



VIG RE zajišťovna, a.s.

Templová 747/5, 110 01 Praha 1

INFORMATION ON REINSURANCE UNDER ACT NO. 277/2009 COLL. ON INSURANCE (INSURANCE CORPORATIONS) IN COMPLIANCE WITH DECREE OF CZECH NATIONAL BANK NO. 306/2016 COLL., IMPLEMENTING SOME PROVISIONS OF THE LAW ON INSURANCE (DECREE).

Status to date: 31. December 2018
(Decisive day)

Basic Data about the Reinsurance Company

Business Name:	VIG RE zajišťovna, a.s.
Legal form:	Joint-stock company
Address:	Templová 747/5, Praha 1, PSČ 110 01
Identification number:	28445589
Date of incorporation:	18 August 2008
Last date of registration of changes in the commercial register (including purpose):	18 July 2018 – Mandate resumption of Chairman, Vice-Chairman and Vice-Chairwoman of the Supervisory Board 7 August 2018 – Date of membership of Mag. Peter Höfinger in the Supervisory Board (end of membership on 31 December 2018, resumption on 1 January 2019)
The amount of capital registered in the Commercial Register:	3 150 000 000,- CZK
The amount of paid-up capital:	100 %
Type, form, and the number of issued shares:	25 000 ordinary shares in dematerialized form with a nominal value of 100 000, - CZK 6 500 ordinary shares in dematerialized form with a nominal value of 100 000, - CZK

Data on Members of the Supervisory Board

Dr. Peter Thirring - Chairman of the Supervisory Board

Dr. Peter Thirring was born in Seattle in 1957 and studied law at the University of Vienna. His more than 30 years of experience in the insurance industry he acquired with Generali Group. Since March 2016 he was CEO of Donau Versicherung. Mr. Thirring joined the Managing Board of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe as of 1 July 2018.

Date of membership: 1 April 2016

Date of function: 27 April 2018

The total amount of guarantees/loans: 0

Prof. Elisabeth Stadler - Vice-Chairwoman of the Supervisory Board

Prof. Elisabeth Stadler studied actuarial mathematics at the Vienna Technical University and built a career in the Austrian insurance industry as Board Member and Chairwoman. In May 2014, she was awarded the professional title of professor by Federal Minister Gabriele Heinisch-Hosek for her merits for the insurance industry. She held the position of General Manager at Donau Versicherung from September 2014 to March 2016 and afterwards she has been elected to the position of the CEO of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe in 2016.

Date of membership: 1 April 2016

Date of function: 27 April 2018

The total amount of guarantees/loans: 0

Alain Flandrin – Vice-Chairman of the Supervisory Board

Mr. Alain Flandrin studied economics at the Université Paris Dauphine in France. Mr. Flandrin has more than 25 years of experience in the insurance industry within GAN, Simcoe Erie and others. Mr. Flandrin has also 15 years of experience in the reinsurance industry in various managerial positions within the Partner Re in France and Singapore. He most recently served as CEO of Partner Re Asia.

Date of membership: 1 May 2017

Date of function: 27 April 2018

The total amount of guarantees/loans: 0

Dkfm. Karl Fink - Member of the Supervisory Board

Dkfm. Karl Fink graduated from the University of Business Administration and Economics in Vienna in 1971. He started his career in Tokyo and Berlin as a representative of the Japanese Trading Company Marubeni Corporation, before joining Wiener Städtische as a consultant for Industrial Insurance in 1975. From 1979 to 1987 he was Chairman of the Board of Directors of InterRisk Internationale Versicherungen AG and then joined the Board of Wiener Städtische. In September 2009 he retired as General Director of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe. From October 2009 to September 2012 he was Member of the Group Executive Committee of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe. Currently Mr. Fink serves as a Member of the Board of Directors of Wiener Städtische Wechselseitiger Versicherungsverein – Vermögensverwaltung – Vienna Insurance Group.

Date of membership: 27 April 2018

End of membership: 31 December 2018

The total amount of guarantees/loans: 0

Mag. Peter Höfinger - Member of the Supervisory Board

Mag. Peter Höfinger studied law at the University of Vienna and at the University of Louvain-la-Neuve in Belgium. Mr. Höfinger joined Vienna Insurance Group in 2003 and he has been a Member of the Managing Board since 1 January 2009. Prior to that, he was director of the Managing Board of Donau Versicherung. Previously, he held management positions outside VIG in Hungary, the Czech Republic and Poland.

