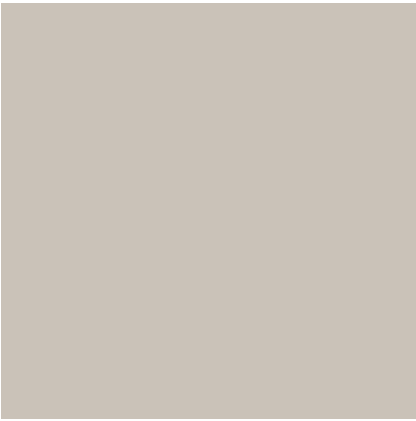




■■■ PRVA GROUP

AUDITED
ANNUAL REPORT
2025



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BUSINESS REPORT

1 INTRODUCTORY WORDS FROM THE MANAGEMENT BOARD

In the past year, the Prva Group continued its trend of growth in users and total assets under management. At the end of 2025, it had over 580,000 insured and EUR 2.2 billion of assets under management. The Prva Group thus remains one of the leading providers of income protection products in Central and Southeast Europe and, with its stake in Deželna banka Slovenije, also maintains a strong presence in the banking sector. The consolidated net profit of the Group for the previous year amounted to EUR 12.0 million.

Both companies in the Slovenian market, Prva pokojninska družba d.d. and Prva osebna zavarovalnica d.d., continued their growth and performed very well. An increasingly important segment for the Prva Group in the Slovenian market is supplementary health insurance. Growth has also been achieved by other key product segments, i.e. voluntary supplementary pension insurance, risk life insurance, and investment insurance. Both companies remain strong in terms of capital.

KB Prvo penzisko društvo AD Skopje further strengthened its role as the leading provider of supplementary pension insurance in North Macedonia. We have seen substantial growth in assets under management driven by a rise in contributions to pension funds and positive returns, which has also led to good operating results.

A life insurance company, Prva Život AD Skopje, was set up in North Macedonia in 2023, which started selling risk life and investment insurance. In 2025, the sales results justified the expectations when entering this market.

Operations in Serbia and Kosovo normalised last year and we again saw growth in premiums collected and assets under management.

Janez Kranjc
President of the Management Board



2 THE ACTIVITIES OF THE COMPANY AND THE GROUP AND ITS DEVELOPMENT

Basic information about the company:

Name: Skupina Prva d.d. (Prva Group plc.)

Registered office: Fajfarjeva ulica 33, 1000 Ljubljana, Slovenia

Country of incorporation: Slovenia

Country of business: Slovenia

TIN: SI 28012593

Share capital: EUR 13,386,247

Prva Group plc. is a mixed-activity financial holding, which consisted of four pension companies and two insurance companies in 2025.

The Company's activity includes holding operations in insurance and pension funds.

Ernst & Young d.o.o. was appointed as the auditor of the Group in 2025.

Prva Group plc. is a public limited company set up for an indefinite period of time.

In 2024, the following companies operated within the Group: Prva osebna zavarovalnica d.d. and Prva pokojninska družba d.d. in Slovenia, KB Prvo and PRVA Život AD Skopje in North Macedonia, DDOR Garant in Serbia, and FSKP in Kosovo.

Prva Group plc. compiled the consolidated financial statements of the Group, which includes six subsidiaries, in accordance with the IFRS as adopted by the EU. The consolidated financial statements are based on the original financial statements of the companies included in consolidation, inclusive of the necessary consolidation adjustments which, however, are not subject to recording in the financial statements of the companies included in consolidation. In the financial statements, investments in subsidiaries are accounted for using the cost method. The report also presents the operations of guarantee funds, which are managed by the subsidiaries.

Prva Group plc. does not have any branch offices either in Slovenia or abroad.

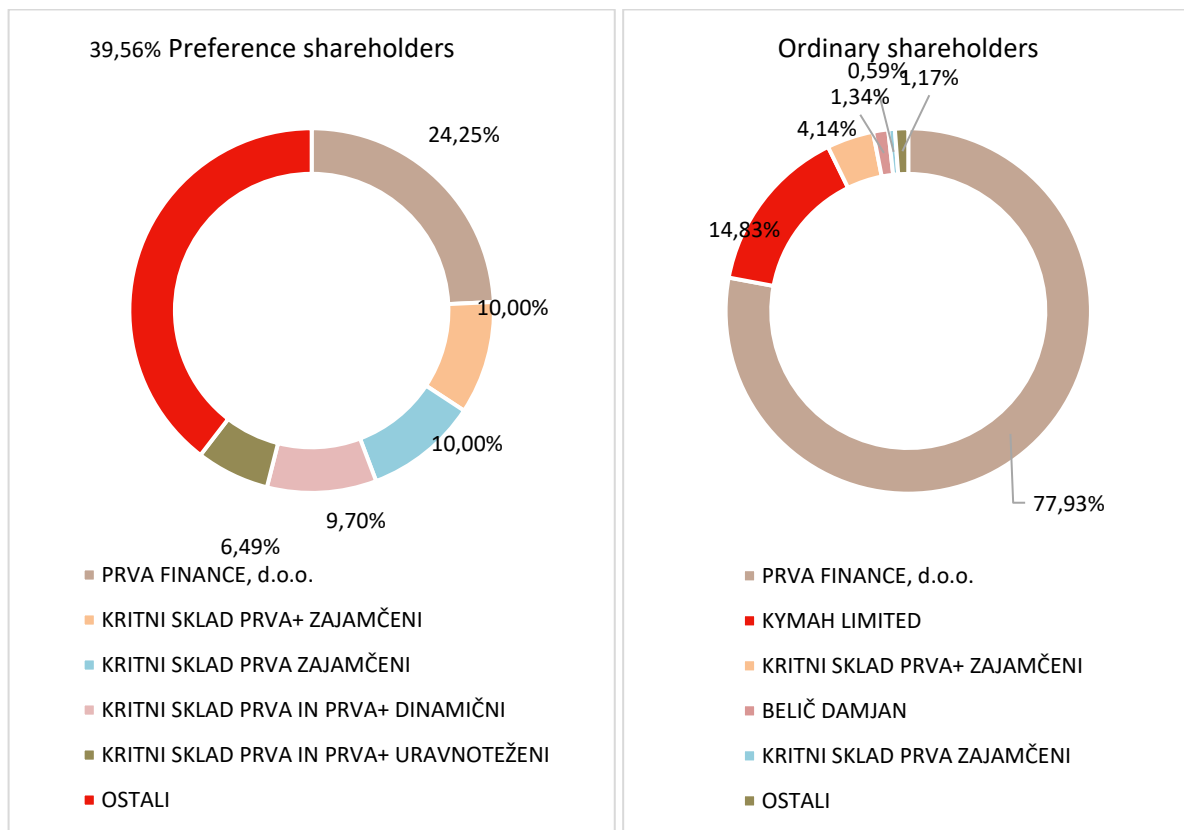
In the Annual Report, Prva Group plc. is referred to as Prva Group plc. or Prva Group or the Company and Skupina Prva Group is referred to as the Group.

3 SHARE CAPITAL AND SHAREHOLDERS

The Company's share capital amounts to EUR 13,386,247 and did not change in 2025. Individual capital elements are described in detail in the chapter on Equity.

The owners of Prva Group are successful Slovenian and foreign companies, members of the Supervisory and Management Boards, and other shareholders and companies that have included their insured in one of the pension schemes of Prva pokojninska družba d.d. The parent company of Prva Group is PRVA FINANCE d.o.o. The majority owner of PRVA FINANCE, d.o.o. is Alenka Žnidaršič Kranjc.

Chart 1: The five largest holders of ordinary and preference shares of Prva Group as at 31 December 2025



Source: The share register of Prva Group

19 legal and natural persons are owners of class A ordinary shares. The largest shareholders are PRVA FINANCE, d.o.o. with a 77.93% share, Kymah Limited with a 14.83% share, and Prva+ Guaranteed Fund with a 4.14% share. The others own a total of 3.1% of ordinary shares.

Class B shares are owned by 47 legal and natural persons. The largest share is held by PRVA FINANCE, d.o.o. with a 24.25% share, Prva+ Guaranteed Fund with a 10.00% share, and Prva Guaranteed Fund with a 10.00% share. The other owners own a total of 55.75% of preference shares.

At the end of 2025, the Company has no authorised capital available for the subscription of shares.

4 CORPORATE GOVERNANCE BODIES

The Company’s corporate governance bodies are the General Meeting, the Supervisory Board, the Management Board, and the Audit Committee. The General Meeting of Prva Group is comprised of legal and natural persons holding shares of Prva Group. The Supervisory Board is composed of four members. All members are representatives of capital.

The Management Board represents and presents the Company. In 2025, the President of the one-member Management Board was Janez Kranjc.

4.1 REPORT ON THE WORK OF THE SUPERVISORY BOARD AND THE AUDIT COMMITTEE OF PRVA GROUP

In 2025, the four-member Supervisory Board performed its duties and tasks in accordance with the provisions of the Insurance Act, the Companies Act, the Company's Articles of Association, and the Rules of Procedure of the Supervisory Board.

In 2025, the composition of the Supervisory Board was as follows:

- Nicholas Andrew Lindsay Stuart (President),
- Tinkara Godec (Deputy President),
- Miha Kranjc (member),
- Matej Akrapović (member).

ACTIVITIES OF THE SUPERVISORY BOARD

In 2025, the Supervisory Board monitored the Company's operations and the work of the Management Board at two regular meetings and two correspondence meetings, where it exercised the statutory supervision over the Company's operations and the realisation of resolutions adopted at previous Supervisory Board meetings.

In 2025, the Supervisory Board regularly monitored the overall performance of the Company and the Group on the basis of the Annual Report and the regular reports on the performance of the Company and Group companies and compared the realised targets with the planned targets.

Furthermore, the Supervisory Board's work in 2025 included the consideration and approval of the Annual Report of the Company for 2024, the Group's Consolidated Annual Report for 2024, and the Report on Relations with Affiliated Companies for 2024 with the opinion of the external auditor to these reports.

In 2025, the Supervisory Board confirmed one proposal for the convening of the Annual General Meeting of the Company.

The Supervisory Board regularly supervised the work of the Audit Committee and its findings, as set out in the Annual Report of the Audit Committee for 2024 and the Audit Committee's regular activity reports.

The Supervisory Board took note of the audit plan for 2025 and of the Audit Committee's approval for Ernst & Young to provide non-audit services, namely for the review of the Report on Relations with Affiliated Companies

The Supervisory Board, within the scope of its responsibilities, considered the Management Board's proposal for an additional investment in a subsidiary - the insurance company in North Macedonia, which was made as an increase in share capital. The Supervisory Board approved a loan to an affiliated party in 2025.

With a view to the future operations of the Company, the Supervisory Board, at its last meeting in 2025, adopted the Company's financial and business plan for the 2026-2028 period and took note of the financial and business plans of all Group companies for the 2026-2028 period.

AUDIT COMMITTEE

The Supervisory Board has an Audit Committee. In 2025, the Audit Committee was comprised of:

- Nicholas Andrew Lindsay Stuart (President),
- Tinkara Godec (Deputy President) and
- Sara Čučnik (independent expert).

The tasks and competencies of the Audit Committee are laid down in the Companies Act, the Rules of Procedure of the Audit Committee, the Rules of Procedure of the Supervisory Board, and the resolutions adopted by the Supervisory Board.

In 2025, the Audit Committee met at two regular and two correspondence meetings and addressed the following topics:

- risk management and internal control efficiency (monitoring of the relevance of risk management, provision of sufficient amount of capital, and monitoring internal control efficiency and performance);
- efficiency and performance of the internal audit services in subsidiaries (monitoring efficiency and performance of internal audit services in individual subsidiaries through quarterly reports of internal auditors in subsidiaries or declarations made by internal auditors);
- financial statements and external audit (reviewing and monitoring the auditor's independence, monitoring the audit of the financial statements and assessing the drafting of the annual report, noting the audit plan for 2025 and agreeing to the provision of non-audit services);
- integrity of financial information (monitoring financial reporting procedures and their adequacy and integrity).

In 2025, the Audit Committee reported on its work and findings in its regular activity reports and in the annual report on the work of the Audit Committee, which also included the consideration of the Annual Report of Prva Group for 2024, the Consolidated Annual Report of the Group for 2024, and the Report on Relations with Affiliated Companies for 2024 with the opinion of the external auditor on these reports. The regular activity reports and the annual report of the Audit Committee were submitted to the Supervisory Board for information and approval. The President of the Audit Committee provided regular reports at Supervisory Board meetings on the activities and findings of the Audit Committee.

