBER 2022	371,000	56,143	24,060	(174,903)	276,300

	Share capital	Share premium	Capital funds	Profit (loss)	Total
BALANCE AS AT 1 JANUARY 2023	371,000	56,143	24,060	(174,903)	276,300
Valuation differences not included in profit or loss			3,433		3,433
Net profit/loss for the accounting period				28,012	28,012
BALANCE AT 31 DECEMBER 2023	371,000	56,143	27,493	(146,891)	307,745

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023

(separate)

1. GENERAL CONTENTS

1.1. DEFINITION OF ACCOUNTING ENTITY

Company name: Slavia pojišťovna a.s.
Registered office: Tábořská 940/31, Prague 4
Registration number: 601 97 501
Incorporated: 1 June 1994
Legal form: public limited company

Slavia pojišťovna a.s. (the “company”) was incorporated by entry in the Commercial Register maintained by the Municipal Court in Prague, file number B 2591, on 1 June 1994 as a public limited company.

1.2. OBJECTS OF BUSINESS

According to the company’s extract from the Commercial Register, its objects of business are:

1. insurance activities pursuant to Act No 277/2009 on insurance to the extent of non-life insurance sectors 1, 2, 3, 4, 7, 8, 9, 10, 13, 14, 15, 16, 17, 18 listed in Part B of Annex 1 to Act No 277/2009 on insurance
2. activities related to insurance activities pursuant to Section 3(4) of the Insurance Act
 - brokerage activity carried out in connection with insurance activities under the Insurance Act
 - consulting activities related to insurance of natural and legal persons according to the Insurance Act
 - mediation of guarantees and commitments
 - arranging of loans, including factoring and financing of commercial transactions
3. reinsurance activities for non-life reinsurance according to Act No 277/2009 on insurance

1.3. GOVERNING BODIES AND AUDIT COMMITTEE AS AT 31 DECEMBER 2023

Board of Directors	
Karel Waisser	Chairman of the Board of Directors
Tomáš Polák	Vice-Chairman of the Board of Directors
Milan Kolanda	Member of the Board of Directors
Petr Pořízek	Member of the Board of Directors
Bohumil Vrhel	Member of the Board of Directors
Karel Bezděka	Member of the Board of Directors

Supervisory Board

Pavel Sehnal	Chairman of the Supervisory Board
Jakub Schejbal	Member of the Supervisory Board
Adam Herclík	Member of the Supervisory Board
Libor Kotěšovec	Member of the Supervisory Board (until 31 December 2023)
Pavel Balák	Member of the Supervisory Board
Jiří Staněk	Member of the Supervisory Board (until 1 June 2023)
Pavel Zetek	Member of the Supervisory Board (from 1 June 2023)

Audit Committee

Ladislav Jirka	Chairman of the Audit Committee
Jaroslava Roubíčková	Member of the Audit Committee
Libor Kotěšovec	Member of the Audit Committee (until 31 December 2023)
Michaela Svobodová	Member of the Audit Committee (from 1 January 2024)

Two members of the Board of Directors act jointly on behalf of the company, or one member of the Board of Directors acts separately and authorised in writing by the Board of Directors on the basis of a resolution of the Board of Directors within the scope of such authorisation.

1.4. SHARE CAPITAL

The company's share capital of TCZK 371,000 (2022: TCZK 371,000) consists of 742 book-entry bearer shares with a nominal value of TCZK 500 per share.

The company does not record any option rights to acquire shares.

1.5. LEGAL RELATIONS

As at the date of preparation of the financial statements, all legal relations of the company, except for the facts described in note 3, are in accordance with Act No 277/2009 on insurance, as amended, Act No 89/2012, the Civil Code, Act No 170/2018, on insurance distribution and reinsurance, as amended, Act No 168/1999, on motor third-party liability insurance, as amended, including the relevant implementing decrees, and other applicable legislation.

1.6. RISK MANAGEMENT

In the course of its business activities, the insurance company is exposed to a number of risks, in particular insurance and market risk, liquidity risk, credit risk, currency risk, and operational risk.

Insurance risk management is based on the correct assessment of risk when accepting a client into insurance by applying appropriate insurance rates. The company has recently paid increased attention to this issue and has gradually adjusted premium rates. Another important part of insurance risk management is reinsurance with reputable multinational companies.

Concentration of insurance risk

A concentration of insurance risk may exist when a particular event or series of events may significantly affect the company's liabilities. The concentration of insurance risk then determines the extent to which these events may affect the amount of the company's liabilities. This concentration may arise from a single insurance contract or a small number of related contracts, and relates to

the circumstances that gave rise to the significant liabilities. A concentration of insurance risk may arise from the accumulation of risks within several individual groups of contracts. Insurance risk may also be concentrated in the event of low-frequency large-scale events (e.g. natural disasters), as well as in the event of major litigation or in the event of a change in legislation.

Concentration in territorial terms

The majority of the risks underwritten are located in the Czech Republic. The risk to which the company is exposed is not significantly concentrated geographically in any one group of insured persons in terms of social, occupational, or age criteria.

Risks associated with investments

Market risk is the change in the value of financial instruments as a result of market developments. Financial risk is diversified in accordance with the applicable insurance legislation. The strategy and characteristics of the portfolio are determined by the major shareholder.

By holding a sufficient proportion of its investments in liquid financial instruments, an insurer limits liquidity risk, i.e. the risk of incurring additional costs to convert financial investments into cash.

Credit risk arising from the failure of the counterparty to pay in full the amounts due is restricted by limits on the composition of investments. The company is exposed to credit risk primarily in the areas of reinsurer's share of insurance liabilities, reinsurer's debt on claims already paid, the risk of non-payment of principal or proceeds from financial investments, premiums due and claims on intermediaries. Premiums due are regularly monitored and provisions are made in accordance with applicable legislation.

As the assets and liabilities of the insurance company are recorded mainly in the domestic currency, the currency risk is insignificant.

Operational risks

Operational risk is the risk of potential loss resulting from missing or inadequate internal processes, human resources and systems or other causes that may arise from both internal and external events.

The company analyses these risks and proposes adjustments to work practices and processes to eliminate loss events due to operational risks.

Risks associated with the entity as a going concern

The company is also exposed to other risks in the course of its activities which could significantly affect its economic situation both directly and indirectly.

Risk identification and mitigation

The company identified and evaluated the risks relevant to it. The risks and their mitigation are described in more detail in the company's annual ORSA report and SFCR/RSR report. The company updated the risk scenarios and expanded the management system in the area of IT security risks. The company prepared and considered various scenarios and prepared changes in response to the current situation.

Capital and liquidity assessment

The company immediately and repeatedly introduced a so-called cash-report (identification of instantly liquid funds and measures against the immediate erosion of cash).

In terms of actuarial indicators, it focuses on the development of premiums written (both retail and industrial sectors), trends in commission rates, and the trend in loss ratios in relation to individual sectors.

An integral part of this is the assessment of the recoverability of claims on policyholders and reinsurers and the timely recognition of any impairment losses in the profit and loss account.

This data is collected by the insurance company on the basis of monthly reports or ad-hoc internal reports. Expectations according to the business plan are regularly compared with the actual situation.

Non-technical data is used to measure the level and evolution of instantaneous liquidity through cash, as well as the impact on the valuation of investments (bonds) and the potential recoverability of deposits. We consider Czech banks to be stable, partly on the basis of stress tests carried out via the CNB.

As part of the development of administrative overheads, the company focuses on making possible savings so that it is always able to meet its obligations to employees and external partners and so that the company's operations are not compromised in any way.

Based on evaluations of trends in these indicators, the impact on the company's financial and capital position is estimated. However, despite the potentiality of a partial loss (based on negative developments, e.g. loss events), according to the indicators monitored and stress tests performed, no impact threatening the regulatory indicators of the company's solvency position is expected.

Slavia pojišťovna manages the investment portfolio in compliance with its long-term asset allocation strategy. The most liquid part of the conservative portfolio is placed, as standard, in term deposits and savings accounts with Czech banks with the highest possible investment rating. Another part of the portfolio consists of Czech government bonds and treasury bills of short- to medium-term duration denominated in Czech crowns. Another component of the portfolio is allocated to real estate, where the company generates long-term lease income, as well as income from year-on-year growth in the price of the real estate. In 2023, the company transferred significant real estate in Plzeň to its 100% subsidiary Slavia majetková a.s. It also provided this company with an interest-free loan of TCZK 1,000.

Adjustments to the business plan based on expectations in the coming months

The company dynamically adjusts its business plan, which should continue to reflect all impacts related to developments expected on the insurance market. The company revised its business plan and expects an increase in gross premiums written for 2024 by 3% above the expected growth in gross premiums written in the non-life insurance market.

The company monitors the development of macroeconomic factors and expects positive effects on its solvency and capital position. About 57% of gross premiums written were underwritten in compulsory motor third party liability insurance in 2022. This share is the same in 2023 as in 2022.

The company will focus on the implementation of regulatory requirements in 2024 and on measures related to the further automation of internal processes, greater control of IT systems, their further development, the preparation of a data warehouse, the implementation of SAP and other measures leading to a reduction in the share of human activity in the operation of the company, such as the automation of systems in the claims settlement department, innovations in the field of fraud detection system, etc.

2. BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The company's financial statements have been prepared in accordance with Act No 563/1991 on accounting, as amended, Decree No 502/2002 implementing certain provisions of Act No 563/1991 on accounting, as amended, for entities that are insurance companies, as amended, Czech accounting standards for entities that keep accounts in accordance with Decree No 502/2002, and other related regulations.

For the purposes of reporting, valuation and disclosures in the notes to the financial statements on securities, shares, derivatives and transactions with them, the entity applied the provisions of Decree No 501/2002 implementing certain provisions of Act No 563/1991 on accounting, as amended, for entities that are banks and other financial institutions, as amended and effective as of 31 December 2017.

The accounting respects general principles, especially the principles of the valuation of assets based on historical cost or fair value, the principle of accounting in a material and temporal relationship, and the principle of prudence.

The financial statements as at 31 December 2023 were prepared on the basis of the entity's ability to continue as a going concern.

The data in these financial statements is presented in the unit of thousands of Czech crowns (TCZK), unless otherwise stated.

3. SIGNIFICANT EVENTS RECOGNISED IN THESE FINANCIAL STATEMENTS

Company management wishes to draw attention to important circumstances that may affect the company, such as administrative proceedings against the company or legal proceedings brought by the company.

Administrative proceedings conducted by the Czech National Bank under Case No 2017/357/573

On 11 January 2018, the Czech National Bank ("CNB") initiated administrative proceedings against Slavia pojišť'ovna on the suspicion that the company, in violation of Section 3b(1) of Act No 168/1999, did not set premiums in the segment of liability insurance for damage caused by the operation of a vehicle in such an amount as to ensure the continued enforceability of obligations arising from the operation of MTPL. In February 2018, the company submitted a comprehensive response to the above-mentioned notice of initiation of proceedings, in which it demonstrates that it has been consistently complying with the statutory requirement of sufficiency of the MTPL premium for at least the previous two years and therefore considers the initiation of administrative proceedings to be unjustified. The administrative proceedings were concluded in November 2018 with the CNB issuing a decision by which the supervisory authority imposed corrective measures on the company, which the company is continuously implementing according to a set schedule. In 2019, written correspondence was conducted on the measures imposed to define the sufficiency of the motor insurance and on a detail description of the implementation of corrective actions, including an evaluation of the functionality of the management and control system. On 10 March 2020, following a personal meeting with CNB representatives in February 2020, Slavia pojišť'ovna received an order from the CNB imposing a fine for the alleged failure to comply with certain measures imposed on it.