Date of membership: 27 April 2018

End of membership: 31 December 2018 (renewal of membership 1 January 2019)

The total amount of guarantees/loans: 0

Ing. Vladimír Bakeš - Member of the Supervisory Board

Ing. Vladimír Bakeš, a graduate of the Slovak Technical University in Bratislava, began his career in the Czech VIG group in 2000 as a Business Director of the Bratislava's Agency. In 2001 he became the director of the Agency, in 2003 he became a director of trade for the whole Slovakia. In 2004

he was appointed to the Supervisory Board of Kooperativa and since February 2008 he became also a member of the Supervisory Board in Komunální pojišťovna. In October 2009, he resigned from the Supervisory Board of Kooperativa and assumed the position of CEO in Komunální pojišťovna.

Date of membership: 1 April 2016 | Date of function: 1 April 2016

The total amount of guarantees/loans: 0

Mag. Gerhard Lahner - Member of the Supervisory Board

Mag. Gerhard Lahner has more than 15 years of experience in the insurance industry. Mag. Lahner has been with VIG since 2002. Mag. Lahner has held a variety of managerial positions in VIG from 2006 to 2014, primarily in the Czech Group companies. Mag. Lahner served in the past as a Member of Managing Board at Kooperativa pojišťovna, a.s., Vienna Insurance Group (2006-2008; 2010-2014; since 2017), Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group (2007-2008; 2010-2013; since 2017), DONAU Versicherung AG Vienna Insurance Group (2014) and WIENER STÄDTISCHE Versicherung AG Vienna Insurance Group (2017). Mag. Lahner has been appointed as a Chief Financial Officer of Kooperativa pojišťovna, a.s., Vienna Insurance Group since July 1, 2017. Mag. Lahner studied economics at the Wirtschaftsuniversität Wien.

Date of membership: 4 September 2017

The total amount of guarantees/loans: 0

Data on Members of the Board of Directors

Dkfm. Johannes Martin Hartmann - Chairman of the Board

Dkfm. Johannes Martin Hartmann has more than 15 years of experience in the reinsurance industry. He graduated at the Technical University in Aachen. Since 2001 Mr. Hartmann worked in various areas within Swiss Re. Since 2004 he was responsible for the Polish market and since 2009 he controlled the areas of Life and Non-life reinsurance in Poland, Hungary, Romania and Bulgaria. In 2011 Mr. Hartmann was appointed as a Head of Market Underwriting CEE and in this position he was responsible for the underwriting of Non-life insurance and Account Management on all markets of Central and Eastern Europe. Mr. Hartmann has joined VIG Re as a Member of the Board of Directors in October 2012.

Date of membership: 1 September 2016

Date of function: 1 September 2016

The total amount of guarantees/loans: 0

Ing. Ivana Jurčíková – Member of the Board

Ing. Ivana Jurčíková has extensive experience in finance from large international companies providing financial and consulting services. She graduated at the University of Economics in Prague and began her career in 1995 in KPMG Czech Republic. Subsequently, she worked during years 1998-2009 at Citibank at various managerial positions, including CFO position in 2004-2005. In 2010 she joined AXA Bank Europe as a CFO responsible for Czech Republic and Slovakia. Since 2014 Ms. Jurčíková worked as a Financial Controller in Provident Financial.

Date of function: 1 September 2016

The total amount of guarantees/loans: 0

Mag. Tomasz Rowicki – Member of the Board

Mag. Tomasz Rowicki has more than 15 years of experience in the reinsurance and insurance industry. He graduated at the University of Economics in Poznań and began his career in 2000 in Generali in Poland. Mr. Rowicki joined Vienna Insurance Group in 2003. From 2006, he has been managing the reinsurance departments of Compensa and PZM. In 2012, Mr. Rowicki moved to Lithuania, where he has been pivotal in setting up VIG's Baltic Non-life undertakings. Afterwards Mr. Rowicki was Member of the Managing Board of Compensa Non-Life Lithuania, responsible for underwriting, reinsurance, claims and IT.