The Supervisory Board considers that the Audit Committee provided professional support to the Supervisory Board in exercising control over the Company, with a focus on risk management, monitoring the effectiveness and efficiency of internal controls and internal audit, and the integrity of financial information.

Ljubljana, 14 May 2026

Nicholas Andrew Lindsay Stuart President of
the Supervisory Board



4.2 CORPORATE GOVERNANCE STATEMENT

Pursuant to the fifth paragraph of Article 70 of the Companies Act (hereinafter the ZGD-1), the Company issues the following Corporate Governance Statement for the period from 1 January 2025 to 31 December 2025.

In 2015, the Company adopted the Corporate Governance Policy, which sets out the main guidelines for corporate governance of subsidiaries, taking into account the Company's long-term objectives and the legislation applicable in the country of individual subsidiaries. The Company has not decided to use any other corporate governance codes.

Derogation from the Code

The Company has chosen to meaningfully apply the provisions of the Code rather than explicitly follow them.

The factors that contributed to that decision include:

- the Company's activity is limited to the management of participations in subordinated companies. This means that the Company generates revenue almost exclusively from dividends received from companies in which it holds equity shares. To ensure the appropriate level of corporate governance in subordinated companies, the Company adopted a corporate governance policy in 2015 (updated on 31 August 2023), which is binding for all subordinated companies;
- the Company's human resources structure is also adapted to the scale of the Company's activities, with an average of only 1.1 employees in 2025;
- the Company's share capital is divided into two classes of shares (regular shares with voting rights and preference shares without voting rights), whereby none of the shares are listed on the stock exchange. The Company's ownership structure in 2025 in terms of both classes of shares was stable with a relatively low number of new shareholders and minor ownership changes;

Taking into account the limited scope of the Company's activities and human resources, as well as relatively stable ownership, the Company analysed the costs associated with compliance with the recommendations of the Code and assessed that further compliance with the Code was not cost efficient and would not contribute to the maximisation of the Company's value. The Company does comply with all the binding provisions of the relevant legislation that directly relate to the corporate governance of public limited companies.

Description of key characteristics of the Company's internal control and risk management systems related to the financial reporting process

In the context of the Company's internal control and risk management systems related to the financial reporting process, particular attention is paid to:

- identifying important business events that have a direct or significant impact on the financial reporting;
- accounting categories and individual accounts and the related processes;
- regular updating and documenting of the flow of business processes;
- assessing the results and eliminating the weaknesses identified in the planned or existing internal controls.

Information referred to in points 3, 4, 6, 8, and 9 of the sixth paragraph of Article 70 of the ZGD-1 and information on the work of the General Meeting

General Meeting

The structure of share capital is explained in the "Share capital and shareholders" section. The Company did not adopt any specific restrictions regarding voting rights other than in terms of preference shares which are, according to the Articles of Association, without voting rights. Members of the Management Board are not authorised for issuing or acquiring own shares.

The powers of the General Meeting are set out in the ZGD-1 and the Articles of Association.

The General Meeting makes decisions on:

- the distribution of accumulated profit, except for the part allocated by the Management Board to reserves in accordance with the rules and regulations,
- the appointment and recall of members of the Supervisory Board,
- amendments to the Articles of Association,
- measures to increase and reduce share capital,
- the dissolution of the Company,
- changes in the status of the Company,
- appointment and dismissal of the auditor,
- consent for the performance of certain types of business if the Supervisory Board refuses to give its consent, and
- other matters in accordance with the law.

The Management Board convenes the General Meeting at least 30 days in advance. The General Meeting is normally held at the registered office of the Company. The General Meeting may also be convened by the Supervisory Board if the Management Board fails to convene the General Meeting on time. The General Meeting makes decisions by a majority of the votes cast of the share capital represented. A decision is valid if shareholders with voting rights representing at least 15% of the Company's share capital are present, unless a higher majority or another requirement is laid down by the law or by the Articles of Association. Amendments to the Articles of Association are decided by the General Meeting by a majority of no less than 81% of the share capital represented. Shareholders exercise their rights at the General Meeting in person or by proxy. Shareholders' rights are defined in the Articles of Association and by the applicable legislation.

In 2025, the Management Board convened one General Meeting of the Company.

At the General Meeting held on 2 June 2025, the General Meeting:

- considered the Company's Audited Annual Report for the 2024 financial year,
- considered the Supervisory Board's report on the result of the review of the Company's Audited Annual Report for 2024,
- took note of the remuneration of the members of the supervisory and management bodies of the Company,
- adopted the resolution on the use of accumulated profit,
- granted a discharge to the Management and the Supervisory Board.

Information on management and supervisory bodies

In 2025, the Management Board was composed of one member. The position of the President of the Management Board of the Company in 2025 was held by Janez Kranjc. The Management Board performs its duties in accordance with statutory provisions, the Articles of Association, internal rules, and the established and generally accepted good business practices. The same applies to the Supervisory Board and the Audit Committee, whose composition and tasks are described in detail in Section 4.1 "Report on the work of the Supervisory Board and Audit Committee of Prva Group". The Company's rules on the appointment and replacement of members of management or supervisory bodies are laid down in the Company's Articles of Association and the legislation. There are no additional rules.

Diversity policy

The Company has not formally adopted any diversity policy in relation to the presentation in the management and supervisory bodies with regard to gender, age or education. Nevertheless, the composition of the management and supervisory bodies is such as to comply with the relevant legislation and to ensure, as far as possible, the complementarity of the members' knowledge and experience and the heterogeneity of composition. The Company's Management Board does not plan to adopt a diversity policy in 2026, but will do so in the future if required by the legislator.

Ljubljana, 14 May 2026

Janez Kranjc

President of the Management Board

A handwritten signature in black ink, appearing to read 'JKrjic', positioned below the printed name and title.

5 GENERAL INFORMATION ON THE GROUP'S OPERATIONS

While inflation rates have subsided in 2025, the cumulative impact of inflation from 2020 onwards had a significant impact on claims and cost growth. The year was marked by a rapidly changing economic environment, particularly as a result of the war in Ukraine and other macroeconomic factors. European policies aimed at combating climate change will also impact the Group's performance in the coming years, mainly as an increase in costs of operations. Inflation has been reflected in a weakening of the purchasing power of the population, but the services sector has so far shown resilience to the above-mentioned constraints. However, based on the current macroeconomic outlook, it is very likely that the economic slowdown and the resulting lower general consumption will continue, which could also be reflected in lower demand for insurance services.

The same as in the past, the Group will maintain its high level of corporate governance and continue raising awareness of the importance of long-term financial security. The Group's subsidiaries are also maintaining a high level of capital adequacy and complying with their legal and contractual obligations. Through its strategic planning processes and its own risk and solvency assessment, the Group indirectly examines states of emergency (such as high inflation, the Russo-Ukrainian war, and other armed conflicts) and is prepared for them both in terms of organisation and finances.

5.1 VOLUNTARY AND COMPULSORY SUPPLEMENTARY PENSION INSURANCE

The companies in Slovenia, Serbia, and Kosovo provide voluntary supplementary pension insurance, whereas persons insured with the company in North Macedonia take out compulsory supplementary insurance. In accordance with the above pension schemes, supplementary pension insurance is available to persons who are insured or beneficiaries of rights from compulsory pension and disability insurance.

The Group does not condition the conclusion of supplementary pension insurance on the payment of a pension annuity. The funds paid by the insured into supplementary pension insurance for which tax relief was not used are managed separately.

We consider 2025 to have been a successful year for supplementary pension insurance. At the end of 2025, 489 thousand members were enrolled in the funds of the subsidiaries, which is a successful increase compared to 2024, when 478 thousand members were enrolled. The same applies to premium payments.

At the end of 2025, the Group had just over EUR 2.14 billion of assets under management in all pension funds.

Pension annuity payment

Supplementary pension annuities are paid by Prva pokojninska družba and by FSKP in Kosovo. The total assets of all annuity funds amount to EUR 46.7 million. In 2025, we recorded EUR 13.8 million in contributions to annuity funds, which shows a stable development compared to previous years. With the transition to IFRS 17, the pension annuity paid by Prva pokojninska družba has been classified as a financial contract.

5.2 OTHER INSURANCE

The subsidiaries Prva osebna zavarovalnica and Prva Život operated in the field of personal insurance and concluded the following insurance contracts in personal insurance in 2025:

- class 19 life insurance (life insurance which includes, in particular, endowment insurance, insurance in the event of death, mixed life insurance, annuity insurance, life insurance with the repayment of premiums);
- class 21 life insurance (unit-linked life insurance where the policyholder assumes the investment risk linked to changes in the value of the investment coupons or other securities)

of investment funds, or linked to changes in the value of the unit of assets of the guarantee fund);

- class 1 insurance (accident insurance):
 - supplementary accident insurance - supplement to supplementary pension insurance
 - basic accident insurance
- class 2 insurance (health insurance):
 - critical illnesses
 - fast access to specialists

The Group realised a written premium of over EUR 20.7 million, a 14% increase on the previous year. Premium growth was achieved in all the insurance types that we offer.

6 ECONOMIC ENVIRONMENT

6.1 MACROECONOMIC ENVIRONMENT

In 2025, the world economy and international trade were strongly influenced by the continuation and deepening of the geopolitical tensions that have characterised this highly dynamic period. In the first half of the year, the announcement of US tariffs, known as “Liberation Day”, increased uncertainty in international markets and signalled the new US administration’s shift towards a more protectionist economic policy. The announcement of the tariffs has added another hurdle to already complex international trade, which is facing existing disruptions in global supply chains due to the protracted war in Ukraine and conflicts in the Middle East. The announcement of tariffs led to political and trade compromises with the US, in which some major economies such as the European Union, the United Kingdom, and Japan reached an agreement. The compromise was initially not accepted by China, which responded with targeted counter-measures, further increasing tensions between the two superpowers. In Europe, political leaders responded to external pressures by officially launching the Savings and Investment Union. In doing so, the EU has strategically set out a path towards greater competitiveness, while at the same time creating a framework for mobilising private capital to finance key priorities. The second half of the year was marked by political instability in the US, culminating in early October when a split in the US Congress led to a temporary government shutdown, paralysing the civil service and delaying the release of key statistics. At the end of the year, the US and China reached a temporary trade agreement that helped stabilise international markets and calm previous tariff tensions.

6.2 MONEY MARKETS AND INTEREST RATES

Amid increased volatility in financial markets and a renewed tightening of trade relations, 2025 brought a marked shift in global monetary policy. After a period of aggressive tightening to contain inflation in the aftermath of the pandemic, central banks moved into a phase of interest rate cuts, with approaches varying across regions. In the first half of the year, the US money market was characterised by concerns about increased price pressures due to the imposition of tariffs. The expected price pressures did not materialise in the end, which, combined with growing concerns about a cooling labour market, created the conditions for a rate cut. Against this backdrop, the US Federal Reserve (Fed) cut its key interest rate three times in the second half of the year, totalling 75 basis points. This brought the target range down to 3.50%-3.75%. The European Central Bank (ECB) cut interest rates more aggressively in the first half of the year than the US Federal Reserve, stabilising the deposit rate at 2.00% with four cuts. Lower interest rates were not the only factor affecting government bond yields in the euro area. The improved economic performance of the euro area periphery countries and the fiscal concerns in France have had a significant impact on yield spreads. In France, attempts to cut public spending have led to the fall of two governments. As a result, the yield spreads between French and German government bonds exceeded those of Greek, Spanish, and

Italian bonds at the end of the year. The year 2025 thus ended with a relative narrowing of the yield spread between peripheral and core countries' bonds with German government bonds.