The company filed an objection to the order within the statutory time limit, after which an oral hearing was ordered in July 2020. Slavia pojišť'ovna submitted a number of comments on the documents collected in the context of the misdemeanour proceedings. In December 2020, the CNB issued a decision on the breach of the company's obligation to comply with corrective measures within the imposed deadline and imposed a fine of TCZK 400 on the company. The company lodged an administrative appeal against this decision in December 2020, giving detailed reasons, with the procedural defence that there had been an incorrect finding on the merits of the case, an incorrect legal assessment, and a breach of the company's rights of defence in the misdemeanour proceedings, and that the fine imposed was wholly disproportionate.

In March 2021, the CNB Board rejected the company's appeal. The company filed an administrative action against this decision on 1 June 2021.

On 30 August 2021, the CNB filed a response to the action that had been brought. Following the submitted response, Slavia pojišť'ovna (SP) commissioned an expert opinion from Ondřej Pavlačka from the Department of Mathematical Analysis of Palacký University in Olomouc prepared and, together with its written statement, responded before the ordered hearing.

The Municipal Court in Prague rejected the administrative action in its judgement of 19 December 2022, mainly on the basis of the reasons already stated in the previous CNB decision.

On 12 January 2023, SP filed a cassation appeal against the decision of the Municipal Court in Prague with the Supreme Administrative Court, which rejected that appeal on 22 March 2024.

Other significant facts are presented in note 6. Other important facts.

4. SIGNIFICANT ACCOUNTING POLICIES AND REPORTING POLICIES

4.1. CHANGES IN ACCOUNTING POLICIES AND THE REPORTING OF FINANCIAL STATEMENT ITEMS

During the period from 1 January 2023 to 31 December 2023, the company did not make any material changes to its accounting methods and practices and did not apply any departures from those methods and practices.

4.2. MOMENT OF REALISATION OF A TRANSACTION

The moment of realisation of a transaction is the date on which an insurance contract is created by the signing thereof, the payment or collection of the premiums written, the recognition of a commission, the fulfilment of a delivery, the payment of a liability, the collection of a receivable, the provision or receipt of an advance, the identification of a deficit or surplus, the movement of assets within the entity and other facts arising from the internal conditions of the entity which are subject to accounting and which have occurred in the entity, or the entity has the necessary documents documenting these facts.

4.3. ACCOUNTING METHODOLOGIES USED

4.3.1. Land and buildings

Land and buildings (real estate) are accounted for at cost at the time of acquisition, except for contributions to share capital, where the valuation of real estate is at the date of inclusion in investments according to an expert's report.

Land and buildings are measured at cost with any depreciation recognised in the profit or loss account.

The cost at 1 January 2016 is the fair value recorded in the company's financial statements of 31 December 2015 in accordance with the relevant legislation.

The valuation difference recognised as at 31 December 2015 will be recognised by the company in "A.IV. Other capital funds" until realisation, in particular by sale, at which time the valuation difference will be transferred to the profit and loss account.

At the balance sheet date, the company assesses any impairment of the property and evaluates the facts affecting any adjustment to the carrying amount.

4.3.2. Investments in business groups – interests in controlled entities

Interests in controlled and managed entities and associated undertakings are measured at cost at the balance sheet date and a valuation allowance is made in the event of a temporary decrease in the realisable value of the relevant interest.

4.3.3. Debt securities

Given the situation on the financial markets, the company decided not to further use the possibility of holding securities (bonds) to maturity and transferred them to the portfolio of available-for-sale securities. Compared to 2022, all securities in the company's investments are included in the portfolio of available-for-sale securities.

An available-for-sale security is a security that is a financial asset and the company decides to classify it in this way, and that is not classified as a security measured at fair value against the accounts of costs or revenues, nor a security held to maturity, nor a debt security not intended for trading. Fair value means the market value announced on a domestic or foreign exchange or other public (organised) market. The company uses the market value that is announced at a time no later than the balance sheet date, or closest to this date; in the case of a security that is not listed on the organised market, the company uses the value determined by an expert opinion.

The change in the fair value of available-for-sale securities is recorded against equity accounts under "Valuation differences" in "Other capital funds".

Debt securities are accounted for at cost at the time of acquisition; at the balance sheet date, in accordance with Section 27(1)(c) of the Accounting Act, its individual items were reported as follows:

Held-to-maturity debt securities are reported at amortised cost. A proportionate share of the discount/bonus is reported in the profit and loss account.

Accrued (amortised) value means the price used for initial recognition in accounting (cost) increased by accrued interest and charges and adjusted by amortisation of the discount/bonus and reduced by any provisions expressing impairment. The company does not report any held-to-maturity bonds as at 31 December 2023.

The company uses the "gross" method when accounting for the realisation of investments and, in accordance with that method, accounts separately for all revenues from realisation in the amount of the selling price of the relevant financial instruments and separately for costs in the amount of their book value.

4.3.4. Deposits with financial institutions

Term deposits with banks, which can be withdrawn on a specific date, are accounted for here.

All term deposits recognised in these financial statements mature within one year of the balance sheet date and therefore the fair value is the nominal value, including accrued interest.

4.3.5. Derivatives

A derivative is a financial instrument that meets the following conditions:

(a) its fair value changes with changes in an interest rate, security price, commodity price, exchange rate, price index, credit rating or index, or other variable (the underlying asset);

(b) it requires little or no initial investment compared to other types of contracts that rely on a similar response to changes in market conditions;

(c) it will be settled in the future, with a longer negotiation-to-settlement period than a spot transaction.

Derivatives are carried on the balance sheet at fair value, and the company had no derivatives in 2023 and 2022.

4.3.6. Receivables and liabilities from policyholders and reinsurance claims

Receivables and liabilities arising from insurance or reinsurance are stated at nominal value, less any impairment allowances.

4.3.7. Allowances

Allowances are made for receivables and other assets. Allowances reflect a temporary decline in the value of individual assets. Their amount is determined on the basis of a professional risk assessment carried out by the company.

Allowances for receivables

The company makes allowances for insurance receivables based on the expected recoverability of individual receivables in the event that the impairment is not of a permanent nature.

The company creates allowances for significant receivables (over TCZK 100) on an individual basis, where the amount of the allowances represents the difference between the carrying amount of the receivable and the expected value of future cash flows, which reflect the known facts and the financial situation of the debtor.

For receivables that are not part of a portfolio for which allowances are made on an individual basis, the company makes allowances for individual past-due intervals. For the creation of allowances for individual past-due intervals, flat percentage rates are used which reflect the average expected recovery of receivables according to the historical experience of the company.

The rate of the valuation reduction is based on the company's historical experience of asset recoveries based on the stage of the recovery process and the past-due period.

4.3.8. Tangible and intangible assets

Tangible assets with a purchase price of up to TCZK 80 and intangible assets with a purchase price of up to TCZK 80 are charged to expense in the period in which they are acquired.

For assets subject to depreciation, the accounting depreciation was determined by a depreciation plan based on the expected useful life of the assets.

Allowances for tangible and intangible fixed assets are established on the basis of an inventory of those items whose valuation in the accounts is temporarily higher than their fair value. In 2023, no allowances for fixed assets were made.

Depreciation/amortisation period for tangible and intangible assets

Type of intangible and tangible assets	Depreciation period in years
Licences – software	4
Licences – logotypes	6
Software (MIS) and int. applications	4 – 8
Software (Core IS)	12 ^{*)}
Means of transport	4
Hardware	4
Inventory and other assets	5 – 8
Trademark	6

^{*)} the original investment has already been fully written off

4.3.9. Permanent or long-term impairment of assets

The company tests assets for permanent or long-term impairment at the balance sheet date. Permanent or long-term impairment of the asset is reflected in profit or loss.

4.3.10. Premiums written

Gross written premiums include all amounts of premiums payable under insurance contracts during the accounting period, whether or not such amounts relate wholly or partly to subsequent accounting periods.

The accrual of written premiums is made in the form of a provision for unearned premiums in accordance with the accounting treatment for insurance companies.

4.3.11. Cost of insurance claims

The cost of insurance claims, which includes the ancillary costs associated with the settlement of the claim, is charged at the time the settlement of the claim is completed at the amount of the specified benefit. The cost of claims is reduced by recourse and other similar claims made by the insurance company.

4.3.12. Provision for unearned premiums

This is a form of accrual of gross premiums written. The provision for unearned premiums is made up of the portion of written premiums that relates to future accounting periods and is determined as the aggregate of the provisions calculated according to individual insurance contracts using the pro rata temporis method.

An insurance undertaking carries out a reserve adequacy test at the end of the accounting period. In order to assess the sufficiency of the unearned premium provision, the amount of the unearned premium provision net of accruals for acquisition costs and an estimate of claims and administrative expenses were compared. The claims ratios used for the technical provisions adequacy test were determined by standard actuarial procedures based on the historical development of claims ratios. The administrative costs taken into account in the technical provisions adequacy test correspond to actual administrative costs, considered as the most accurate estimate of expected costs for the following 12 months.

4.3.13. Provision for outstanding claims

The provision for outstanding claims is broken down into:

- (a) RBNS – a provision established for insurance claims reported by the end of the current accounting period but not settled in that period;
- (b) IBNR – a provision established for insurance claims incurred in the current accounting period but not reported in that period.

The amount of the RBNS is determined as the aggregate of provisions for individual reported claims according to the estimated amount of claims from events recorded at the balance sheet date.

The IBNR claims provision also includes an estimate of all related external and internal claims handling costs.

The estimate of external claims costs is reflected in the IBNR provision based on a statistical evaluation of the share of external costs in total claims costs. The estimate of internal claims handling costs is based on the average value of internal claims handling costs and statistical values of the number of open claims at the end of the accounting period; the company takes into account the level of claims work in progress.

The provision for claims that have been incurred but not reported by the end of the accounting period, the IBNR provision, is calculated separately for each risk using actuarial methods that are selected based on the nature of the risk and the statistical plausibility of the data sample. The IBNR provision is calculated on a gross basis:

- For most risks, by projecting future payouts from claims that have already been incurred based on the triangle of claims paid using the standard chain-ladder method and the Bornhuetter-Ferguson method. The RBNS provision data are taken into account on the assumption that a negative IBNR provision cannot be formed in any claim year; i.e. if the model predicts that payouts in a given claim year are lower than RBNS, then RBNS is used as the expected amount of future payouts for that claim year.
- A separate calculation for high damages arising from motor third-party liability insurance (MTPL). This calculation separately projects the expected frequency, average size and expected increase in value of these claims across the entire insurance market.