Date of function: 1 March 2017

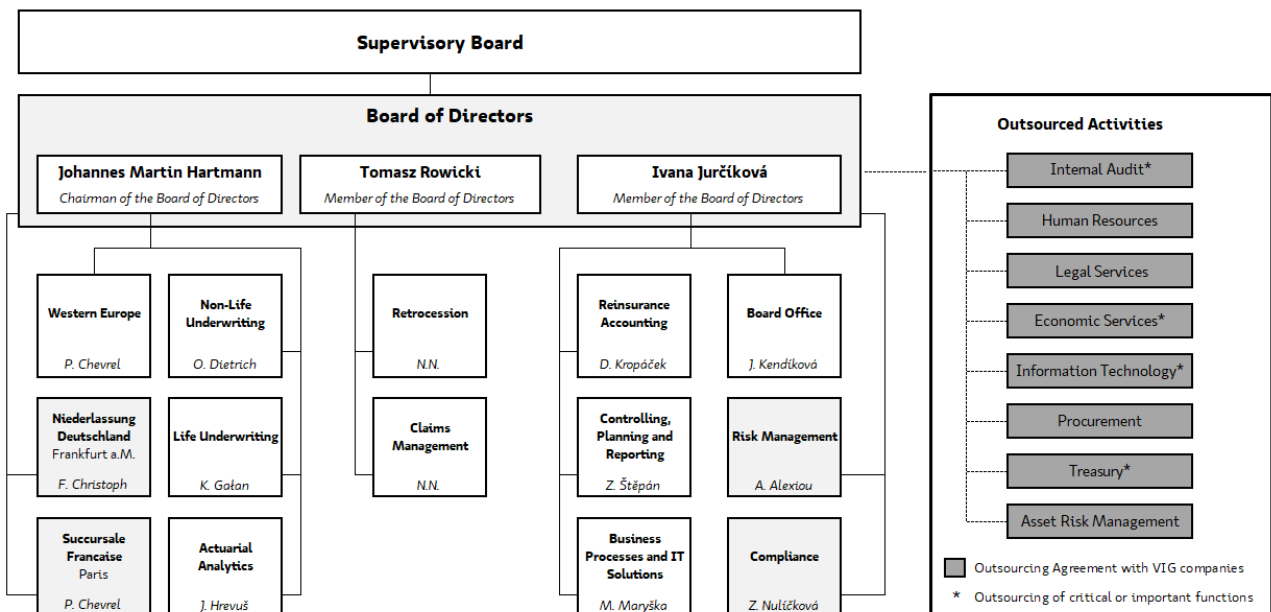
The total amount of guarantees/loans: 0

Organizational Structure of the Reinsurance Company

The Company has established Branch France in Paris as of 26 November 2018.

As of the reporting date the number of employees is 73 (including 3 employees in Branch Germany).

The Company secures some of its activities beyond the performance of the reinsurance activity in the form of outsourcing, securing the non reinsurance-related back office by using resources from VIG.



Information on Shareholders of the Company

Business Name	Legal form	Address	Share capital	Share of voting rights
VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe	joint-stock company	Schottenring 30 1010 Wien	70 %	70%
Donau Versicherung AG Vienna Insurance Group	joint-stock company	Schottenring 15 1010 Wien	10 %	10%
Kooperativa pojišťovna, a.s., Vienna Insurance Group	joint-stock company	Pobřežní 665/21 186 00 Praha 8	10 %	10%
Kooperativa poisťovňa, a.s. Vienna Insurance Group	joint-stock company	Štefanovičova 4, 816 23 Bratislava	10%	10%

Up to the above stated date, the Company does not have any receivables to the shareholders. Regarding liabilities to the shareholders, the Company has received in June 2018 the Subordinated Loan in the amount of EUR 35 million from mother company VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe. Up to that date, the Company has no assets in securities issued by shareholders and no obligations of these securities. The Company did not issue any guarantee for the shareholders and did not accept any guarantees from the shareholders.

Details of Group Structure

Persons forming the holding

1. Controlled Entity

VIG RE zajišťovna, a.s.

located at Templová 747/5, 110 01 Praha 1

IR: 28445589, registered in the Commercial Register kept by Municipal Court in Prague, section B, insert 14560

The Czech National Bank granted VIG RE zajišťovna, a.s. a license to carry out reinsurance activities, valid from 8 August 2008. This made VIG RE zajišťovna, a.s. the first reinsurance company with a Czech license and in the beginning of September 2008 the Company commenced its business activities in Prague.

VIG Re focuses on reinsurance activities on the CEE market, provides services in property and casualty, life and health, and also offers facultative reinsurance

Scope of business is specified in the company's Articles of Association and Trade Register.

2. Controlling Person

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe located at Schottenring 30, Wien 1010, Republik Österreich, registered in the Commercial Register kept by the Commercial Court Vienna, FN Section, File 75 687 F.

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe is a joint stock company, which runs the insurance business. Vienna Insurance Group owns shares of VIG RE zajišťovna, a.s., the total nominal value is 70% of the capital and represents 70% of the voting rights.

3. Related Entities

List of subsidiaries of the VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe and VIG RE zajišťovna, a.s., according to the share capital are set out in the Report on Related Parties which is published in the Annual Report of VIG RE zajišťovna a.s.