6.3 STOCK MARKETS

Capital markets faced a number of conflicting influences in 2025. In the first half of the year, investors were mainly concerned about US international trade policy, as tariff rates rose to levels not seen since the 1930s. The S&P 500 stock index suffered a drop of almost 24% from its peak due to rising tariffs, but recovered by the end of the year and ended the year up 3.95% in euro terms. Although AI remained the driving force behind the US stock market's rise in 2025, investors became more selective in their choice of leading players in the AI market, with only two companies standing out from the "Magnificent Seven" (Tesla, Amazon, Apple, Alphabet, Meta, Microsoft, and Nvidia), which outperformed the S&P 500. The European equity market was the most profitable of the major equity markets in 2025, mainly due to the unpredictable policies of the US administration and the strong depreciation of the US dollar against the euro, which fell by more than 11% in 2025. As a result, the STOXX Europe 600 index of European equities rose 19.80%, with the Spanish IBEX 35 index rising 55.31%, the best performer among the major European equity markets. The Slovenian market also performed exceptionally well, with the SBITOP index ending the year in seventh place among global indices and fifth in Europe in terms of return (+50.33%). Emerging markets as measured by the MSCI Emerging Markets Index returned 17.78% in 2025 in euro terms, significantly outperforming the 6.78% return of global developed markets as measured by the MSCI World Index. Artificial intelligence also had a positive impact on the Asian market, with the South Korean KOSPI index benefiting the most with a 61.52% increase. High returns were also recorded by Taiwan's TWSE with 19.13%, Japan's NIKKEI 225 with 14.32%, and China's CSI 300 with 11.42%.

6.4 COMMODITY MARKETS

In 2025, geopolitical tensions and uncertainty in world trade had a major impact on commodity prices. The precious metals were the most affected, with silver recording a remarkable rise of almost +118% and gold gaining over 45% in euro terms. In addition to gold and silver, palladium also saw significant growth, up 98.66%, and platinum, up 55.40%. The rise in precious metals prices was linked to investor concerns about a possible AI bubble, the search for protection against inflation risks, and the depreciation of the US dollar. The precious metals market was further supported by an intensified trend of strategic retreat from currencies, reflected in an increased accumulation of gold reserves, in particular by central banks. Industrial metals also showed exceptionally strong growth, with copper in particular standing out with 36.46% annual growth and tin with 39.45% annual growth on the futures market. The strong growth trend in industrial metals can be attributed to the rapidly growing market of electric vehicles and the increasing demand for raw materials needed for the green transformation of the economy in the context of relatively limited and uncertain supplies. Energy markets have also been affected by geopolitical tensions. Global oil markets were exposed to intense volatility in early June, as escalating tensions between Israel and Iran escalated into a direct military confrontation. Oil prices increased sharply, with Brent jumping to around USD 78 per barrel. The jump reflected fears of possible disruption in the Strait of Hormuz. As the markets quickly recognised that the geopolitical premium on Brent oil prices had proven to be short-lived, prices began to stabilise in the range of USD 65 to 70 per barrel by late summer. In the second half of 2026, the oil market was marked by a sustained downward trend, driven by increased production and weaker demand growth. Agricultural commodity prices moved moderately in 2025 and without a clear long-term trend. Short-term price increases were mainly driven by seasonal factors, weather fluctuations, and trade policies, especially for cereals and soybeans, while abundant global supply and high stock levels limited major price pressures. At the same time, high input costs influenced production decisions, but did not lead to sustained price increases; rather, they merely mitigated the price decline.

7 FINANCIAL RESULT OF THE COMPANY AND THE GROUP

The Company ended the 2025 financial year with net profit of EUR 6,868,347 primarily as a result of the investment part of operations. The Group ended the year 2025 with net profit of EUR 12,044,036. The table below shows alternative performance measures that the Company and the Group calculate over the years to facilitate monitoring of performance.

Table 1: Alternative performance measures of the Company and the Group

	Prva Group		The Group	
	2025	2024	2025	2024
Operating result	-311,187	-167,146	6,508,486	4,327,552
Result from investments	7,207,570	6,184,622	6,755,703	7,719,248
Profit before tax	6,896,382	6,017,476	13,264,189	12,046,800
Corporate income tax and other taxes	-28,036	-30,858	-1,112,622	-1,158,018
Net profit	6,868,347	5,986,618	12,151,567	10,888,781
Assets under management*			2,222,584,307	2,066,431,191
Number of insured persons			584,422	570,287
Net increase in the number of insured persons			14,135	13,132
Average annual premium			353	330
Return on pension funds (weighted average)			5.39%	9.53%
Equity	36,196,455	31,453,215	86,058,719	76,908,173
Operating ROE			8.00%	5.64%
ROE from investments			8.30%	10.06%
Group return on equity			14.93%	14.20%
Profitability of assets			2.07%	1.97%
Number of employees as at 31 December			185	170

*The figure represents the sum of the off-balance sheet amounts of assets under management of subsidiaries, assets from financial contracts, and unit-linked life insurance assets.

Explanation of the measures:

Operating ROE: The ratio between the operating result and the average capital for the period.

ROE from investments: The ratio between the result from investments and the average capital for the period.

Group return on equity: The ratio between the net profit and the average capital for the period.

Profitability of assets: The ratio between profit before taxes and the average assets for the period.

8 IT DEPARTMENT

In 2025, the IT department continued implementing key activities aimed at achieving the strategic objectives of Prva Group. The focus was on increasing own added value, optimising business processes to improve business results, upgrading server infrastructure, and establishing a comprehensive overview of the customer. In 2025, the IT department again focused on digitalisation, optimisation and automation of processes, as well as on ensuring adequate organisational and technological support for business operations.

Process upgrades and optimisations continued at the level of the different business areas. Particular emphasis was placed on supporting the sales network and further developing centralised sales processes. Upgrades to the CRM system have been implemented to further support digitalised campaign management processes and modern approaches to data analytics, improving access to quality information for effective customer service. In 2025, the IT department continued devoting a significant part of its activities to business analytics, regular and regulatory reporting, and meeting the technical requirements needed to effectively support operations.

In the context of compliance with regulatory requirements, the Company continued to implement activities to meet its obligations under the DORA framework. Information security, cyber risk management, and third-party supplier relationship management procedures have been strengthened. Particular attention was paid to the introduction of additional safeguards and the integration of advanced algorithms and solutions using artificial intelligence at different levels of information systems.

In the area of IT systems, upgrades and automations continued, further improving the stability, efficiency, and reliability of the Company's IT systems. The IT department ensured the smooth functioning of existing information resources, while laying the foundations for further technological improvements and digital transformation. Technical support to users was provided in line with the set objectives, while the quality of services had been further improved. Particular emphasis was again placed on IT systems to support sales and on cooperation with external business partners, whose role will become even more important in the future.

In 2025, the IT department will further strengthen its role as a link between technology and business processes, thus significantly contributing to the effective implementation of the Company's strategy.

9 ORGANISATION AND HUMAN RESOURCES

Based on the hours worked, Prva Group, insurance holding company, plc. had an average of 1.1 employees in 2025. The number of employees varies depending on the requirements in a specific period and as at the last day of 2025, 1.1 persons were employed in the Company. The Group employed 186.3 people as at 31 December 2025. Employees who are employed by both companies due to the division of the company in Slovenia are taken into account in the share of employment, so that the total number of employees in the Group does not increase.

The Company is aware of the importance of a diverse human resource policy and the diversity of the society in which we operate. Diversity brings many positive outcomes to the Company, which is why we endeavour to recruit a diverse workforce, taking into account internal, external, and organisational factors. We continuously strive to ensure a friendly work environment based on equal opportunities regardless of race, gender, religion, political belief, trade union membership, nationality, sexual orientation, origin, age, and disability. Any form of abuse, bullying, and harassment is strictly prohibited.

We have joined local human resource management initiatives, such as the Family Friendly Company, which offer a wide range of measures to better facilitate professional and family life balance, and promote non-discrimination, inclusion, and diversity at the workplace and the wider work environment. We regularly assess the organisational climate to evaluate the quality of the relationship

between the Company and its employees every year. Based on the identified gaps, we implement actions that strengthen our organisational vitality.

In 2025, significant attention was devoted to promoting the ambassador programme, organising regular events that strengthened loyalty to the Company, and also helped foster a sense of community among colleagues.

Table 2: The number of employees in Prva Group by level of education as at 31 December 2025

Organisational unit	2025	Level of education	No. of employees
Management Board	0.1	VIII	0.1
Finance and accounting	1	VII	1
Total	1.1	Total	1.1

Table 3: The number of employees in Prva Group by level of education as at 31 December 2024

Organisational unit	2025	Level of education	No. of employees
Management Board	0	VIII	0.1
Finance and accounting	1.1	VII	1
Total	1.1	Total	1.1

Table 4: The number of employees in the Group by organisational unit and level of education

Organisational unit	2025	2024
Management	10.0	10.0
Legal	5.2	5.2
Internal audit	3.3	3.1
Human resources and administration	8.0	7.0
Risk management	4.9	4.9
Compliance	1.9	3.4
Insurance claims and policy processing	18.0	14.0
Actuary and product development	8.2	7.6
IT	14.0	18.3
Finance and accounting	22.0	18.4
Asset management	9.0	14.7
Marketing and sales	81.8	63.8
Total	186.3	170.4

Level of education	2025	2024
VIII	1.9	2.9
VII	52.8	54.7
VI	83.6	76.8
V	40.0	29.0
IV	7.0	7.0
Total	186.3	170.4

10 RISK MANAGEMENT

Risk management is an integral part of all business processes of the Group and the Company. It is based on a clear and specific organisation and deliberate processes, responsibilities, and authorisations of individual functions and committees. Risk management provides for the control and management of uncertainties stemming from business opportunities, which is of fundamental importance for high-quality business decisions and consequently improved performance results.

10.1 CAPITAL AND CAPITAL ADEQUACY MANAGEMENT

The primary goal of capital management is to ensure sufficient and appropriate capital adequacy of all Group companies.

Pursuant to the applicable legislation, capital is measured in terms of its availability to comply with regulatory capital requirements at the level of individual companies and at Group level.

10.2 FINANCIAL RISK

In managing assets of the insurance companies' guarantee funds, in managing pension funds, and in financing our operations, we are exposed to the following principal financial risks as part of the capital and capital adequacy management:

- risk of changes in prices of securities and fluctuation of interest rates,
- credit risk,
- liquidity risk, and
- risk of change in fair value.

When forming investment policies of individual portfolios, we consider the nature and characteristics of the insurance company's liabilities, as we aim to optimise asset diversification and achieve optimal returns.

10.3 INTEREST RATE RISK

Interest rate risk is the risk of fluctuating market interest rates impacting the value of interest-sensitive assets, bonds, and other debt securities whose value is sensitive to the interest rate fluctuation. In the event of an interest rate increase, the value of debt investments usually decreases. On the other hand, when interest rates decrease, the value of debt investments tends to increase. Interest sensitivity of debt securities is usually increased through prolonged maturity periods, reduced absolute level of interest rate in the economy, and lower instrument coupon.

Interest rate risk is managed primarily by adjusting the maturity structure of investments (debt financial instruments), restructuring of investments from debt financial instruments at fixed interest rates to debt financial instruments with variable interest rates, adjusting the maturity and average modified duration of debt financial instruments with regard to the anticipated changes in interest rates, and the use of derivatives.

10.4 SHARE PRICE RISK

The Company and the Group manage share price risk of equity securities in their portfolio by setting limits of acceptable exposure and with geographical and sectoral diversification of investments. The portfolio is comprised primarily of debt securities and this diversification means an even lower share price risk. Another important factor affecting investment decisions is the liquidity of shares.

10.5 LIQUIDITY RISK

Liquidity risk is the risk that due to limited liquidity of investments in the securities market, the Company or the Group will not be able to trade an individual investment or will only be able to trade the investment on terms (particularly price terms) that are significantly worse than those on which the investment was valued. Liquidity risk is also the risk or threat of a liquidity mismatch or a mismatch between maturities of assets and liabilities, which can result in liquidity problems, i.e. shortage of cash needed for the settlement of liabilities on maturity.

Liquidity risk is minimised by balancing the liquidity of investments (liquidity is measured in terms of the volume of the issue and the bid-ask spread), taking into account the liquidity of the capital market, while also monitoring the dynamics of inflows and outflows of portfolio assets, as well as balancing the required additional liquidity under the ALM principle.

10.6 CURRENCY RISK

Currency risk is the risk that changes in exchange rates may have a positive or negative impact on the value of investments, which are denominated in a foreign currency and expressed in local currency. Our exposure to currency risk is only minimal, as the majority of our assets are invested in euro. Of the other currency exposures, the most significant are those against the currencies of the countries of North Macedonia and Serbia.

Currency risk is mitigated predominantly by balancing the currency structure of assets and liabilities, by selecting investments in foreign currencies whose exchange rates on average move in opposite directions compared to the domestic currency (appropriate currency diversification), and by using derivatives.