Although the company's Board of Directors considers the amount of the provision for claims outstanding to be a fair representation based on information available at the balance sheet date, the ultimate amount of the liability may vary as a result of subsequent information and events and may result in significant changes in the ultimate amounts. Changes in provisions are reflected in the financial statements of the period in which they are made. The procedures and estimates used are regularly reviewed.

4.3.14. Provision for bonuses and discounts

This provision is established to cover the cost of bonuses and discounts granted to policyholders and insured persons under insurance contracts concluded in accordance with the general insurance conditions; the policyholder's entitlement is periodically reassessed at the balance sheet date in accordance with the contractual terms and conditions.

4.3.15. Provisions for other risks

The insurance company also makes additional provisions for risks not directly related to insurance.

4.3.16. Acquisition costs of insurance policies

The cost of insurance contracts includes all direct and indirect costs incurred in connection with the conclusion of insurance contracts.

4.3.17. Accrual of acquisition costs for insurance contracts

Accrued policy acquisition costs comprise the portion of the costs incurred in entering into insurance contracts during the current accounting period that relates to income in subsequent periods. At the end of the period, the company assesses the reasonableness of the amount of accrued acquisition costs based on the sufficiency test.

Non-life insurance

The amount of accrued policy acquisition costs in non-life insurance is based on the total amount of policy acquisition costs incurred in the current accounting period and is calculated based on the ratio of the earned to unearned portion of the premiums written on the corresponding policies.

4.3.18. Liabilities

Liabilities are measured at nominal value. Liabilities to the insured include mainly overpayments and overpayments of premiums and payments received not matched to the corresponding receivables at the balance sheet date.

4.3.19. Transitional asset and liability accounts

The main items in the transitional asset and liability accounts are:

- deferred charges – mainly accrued policy acquisition costs and accrued subsequent commissions;
- estimated receivables – mainly income expected from the reinsurer;
- estimated payables – mainly accrued items related to possible payments to the reinsurer.

4.3.20. Breakdown of income and expense into technical and non-technical accounts

During the accounting period, investment income is booked to the non-technical account and the income arising from the investment of technical provisions is transferred to the non-life technical account.

Other clearly attributable costs and income are charged directly to the non-life technical account or non-technical account during the accounting period.

4.3.21. Reinsurance

The reinsurer's share of premiums under the relevant reinsurance contracts with reinsurers is calculated, invoiced and deducted from the premiums received on the reinsurance contracts.

The reinsurer's share of the claims is calculated and collected from the actual claims paid out according to the respective contracts with reinsurers.

The commission from the reinsurer is calculated and paid according to the respective contracts with reinsurers from the reinsurer's share of the premiums paid, taking into account the amount of the claims process. At the balance sheet date, an impairment allowance is made for the expected return of commission to the reinsurer arising from changes in the claims experience as a result of claims events in relation to the relevant reinsurance underwriting period.

The commission from the reinsurer is recognised on an accrual basis. The basis for the accrual is the

amount of retroactive commissions for the underwriting year, determined on the basis of the expected claims experience for that underwriting period. The accrual of retrospective commission is made for individual products in the same proportion as the ratio of the unearned premium provision to the premiums written for the relevant period for those products.

The reinsurer's share of reserves is calculated on the basis of the provisions of the relevant reinsurance contracts after taking into account other relevant factors.

4.3.22. Damage prevention fund

Pursuant to the amendment to Act No 168/1999 on motor third-party liability insurance, which took effect on 1 January 2014, the company is obliged under Section 23a(2) to pay at least 3% of the annual liability insurance premium received for each calendar year into a damage prevention fund.

4.3.23. Income tax

Income tax for a given period consists of tax payable and the change in the deferred tax position. Through the tax provision account, the insurance company accounts for the expected amount of tax payable. The estimate of tax payable includes the tax calculated on the tax base using the tax rate applicable in the current year.

Deferred tax is based on any temporary differences between the carrying amount and the tax bases of assets and liabilities, or other temporary differences, using the expected tax rate for the period in which the tax liability or receivable is incurred. A deferred tax asset is accounted for only when there is no doubt about its continued tax application in subsequent accounting periods.

In the current accounting period, the company accounts for both deferred tax through the profit and loss account and deferred tax arising from temporary valuation differences recognised in the company's equity.

As of 1 January 2020, the new Act No 364/2019 took effect, which regulates the taxation of technical provisions. Technical provisions are defined for tax purposes in accordance with the European Solvency II Directive and their value is disclosed in the Solvency and Financial Condition Report.

As a result of the new legislation, since 2020 the company has included the impact of the difference between the book and tax values of technical provisions in the determination of deferred tax.

4.3.24. Foreign currency translation

For the translation of foreign currency into Czech crowns, the company uses the daily exchange rate of the Czech National Bank prevailing on the day of the transaction. The balances of assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate prevailing at that date. Foreign exchange gains and losses are accounted for on a profit and loss basis.

4.3.25. Use of estimates

The financial statements as at 31 December 2023 are prepared on the basis of the best current estimates available at the end of the accounting period, particularly in relation to the determination of the fair value of investments, impairment of assets and the determination of provisions. Management believes that the financial statements give a true and fair view of the financial position and performance of the company using all relevant and available information at the balance sheet date.

4.3.26. Consolidation

In accordance with the provisions of Section 38 of Decree 502/2002, the company's financial statements are included in the consolidated financial statements of SPGroup a.s. (registration number: 63078571), registered office: Na struze 227/1, Nové Město, 110 00 Praha 1. Its consolidated financial statements will be published in accordance with Section 22aa (2c) and Section 21a of the Accounting Act.

4.3.27. Changes in and departures from accounting policies and practices and corrections of prior years' errors

In 2023, the company did not make any changes in accounting methods and practices, did not apply any deviations from those methods and practices during the accounting period, and did not make any corrections to prior years' errors.

5. SUPPLEMENTARY INFORMATION ON INDIVIDUAL ITEMS OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

5.1. INVESTMENT

5.1.1. Land and buildings

(reported as TCZK)

Acquisition value	Land	Buildings	Total
Acquisition value as at 1 January 2023	141,352	36,911	178,263
Increments	-	-	-
Decreases	137,297	-	137,297
Final balance as at 31 December 2023	4,055	36,911	40,966

Accumulated depreciation	Land	Buildings	Total
Initial value as at 1 January 2023	-	6,536	6,536
Increments (depreciation)	-	1,006	1,006
Decreases	-	-	-
Final balance as at 31 December 2023	-	7,542	7,542

Carrying value	Land	Buildings	Total
Carrying value as at 1 January 2023	141,352	30,375	171,727
Carrying value as at 31 December 2023	4,055	29,369	33,424

The disposal of land in 2023 in the amount of TCZK 137,297 was made up of a non-monetary contribution made by the company to the newly established company Slavia majetková a.s.

An operating asset in the amount of TCZK 700 – an underground garage – was acquired by the company on the basis of a purchase contract. As underground real estate is not subject to registration in the property register, this fact is not recorded in that register.

The fair value of land and buildings is regularly determined on the basis of expert opinions of renowned expert institutes for all significant land and buildings that are part of the investment item. The fair value as at 31 December 2023 is determined on the basis of opinions from 2023.

The fair value of land and buildings exceeds their carrying amount, so there is no reason to recognise a provision for the carrying amount of land and buildings used in the financial statements.

The total amount of real estate income in the company's investments for 2023 is TCZK 3,518 (2022: TCZK 7,260).

5.1.2. Debt securities

	Book value		(reported as TCZK) Acquisition cost	
	2022	2023	2022	2023
Securities at amortised cost				
Issued by non-financial institutions	17,855	-	18,038	-
- of which unlisted	17,855	-	18,038	-
Issued by the government sector	232,170	-	230,324	-
- of which listed on the Czech stock exchange	232,170	-	230,324	-
Available-for-sale securities				
Issued by non-financial institutions	-	16,772	-	18,038
- of which unlisted	-	16,772	-	18,038
Issued by the government sector	-	531,421	-	527,668
- of which listed on the Czech stock exchange	-	531,421	-	527,688
Total	250,025	548,193	248,362	545,706

The total fair value of bonds as at 31 December 2023 is TCZK 548,193 (2022: TCZK 247,081).

All securities in the company's investments were included in the held-to-maturity portfolio up to the end of 2022. The company decided to change its investment strategy in the field of securities in 2023. The securities now belong to the group of available-for-sale securities.

The company records five government bonds issued by the Czech Republic and two government treasury bills at the balance sheet date.

As part of its investments, the company records a security that is not listed on the organised market in the Czech Republic or on the organised markets of OECD countries at the balance sheet date. This is a debt security issued by a non-financial institution that is a related party and is a corporate bond. This security is measured at fair value at the balance sheet date, as determined on the basis of an expert opinion.

<u>Held-to-maturity securities</u>	(reported as TCZK)	
	31 Dec 2023	31 Dec 2022
Maturity in 1 year or less	-	-
Maturity in 5 years or less	232,170	-
Maturity in more than 5 years	17,855	-
Total	250,025	-

The total amount of financial interest and income from the realisation of debt securities in 2023 amounts to TCZK 115,881 (2022: TCZK 8,793).

5.1.3. Deposits at financial institutions

	(reported as TCZK)	
	31 Dec 2022	31 Dec 2023
Due on demand	72,731	136,886
Within 3 months	466,212	292,000
Within a year	-	-
Total	538,943	428,886

The total amount of financial income from term deposits for 2023 is TCZK 34,006 (2022: TCZK 22,580).

5.1.4. Currency structure of investments

	(reported as TCZK)	
	31 Dec 2022	31 Dec 2023
CZK	960,895	1,149,000
Total	960,895	1,149,000

5.1.5. Other investments

At the date of the Financial Statements, the insurance company did not own any financial derivatives, interim certificates, shares and participation certificates, vouchers for shares, warrants, convertible and senior bonds or similar securities.

5.1.6. Investments in business groups

As at 31 December 2023, the company held a stake in the controlled company Slavia partner s.r.o., registered office: Táborská 940/31, 140 00 Praha, in the amount of TCZK 200 (2022: TCZK 200) and in the controlled company Slavia majetková a.s., registered office: Pacovská 2104/1, 140 00 Praha, in the amount of TCZK 137,297 (2022: TCZK 0). Slavia partners s.r.o. was founded on 28 January 2016. The value of the share capital as at 31 December 2023 is TCZK 200, the retained earnings are TCZK 2,034, and the profit for 2023 is TCZK 1,977.

Slavia majetková a.s. was established on 11 April 2023. Its share capital consists of 20 certificated shares with a nominal value of TCZK 100 each. The value of the share capital as at 31 December 2023 is TCZK 2,000, the share premium is TCZK 204,588, and the loss in 2023 is TCZK 38. Slavia pojišťovna repaid the issue price of the shares exclusively with a non-monetary deposit of real estate. The book value of the land held is the same as the book value of the company held.