Ownership Structure of VIG RE zajišťovna, a.s.:

<i>Company</i>	<i>Country of origin</i>	<i>Capital share</i>	<i>Share of voting rights</i>
<i>VIG RE zajišťovna, a.s.</i>	<i>Czech Republic</i>	<i>Mother company</i>	<i>Mother company</i>
<i>*Wiener Re Akcionarsko Društvo za Reosiguranje</i>	<i>Serbia</i>	<i>100%</i>	<i>100%</i>

*As of December 31, 2018, VIG RE zajišťovna, a.s. has a receivable to Wiener Re of € 336 292,73

Information on the Activities of Reinsurance Company

- ▶ The Reinsurance activity under § 3 paragraph 1, lett. (l) of Act No. 277/2009 Coll. Insurance Act, as amended (the Insurance Act), within all branches of life insurance listed in Appendix 1 of the Insurance Act, Part A and all non-life insurance listed in Appendix 1 of the Insurance Act, Part B.

Activities related to reinsurance activities under the Insurance Act:

- ▶ investigation of reinsurance events;
- ▶ mediation activities undertaken in connection with reinsurance activities;
- ▶ consulting services related to reinsurance;
- ▶ educational activities for reinsurance intermediaries and independent assessors of reinsurance events.

Reinsurance activities referred to the decisive date are of actual exercise. Performance of these activities was not limited or suspended by the Czech National Bank.

Balance Sheet: The report is Annex 1 of this document.

Profit and Loss Account: The report is Annex 2 of this document.

Reinsurance Ratios as at 31 December 2018

Real and nominal (notional) value of the derivatives as derivatives collectively agreed to the provision and agreed collectively as derivatives for trading or speculation:

EUR	Fair value	Nominal value
Derivatives agreed to ensure	0	0
Negotiated derivatives for trading or speculation	0	0

Return on average assets (ROAA)	100% * Profit or loss for the period / Total Assets	2,4%
Return on average equity (ROAE)	100% * Profit or loss for the period / Equity	12,4%
Combined ratio in non-life insurance	100% * (cost of claims, including changes in reserves for claims, net of reinsurance + Net operating expenses) / earned premiums, net of reinsurance	92,4%

Attachments:

Annex 1 – BALANCE SHEET

Annex 2 – INCOME STATEMENT

In Prague on 20 April 2019

NON-CONSOLIDATED BALANCE SHEET AS OF 31 December 2018

ASSETS	Notes	31.12.2018
In EUR '000		
Intangible assets		2 133
Property, plant and equipment		923
Investment in subsidiary		6 758
Financial investments		491 416
Financial assets held to maturity		88 249
Financial assets available for sale		295 464
Loans - Term deposits		7 050
Deposits due from cedants		100 653
Receivables		83 801
Ceded share of reinsurance liabilities		234 886
Deferred tax assets		806
Other assets		357
Deferred acquisition costs		9 725
Cash and cash equivalents		14 876
Total ASSETS		845 681
EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital		126 850
Other components of equity		1 168
Retained earnings		40 868
Total EQUITY		168 886
Subordinate liabilities		35 708
Reinsurance liabilities		548 505
Unearned premiums		19 203
Outstanding claims		438 362
Life reinsurance provision		90 940
Liabilities		90 144
Current tax liabilities		268
Other liabilities		2 170
Total LIABILITIES		676 795
Total EQUITY AND LIABILITIES		845 681

NON-CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 December 2018

Income Statement	Notes	2018
in EUR '000		
Premiums		
Premiums written – Gross		456 924
Premiums written – Ceded		235 639
Premiums written - Retention		
Change due to provision for premiums – Gross		-637
Change due to provision for premiums – Ceded		4 050
Net earned premiums		225 972
Investment Result		
Investment and interest income		15 837
Investment and interest expenses		4 533
Total investment result		11 304
Other income		83
Claims and insurance benefits		
Expenses for claims and insurance benefits – Gross		238 589
Expenses for claims and insurance benefits – Ceded		99 473
Claims and insurance benefits – retention		
Change in claims and other reinsurance liabilities – Gross		-2 823
Change in claims and other reinsurance liabilities – Ceded		-6 578
Total expenses for claims and insurance benefits		142 871
Acquisition expenses		
Commission expenses		108 402
Other acquisition expenses		5 793
Change in deferred acquisition expenses		4 353
Commission income from retrocessionaries		46 150
Total acquisition expenses		63 692
Other operating expenses		4 337
Other expenses		282
Profit before taxes		26 177
Tax expense		5 365
Profit for the period		20 812