10.7 CREDIT RISK

Credit risk, as one of the most significant financial risks, is the risk of the counterparty or issuer of a financial instrument held by a guarantee fund or the Company, failing to settle its obligation in full, either on maturity or at any time thereafter. It also includes the risk of a reduction in the value of securities as a consequence of increased probability of default, which is usually reflected in the reduction of the credit rating of the issuer's debt instruments.

A subgroup of credit risk is the settlement risk, which is the risk of loss due to the process of payments between two or more parties in the settlement systems failing to proceed as expected or as agreed. This occurs mostly on exchange of assets when one of the parties to the settlement fails to settle its liabilities to one or several creditors after they had already fulfilled their individual obligations.

Credit risk is measured through daily monitoring of issuers' operations or those of counterparties, to which the funds or the Company are exposed to in the form of deposits or receivables on account of derivative financial instruments. As part of business performance monitoring, credit ratings, direction of changes in credit ratings, the volume of share capital of these entities, their performance, etc, are monitored particularly closely.

Furthermore, the basis for determining the risk of counterparty default includes the contractual relationship between the Company and its counterparty or the issuer, regulatory provisions, the Rules of Procedure of the Central Securities Clearing Corporation in relation to transaction settlement, and rules on compliance with obligations on organised markets on which financial instruments are traded.

Settlement risk is managed by following high-quality standards of business partners, their services, and payment discipline, which are monitored throughout the duration of the business relationship.

10.8 OPERATIONAL RISK

Operational risk is the risk of loss, including legal risk, arising due to the following circumstances:

- inadequate or inaccurate performance of internal processes,
- other inappropriate conduct of persons within the internal business sphere of the legal person,
- inadequate or inaccurate operation of systems within the internal business sphere of the legal person, or

- other external events or actions.

Examples of operational risk include: external criminal activities, strategic risk, natural disasters, internal control system, process management, terrorist attacks and war, operational risks associated with information technology infrastructure and software, legal risk, risk of loss of reputation, human error, etc. Operational risk is managed through well-defined processes and controls, which minimise the likelihood of losses arising from operational risk.

10.9 CLIMATE CHANGE RISK

Climate change risks are mainly reflected in the Group's day-to-day operations as investment risks, as climate change has the potential to greatly impact global financial markets. The Group primarily manages climate change risk related to investment value through an appropriate strategic diversification of investments, both geographically and by sector, as well as at the level of exposure to individual entities. One of the main activities is the regular monitoring of global markets and potential and existing investments. The latter also includes regular preparation of special analyses. In the long run, climate change risk is also managed through specified environmental, social and governance (ESG) risk assessment and management techniques, which represent an integral part of our processes to meet investment objectives, as the nature of long-term insurance transactions and responsibility towards the environment in which we operate is important for environmental sustainability and stakeholder benefit in the long run.

Making corresponding investment decisions is important in daily investment processes, including selecting ESG responsible investments and excluding investments that do not sufficiently meet internal ESG criteria of the Group. This means that a part of our investment portfolio is invested in projects that have a positive attitude towards ESG factors.

The primary mechanism for managing ESG investment risk is to assess and consider the long-term effects of investments on environmental, social and corporate governance factors, as important and determining factors when buying or selling individual investments. These factors are primarily economic (return on investment, appropriate areas for responsible development, etc.), social (sustainable and ethical growth of local and global economies, protection and development of human rights and quality of life, etc.), and environmental (sustainable relationship with the environment, especially regarding active approaches to climate change, pollution mitigation, nature preservation, and waste management). Potential negative indirect impact is reviewed for each investment, such as higher exposure to climate change (physical risks of climate change or transition risks due to changes in market sentiment towards a low-carbon economy). An important factor in managing ESG investment risk is continuously keeping-up with local and global standards and ESG factor development, which includes internal and external auditing of individual sustainable development effects.

10.10 ICT RISKS

Information and communication technology risks (ICT risks) are risks arising from inadequate or failed internal processes or external events that have or could have a negative impact on the availability, integrity, confidentiality of Information and communication technology (ICT) systems, and/or information used for the provision of payment services. ICT risks include:

- cyber risks,
- risks of technical interference,
- regulatory risks,
- human risks, and
- environmental risks.

Through regular and dedicated information security processes, the Group manages ICT risks through well-defined processes and internal and external controls, by investing in advanced technologies, improving the resilience of systems, continuously tracking the development of new threats and preventing -them. The key is to respond quickly and efficiently to the different types of incidents that affect the operation of ICT systems to minimise the impact on business, protect confidential information, and ensure business continuity.

10.11 OTHER RISKS

Through its regular strategic planning processes of business plan preparation, the Group has already considered the higher growth in inflation, which has not had any significant impact on the robustness of operations and the projection of high capital adequacy. As part of the planning process, the potential risks posed by the high interest rate environment and persistent inflation were also reviewed and taken into account by the subsidiaries, and no specific actions were taken in this respect.

The Group continually monitors the global geopolitical situation, examining the impact it may have on its operations (war in Ukraine and the Middle East, politics in the USA, the EU, China, and Russia).

The subsidiaries and the funds they manage have no material direct or indirect exposure to Russia and Ukraine through investments (the Group's total exposure is less than 0.01%). In terms of the activities of supplementary pension insurance, investment, life and health insurance, the activities of offering and paying pension annuities and managing pension funds and life-cycle funds, we do not expect these activities to be significantly affected by the situation.

We further assess that the achievement of guaranteed returns is not at risk. We do not consider that the going concern assumption is compromised as a result of the situation and we do not expect any deterioration in the provision of adequate cash flows.

Through its regular strategic planning processes, business plan preparation, and its own risk and solvency assessment (ORSA), Prva osebna zavarovalnica has already considered the higher growth in fixed and variable costs in 2024 in the business plan for the period to 2027, which has not had any significant impact on the robustness of operations and the company's projection of high capital adequacy.

10.12 PLANS FOR THE FUTURE

Further growth of assets under management and insurance premiums is planned for the next strategic period, i.e. 2026-2028. A lot of attention will be paid to strengthening and adapting our product portfolio in order to offer our customers the most appropriate solution. We will continue with the digitalisation of operations to optimise the customer experience.

We will continue implementing activities related to raising awareness of the importance of long-term financial security and will also strengthen our position as a socially responsible company in all the markets in which we operate. The Prva Group will maintain a high level of corporate governance, which is based on the Code of the Group and ensures safe and ethical operations of the entire Group.

The Group is prepared for potential challenges both in terms of knowledge and capital strength.

10.13 SIGNIFICANT EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

Prva Group is an insurance holding company with subsidiaries in Slovenia, North Macedonia, Serbia, and Kosovo. The wars in Ukraine, Iran, Israel, and Palestine and changes in oil prices have no impact on direct operations.

FINANCIAL REPORT

11 AUDITOR'S REPORT



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This is a translation of the original report in Slovene language

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Prva Group d.d.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the separate financial statements of Skupina Prva d.d. ("the Company"), and the consolidated financial statements of Group Skupina Prva d.d. and its subsidiaries (altogether "the Group"), which comprise the separate and consolidated statement of financial position as at 31 December 2025, the separate and the consolidated income statement, the separate and the consolidated statement of other comprehensive income, the separate and the consolidated statement of changes in equity and the separate and the consolidated statement of cash flows for the year then ended, and the notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company and the Group as at 31 December 2025 and its separate and consolidated financial performance and its separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those rules are further described in the *Auditor's responsibilities for the audit of the separate and consolidated financial statements* section of our report. We are independent of the Company and the Group in accordance with the International Ethics Standards Board of Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the separate and consolidated financial statements in Slovenia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information comprises the information included in the Annual Report other than the separate and consolidated financial statements and auditor's report thereon. Management is responsible for the other information

Our opinion on the separate and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the separate and consolidated financial statements is, in all material respects, consistent with the separate and consolidated financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company and the Group obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

Responsibilities of management and those charged with governance for the separate and consolidated financial statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such



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internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company/Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's responsibilities for the audit of the separate and consolidated financial statements

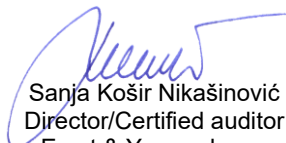
Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with audit rules, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of 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 and the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated) financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company/Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ljubljana, 14 May 2026


Sanja Košir Nikašinić
Director/Certified auditor
Ernst & Young d.o.o.
Dunajska 111, Ljubljana

ERNST & YOUNG
Revizija, poslovno
svetovanje d.o.o., Ljubljana 1


Nena Cvetkovska
Certified auditor

11.1 STATEMENT OF MANAGEMENT RESPONSIBILITY

The Management Board approved the publication of the financial statements and the applied accounting policies and notes to the financial statements on 14 May 2026.

The Management Board is responsible for the preparation of the annual report so that it gives a true and fair picture of the Company's and the Group's financial position and operating results for 2025.

The members of the Management Board and the Supervisory Board confirm that the Annual Report of the Group and the Company, and its integral parts, inclusive of the corporate governance statement, have been compiled and published in accordance with the Companies Act and International Financial Reporting Standards as adopted by the EU.

The Management Board is responsible for the preparation of the Annual Report of the Group, including the financial statements and notes thereto that give a true and fair presentation of the financial position of the Company and the Group.

The Management Board confirms that the financial statements of the Company and the Group have been compiled under the assumption of a going concern, that the appropriate accounting policies have been consistently applied, and that any changes in these have been disclosed, and that accounting estimates have been made based on the principle of prudence and due diligence.

The Management Board is also responsible for the adoption of measures to prevent and detect fraud and other irregularities and to protect the value of assets of Prva Group.

The Tax Authorities may, at any time within 5 years of the end of the year for which a tax assessment was due, carry out an audit of the Company's operations, which may result in additional tax liabilities, default interest, and penalties with regard to corporate income tax or other taxes and duties. The Management Board of the company is not aware of any circumstance that could give rise to any significant liability on this account.

Pursuant to Articles 545 and 546 of the Companies Act, the management submitted a report on relations with the parent company and other subsidiaries in the Group, in which it concluded that in view of the circumstances known to the management at the time these transactions were made, the Company did not suffer a loss in transactions with the parent company or its affiliated companies. Furthermore, no legal transactions were undertaken in 2025 and no actions were either carried out or omitted, which could cause damage to the Company as a result of the influence imposed by the parent company.

Ljubljana, 14 May 2026

Janez Kranjc

President of the Management Board



12 FINANCIAL STATEMENTS OF PRVA GROUP PLC AND THE GROUP

12.1 INCOME STATEMENT

in EUR	Note	Prva Group		The Group	
		2025	2024	2025	2024
A. Result from insurance operations		-	-	2,306,135	1,554,434
1. Insurance revenue	14.1.	-	-	15,402,300	14,353,994
2. Insurance expenses	14.2.	-	-	12,582,695	12,543,246
3. Net result from reinsurance contracts	14.3.	-	-	513,470	256,315
B. Result from investment activities	14.4.	7,207,570	6,184,622	6,755,703	7,719,248
1. Interest revenue calculated using the effective interest method		-	-	2,698,586	2,103,110
2. Dividend revenue		7,032,578	6,053,503	1,100,380	1,101,704
3. Gains and losses from the derecognition of financial assets:		-	-	12,570	-26,615
4. Unrealised gains/losses from investments		-	-	2,267,970	3,757,430
5. Net impairments/reversal of impairments of financial assets		- 107,531	-	62,651	-149,264
7. Other revenue/expenses from investing activities		282,523	131,119	738,848	843,882
C. Result from insurance contracts	14.4.	-	-	2,321,339	3,705,009
1. Net financial revenue/expenses from insurance contracts		-	-	2,361,229	3,749,878
2. Net financial revenue/expenses from reinsurance contracts		-	-	39,890	44,869
D. Other revenue and expenses		- 311,187	- 167,146	6,523,690	6,478,127
1. Revenue from asset management	14.5.	-	-	11,131,475	9,905,493
2. Other net operating revenue/expenses	14.6.	-	-	4,039,473	3,976,759
3. Other net financial revenue/expenses		-	-	-	-
4. Non-directly attributable expenses	14.7.	- 320,773	- 263,098	8,388,268	7,075,749
5. Net impairments/reversal of impairments of non-financial assets	14.8.	-	-	-	-
6. Accumulated gains/losses on investments of affiliated companies		-	-	-	-
7. Other net revenue and expenses	14.9.	9,586	95,952	258,990	328,376
E. Profit or loss before tax		6,896,382	6,017,476	13,264,189	12,046,800
Corporate income tax	14.10.	- 28,036	- 30,858	1,097,633	1,109,936
Change in deferred taxes	14.10.	-	-	14,989	48,082
Net profit or loss for the period		6,868,347	5,986,618	12,151,567	10,888,781
Net profit or loss attributable to the controlling interest		6,868,347	5,986,618	10,098,581	9,062,452
Net profit or loss attributable to minority interests		-	-	2,052,986	1,826,329

The notes on the following pages are an integral part of the financial statements.