The fair value of investments in business groups is regularly determined on the basis of expert opinions of renowned expert institutes for all items that are part of the investment item. The fair value as at 31 December 2023 is determined on the basis of opinions from 2023. The fair value of investments in business groups as at 31 December 2023 exceeds their accounting value.

5.1.7. Loan to Slavia majetková

The company concluded an interest-free loan agreement with Slavia majetková, a.s. in the amount of TCZK 1,000 on 21 November 2023. This loan is made for an indefinite period.

5.2. RECEIVABLES

As at 31 December 2022

(reported as TCZK)

	Receivables from policyholders	Receivables from insurance intermediaries	Reinsurance receivables	Other	Total
Receivable value	94,410	1,962	61,818	5,234	163,424
Until maturity	756	1,962	61,818	4,480	69,016
Within 90 days	38,261	-	-	-	38,261
Within 180 days	9,579	-	-	-	9,579
Within 360 days	7,098	-	-	-	7,098
Over 360 days	38,716	-	-	754	39,470
Amount of the allowances	(36,959)	-	-	(754)	(37,713)
Total	57,451	1,962	61,818	4,480	125,711

As at 31 December 2023

(reported as TCZK)

	Receivables from policyholders	Receivables from insurance intermediaries	Reinsurance receivables	Other	Total
Receivable value	108,347	1,845	348,156	11,820	470,168
Until maturity	770	1,845	348,156	11,066	361,837
Within 90 days	47,023	-	-	-	47,023
Within 180 days	14,827	-	-	-	14,827
Within 360 days	8,969	-	-	-	8,969
Over 360 days	36,758	-	-	754	37,512
Amount of the allowances	(35,630)	-	-	(754)	(36,384)
Total	72,717	1,845	348,156	11,066	433,784

The increase in reinsurance receivables is caused by both the increased portfolio volume and by the “delay” in final settlement. There is also an increase in reinsurance liabilities (see note 5.9.). The year-on-year increase in the balance of reinsurance receivables and liabilities is minimal. The company recorded receivables of TCZK 19,964 with a residual maturity of more than five years as at 31 December 2023 (as at 31 December 2022: TCZK 21,404).

5.2.1. Receivables due from policyholders, receivables due from insurance intermediaries and reinsurance receivables

Receivables due from policyholders represent receivables from premiums written and advances for claims, recoveries. Receivables due from insurance intermediaries represent receivables due to the return of commissions on prematurely terminated insurance contracts. Reinsurance receivables represent receivables from reinsurance commissions and the reinsurer’s share in claims in the financial year.

5.2.2. Other receivables

Other receivables primarily represent receivables from paid advances on income tax in 2023 in the amount of TCZK 7,138, receivables from the invoicing of rent and services, and short-term and long-term advances of an operating nature, receivables from employees and provisions for these receivables.

5.3. TANGIBLE AND INTANGIBLE ASSETS

5.3.1. Intangible assets

(reported as TCZK)

Acquisition value of assets	2022	2023
Acquisition value	131,668	151,422
Additions	19,754	28,119
Disposals	-	-
Final balance	151,422	179,541

Accumulated amortisation	2022	2023
Opening balance	101,437	117,250
Additions (depreciation)	15,813	16,579
Disposals	-	-
Final balance	117,250	133,829

Amortised cost	2022	2023
	34,172	45,712

Additions to intangible assets for the current financial year comprise a technical improvement in the company's operating system. The company recorded unclassified intangible assets in the amount of TCZK 9,139 (2022: TCZK 6,702).

5.3.2. Tangible assets (excluding buildings and land)

(reported as TCZK)

Acquisition value of assets	2022	2023
Acquisition value	15,419	15,849
Additions	430	3,704
Disposals	-	827
Reclassification of assets in progress to additions to buildings	-	150
Final balance	15,849	18,576

Accumulated depreciation	2022	2023
Opening balance	11,886	13,832
Additions (depreciation)	1,946	1,290
Disposals	-	827
Final balance	13,832	14,294

Carrying value	2022	2023
	2,017	4,282

The addition in tangible assets for the current period stems from the putting into service of passenger cars in the amount of TCZK 1,200 and hardware in the amount of TCZK 2,504 (of which TCZK 150 in the final balance of the acquisition price of assets in 2022). The disposal of tangible assets for the current period stems from the retirement of cars from the company's assets.

The company did not record any assets within the scope of tangible and intangible assets that were encumbered by a lien. The total accounting depreciation of tangible and intangible assets for the 2023 amounted accounting period came to TCZK 17,869 (2022: TCZK 17,759).

5.4. TRANSITIONAL ASSET ACCOUNTS, ESTIMATED RECEIVABLES

(reported as TCZK)

	2022	2023
Other transitional asset accounts	4,382	4,163
Accrued acquisition costs of insurance policies	96,216	122,931
Transitional asset accounts	100,598	127,094

Other transitional asset accounts include active estimated accounts in the amount of TCZK 3,326 (2022: TCZK 2,817), other accrued costs in the amount of TCZK 703 (2022: TCZK 1,110) and accrued income in the amount of TCZK 134 (2022: TCZK 455).

5.5. EQUITY

Changes and other events affecting equity

There was no change in the amount of the company's share capital during 2023.

Proposal for the distribution of earnings for 2023

Company management will submit a proposal for the distribution of the company's earnings to the General Meeting to the effect that the economic result for 2023, a profit of TCZK 28,012, will be appropriated to the accumulated loss.

5.6. LATENT REVALUATION

(reported as TCZK)

	as at 1 Jan	addition	disposal	as at 31 Dec
Latent revaluation 2022	24,020	362	322	24,060
Latent revaluation 2023	24,060	5,106	1,672	27,493

Changes in latent revaluation balances represent net differences due to the revaluation of debt securities issued by non-financial institutions and the revaluation of real estate and investments in business groupings from previous years. The effect of the deferred tax impact is also part of the change in the resulting value of the latent revaluation.

5.7. SUBORDINATED LIABILITIES

In December 2016, the company entered into a subordinated loan agreement to strengthen its solvency position in a nominal amount of TCZK 30,000. The subordinated debt bears interest at 3M Pribor + 2.95% p.a. In August 2017, another subordinated loan agreement was concluded on similar terms with a nominal amount of TCZK 20,000. At the date of preparation of the financial statements, no interest has been paid to the lender of these loans and no part of the nominal value has been repaid (see note 5.22). Disbursement of the subordinated debt is subject to CNB approval. The company is not entitled to pay interest on the subordinated debt until 31 December 2023. In the opinion of management, the total value of the subordinated liabilities is fully usable to cover capital requirements (Tier 2 category) under the Solvency II principles.

5.8. NON-LIFE INSURANCE TECHNICAL PROVISIONS

(reported as TCZK)

	31 Dec 2022	Additions	Disposals	31 Dec 2023
Provision for unearned premiums				
Gross amount	441,857	1,263,098	1,131,005	573,950
Reinsurer's share	169,617	528,192	481,284	216,525
Net amount	272,240	734,906	649,721	357,425
Provision for insurance claims				
Gross amount	554,636	1,260,806	1,163,786	651,656
<i>RBNS</i>	439,966	1,238,068	1,163,786	514,248
<i>IBNR</i>	114,670	22,738		137,408
Reinsurer's share (RBNS, IBNR)	227,035	518,585	474,277	271,343
Net amount	327,601	744,858	692,146	380,313

	31 Dec 2022	Additions	Disposals	31 Dec 2023
Provision for bonuses and discounts				
Gross amount	15,157	24,301	28,272	11,186
Reinsurer's share	8,541	2,887	4,774	6,654
Net amount	6,616	21,414	23,498	4,532

The company accounts for the change in the IBNR provision only in terms of additions or disposals.

Claims settlement result (gross amount)

The difference between the amount of the claims provision established as at 31 December 2022, payments during 2023 (relating to claims reflected in the provision) and the residual amount of the provision as at 31 December 2023 represents the result of claims settlement.

The table shows the gross settlement result.

(reported as TCZK)

Class	31 Dec 2022	31 Dec 2023
Property damage insurance	30,330	8,248
Liability insurance	(6,736)	(320)
Accident and damage insurance for aircraft and vessels	(1,200)	2,134
Liability insurance for damage arising from the operation of means of transport	61,099	92,614
Warranty, financial risk and travel insurance	(13,522)	5,813
Sickness and accident insurance	2,237	529
Total	72,208	109,019

The company evaluates the results in terms of whether they are random fluctuations or a trend and, based on the result, keeps the original rates or adjusts the pricing until the next underwriting year.

The overall settlement result as at 31 December 2023 was highly positive; from the point of view of the result, there is no need to carry out activities to improve the condition.

Result of the premium sufficiency test

The company periodically performs a premium sufficiency test based on the level of expected actuarial costs (determined based on historical data) attributable to the use of the unearned premium provision.

The company carries out this test mainly at the level of all insurance classes. The company also monitors results at the level of individual insurance classes, where any shortfall in a given class can be offset by a surplus from another class. Any long-term shortfall in an insurance class's performance is a sign that premiums need to be increased or other steps taken to pass this test.

The company has separated administrative overhead items into costs directly related to a class and costs that are not clearly and directly attributable to an insurance class; these costs are only used as part of the overall test result. The result of the premium sufficiency test/provision for unearned premiums for 2022 and 2023 is shown in the table below (individual classes are derived from the actuary's internal methodology).

For 2022

Class	Provision for unearned premiums	Expected claims, including settlement costs	Use of accruals for acquisition costs	Directly allocated administrative overhead	Result
Financial guarantees	17,886	(3,715)	(1,908)	(4,940)	7,323
Car collision insurance	51,984	(27,361)	(10,098)	(7,831)	6,694
Property insurance	49,460	(26,673)	(11,555)	(10,108)	1,124
MTPL insurance	268,768	(142,275)	(51,065)	(40,872)	34,556
Liability insurance	19,312	(5,027)	(4,000)	(2,855)	7,430
Health insurance	34,447	(5,981)	(17,591)	(6,556)	4,319
Total	441,857	(211,032)	(96,217)	(73,162)	61,446
Administrative overhead not directly attributable to insurance classes					(13,204)
Total result					48,242

For 2023

Class	Provision for unearned premiums	Expected claims, including settlement costs	Use of accruals for acquisition costs	Directly allocated administrative overhead	Result
Financial guarantees	9,084	(1,944)	(1,042)	(2,271)	3,827
Car collision insurance	87,584	(51,149)	(16,543)	(9,897)	9,994
Property insurance	54,232	(29,285)	(13,847)	(9,002)	2,097
MTPL insurance	359,820	(224,168)	(70,076)	(50,735)	14,842
Liability insurance	21,768	(8,272)	(4,765)	(2,438)	6,294
Health insurance	41,463	(7,795)	(16,657)	(12,066)	4,945
Total	573,950	(322,613)	(122,931)	(86,409)	41,998
Administrative overhead not directly attributable to insurance classes					(24,680)

Total result**17,318**

The test indicates the overall sufficiency of premiums in 2023. Only the property insurance class, after accounting for administrative overheads to directly unassignable insurance sectors, due to its volume, is currently on the verge of economic viability.

The stricter underwriting policy led to positive test results for all insurance classes in 2022 and 2023.

5.9. Direct insurance and reinsurance liabilities

as at 31 December 2022

(reported as TCZK)

	Liabilities from direct insurance operations	Liabilities from reinsurance operations	Other	Total
Value of liabilities	197,303	58,390	41,865	297,558
Of which: overdue	-	-	-	-

as at 31 December 2023

(reported as TCZK)

	Liabilities from direct insurance operations	Liabilities from reinsurance operations	Other	Total
Value of liabilities	166,370	352,458	64,208	583,036
Of which: overdue	-	-	-	-

The increase in reinsurance liabilities can be attributed both to the increased portfolio volume and to the “delay” in final settlement. There has also been an increase in reinsurance receivables (see note 5.2.). The year-on-year increase in the balance of reinsurance receivables and liabilities is minimal.

Direct insurance liabilities mainly comprise advance premium payments, liabilities from deposits for clients’ deductibles, unpaired payments received, and liabilities due to commissions paid to insurance intermediaries. Reinsurance liabilities comprise values from the settlement of reinsurers’ shares in premiums written.

In terms of direct insurance liabilities, the company records liabilities due to deductibles provided in the form of a deposit from travel and employment agencies in the total amount of TCZK 61,852 as at 31 December 2023 (2022: TCZK 115,875). The decrease in liabilities is due to higher deposit payments in 2023.

Estimated liabilities from reinsurance are further shown in note 5.10.

The company did not record any liabilities with a residual maturity of more than five years as at 31 December 2023. The same applied to 31 December 2022.

Other liabilities

A summary of other liabilities is given in the table below.

(reported as TCZK)

	2022	2023
Liabilities from ordinary activities	27,056	39,011
liabilities to employees	5,636	6,423
social security liabilities	2,126	2,389
health insurance liabilities	902	1,013

supplier liabilities	14,289	18,626
liabilities to the Czech Insurers' Bureau, contributions to activities	3,194	9,714
other items	909	846
Tax liabilities	14,809	25,197
other tax liabilities (VAT and other)	779	807
deferred tax liabilities	14,030	24,390
Total other liabilities	41,865	64,208

Deferred tax liabilities are further disclosed in note 5.20.

5.10. TRANSITIONAL LIABILITY ACCOUNTS, ESTIMATED PAYABLES

	(reported as TCZK)	
	2022	2023
Accrual of commissions back from reinsurers	54,765	70,247
Other accruals	1,082	563
Accrued income	55,847	70,810
Estimate for the adjustment of retrocessions from reinsurers	68,770	74,033
Estimate for delayed commissions and other commissions	5,426	11,413
Other costs (mainly energy and consultants' services)	4,885	3,566
Estimated payables	79,081	89,013
Transitional liability accounts	134,928	159,823

The estimate for the adjustment of retrocessions from reinsurers totalling TCZK 74,033 (2022: TCZK 68,770), which the company accounted for during the accounting period, represents an estimate of refunds of retrocessions and other liabilities to reinsurers, which the company expects to pay in subsequent periods. The part of the estimate relating to previous accounting periods was made due to a change in the expected loss ratio of the reinsured insurance portfolio.

The creation of estimates for other commissions (reflecting the broker's incentive to enter into contracts for the benefit of the client in accordance with legislative requirements) is part of the passive accounts.

The balance of deferred income from retrocession commissions as at 31 December 2023 is TCZK 70,247 (2022: TCZK 54,765).

5.11. PREMIUMS WRITTEN

Indicators by type of insurance in 2022

	(reported as TCZK)				
Class	Gross premiums written	Gross premiums earned	Gross cost of insurance claims	Result of reinsurer	Operating costs
Personal accident insurance	7,988	7,939	253	15	15,140
Sickness insurance	4,480	73,902	11,057	-	46,074
Insurance of damage to land vehicles	135,446	121,518	71,312	6,721	62,099
Insurance of damage to aircraft and vessels	-	-	-	-	(5)
Insurance of transported goods, including luggage and other property	3,000	2,881	306	561	1,434
Insurance of damage to property other than B3 to B7	75,430	68,967	24,575	21,047	29,844

Insurance of other damage to property other than B3 - B7	81,685	76,304	27,481	20,444	30,194
Liability insurance	641,027	611,511	297,021	29,706	222,995
<i>Liability insurance for damage arising from means of transport</i>	641,027	611,511	297,021	29,706	223,003
<i>Liability insurance for damage arising from ownership of aircraft</i>	-	-	-	-	(8)
General liability insurance	72,971	71,393	31,137	10,130	25,873
Guarantee insurance (security deposit)	53,354	48,289	11,732	14,122	13,213
Insurance against various financial losses	16,378	16,201	19,566	1,515	6,392
Insurance to help people in need outside the home	21,177	21,176	4,164	2	29,487
TOTAL	1,112,936	1,120,081	498,604	104,263	482,740

Indicators by type of insurance in 2023

(reported as TCZK)

Class	Gross premiums written	Gross premiums earned	Gross cost of insurance claims	Result of reinsurer	Operating costs
Personal accident insurance	9,841	9,721	1,457	6	7,412
Sickness insurance	36,775	29,879	6,305	-	19,443
Insurance of damage to land vehicles	218,392	182,792	121,392	(2,341)	93,706
Insurance of transported goods, including luggage and other property	4,302	4,104	(25)	912	2,030
Insurance of damage to property other than B3 to B7	95,587	92,796	37,681	18,631	43,214
Insurance of other damage to property other than B3 - B7	93,938	92,157	46,420	18,440	40,328
Liability insurance	848,999	757,691	444,862	(37,196)	266,001
<i>Liability insurance for damage arising from means of transport</i>	848,999	757,691	444,892	(37,196)	266,001
General liability insurance	82,868	80,668	26,422	18,061	32,949
Guarantee insurance (security deposit)	36,661	45,334	1,975	22,010	13,468
Insurance against various financial losses	18,670	18,803	4,240	2,416	7,677
Insurance to help people in need outside the home	28,779	28,776	9,506	1	28,327
TOTAL	1,474,814	1,342,721	700,265	40,940	554,555

All premiums were written in 2022 and 2023 in the Czech Republic (the EU Member State where the insurer is domiciled).

5.12. Bonuses and discounts

Insurance bonuses and discounts are bonuses for no claims (or low claims) if other contractual conditions are met. These bonuses and discounts are paid on the date of termination or renewal of the insurance contract for the past insurance period. Total premium bonuses and discounts paid in 2023 amount to TCZK 3,682 (2022: TCZK 4,874).

5.13. Acquisition costs of insurance contracts and change in the accrual status of acquisition costs

	(reported as TCZK)	
	2022	2023
Acquiring commissions	96,583	157,681
Extraordinary commissions	13,506	25,311
Marketing and promotion costs	16,819	17,305
Total acquisition costs	126,908	200,296
Change in accruals for acquisition costs	20,152	(26,716)

5.14. Administrative overheads

	(reported as TCZK)	
	2022	2023
Administrative overheads	335,680	380,975
Material, energy consumption	4,202	4 443
Travel, training	2,318	2,217
Rent, communications, repairs	15,524	18,835
Leasing, vehicle fleet, less fuel	859	616
IT maintenance, software maintenance	7,327	11,029
Postage and other consultancy services	45,574	44,118
Of which: statutory audit	2,373	3,155
tax advisory services	260	357
other non-audit services	413	54
Assistance services	22,301	39,982
Management and consulting activities	7,115	7,161
Wages, health and social insurance and employee contributions	97,316	106,803
Subsequent commissions	112,581	124,498
Remuneration to governing body	2,233	2,675
Sickness benefits, meals	508	736
Contribution to the statutory insurance for the change in the capacity to work	63	0
Depreciation of tangible fixed assets and intangible fixed assets	17,759	17,862

The difference between the depreciation of tangible and intangible fixed assets and the accumulated depreciation of tangible and intangible fixed assets, amounting to TCZK 7, is the residual value of the tangible fixed assets sold.

Other non-audit services mainly include assistance in processing corporate income tax returns and tax advisory services, both in 2023 and 2022.

The auditor's fee for carrying out the statutory audit includes the expected costs for conducting the 2023 audit and payment of the outstanding balance for the 2022 audit.

5.15. Other technical income

	(reported as TCZK)	
	2022	2023
Dissolution and drawdown of allowances	2,464	6,033
Drawdown of the damage prevention fund	5	6
Bonuses paid	1,801	1,170
Other	363	487
Total	4,633	7,696

5.16. Other technical costs

	(reported as TCZK)	
	2022	2023
Allowances for receivables	-	4,704
Write-off of receivables	5,449	5,884
Formation of damage prevention fund	34	30
Contributions to the Czech Insurers' Bureau and contribution to the Czech Insurers' Bureau damage prevention fund	24,539	37,949
Cost share – co-insurance	196	393
Total	30,218	48,960

The item "Contributions to the Czech Insurers' Bureau and contribution to the Czech Insurers' Bureau damage prevention fund" also includes the payment of liabilities determined by the Czech Insurers' Bureau on the basis of the amount of individual contributions of member insurance companies.

5.17. Investment income and expenses

	(reported as TCZK)	
	2022	2023
Income from deposits and securities, rental income from real estate	38,605	153,413
Income from land and buildings (rent)	3,760	3,518
Income from other investments (term accounts and bonds)	31,032	55,124
Changes in the value of investments (sales)	313	8
Investment income (sales)	3,500	94,763
Investment costs	4,204	101,565
Other investment costs (term accounts, bonds, buildings)	1,000	96,712
Portfolio management costs	1,836	3,485
Changes in value of investments	1,368	1,368

The company made a profit of TCZK 49,691 from investing in securities in 2023 (2022: TCZK 6,579). Part of the return on the investment amounting to TCZK 37,793 (2022: TCZK 21,396) corresponding to the amount of provisions was transferred from the non-technical account to the technical account. With the exception of the transfers mentioned above, the company did not account for any other transfers between the technical account and the non-technical account in 2023 pursuant to Section 21 of Decree 502/2002.

5.18. Other non-technical income

The largest item in other non-technical income in 2022 was compensation for damage related to written-off old receivables from Assotiation Firm s.r.o. amounting to approximately TCZK 10,318. In 2023, the largest item was TCZK 1,588, of which TCZK 288 comprised revenues from the disposal of tangible assets, TCZK 230 was awarded court costs, and TCZK 478 consisted of unreimbursed overpayments.

5.19. Other non-technical costs

	2022	2023
Gifts	4,223	6,177
Interest on subordinated debt	4,495	5,129
Entertainment costs	3,465	5,467
Other	612	1,174
Czech Insurers' Bureau contributions	701	716
Financial costs	1,716	2,882
Total	15,212	21,545

5.20. Taxes

Payable tax

At the date of preparation of the financial statements, the company estimates its corporate tax liability to be TCZK 0 (2022: TCZK 5,070). The year-on-year decrease was impacted by taxation according to developments in the value of Solvency II provisions (their change depending on the increase in interest rates), as the value of Solvency II provisions has been used for taxation since 2020 instead of previously used technical provisions according to the principles of Decree 502/2002.