12.2 STATEMENT OF OTHER COMPREHENSIVE INCOME OF THE COMPANY AND THE GROUP

EUR	Note	Prva Group		The Group	
		2025	2024	2025	2024
I	NET PROFIT/LOSS FOR THE YEAR AFTER TAX	6,868,347	5,986,618	12,151,567	10,888,781
II	OTHER COMPREHENSIVE INCOME AFTER TAX (1 + 2 + 3 + 4 + 5 + 6 + 7 + 8 + 9)	711,334	1,564,917	1,669,893	1,806,634
A)	Items that will be reclassified to profit or loss in subsequent periods	784,547	1,931,085	1,691,133	2,335,071
1.	Unrealised net gains/losses from investments measured at fair value through other comprehensive income	784,547	1,931,085	940,400	2,393,366
-	<i>Gains/losses recognised in accumulated other comprehensive income</i>	784,547	1,931,085	940,400	2,393,366
3.	Net financial revenue/expenses from insurance contracts	0	0	652,985	-48,054
4.	Net financial revenue/expenses from reinsurance contracts	0	0	106,427	-26,208
5.	Exchange differences	0	0	-8,678	16,610
B)	Income tax relating to items that may be reclassified to profit or loss in subsequent periods	-73,213	-574,765	-35,003	-563,348
C)	Items that will not be reclassified to profit or loss in subsequent periods	0	0	13,762	34,910
2.	Actuarial gains or losses on defined benefit pension schemes	0	0	13,762	34,910
III	Comprehensive income for the period (I+II)	7,579,681	7,342,938	13,821,460	12,695,416
	of that attributable to owners of the parent	7,579,681	7,342,938	11,772,332	10,863,758
	of that attributable to non-controlling interests	0	0	2,049,129	1,831,658

All gains and losses included in the statement of other comprehensive income, except actuarial gains, will be transferred to the income statement in the future.

The notes on the following pages are an integral part of the financial statements.

12.3 STATEMENT OF FINANCIAL POSITION OF PRVA GROUP PLC AND THE GROUP

	Note	31 Dec 2025	Prva Group 31 Dec 2024	31 Dec 2025	The Group 31 Dec 2024
ASSETS		36,987,834	31,982,065	669,299,696	611,407,074
A. Property, plant and equipment	15.1.	121,180	6,198	4,002,580	3,311,277
B. Investment property	15.2.	-	-	4,003,262	3,729,051
C. Right-of-use assets	15.13.	-	-	467,718	508,224
D. Intangible assets	15.3.	-	-	597,681	776,399
E. Deferred tax assets	14.10.	22,600	22,291	196,236	228,000
F. Investments in group companies and associates	15.4.	20,419,741	20,027,272	-	0
G. Investments:	15.5.	14,899,513	11,065,029	109,573,456	96,234,263
1. measured at fair value through other comprehensive income		11,011,666	6,190,460	38,037,530	33,094,667
2. measured at amortised cost		3,887,847	4,874,569	35,695,227	32,701,572
4. measured at fair value through profit or loss		-	-	35,840,699	30,438,024
H. Assets from financial contracts	15.5			539,000,264	495,737,639
1. Investment property		-	-	17,735,000	17,306,000
2. Investments measured at:		-	-	506,141,887	465,781,752
a. Fair value through other comprehensive income		-	-	10,214,673	9,840,401
b. Amortised cost		-	-	155,148,081	138,648,988
c. Fair value through profit or loss		-	-	340,779,133	317,292,363
3. Receivables		-	-	766,162	617,776
4. Cash and cash equivalents		-	-	14,357,215	12,032,111
I. Insurance contracts that are assets	15.10.	-	-	111	166
J. Reinsurance contracts that are assets	15.11.	-	-	1,666,797	1,326,725
M. Other receivables	15.7.	397,658	613,220	3,520,851	3,347,031
N. Cash and cash equivalents	15.7.	1,124,848	248,055	5,408,774	5,539,871
O. Other assets	15.6.	2,293	-	861,967	668,428
EQUITY AND LIABILITIES		36,987,834	31,982,065	669,299,697	611,407,074

EQUITY		15.8.			
A. Share capital		13,386,247	13,386,247	13,386,247	13,386,247
B. Capital surplus		6,281,960	6,281,960	6,131,960	6,131,960
C. Own shares		- 267,558	- 267,558	- 267,558	- 267,558
C. Revenue reserves		-	-	0	0
D. Accumulated other comprehensive income		3,280,630	2,569,296	2,430,454	756,703
E. Other reserves				-	-
F. Retained profit from previous years		6,646,830	3,288,057	46,618,842	40,186,004
G. Net profit or loss for the period		6,868,347	5,986,618	10,098,581	9,062,452
H. Minority interest				7,660,192	7,443,769
Total capital		36,196,455	31,244,619	86,058,719	76,699,576
Controlling interest		36,196,454	31,244,618	78,398,526	69,255,807
Non-controlling interest		-	-	7,660,192	7,443,769
LIABILITIES					
A. Subordinated liabilities				-	-
B. Deferred tax liabilities	14.10.	755,578	682,365	853,958	742,613
C. Insurance contracts that are liabilities	15.10.	-	-	39,155,878	34,979,231
D. Reinsurance contracts that are liabilities	15.11.	-	-	90,391	83,093
E. Liabilities from financial contracts	15.12.	-	-	539,000,264	495,737,639
F. Provisions	15.15.	-	-	308,767	300,580
G. Liabilities from leases	15.13.	-	-	446,839	528,831
H. Other financial liabilities				-	-
I. Non-current liabilities for sale				-	-
J. Corporate income tax liabilities	14.10.	-	-	-	-
K. Other liabilities	15.14.	35,801	55,081	3,384,881	2,335,511
Total liabilities		791,379	737,446	583,240,978	534,707,497

The notes on the following pages are an integral part of the financial statements.

12.4 CASH FLOW STATEMENT OF PRVA GROUP PLC AND THE GROUP

in EUR	Prva Group		The Group	
	2025	2024	2025	2024
Cash flows from operating activities				
Profit or loss before taxes	6,896,382	6,017,476	13,250,492	12,096,372
Adjustments for:	-7,195,031	-6,182,659	3,646,747	5,234,995
Profit/loss from investments measured at fair value	107,531	0	39,240	-94,582
Net interest revenue	-279,317	-130,526	-2,723,551	-2,164,560
Dividend revenue	-7,032,578	-6,053,503	-1,099,709	-1,100,891
Expenses from impairment of investments	0	0	-16,836	-33,417
Cost elimination (depreciation and other costs)	9,333	1,370	559,564	1,415,861
Revenue and expenses from investments	0	0	6,888,525	7,594,196
Net foreign exchange differences	0	0	-486	-381,612
Profit from operating activities prior to changes in working capital	-298,649	-165,183	16,897,239	17,331,367
Increase in receivables/liabilities	193,679	-617,058	-469,068	-3,362,748
Cash flows from operating activities	-104,970	-782,241	16,428,171	13,968,619
Interest received	279,317	130,526	2,609,227	2,049,517
Interest paid	0	0	2,820	-331
Tax paid	-28,036	-30,858	-1,951,932	-3,148,672
Net cash from operating activities	146,312	-682,573	17,088,287	12,869,133
Cash flows from investing activities				
Proceeds/disbursements to acquire property, plant and equipment	-124,315	-1,498	-1,051,402	-398,352
Proceeds/disbursements to acquire non-current intangible assets	0	0	-15,140	-75,645
Proceeds from disposal of investments	12,138,690	10,181,080	55,539,524	80,850,257
Disbursements to acquire investments	-11,152,158	-13,530,696	-64,155,429	-89,753,892
Proceeds/disbursements for non-current investments	-4,036,679	0	-4,036,679	0
Net receipts from repayments and expenditure for issued loans and deposits	0	0	0	0
Proceeds/disbursements for the setting up of new companies, recapitalisation	-500,000	0	0	-5,911

Dividends received	7,032,578	6,053,503	1,099,709	1,100,891
Net cash from investing activities	3,358,117	2,702,389	-12,619,416	-8,282,651
Cash flows from financing activities				
Payment of preference and ordinary dividends and repayment of capital	-2,627,636	-1,878,568	-2,768,741	-1,987,553
Capital increase for own shares	0	0	0	0
Dividends paid to minority interests	0	0	-1,832,705	-1,516,321
Net cash from financing activities	-2,627,636	-1,878,568	-4,601,446	-3,503,873
Net cash flows	876,793	141,247	-132,575	1,082,608
Net foreign exchange differences	0	0	1,478	10,976
Cash and cash equivalents as at 1 January	248,055	106,808	5,539,871	4,446,287
Closing balance of cash and cash equivalents as at 31 December	1,124,848	248,055	5,408,774	5,539,871

The notes on the following pages are an integral part of the financial statements.

12.5 STATEMENT OF CHANGES IN EQUITY OF THE COMPANY

in EUR	Share capital	Capital surplus	Own shares	Revenue reserves - other reserves	Accumulated other comprehensive income	Retained earnings	Total capital
Opening balance as at 1 Jan 2024	13,386,247	6,278,574	-267,558	3,386	1,212,974	5,166,626	25,780,248
Comprehensive income for the period	0	0	0	0	1,356,321	5,986,618	7,342,939
a) Net profit or loss	0	0	0	0	0	5,986,618	5,986,618
b.) Other comprehensive income	0	0	0	0	1,356,321	0	1,356,321
Transactions with owners	0	0	0	0	0	-1,878,568	-1,878,568
Ordinary share dividends	0	0	0	0	0	-1,498,135	-1,498,135
Preference share dividends	0	0	0	0	0	-380,433	-380,433
Capital increase from own assets	0	0	0	0	0	0	0
Purchase of own shares	0	0	0	0	0	0	0
Decrease in equity	0	0	0	0	0	0	0
Closing balance as at 31 Dec 2024	13,386,247	6,278,574	-267,558	3,386	2,569,295	9,274,676	31,244,618
Opening balance as at 1 Jan 2025	13,386,247	6,278,574	-267,558	3,386	2,569,295	9,274,676	31,244,618
Comprehensive income for the period	0	0	0	0	711,334	6,868,347	7,579,681
a) Net profit or loss	0	0	0	0	0	6,868,347	6,868,347
b.) Other comprehensive income	0	0	0	0	711,334	0	711,334
Transactions with owners	0	0	0	0	0	-2,627,636	-2,627,636
Ordinary share dividends	0	0	0	0	0	-2,247,203	-2,247,203
Preference share dividends	0	0	0	0	0	-380,433	-380,433
Capital increase from own assets	0	0	0	0	0	0	0
Purchase of own shares	0	0	0	0	0	0	0
Decrease in equity	0	0	0	0	0	0	0
Closing balance as at 31 Dec 2025	13,386,247	6,278,574	-267,558	3,386	3,280,629	13,515,176	36,196,454

The notes on the following pages are an integral part of the financial statements.