	(reported as TCZK)	
	2022	2023
Income tax payable for the current period	(5,070)	-
Difference between tax payable for the prior period and the release of the provision for income tax for the prior period	-	-
Change in deferred tax asset/Change in deferred tax liability	(3,513)	(8,695)
Income tax in the profit and loss account	(8,583)	(8,695)

The total amount of advances paid for corporate tax liability for 2023 amounted to TCZK 7,138 (2022: TCZK 4,903) and this item was accounted for against the active account of other receivables.

Deferred tax

The company reported a deferred tax liability from temporary differences between the accounting and tax records of assets and liabilities in the amount of TCZK 24,390 as at 31 December 2023 (2022: TCZK 14,031).

Table of movements in deferred tax asset/liability:

	2022	2023
Opening balance	(10,508)	(14,031)
Change in deferred tax recognised under Other capital funds	(10)	(1,664)
Change in deferred tax recognised against profit and loss	(3,513)	(8,695)
End balance	(14,031)	(24,390)

Recognised deferred tax assets and liabilities:

Temporary differences	Claims		Liabilities		Difference	
	2022	2023	2022	2023	2022	2023
Tangible fixed assets	-	-	8,470	9,607	(8,470)	(9,607)
Intangible fixed assets	-	-	1,043	1,153	(1,043)	(1,153)
Impact of Solvency II taxation of provisions	-	-	2,728	14,457	(2,728)	(14,457)
Allowances for receivables	3,495	4,054	-	-	3,495	4,054
Provision for unused leave	359	343	-	-	359	343
Tax loss		3,739		-		3,739
<i>Impact on the profit and loss account</i>	3,854	8,136	12,241	25,217	(8,387)	(17,081)
Valuation differences on revaluation of assets and liabilities	-	-	5,644	6,313	(5,644)	(6,313)
Bond revaluation gains/losses				996		(996)
<i>Impact on equity</i>	-	-	5,644	7,309	(5,644)	(7,309)
Deferred tax asset/(liability)	3,854	8,136	17,885	32,526	(14,031)	(24,390)
Compensation of related deferred tax assets and liabilities	(3,854)	(8,136)	(3,854)	(8,136)	-	-
Deferred tax liability	-	-	14,031	24,390	(14,031)	(24,390)

At the date of preparation of the financial statements, the company is shown to have recorded an applicable loss from the current period of TCZK 17,803 as at 31 December 2023, which the company can apply in the next five years.

5.21. Payroll costs, employees

	(reported as TCZK)	
	2022	2023
Average number of employees	108	108
Gross wages	73,864	80,831
Social security	18,308	20,102
Health insurance	6,585	7,298
Other staff expenses	1,363	1,983
Total	100,120	110,214

The company paid compensation to members of the governing and supervisory bodies in the amount of TCZK 2,675 (2022: TCZK 2,233). No liabilities from pensions of former members of these bodies were agreed or incurred.

With the exception of compensation, no other advances or loans were paid or provided to members of the company's governing bodies, nor did it incur any other claims.

Other staff expenses mainly include the costs of employee accident insurance, sickness benefits, a housing allowance, and transport and meal allowances. The company lent two company cars to members of the management for private purposes.

5.22. Receivables, liabilities and payments in the group

Summary of the company's intragroup receivables and liabilities

(reported as TCZK)

	2022	2023
Purchased debt securities	17,855	16,772
Loans provided	0	1,000
Receivables from direct insurance	813	1,719
Other receivables	369	0
Liabilities from direct insurance	4,593	1,291
Trade liabilities	2,563	2,218
Subordinated liabilities	64,228	69,357

Payments to group companies

(reported as TCZK)

	2022	2023
Income from direct insurance	3,023	6,698
Other income	3,660	3,660
Direct insurance costs	34,885	49,359
Other costs	26,795	16,455

Direct insurance costs are mainly the costs of commissions. The largest share is held by the subsidiary Slavia partner s.r.o., amounting to CZK 31,874 in 2023 (2022: TCZK 25,904). This subsidiary began its intermediary activities with a significant share in the sale of the company's insurance products in 2018. Another significant direct insurance cost is the cost of claims, in the amount of TCZK 7,182 in 2023 (2022: TCZK 2,011). A claim of TCZK 6,872,000 was paid out in 2023 for damage caused by fire to an exhibition hall in Letňany.

Other costs mainly comprise compensation for investment portfolio management and management and consulting activities provided by the company's shareholder. The increase in this respect is consistent with the increase in the volume of investments and the volume of services provided.

Interest and charges for subordinated liabilities were accounted for within the above values (see note 5.7 to the financial statements). Interest as at 31 December 2023 was TCZK 19,357 (2022: TCZK 14,228).

All significant transactions with related parties were carried out on an arm's-length basis, except for a loan granted to Slavia majetková. This interest-free loan of TCZK 1,000 is granted for an indefinite period.

6. OTHER IMPORTANT FACTS

6.1. Litigation

Litigation over the Technoexport claim

During the 2012 accounting period, legal action was taken against the company, in which a policyholder demanded payment of a claim from the company in the amount of TCZK 124,126. This action was brought by the policyholder on 11 January 2012 and asserted a claim under insurance contracts for the insurance of receivables.

Based on legal opinions commissioned by company management in connection with the evaluation of the legitimacy of the policyholder's claim, management believes that the policyholder's claims are unjustified and that the policyholder's actions in concluding individual insurance contracts and in filing individual claims for insurance could be assessed as a crime. The company therefore instructed its lawyer to turn the case to law enforcement authorities with several criminal complaints. Following the criminal complaints, criminal proceedings were initiated in which Slavia pojišťovna participated as the aggrieved party. In parallel, civil proceedings were brought against Slavia pojišťovna regarding the above TCZK 124,126.

There was a change in the composition of the court chamber hearing the case and SP was informed of the court's preliminary legal opinion advising that the complainant might be successful in the case. In order to prevent the possible granting of the claim in its entirety, SP entered into negotiations on a settlement agreement, which was concluded in June 2022, for a total amount of TCZK 12,000. A provision for the amount claimed was not created until the settlement agreement was concluded because Slavia pojišťovna considered the claim completely unjustified until the above-mentioned change in the chamber and the change of legal opinion.

Further active participation by SP in the parallel criminal proceedings is meaningless because SP participated in the criminal proceedings mainly due to the questioning of the claim raised against it in the civil proceedings, where the dispute was concluded through the aforementioned settlement agreement. Further participation of SP in the criminal proceedings is limited only for the purpose of claiming compensation in the form of costs for its legal representation in the criminal proceedings.

6.2. Contingent liabilities

At the balance sheet date, the company recorded 31 actions in which it was the defendant involving the compensation of claims and claims for damages in the total amount of TCZK 48,318. For these contingent liabilities, the company created a corresponding provision for claims (RBNS).

Apart from the disclosures in these financial statements, company management does not record any potential liabilities that could affect the financial statements.

6.3. Membership of the Czech Insurers' Bureau (the "Bureau")

As a member of the Bureau, the company is a guarantor for the liabilities of the Bureau pursuant to Section 18(6) of the Motor Third-Party Liability Insurance Act. For this purpose, the company contributes to the guarantee fund and the damage prevention fund and creates a provision for the Bureau's liabilities. The amount of contributions and the provision for the Bureau's liabilities is determined according to actuarial methods.

If any member of the Bureau is unable to meet its liabilities arising from MTPL insurance due to insolvency, the company may be required to make additional contributions to the guarantee fund.

As at 31 December 2023, the company records a receivable in the amount of TCZK 58,205 vis-à-vis the Czech Insurers' Bureau. In the opinion of the company, the monetisation of the receivable is income of the non-life insurance technical account. However, the company does not account for this transaction as at 31 December 2023 due to caution.

The receivable consists of an unpaid excess of assets over the liabilities of the guarantee fund pursuant to Section 24(2) of Act No 168/1999 on motor third party liability insurance in the amount of

TCZK 47,517 and of the unpaid excess of assets over the liabilities of the special account pursuant to Section 29 of the same Act in the amount of TCZK 10,688.

The guarantee fund is made up of the Bureau's assets and is intended for the payment of insurance benefits from motor third-party liability insurance in those cases where the provision of compensation for damage to the aggrieved party is at risk. The Bureau's guarantee fund is also financed from the contributions of member insurance companies and, due to uncertainty regarding the claims incurred, an excess of assets over liabilities may arise.

The company is in possession of an independent legal opinion according to which such excess may be disbursed to member insurance companies proportionately to their obligation to contribute to the fund. According to that opinion, there is no legal restriction on the disbursement of excess funds and the Bureau may disburse such funds to insurance companies further to a decision of the board of directors of the Bureau or a meeting of members. In the Bureau's opinion, it does not act as a public authority and may dispose of the funds in any way that is not prohibited by law.

Funds created as an excess of assets in the Bureau's special account (TCZK 10,688) were created on 1 January 2000 during the demonopolisation of the motor third-party liability insurance market by transfer from Česká pojišťovna to the Bureau and are used to pay debts arising from statutory insurance. According to the above legal opinion, the funds in the investment portfolio of the special account are to be paid to Bureau members.

The company agrees with the conclusions of the legal opinion and is convinced that the said excesses in the guarantee fund and the special account are a legitimate claim of the company.

6.4. Failure to meet the MTPL insurance sufficiency requirement

As at 31 December 2023, the combined loss ratio for motor third-party liability insurance is 107%. The increase in the loss ratio was caused by a decrease in the discount effect and a significant increase in new business across the entire portfolio and a higher ratio of large losses in 2023. The company made ongoing increases in rates and an increase in premiums during renewals of insurance. These measures will gradually meet the sufficiency requirement for this type of insurance. The target value for the combined loss ratio is 97%.

6.5. Significant events after the balance sheet date

Company management is not aware of any subsequent events other than those listed below at the date of preparation of the financial statements.

Administrative proceedings under Ref. No S-Sp-2024/00120/CNB/5812017/357/573

On 22 March 2024, the company received an order of the Czech National Bank (CNB) dated the same day, under which the CNB: (i) found the company guilty of committing a misdemeanour under Section 114(1)(f) of the Insurance and Reinsurance Distribution Act (IRDA); and (ii) imposed a fine on the company in the amount of TCZK 5,000. The company considers the order to be unlawful, in particular because it is in direct conflict with the constitutional principle of a retroactivity order in favour of the party to the misdemeanour proceedings. The company thus lodged an objection to the order within the statutory time limit. According to Section 150(3) of Act No 500/2004, the Administrative Code, as amended, the order is cancelled by the submission of this objection and the administrative proceedings continue as if the order had not been issued.

The cancellation of the order cancels the fine imposed, thus removing any obligation of the company to pay the fine. Therefore, as at the date of this opinion (i.e. after a proper objection has been filed), the obligation to pay the fine is not "only" non-final and unenforceable (as is the case, for example, for a fine imposed by a non-final first-instance decision challenged by an appeal) but does not exist at all.

According to Section 90(3) of Act No 250/2016 on liability for misdemeanours and their proceedings, as amended, if an objection to an order has been lodged, no other type of administrative penalty may be imposed on the party to the proceedings except for a reprimand or a higher assessment of the administrative penalty than that imposed by the order (according to the principle of *reformatio in peius*); this does not apply if the administrative body changes the legal classification of the act in the proceedings.

As at the date of signing of the financial statements, the company, with regard to the short deadline for submitting a statement of opposition, is preparing a supplement to its detailed opinion on the matter and the justification of the statement of opposition, which is to take the form of a separate submission and will be provided to the CNB no later than 30 days from the submission of the statement of opposition.

The company therefore does not agree with the CNB's opinion and is convinced that it acted in full compliance with the then legislation in force at the turn of 2022, as supported by its legal analysis in the case.

Prague, 23 April 2024

Karel Waisser
CEO and Chairman of the Board

Karel Bezděka
Chief Commercial Officer
Member of the Board

REPORT OF THE BOARD OF DIRECTORS OF SLAVIA POJIŠŤOVNA A.S. ON RELATIONS BETWEEN RELATED PARTIES FOR 2023

The report on relations is prepared in accordance with Act No 90/2012 on companies and cooperatives (Business Corporations Act).

Pavel Sehnal (controlling entity), residing at Velešinská 334, Letňany, Prague, controlled the following companies (controlled entities) in 2023:

Company name	Registered office	Czech company registration number	Main activities
SPGroup a.s. (SPG)	Na struze 227/1, Nové Město, 110 00 Praha 1	630 78 571	Consulting services in organisational and economy matters
AAAINDUSTRY.CZ akciová společnost (INDUSTRY)	Na struze 227/1, Nové Město, 110 00 Praha 1	630 78 023	Activities of accounting consultants, bookkeeping, tax records Implementation of public auctions - voluntary
Podnikatelská Komunální a.s. (PoKo) ²⁾	Na struze 227/1, Nové Město, 110 00 Praha 1	618 60 204	Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
AAA BYTY.CZ akciová společnost (BYTY)	Na struze 227/1, Nové Město, 110 00 Praha 1	639 99 234	Activities of accounting consultants, bookkeeping, tax records Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
Capital Management Company, a.s. (CMC) ³⁾	Na struze 227/1, Nové Město, 110 00 Praha 1	630 79 992	Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
Burzovní společnost pro kapitálový trh, a.s. (BSKT) ⁴⁾	Na struze 227/1, Nové Město, 110 00 Praha 1	471 16 072	Purchase and issue of securities for resale, sale and related activities Mediation of the purchase, sale and issue of securities and the provision of services relating to such issues
Total Brokers a.s. (TB) ⁵⁾	Táborská 619/46, Nusle, 140 00 Praha 4	273 79 345	Performance of insurance broker activities Performance of insurance agent activities Performance of the activities of tied insurance intermediary
TIVERTON a.s.	Na struze 227/1, Nové Město, 110 00 Praha 1	273 77 989	Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation
AAA Realitní fond. a.s. (RF)	Na struze 227/1, Nové Město, 110 00 Praha 1	274 13 934	Lease of real estate and residential and non-residential premises Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
Prague Property Leader a.s. (PPL)	Na struze 227/1, Nové Město, 110 00 Praha 1	274 24 715	Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation

Pizeň Project Developers a.s. (PPDs)	Na struze 227/1, Nové Město, 110 00 Praha 1	274 41 466	Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act <i>1) 100% CMC participation</i>
Slavia pojišťovna a.s. (SLAVIA) ¹⁰⁾	Táborská 940/31, Nusle, 140 00 Praha 4	601 97 501	Insurance and related activities Reinsurance activities for non-life reinsurance <i>1) 68.4% CMC participation</i> <i>2) 7.3% NPM participation</i> <i>3) 8.1% LIMITRANA participation</i> <i>16.2% SPG participation</i>
BIZ DATA a.s. (BD)	Plynářská 233, Kolín IV, 280 02 Kolín	618 58 757	Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
Reprezentativní organizace zaměstnavatelů, a.s. (ROZ) ⁶⁾	Na struze 227/1, Nové Město, 110 00 Praha 1	274 48 967	Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
Reprezentativní organizace odborových organizací skupiny SPG, a.s. (ROOO SPG)	Na struze 227/1, Nové Město, 110 00 Praha 1	274 50 201	Lease of real estate and residential and non-residential premises Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
ABF, a.s. ⁷⁾	Beranových 667, Letňany, 199 00 Praha 9	630 80 575	Organisation of exhibitions, fairs and congresses Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act <i>1) 100% CMC participation</i>
PVA a.s.	Beranových 667, Letňany, 199 00 Praha 9	256 58 484	Organisation of exhibitions and fairs Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act <i>2) 100% ABF participation</i>
PVA EXPO, a.s. ¹¹⁾	Beranových 667, Letňany, 199 00 Praha 9	275 62 913	Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act <i>1) 100% CMC participation</i>
OOO OTK PRINT RU (OTK Russia)	Leninskij prospekt, Building 2A, Office 5C, Petersburg, 196066, Russian Federation		Printing production <i>3) 100% OTKG participation</i>

Stone Hill, a.s. (SH)	Na struze 227/1, Nové Město, 110 00 Praha 1	275 98 233	Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation <i>12) 100% PoKo participation</i>
AAA Průmyslový fond, a.s. (PF)	Na struze 227/1, Nové Město, 110 00 Praha 1	275 98 519	Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation
Prague Construction a.s. (PC)	Na struze 227/1, Nové Město, 110 00 Praha 1	276 15 600	Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation
GMF AQUAPARK PRAGUE, a.s. (GMFAQP)	Na struze 227/1, Nové Město, 110 00 Praha 1	276 42 127	Cosmetic services, hospitality, massage, reconditioning and regeneration services Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act <i>91% SPG participation</i>
Newvale a.s. (NV)	Na struze 227/1, Nové Město, 110 00 Praha 1	278 61 457	Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation <i>1) 100% CMC participation</i>
New Property Management a.s. (NPM) ⁸⁾	Na struze 227/1, Nové Město, 110 00 Praha 1	278 62 488	Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation
PVA EURO EXPO, a.s.	Beranových 667, Letňany, 199 00 Praha 9	278 88 550	Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
Redvale a.s. (RV)	Na struze 227/1, Nové Město, 110 00 Praha 1	278 99 667	Accommodation services, hospitality and currency exchange activities, organisation of cultural productions, entertainment and operation of entertainment facilities Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
Black Hill, as.	Na struze 227/1, Nové Město, 110 00 Praha 1	282 01 281	Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation
Elektroporcelán a.s. (EPL) ²⁾	Postoloprtská 2951, 440 01 Louny	282 03 101	Manufacture, installation and repair of electrical machinery and appliances, electronic and telecommunication equipment Locksmithery, toolmaking, machining Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act <i>4) 89.8% BSKT participation</i>

Limitrana Trading Limited (LIMITRANA) ⁹⁾	3 Stasinou & Boumpoulinas Street 1st Floor, 1060 Nicosia, Cyprus		Holding company
Lázně Praha, a.s. (LP)	Na struze 227/1, Nové Město, 110 00 Praha 1	282 25 571	Operation of non-state facilities according to Act No 160/1992 on health care in private health facilities: a) inpatient health care: physiotherapy b) outpatient health care: physiotherapist, orthopaedics, physiotherapy Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation ¹⁾ 100% CMC participation
Total Brokers Partners a.s. (TBP)	Plynářská 233, Kolín IV, 280 02 Kolín	282 25 562	Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act ⁵⁾ 100% TB participation
EPL Group EU s.r.o. (EPLG)	Postoloprtská 2951, 440 15 Louny	287 13 508	Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act 83% SPG participation ²⁾ 17% EPL participation
Grimenol plus s.r.o. (GP)	Na struze 227/1, Nové Město, 110 00 Praha 1	247 93 256	Lease of real estate and residential and non-residential premises ¹⁾ 100% CMC participation
REX FACTUM s.r.o. (REX)	Na struze 227/1, Nové Město, 110 00 Praha 1	274 39 275	Lease of real estate and residential and non-residential premises without providing other than basic services related to lease Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act ⁶⁾ 91% ROZ participation ¹⁾ 9% CMC participation
AQUAPALACE, a.s. (AQP)	Na struze 227/1, Nové Město, 110 00 Praha 1	291 41 729	Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
AAA REAL s.r.o.	Na struze 227/1, Nové Město, 110 00 Praha 1	014 93 493	Lease of real estate and residential and non-residential premises Activities of accounting consultants, bookkeeping, tax records Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
Angarmos plus a.s.	Na struze 227/1, Nové Město, 110 00 Praha 1	024 47 649	Lease of real estate and residential and non-residential premises

M.I.P. Group, a.s.	Beranových 667, Letňany, 199 00 Praha 9	256 66 703	Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act <i>1) 100% CMC participation</i>
AMONEUS s.r.o.	Na struze 227/1, Nové Město, 110 00 Praha 1	284 64 311	Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
Golden Apple Hotels, s.r.o.	Na struze 227/1, Nové Město, 110 00 Praha 1	041 58 792	Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act Sale of fermented alcohol, potable alcohol and spirits <i>90% SPG participation</i>
Super Noty, s.r.o.	Na struze 227/1, Nové Město, 110 00 Praha 1	045 68 672	Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
Slavia partner s.r.o.	Táborská 940/31, Nusle, 140 00 Praha 4	047 57 416	Insurance intermediation according to Act No 38/2004 Lease of real estate and residential and non-residential premises Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act <i>10) 100% SLAVIA participation</i>
No Limits Design a.s.	Na struze 227/1, Nové Město, 110 00 Praha 1	282 01 264	Lease of real estate and residential and non-residential premises without providing other than basic services ensuring their proper operation Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
OTHAZ Management a.s.	Na struze 227/1, Nové Město, 110 00 Praha 1	053 15 018	Lease of real estate and residential and non-residential premises Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
Montresor, a.s.	Na struze 227/1, Nové Město, 110 00 Praha 1	065 85 507	Lease of real estate and residential and non-residential premises Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
S.A.L.E.M. Assets Holding GmbH	Oppolzgasse 6, 1010 Wien, Austria		Holding company
Kvintum s.r.o.	Na struze 227/1, Nové Město, 110 00 Praha 1	272 30 830	Lease of real estate and residential and non-residential premises
ABF EXPO PRAHA s.r.o.	Dělnická 213/12, Holešovice, 170 00 Praha 7	148 88 939	Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act <i>7) 28,57% ABF participation</i> <i>11) 71,43% PVA Expo participation</i>
Maverick I s.r.o.	Na struze 227/1, Nové Město, 110 00 Praha 1	073 98 344	Lease of real estate and residential and non-residential premises Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act <i>12) 100% PoKo participation</i>