12.6 STATEMENT OF CHANGES IN EQUITY OF THE GROUP

in EUR	Share capital	Capital surplus and revenue reserves	Own shares	Accumulated other comprehensive income	Net profit or loss and retained earnings	Total equity attributable to equity holders of the parent	Equity attributable to minority shareholders	Total
Opening balance as at 1 Jan 2024	13,386,247	6,131,960	-267,558	-1,040,320	41,877,638	60,087,968	7,128,432	67,216,400
Comprehensive income for the period	0	0		1,797,023	9,062,452	10,859,475	1,831,658	12,691,133
a) <i>Net profit or loss</i>					9,062,452	9,062,452	1,826,329	10,888,781
b) <i>Other comprehensive income</i>				1,797,023		2,005,619	5,328	1,802,351
Ordinary share dividends - Prva Group					-1,498,135	-1,498,135		-1,498,135
<i>Preference shares dividends - Prva Group</i>					-380,433	-380,433		-380,433
<i>Dividends paid to minority interests</i>						0	-1,516,321	-1,516,321
Other					186,933	186,933		186,933
Other capital surplus						0		0
Closing balance as at 31 Dec 2024	13,386,247	6,131,960	-267,558	756,703	49,248,455	69,255,807	7,443,769	76,699,576
Opening balance as at 1 Jan 2025	13,386,247	6,131,960	-267,558	756,703	49,248,455	69,255,807	7,443,769	76,699,576
Comprehensive income for the period	0	0	0	1,673,751	10,098,581	11,772,332	2,049,129	13,821,460
a) <i>Net profit or loss</i>	0	0	0	0	10,098,581	10,098,581	2,052,986	12,151,567
b) <i>Other comprehensive income</i>	0	0	0	1,673,751	0	1,673,751	-3,858	1,669,893
Ordinary share dividends - Prva Group	0	0	0	0	-2,247,203	-2,247,203	0	-2,247,203
Preference shares dividends - Prva Group	0	0	0	0	-380,433	-380,433	0	-380,433
Dividends paid to minority interests	0	0	0	0	0	0	-1,832,705	-1,832,705
Other	0	0	0	0	-1,980	-1,980	0	-1,980
Other capital surplus	0	0	0	0	0	0	0	0
Closing balance as at 31 Dec 2025	13,386,247	6,131,960	-267,558	2,430,454	56,717,423	78,398,526	7,660,193	86,058,718

The notes on the following pages are an integral part of the financial statements.

13 NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY

13.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preparation of the financial statements of the Company and the Group is the responsibility of the Management Board. The financial statements of the Company and the Group for the year ended 31 December 2025 were prepared under the going concern assumption and approved by the Management Board on 14 May 2026. Prva Group is a public limited company incorporated in the Republic of Slovenia. Until 11 July 2024, the company's preference shares were listed on the free market of the Ljubljana Stock Exchange. As of 11 July 2024, the company delisted the PPDT shares from the stock market. On 15 July 2024, the company listed the PPDT preference shares on the SI ENTER market. SI ENTER is a multilateral trading facility (MTF) operated by the Ljubljana Stock Exchange, d.d., Ljubljana.

Prva Group is a mixed financial holding company. In line with its activities, the Company performs holding activities in its subsidiary companies. At the end of 2025, the Company employed 1.1 persons (2024: 1.1).

The company is the legal successor of Prva pokojninska družba, which was transformed in 2007. A new company, Prva osebna zavarovalnica d.d., was established to which all voluntary supplementary pension insurance activities were transferred as of 1 September 2007. Prva Group changed its name (formerly Prva pokojninska družba, d.d.) and its activities, becoming a holding company. In 2021, a new company, Prva pokojninska družba d.d., was established with the separation from Prva osebna zavarovalnica, to which the activity of pension and annuity insurance was transferred.

In addition to Prva Group, the Group includes:

Prva osebna zavarovalnica d.d.

The company was established in 2007 when the insured persons from voluntary supplementary pension insurance were transferred from Prva pokojninska družba d.d.. Prva Group, insurance holding company, plc. is the 100% owner of Prva osebna zavarovalnica d.d.. In 2009, the insurance company started marketing accident insurance, life insurance from insurance class 19, unit-linked life insurance (insurance class 21), and health insurance. Prva osebna zavarovalnica manages three unit-linked life insurance guarantee funds.

In 2021, according to the division plan of 23 June 2021, the Company transferred the pension and annuity insurance business to a new company - Prva pokojninska družba. As at 31 December 2025, the Company had 76 full-time employees (31.12.2024: 69). In 2025 company has 830,377 EUR other comprehensive income and 2,361,488 profit after tax.

Prva pokojninska družba d.d.

The company was established after the separation from Prva osebna zavarovalnica in accordance with the division plan of 23 June 2021, and was entered into the court register on 1 October 2021. Prva pokojninska družba performs the activity of supplementary pension insurance, payment of pension annuities, and supplementary family and disability pensions. The company manages four pension insurance guarantee funds and a pension annuity fund. As at 31 December 2025, the company had 25.5 full-time employees (31.12.2024: 23.3). In 2025 company has -35,815 EUR other comprehensive income and 5,293,229 profit after tax.

KB Prvo penzisko društvo AD Skopje

The operations of KB Prvo penzijsko društvo AD Skopje relate to the second and third pillar supplementary pension insurance in North Macedonia. The company was established in 2005.

Prva Group, insurance holding company, plc. is a 51% owner of KB Prvo penzisko društvo AD Skopje. The remaining 49% stake is owned by the largest Macedonian bank, Komercijalna banka a.d. Skopje. As at 31 December 2025, the Company had 38 full-time employees (31.12.2024: 37).

In 2025 company has -2,251 EUR other comprehensive income and 4,129,096 profit after tax.

DDOR-GARANT društvo za upravljanje dobrovoljnim penzijskim fondom AD Beograd

The operations of DDOR-GARANT AD Beograd relate to third pillar supplementary pension insurance in Serbia. The company in which Prva Group, insurance holding company, plc. held a 60% interest as at 31 December 2025 was established in May 2006. As at 31 December 2025, the Company had 16 full-time employees (31.12.2024: 17). In 2025 company has -2,647 EUR other comprehensive income and 62,469 profit after tax.

Fondi Slloveno-Kosovar I Pensioneve Sh.A Pristhine Kosovo

The operations of Fondi Slloveno-Kosovar I Pensioneve Sh.A Pristhine Kosovo relate to third pillar supplementary pension insurance in Kosovo. The company in which Prva Group, insurance holding company, plc., holds a 67.4% interest was established on 4 September 2006. The remaining 32.6% are owned by Dukagjini Sh.p.k.. The company started conducting pension insurance transactions in 2007. As at 31 December 2025, the Company had 5 full-time employees (31.12.2024: 6). In 2025 company has 145 EUR other comprehensive income and 14,545 profit after tax.

Prva Život Skopje

Prva Život Skopje is active in life and investment insurance. The company in which Prva Group, insurance holding company, plc., holds a 100% interest was established in 2023. As at 31 December 2025, the Company had 8.3 full-time employees (31.12.2024: 9.5). In 2025 company has 172.608 EUR other comprehensive income and 467,331 loss.

Table 5: Investments in subsidiary and associated companies as at 31 December 2025

in EUR	Ownership	Prva Group	
		31 Dec 2025	31 Dec 2024
Prva osebna zavarovalnica d.d.	100%	7,015,000	7,015,000
KB Prvo penzisko društvo AD Skopje	51%	918,272	918,272
Fondi Slloveno-Kosovar I Pensioneve Sh.A Pristhine Kosovo	67%	321,000	321,000
DDOR GARANT Beograd	60%	800,469	908,000
Prva pokojninska družba d.d.	100%	6,865,000	6,865,000
Prva Život	100%	4,500,000	4,000,000
Total		20,419,741	20,027,272

Ultimate parent

Prva Finance d.o.o.

The ultimate parent of Prva Group plc. is Prva Finance d.o.o. with registered office at Devinska 1, Ljubljana. Prva Finance was set up in 2021 after separation from the A-Z Finance Group, which was established in 1998. The majority owner of the company is Alenka Žnidaršič Kranjc. The company

holds a 73.93% stake of Prva Group The consolidated annual report is compiled by Prva Finance d.o.o. and can be obtained at the company's headquarters.

13.1.1 Statement of compliance

The enclosed separate and consolidated financial statements of Prva Group have been compiled in accordance with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB) and interpretations adopted by the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the European Union and the Companies Act.

In terms of the EU endorsement process, there are no differences at the balance sheet date between the accounting policies of Prva Group and the International Financial Reporting Standards (IFRS) adopted by the EU.

Bases for preparation

The financial statements of Prva Group plc. and the Group have been compiled on the basis of accounting policies shown below.

The accounting policies applied in the preparation of the consolidated financial statements are consistent with those applied in previous years.

13.1.2 Basic policies

The consolidated financial statements of the Group and the separate financial statements of the Company have been prepared under historical cost convention, except for the assets measured at fair value through profit or loss, and assets held for sale which are measured at fair value through comprehensive income. The financial statements are presented in euros. All values are rounded to one euro, except when specifically indicated otherwise.

13.1.3 Significant accounting assumptions and estimates

The preparation of financial statements requires the management to make certain estimates and assumptions that affect the carrying amounts of assets and liabilities of the Company and the Group, disclosure of potential liabilities at the reporting date, and the amounts of revenue and expenses of the Company and the Group for the period ending at the reporting date.

Future events and their effects cannot be determined with certainty. Accordingly, the accounting estimates made require the exercise of judgement, as accounting estimates change as a result of new events, experience, additional information, and as a result of changes in the operating environment in which the entity operates. Actual results may differ from those estimates.

The most significant assumptions relate to:

- the classification of financial instruments, i.e. the division between financial instruments valued at amortised cost, fair value through comprehensive income, and fair value through profit and loss;
- the classification of contracts: insurance contracts are classified as insurance or financial contracts depending on their characteristics. The assessment of whether the concluded contracts are insurance contracts or financial contracts has a significant effect on the recognition and subsequent measurement of these contracts;
- valuation of insurance contracts: the valuation of insurance contracts involves a judgement as to whether or not the premium allocation approach can be applied. It is also important to consider whether the valuation of contracts should distinguish between the individual components of contracts, and to consider the appropriate aggregation of contracts into portfolios;
- calculation of assets or liabilities arising from insurance/reinsurance contracts: estimates of expected future cash flows and the applied discount rate have a significant impact on the calculation of assets or liabilities arising from insurance/reinsurance contracts. Estimates of expected future cash flows are calculated on the basis of valid insurance contracts and on

the basis of development of past loss events and expectations for the future, under the assumptions of mortality tables, cancellations, discount factors, loss ratios, etc.;

- fair value of financial assets and their impairment: fair value of financial assets whose price cannot be determined on an active capital market is assessed in consideration of a number of assumptions. Potential changes in these assumptions are reflected in the amount and potentially also in the impairment of these assets.

13.1.3.1 Non-marketable investments

The fair value of financial assets whose price cannot be determined on an active capital market is assessed in consideration of a number of assumptions. Potential changes in these assumptions are reflected in the amount and potentially also in the impairment of these assets.

If no active market exists for a financial instrument, its fair value is determined using one of the valuation methods. Valuation methods use the most recent transactions between informed and willing parties, if available, a comparison of the current fair value of an instrument with similar characteristics, consideration of discounted cash flows, and option pricing models. If a valuation method exists that is commonly used by market participants to determine prices of financial instruments and the method has been proven reliable in estimating prices achieved in actual market transaction, the Company and the Group apply this particular method.

The discounted cash flow method uses management's estimates of future cash flows and discount rates that reflect interest rates for comparable financial instruments.

13.1.3.2 Liabilities and assets from insurance contracts

The classification of insurance contracts is based on the International Financial Reporting Standard 17 (IFRS 17).

An insurance contract is a contract under which one party (the insurer) accepts an insurance risk by agreeing with another party (the policyholder) to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. An insured event is uncertain because it is not clear at the time the contract is signed whether it will occur, when it will occur or how much the insurer will need to pay if the specified future event occurs.

The Company recognises a contract as an insurance contract if it bears insurance risk and the insurance risk assumed is significant, depending on the type of insurance. Life insurance (together with critical illness cover, supplementary accident insurance, etc.), stand-alone accident insurance, and health insurance clearly carry a significant insurance risk, as the payout of the sum insured in the event of an insured event significantly exceeds the amount of the insurance premium. Investment insurance also carries a significant insurance risk, as the sum insured for death exceeds either the single premium or the theoretical annual premium. Pension annuity contracts (prior to the ZPIZ amendment), which have a funeral expenses payment and supplementary accident insurance attached to the annuity, also carry a significant insurance risk.

Insurance contracts also include the received reinsurance contracts. Insurance contracts are accounted for in accordance with IFRS 17.

13.1.4 Material information on accounting policies

13.1.4.1 Foreign currency translation

The financial statements of the Company and the Group are presented in euro (EUR), which is the functional and reporting currency of the parent company and its subsidiaries in Slovenia. Transactions denominated in a foreign currency are translated into the functional currency at the exchange rate of the Bank of Slovenia on the date of the transaction. The exchange rate of the European Central Bank at the reporting day is used for the statement of financial position, while the average exchange rate for the financial year is used for the income statement. Exchange rate differences arising from the translation of the functional currency into the reporting currency are recognised directly in the

statement of comprehensive income until the sale of a subsidiary when the exchange rate differences are transferred to the income statement.