Mimoňská Buildings a.s.	Na struze 227/1, Nové Město, 110 00 Praha 1	020 27 275	Lease of real estate and residential and non-residential premises Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act ¹⁾ 100% CMC participation
Wellness Hotel Svornost Harrachov s.r.o.	Na struze 227/1, Nové Město, 110 00 Praha 1	080 17 476	Hospitality, massage, reconditioning and regeneration services, cosmetic services. Barbering, hairdressing, pedicure, manicure Sale of fermented alcohol, potable alcohol and spirits Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act ¹³⁾ 100% Hotel Invest Harrachov s.r.o. participation
Společnost pro rozvoj kolejové dopravy s.r.o.	Na struze 227/1, Nové Město, 110 00 Praha 1	086 88 575	Lease of real estate and residential and non-residential premises Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
Elektroporcelán majetková a.s.	Postoloprtská 2951, 440 01 Louny	094 48 195	Lease of real estate and residential and non-residential premises Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act ⁴⁾ 89.8% BSKT participation
Bulovka Dental Clinic, a.s.	Pacovská 2104/1, Krč 140 00, Prague 4	092 59 392	Lease of real estate and residential and non-residential premises Manufacture, trade and services not specified in Annexes 1 to 3 to the Trading Act
Bulovka Medical & Business Centre s.r.o.	Na struze 227/1, Nové Město, 110 00 Praha 1	095 88 370	Lease of real estate and residential and non-residential premises ¹⁾ 100% CMC participation
Sportpropag, akciová společnost	Pacovská 2104/1, Krč, 140 00 Praha 4	000 67 024	Operation of sports facilities and facilities for regeneration and reconditioning ¹⁾ 100% CMC participation
Hotel Invest Harrachov s.r.o. ¹³⁾	Na struze 227/1, Nové Město, 110 00 Praha 1	118 54 472	Services in the field of administrative management and services of an organisational and economic nature
OTK printing & packaging a.s. (OTKPP)	Plynářská 233, Kolín IV, 280 02 Kolín	171 00 950	Publishing activities, polygraphic production, bookbinding and copying works
Brownvale a.s.	Na struze 227/1, Nové Město, 110 00 Praha 1	172 25 451	Intermediation of trade and services Wholesale and retail trade Purchase, sale, administration and maintenance of real estate Advertising, marketing, media representation
Bluevale a.s.	Na struze 227/1, Nové Město, 110 00 Praha 1	172 25 884	Intermediation of trade and services Wholesale and retail trade Purchase, sale, administration and maintenance of real estate Advertising, marketing, media representation

Orange Hill a.s.	Na struze 227/1, Nové Město, 110 00 Praha 1	172 29 049	Intermediation of trade and services Wholesale and retail trade Purchase, sale, administration and maintenance of real estate Advertising, marketing, media representation
Discovery Park Praha z.ú.	Na struze 227/1, Nové Město, 110 00 Praha 1	036 66 425	Training and educational activities, Organisation of professional courses, trainings, other educational events and other activities related to the objectives and purpose of the institute Publication and other awareness- raising activities including analysis, research, publication of information materials and their distribution
OTK GROUP a.s. (OTKG) ⁹⁾	Plynárenská 233, Kolín IV. 280 02 Kolín	178 76 214	Publishing activities, polygraphic production, bookbinding and copying works
TA FIRO travel, a.s. (from 9.3.2023)	Pacovská 2104/1, Krč, 140 00 Praha 4	191 31 712	Operation of travel agency and guide activities in tourism Extracurricular education, organisation of courses, trainings, including lecturing Operation of cultural, educational and entertainment facilities, organisation of cultural productions, entertainment, exhibitions, fairs, shows, sales and similar events
MDL Expo s.r.o. (from 9.5.2023)	Beranových 667, Letňany, 199 00 Praha 9	247 12 647	Operation of cultural, educational and entertainment facilities, organisation of cultural productions, entertainment, exhibitions, fairs, shows, sales and similar events Advertising, marketing, media representation Travel agency operation and guide activities in tourism ⁷⁾ 100% ABF participation
Slavia majetková a.s. (from 12.5.2023)	Pacovská 2104/1, Krč, 140 00 Praha 4	193 34 231	Purchase, sale, administration and maintenance of real estate Advertising, marketing, media representation ¹⁰⁾ 100% SLAVIA participation

During the last accounting period, the following contracts were in force between related parties:

A. Controlling versus controlled entity:

- insurance contract

B. Slavia pojišťovna versus other controlled entities:

- SPGroup a.s. lease agreement, insurance contract, property management contract, management contract,
 - Burzovní společnost pro kapitálový trh, a.s. portfolio management agreement
 - Capital Management Company, a.s. management agreement, subordinated loan provision agreement, agreement on the sale of a set of trademarks, agreement on cooperation and provision of consulting services, insurance contract
 - Total Brokers a.s. insurance contract, non-exclusive commercial representation agreement
 - BIZ Data a.s. IS administration provision contract, licence agreement, contract for work, service contract
 - ABF, a.s. insurance contract
 - PVA Expo, a.s. insurance contract
 - Newvale a.s. insurance contract
 - REX FACTUM s.r.o. agreement on cooperation and provision of services
 - M.I.P. Group, a.s. insurance contract
 - Slavia Partner s.r.o. cooperation and sales representation agreement
 - GMF AQUAPARK PRAGUE, a.s. insurance contract
 - AAA Průmyslový fond, a.s. insurance contract
 - Angarmos plus a.s. insurance contract
 - Elektroporcelán a.s. insurance contract
 - Lázně Praha, a.s. insurance contract
 - No Limits Design a.s. insurance contract
 - OTK GROUP, a.s. insurance contract,
 - OTK printing & packaging a.s. insurance contract, lease agreement
 - AAA Realitní fond, a.s. insurance contract
 - TIVERTON a.s. insurance contract
 - Mimoňská Buildings a.s. insurance contract
 - AAA REAL s.r.o. insurance contract
 - Bulovka Dental Clinic, a.s. insurance contract, contract of mandate
 - OTHAZ Management a.s. insurance contract
 - ABF Expo PRAHA s.r.o. insurance contract
 - TA FIRO travel, a.s. insurance contract
 - Sportpropag, akciová společnost insurance contract
 - Golden Apple Hotels, s.r.o. insurance contract
 - Slavia majetková loan agreement
- **The following benefits were provided by the controlled entity to the controlling entity:**

Company name	Contractual relationship	Contractual performance	Counter-consideration
Pavel Sehnal	insurance contract	insurance	insurance premiums received

Other contractual performance between related parties:

Company name	Contractual relationship	Contractual performance	Counter-consideration
Burzovní společnost pro kapitálový trh, a.s.	Mandate portfolio management agreement	contractual remuneration for activities performed	portfolio management activities
Total Brokers a.s.	non-exclusive commercial representation agreement	contractual remuneration for arranging insurance contracts	mediation insurance
Total Brokers a. s.	insurance contract	insurance	premiums received
SPGroup a.s.	management agreement	contractual remuneration for activities performed	activities related to company management
SPGroup a.s.	lease agreement	premises provided	rent
SPGroup a.s.	insurance contract	insurance	premiums received
SPGroup a.s.	contract for the provision of services - property management	contractual remuneration for activities performed	contractual price
BIZ DATA a.s.	contract for securing the operation and development of the insurance company's operational IS	contractual remuneration for activities performed	securing the operation and development of operational IS
BIZ DATA a.s.	licence agreement	contractual remuneration for SW provision	use of licensed SW
BIZ DATA a.s.	contract for work	contractual remuneration for the performance of the work	implementation and configuration of M365 services
BIZ DATA a.s.	service level agreement	contractual remuneration for activities performed	support for corporate ICT infrastructure
Capital Management Company, a.s.	management agreement	contractual remuneration for activities performed	company management services XXXX
Capital Management Company, a.s.	trademark transfer agreement	set of trademarks	contractual price
Capital Management Company, a.s.	subordinated loan agreement	improving the capital solvency position	contractual interest costs
Capital Management Company, a.s.	agreement on cooperation and provision of consulting services	contractual remuneration for activities performed	provision of consulting services
Capital Management Company, a.s.	insurance contract	insurance	premiums received
AQUAPALACE, a.s.	issued debt security	funds contributed	interest income
PVA EXPO a.s.	insurance contract	insurance	premiums received, claims paid
Newvale a.s.	insurance contract	insurance	premiums received, claims paid
REX FACTUM s.r.o.	cooperation agreement	contractual remuneration	personnel consulting services
M.I.P. Group a.s.	insurance contract	insurance	premiums received
GMF AQUAPARK PRAGUE, a.s.	insurance contract	insurance	premiums received
OTK printing & packaging a.s.	insurance contract	insurance	premiums received
OTK printing & packaging a.s.	lease agreement	rent	lease of premises

AAA Průmyslový fond, a.s.	insurance contract	insurance	premiums received
Angarmos plus a.s.	insurance contract	insurance	premiums received
Elektroporcelán a.s.	insurance contract	insurance	premiums received
Lázně Praha, a.s.	insurance contract	insurance	premiums received
No Limits Design a.s.	insurance contract	insurance	premiums received
OTK GROUP, a.s.	insurance contract	insurance	premiums received
ABF, a.s.	insurance contract	insurance	premiums received, claims paid
AAA Realitní fond, a.s.	insurance contract	insurance	premiums received
TIVERTON a.s.	insurance contract	insurance	premiums received
Slavia partner s.r.o.	commercial representation agreement	contractual remuneration for arranging insurance contracts	mediation insurance
Mimoňská Buildings a.s.	insurance contract	insurance	premiums received
Bulovka Dental Clinic, a.s.	insurance contract	insurance	premiums received
OTHAZ Management a.s.	insurance contract	insurance	premiums received
ABF EXPO PRAHA s.r.o.	insurance contract	insurance	premiums received
AAA REAL s.r.o.	insurance contract	insurance	premiums received
TA FIRO Travel, a.s.	insurance contract	insurance	premiums received
Sportpropag, akciová společnost	insurance contract	insurance	premiums received
Golden Apple Hotels, s.r.o.	insurance contract	insurance	premiums received
Bulovka Dental Clinic, a.s.	contract of mandate	contractual remuneration	health care consulting services
Slavia majetková a.s.	loan agreement	provision of a loan	loan return

Slavia pojišťovna is controlled mainly through the decision-making of shareholders at the General Meeting. The agreements and contracts were concluded on an arm's-length basis and the controlled entity did not incur any loss or damage under these agreements and contracts, except for the loan agreement for Slavia majetková a.s. in the amount of CZK 1 million, which was agreed to be interest-free for an indefinite period.

There are no major advantages or disadvantages or any potential risks of participating in any group.

The possibility of using the professional background of the group or the consequences of the group synergy to reduce costs is an advantage.

In the accounting period ended 31 December 2023, on the basis of a decision of the Board of Directors, land was transferred to the established subsidiary Slavia majetková a.s. This land accounts for the equity of Slavia majetková a.s. Except for this transaction, no legal or factual proceedings were made at the initiative or in favour of the shareholder Slavia pojišťovna a.s. or other entities controlled by it concerning assets exceeding 10% of the insurance company's equity, except for those arising from ordinary insurance activities.

Legal transactions carried out in the interest of other controlling and controlled entities:

- No such legal transactions were carried out.

Prague, 29 March 2024

Karel Waisser
CEO and Chairman of the Board

Karel Bezděka
Chief Commercial Officer
Member of the Board