13.1.4.2 Consolidation bases

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2025 and comparable data as at 31 December 2024.

The full consolidation method is applied to all subsidiaries from the date the Group controls the subsidiary. Subsidiaries are excluded from the Group when the controlling influence of the parent or group company ceases. The financial statements of group companies are prepared for the same reporting period as those of the parent company using the same accounting policies. All transactions, balances, and unrealised gains and losses arising from intra-group transactions and dividends between associated companies are eliminated in the preparation of the consolidated financial statements.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. When the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary;
- derecognises the carrying amount of any non-controlling interest;
- derecognises the cumulative exchange rate differences, recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

13.1.4.3 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in the general administrative costs.

When the Group acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages (step acquisitions), the acquisition date fair value of the acquirer's previously held interest in the acquiree is re-measured to fair value at the acquisition date through profit or loss. Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, which is deemed to be an asset or liability, are recognised in accordance with IFRS 9 either in profit or loss or as a change in other comprehensive income. When contingent consideration is recognised in equity, it should not be re-measured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that is expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of

in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

13.1.4.4 Revenue

Revenue is recognised when it is probable that future economic benefits will flow to the entity and those benefits can be measured reliably. Revenue originates from services offered by the Company to its subsidiaries, namely services relating to investment, internal auditing, and lease of hardware and software. Revenue is recognised in full when it has been earned.

The Group's revenue mainly includes:

■ **Insurance revenue**

The calculation of insurance revenue is described in more detail in Section 13.1.4.16.

■ **Investment revenue**

○ Interest

Interest revenue is calculated and recognised on the basis of the effective interest rate, except for

redemptions of receivables, for which interest is recognised at the contractual interest rate.

○ Dividends

Dividends are recognised when the Company or the Group obtains the right to issue dividend pay-outs.

○ Other investment revenue

Revenue from changes in fair value of financial assets arises on subsequent re-measurement of fair value of financial assets measured at fair value through profit or loss. Gains on disposal arise on derecognition of financial assets other than financial assets measured at fair value through profit or loss. Gains on disposal are the difference between the carrying amount of the financial asset and its selling price.

■ **Other revenue**

○ Entry fee

The Group, in performing its activity in accordance with the pension schemes and general terms and conditions, charges an entry fee, which means that the collected assets transferred into an individual guarantee fund are decreased by the amount of the entry fees and the fund is managed with assets which represent net premiums. The entire amount of revenue from entry fees is recognised when statements of account are made.

○ Management fee

The Group manages twelve guarantee funds, for which it charges a management fee, which means that the monthly value of assets in individual guarantee funds is decreased by the amount of the management fee.

○ Exit fee

The Group is entitled to an exit fee in accordance with the pension schemes and the general terms and conditions, which means that the redemption value is decreased by the exit fee and this net value is then received by the individual terminating the insurance.

13.1.4.5 Costs and expenses

■ **Insurance service expenses**

The calculation of insurance service expenses is described in more detail in Section 16.1.5.13. Non-directly attributable expenses are not included in the calculation of liabilities/assets from insurance contracts and are charged directly to the income statement.

■ **Investment expenses**

Expenses from financial assets comprise expenses arising as a result of fair value changes, loss on disposal of financial assets, impairment losses, and other financial expenses.

Expenses resulting from changes in fair value of financial assets arise on subsequent re-measurement of fair value of financial assets measured at fair value through profit or loss.

Losses on disposal relate to the derecognition of financial assets other than financial assets measured at fair value through profit or loss. The loss is the difference between the carrying amount of the financial asset and its selling price.

■ **Non-directly attributable expenses**

In accordance with IFRS 17, the Company classifies pre-selected costs as non-directly attributable expenses. Non-directly attributable expenses vary materially by subsidiary.

Prva osebna zavarovalnica d.d. and Prva Život Skopje:

- entertainment
- non-tax exempt expenses
- non-income related costs - other taxes and contributions
- non-directly attributable IT expenses
- non-directly attributable expenses of wages and salaries
- donations
- membership fees for the chamber, associations
- literature and education;
- consultancy, auditing, and other intellectual services;
- maintenance and operating costs of real estate;
- meeting fees.

Prva pokojninska družba d.d.:

Non-directly attributable expenses are expenses that do not relate to the Supplementary Family and Disability Pensions product. This item covers the costs of insurance acquisition, depreciation of operating assets, labour costs, costs of services provided by natural persons not engaged in the activity, and other operating costs.

Companies that do not have insurance contracts in their portfolios and only have pension insurance (KB Prvo, DDor, Fondi) treat all expenses as non-directly attributable expenses.

13.1.4.6 Taxes

■ **Corporate income tax**

The current tax liability or receivable is recognised in accordance with the calculated corporate income tax in accordance with the applicable tax rate.

■ **Deferred taxes**

Deferred corporate income tax assets and liabilities are calculated according to the balance sheet liability method. Only deferred tax assets and liabilities arising from temporary differences are recognised.

Deferred tax assets are reviewed at the reporting date and are impaired for that portion of the assets for which it is no longer probable that a sufficient taxable profit will be available against which the unused tax losses could be utilised.

Deferred tax liabilities or assets are measured at the tax rates expected to apply when the asset is realised or the liability is settled. The tax rates (and tax regulations) valid at or substantially valid at the reporting date are used.

Deferred tax is recognised directly in the statement of comprehensive income if it refers to items recognised directly in the statement of comprehensive income.

Deferred tax assets and liabilities are offset when the Company:

- has a legal right to offset assessed tax assets and assessed tax liabilities; and
- deferred tax assets and deferred tax liabilities relate to the same tax authority in relation to:
 - the same taxable unit; or
 - different taxable units which intend to either settle the assessed tax liabilities and assessed tax assets with the difference, or simultaneously recover tax assets and settle tax liabilities in each of the future financial periods in which significant amounts of deferred tax assets or liabilities are expected to be either recovered or settled.

Deferred taxes are not netted on the Group level.

13.1.4.7 Intangible assets

Intangible assets acquired individually are recognised at cost plus direct costs, while intangible assets acquired on the basis of a business combination are recognised at fair value at the acquisition date. The Company records deferred insurance acquisition costs, computer software, and insurance product development costs as intangible assets.

After initial recognition, the cost model is used. The useful life of an intangible asset is limited. Amortisation of an item of intangible assets is recognised through profit or loss.

Intangible assets are amortised according to the straight-line depreciation method over their estimated useful lives using annual amortisation rates ranging from 20.0% to 33.3% and have not changed in the past two years. The appropriateness of the amortisation period and the method of amortising intangible assets with finite useful lives is assessed at least at the end of each reporting period and adjusted if necessary. The useful life cannot be longer, but may be shorter, than the period over which the asset is used. Changes in the expected useful life or expected pattern of consumption of future economic benefits arising from an asset are treated as changes in the amortisation period or method and are considered as a change in accounting estimates.

Intangible assets are tested on an annual basis for impairment individually or as a part of the cash-generating unit. A basis for assessing impairment of intangible fixed assets arises when the carrying amount of the asset is greater than its recoverable amount. If indicators of impairment exist, the assets are impaired and the loss is recognised in the income statement.

Further investments that increase future economic benefits increase the value of an item of property, plant and equipment.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of an asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is included in the income statement.

13.1.4.8 Property, plant and equipment

Items of property, plant and equipment are recognised at cost plus direct costs of acquisition less accumulated depreciation and impairment losses. Items of property, plant and equipment include land, buildings, and other equipment. The Group uses the straight-line depreciation method over the estimated useful life of the assets. The depreciation rates have not changed and are the same in 2025 as in 2024. Property, plant and equipment are depreciated on a straight-line basis. Assets are depreciated when they are available for use (first day of the following month). The residual values, useful lives, and depreciation methods of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively if necessary. Changes are treated as changes in estimates.

Assets under construction are not depreciated until they are available for use. Depreciation of an asset ceases as at the date that the asset is derecognised.

Table 6: Depreciation rate for items of property, plant and equipment

Asset	Depreciation rate in %
Land and buildings	3%
Equipment	10-33.33%

Impairment test

The basis for the impairment test is IAS 36, which defines the recoverable amount of an asset or a cash-generating unit as the higher of:

- fair value less costs of disposal or
- value in use

Impairment tests are carried out by certified external and internal appraisers using valuation models following the guidelines of the International Valuation Standards.

The valuation procedure includes at a minimum:

- general environment analysis of a company (macroeconomic and institutional);
- specific environment analysis (insurance market and other relevant markets);
- business model and business operations analysis;
- analysis of a company's competitive position in the insurance market;
- analysis of plan attainment in terms of planning adequacy and realisation potential;
- choice of suitable valuation methodology and methods in consideration of standards, purpose (accounting purposes), and scope of valuation (including insurance class);
- derivation and assessment of assumptions in accordance with the analysis;
- derivation of cost of capital based on market parameters;
- valuation;
- assumption sensitivity analysis of a valuation and relevance analysis of the resulting range of valuations.

The real estate used by a company to operate its own business is an integral part of the whole (the cash-generating unit that generates cash inflows by carrying on the basic activity). The Group defines all types of insurance as cash-generating units. The carrying amount of real estate does not exceed the recoverable amount of the real estate. The fair value measurement level of real estate is Level 3 inputs.

Impairment tests of carrying amounts of items of property, plant and equipment are performed when events and changes in the circumstances show that the carrying amount exceeds the recoverable amount. Group companies assess the value of fixed assets of high values, particularly buildings, by checking the assumptions applied in value appraisals and the market value less costs to sell such assets. If events occur that show that the carrying amount of an asset exceeds its estimated recoverable value, the asset is impaired to its recoverable value. The recoverable value of an asset is the net sales value or value in use, namely the higher of the two. The value in use is determined by discounting expected future cash flows to the net current value using pre-tax discount rates, which reflect the current market estimate of the time value of money and potential risks associated with each individual asset. For assets whose future cash flows are also dependent on the remaining assets in individual cash-generating units, the value in use is calculated on the basis of future cash flows of this cash-generating unit. Impairment losses are recognised as an item of operating expenses from revaluation.

Derecognition of an item of property, plant and equipment is carried out when the asset is sold or when economic benefits are no longer expected from the continued use of the individual asset. Gains and losses on derecognition of an asset are included in the income statement in the year in which the asset is derecognised.

Further investments that increase future economic benefits increase the value of an item of property, plant and equipment.

13.1.4.9 *Leases of assets*

Group companies assess whether a contract is a lease at the inception of the contract and, if it is a lease, recognise the right-of-use asset and the associated lease liability. Exceptions are short-term leases with a lease term of less than one year and small leases where the net asset value does not exceed EUR 10,000.

A right-of-use asset is measured at cost and includes the amount of initial measurement of the relevant lease liability. Lease assets are depreciated on a straight-line basis over the lease term. An entity reassesses lease liabilities and adjusts the right-of-use asset if lease duration or lease amount change and if the lease contract changes and such change is not accounted for as a separate lease. The amount of the reassessed lease liability is recognised as an adjustment to the right-of-use asset, except if the carrying amount of the right-of-use asset equals zero and there is a further reduction in the assessment of the lease liability; in such a case, any remaining amount of the reassessed is recognised in profit or loss.

Lease liability is measured at the present value of lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the incremental borrowing rate is used. This is the borrowing rate that a lessee should pay for a similar duration with similar security or in order to ensure financing necessary to acquire an asset with a value similar to right-of-use value in a similar economic setting.

13.1.4.10 *Investments into subsidiaries in the separate financial statements of Prva Group*

In the separate financial statements of Prva Group, investments into subsidiaries are recognised at cost less impairment losses. Subsidiaries are those companies over which the parent maintains a controlling interest.

The Company assesses signs of impairment of investments into subsidiaries by reviewing the previously realised results, dividend paid, future business plans of subsidiaries, and the proportion of the company's capital based on the stake. In case operations and dividend payments show negative deviation in excess of 10%, the Company considers potentially impairing an investment using the present value of expected cash flows method. Suitability of the discount rate and the growth rate are taken into account in the assessment of the impairment criteria.

13.1.4.11 *Investment property*

Investment property (land and buildings) is carried separately from all other items of property, plant and equipment. The following qualifying criteria apply for classification of real estate in the group of investment property:

- investment property generates economic benefits. It is held for the purpose of lease to bring rental income or increase its cost,
- it is not designated for sales in the immediate future during ordinary course of business; and
- the cost can be measured reliably.

Upon acquisition, an item of investment property is measured at cost comprising transaction costs; after initial recognition, it is measured at fair value. Fair value of investment property is measured at market prices at the balance sheet date, determined using established methods of estimating the market value of real estate (discounted cash flows, comparable market prices, last transaction price). Revaluation of investment property is made at least at the end of the financial year if the new value recorded is materially different from the carrying amount. The Company determines the amount of materiality from the perspective of the financial statements as a whole in the amount of 1% of the net asset value. In the event of major market changes, revaluations may be carried out several times within a financial year.

13.1.4.12 Investments, assets of unit-linked policyholders, and assets from financial contracts

The Company and the Group break down own investments and investments of assets under management (assets of pension funds, annuity fund, and unit-linked funds) into the following categories:

- measured at amortised cost;
- measured at fair value through other comprehensive income;
- measured at fair value through profit or loss.

Part of the funds from financial contracts is also allocated to investment property, explained in Section 14.1.4.11.

The allocation depends on the business model.

Financial assets measured at amortised cost

Financial assets are measured at amortised cost if both of the following conditions are met:

- the financial asset is held according to the business model for the purpose of receiving contractual cash flows; and
- the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments, which are recognised as held-to-maturity investments, are measured at amortised cost using the effective interest rate method, with the exception of redemptions of receivables and loans, which are measured at the contractual interest rate. Amortised cost is calculated by allocation of the premium or the discount on acquisition over the period until the maturity of the investment. Gains and losses on investments measured at amortised cost are recognised in the profit or loss (disposal, impairment or effects of the discount/premium amortisation). Impairments are based on expected credit losses in accordance with the IFRS 9 and recognised in profit or loss.

Other assets are classified as receivables and cash and cash equivalents and are measured at amortised cost.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if:

- the financial asset is held according to the business model for the purpose of receiving contractual cash flows and sale of financial assets; and
- the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Gains or losses on investments are recognised in the statement of comprehensive income as net unrealised capital gains and losses on available-for-sale investments until the investment is sold or otherwise divested.

Acquisitions and sales of individual investments are recognised on the trade day, i.e. the day that the Company or the Group commit to purchase or sell an individual asset.

Impairments for debt instruments are performed based on expected credit losses in accordance with IFRS 9. The impairments are recognised in profit or loss and in the revaluation surplus.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss if:

- they are debt instruments and are not classified in one of the categories below;
- they are equity instruments and are not classified in the category of measurement at fair value through other comprehensive income;
- the classification eliminates or significantly decreases the accounting mismatch, which could arise from different recognition and/or measurement of associated assets/liabilities;
- they are derivative financial instruments.

Financial assets at fair value through profit or loss are measured at fair value. Realised gains and losses on investments classified at fair value through profit or loss are recognised directly in profit or loss.

The fair value of investments that are actively traded on organised markets is their quoted price at the close of trading at the balance sheet date. For investments whose price is not listed in financial markets, the fair value is determined on the basis of a similar instrument or, the fair value may be determined as the net current value of future cash flows which the Company or the Group can expect from the investment.

Acquisitions and sales of individual investments classified at fair value through profit or loss are recognised on the trade day, i.e. is the day that the Company or the Group commit to purchase or sell an individual asset.

Business models in IFRS 9

Investments and assets of unit-linked policyholders

Financial assets under IFRS 9 are classified in the combination of business model for the “purpose of receiving contractual cash flows” and “other”. The frequency of purchases and sales is high, which is in line with the key goal - higher yields. Deposits and similar money market products are classified at amortised cost. The chosen combination of models also allows the option to value bonds at amortised cost.

The Company's investments

Financial assets under IFRS 9 are classified in the combination of business model for the “purpose of receiving contractual cash flows and sales” and “other”. Based on its analyses, the Company has decided to recognise debt instruments (bonds) using two valuation methods - fair value through other comprehensive income and fair value through profit or loss and through amortised cost. The criteria is the individual judgement of the Investment Management Department, in accordance with the Company's and the fund's investment policy. Furthermore, in accordance with the requirements of the standard, the Company presents equity securities in the fair value through profit or loss category. Deposits and similar money market products are classified at amortised cost.

Impairment model in IFRS 9

The standard affects all debt investments that are not carried at fair value through profit or loss. In investments valued at maturity, the effects are shown as a decrease in the investment and a negative result in profit or loss. In investments measured at fair value through comprehensive income, the effects are shown as a decrease in profit or loss and, on the other hand, as an increase in the revaluation surplus (no impact on assets).

The amount of impairments is based on the following inputs:

- Moody's transitional matrix for probability of default (PD) and loss given default (LGD);
- credit ratings from rating agencies and internal ratings;
- weighted average purchase yields (DF);
- level of investment protection;
- significant increase in credit risk.

In accordance with the guidelines, the Company reviews for significant increases in the credit risk of debtors for all investments rated below investment grade (BBB). For this purpose, the Company has defined certain indicators that may indicate a significant increase in the credit risk of the debtor and, as a consequence, imply a change from Stage 1 to Stage 2, or a change from impairment accounting for one year to impairment accounting for the entire life of the instrument.

These indicators include:

- a three-notch change in the external credit rating since the initial recognition of the investment, unless the rating is 'investment grade';
- increase in the required yield to maturity (YTM) by 4 percentage point compared to the previous quarter;
- the yield is higher than 5% for government bonds and 7% for corporate bonds;

- failure to fulfil contractual obligations: if the default is up to 30 days, the debtor remains in Stage 1; a default of more than 30 days automatically means a move to Stage 2 and the calculation of credit losses for the entire duration of the instrument. A default of more than 60 days automatically means a move to Stage 3;
- if there is objective evidence of impairment, the Company, in accordance with the requirements of the standard, reclassifies the instrument to Stage 3, where the additional change from Stage 2 is the recording of interest income on a net basis.

The Company carries out an audit of the securities after the end of each quarter. If the verification of one of the above criteria is negative, the investment findings are forwarded to the Asset Management Department, which individually assesses whether there are indications of a change in the impairment stage. If the review shows an improvement in the investment's indicators, the impairment adjustment also includes a change of the stage to a higher stage.

The Company measures the allowance for impairment losses on a financial instrument on a day-to-day basis as an amount that is (IFRS 9.5.5.5 and 5.5.7):

- equal to the 12-month expected credit losses if the credit risk on that financial instrument has not increased significantly since initial recognition (Stage 1);
- equal to the expected credit losses over the life of the asset if the credit risk on that financial instrument has increased significantly since initial recognition (Stage 2);
- equal to the expected credit losses over the life of the asset if the credit risk on that financial instrument has increased significantly since initial recognition and the instrument is of impaired credit quality at the reporting date (Stage 3).

To assess a significant increase in credit risk, IFRS 9 requires the use of appropriate and demonstrable information, including forward-looking information. For this assessment, the Company uses the change in the risk that default will occur over the expected life of the financial instrument, rather than the change in the amount of expected credit losses.

In making that assessment, the Company compares the risk that a financial instrument will default at the reporting date with the risk that the financial instrument will default at the date of initial recognition and considers appropriate and demonstrable information that can be obtained without undue cost or effort and that indicates a significant increase in credit risk since initial recognition (IFRS 9.5.5.9).

Calculation of expected credit losses (ECL)

According to the standard, the ECL calculation formula is:

$$\frac{\% PD \times \% LGD \times Exposure}{(1+DF)^T}$$

%PD and %LGD

The Company obtains PD and LGD values for listed instruments from the Bloomberg database and updates them annually and depending on data availability and percentage changes. In calculating these data, Bloomberg takes into account the credit rating of the individual security as well as future macroeconomic forecasts. Macroeconomic variables such as economic growth (GDP), inflation, interest rates, unemployment, and financial market trends are key factors in assessing credit risk. The models combine historical data, current market conditions, and projections of macroeconomic indicators to assess how risks may evolve in the future.

For non-listed instruments, the company obtains PD and LGD values from Moody's transition matrices, which are updated annually or depending on data availability and percentage changes. In this way, the matrices incorporate all known information up to the current year. This method is applied to a small portion of the portfolio; therefore, developing a model that would adjust Moody's matrices to expected macroeconomic indicators is not economically justifiable. For exposures where the state is the final owner, a generalised LGD of 45% is applied in line with the guidelines of the Bank of Slovenia.

Exposure

Exposure represents the value of the investment, measured at amortised cost. In case of unavailability, the Company can use the purchase value plus accrued interest as exposure for calculating ECL. Exposure is adjusted for each reporting period.

DF

The discount factor is calculated as the weighted average of all purchases and sales of a particular investment. DFs are updated based on the situation (according to purchases and sales).

Adjustments and exceptions

1. Receivables mainly relate to the Company's receivables from pension funds for entry fees, the management fee, and other costs and receivables from reinsurance. The Company has analysed the credit risk of these receivables and concluded that based on past experiences there is no need for additional impairments.
2. Cash and demand deposits are not impaired in accordance with the AZN/ATVP guidelines for IFRS 9.
3. Factoring is not impaired due to short maturities and regular fulfilment of obligations by the debtors.

Principles of fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement of fair value of an asset or a liability considers the asset's or liability's characteristics assuming exchange of an asset or a liability in an ordinary transaction in current market conditions, on the principal market or the most advantageous market for the asset or liability.

In the fair value measurement of non-financial assets, the ability of market participants to generate economic benefits from the highest and best use of the asset or from the asset's sale to another market participant who would use the asset to its highest and best use, is considered.

The fair value of financial instruments traded on organised financial markets is measured on the basis of their prices quoted as at the reporting date. In the event no quoted price is available, the price offered by stock brokers is used as the reference price. If no active market exists for a financial instrument, the Company/Group determines its fair value based on one of the valuation methods. Valuation methods use the most recent transactions between informed and willing parties, if available, a comparison of the current fair value of an instrument with similar characteristics, consideration of discounted cash flows, and option pricing models. If a valuation method exists that is commonly used by market participants to determine prices of financial instruments and the method has been proven reliable in estimating prices achieved in actual market transaction, the Company/Group applies this particular method.

An active market is a market where transactions are executed between market participants frequently enough and in a volume large enough to enable obtaining regular information about prices. The Company assesses the market activity for equity instruments and a market is considered to be active if the average turnover of an individual investment on the stock exchange in the last 180 days from the date of fair value measurement was greater than EUR 0.5 million, taking into account the number of trading days.

If the stock market is active, the last known stock market price not more than 15 days old shall be used for the purpose of measuring fair value. In other cases, the fair value of the investment is determined using a valuation method.

The discounted cash flow method uses management's estimates of future cash flows and discount rates that reflect interest rates for comparable financial instruments. A financial asset is derecognised when the risks and benefits and the control over the contractual rights associated with the financial

instrument are transferred. A financial liability is derecognised when it has been paid-off, cancelled or barred by limitation.

The following fair value hierarchy is used to disclose fair value measurement of financial assets:

- Level 1: valuation on the basis of quoted prices in active markets for identical assets (quoted prices);
- Level 2: valuation using comparable market inputs (other than quoted inputs of identical assets) obtained directly or indirectly for identical or similar assets;
- Level 3: the use of valuation models using mostly unobservable market inputs.

If BVAL is used, the Company classifies each investment into the appropriate level according to the so-called BVAL score. The Company checks the grounds for the BVAL score and the consequent classification of prices in the fair value hierarchy. It then further verifies and classifies it according to the criteria below. The Company reviews the classification of investments in each valuation level at least once a year, subject to the following conditions.

Level 1 includes the prices:

- of investments with the BVAL score between 8 and 10;
- prepared exclusively based on directly observable data, which relate to a security, and without applying the indirectly observable data;
- whose minimum share of binding quotations is 90%.

Level 2 includes the prices:

- of investments with the BVAL score between 6 and 10;
- which are mostly prepared based on directly observable data or where the percentage of the indirectly observable data does not exceed 10%;
- which are prepared using market inputs obtained for directly or indirectly identical or similar assets (e.g. the basis for valuation is the yield curve for comparable financial assets with similar maturity and credit risk).

Level 3 includes the prices:

- which do not meet the conditions for categorisation in Level 1 or 2.

Table 7: Own valuation techniques for Level 3 investments

Investment type	Valuation method	Significant assumption	Used parameters
Equity securities	Comparable entities	- market ratios: P/B and P/E of comparable entities and selected categories of the assessed entity	
		- infinite cash flow growth rate	2-4%
	Cash flow discounting	- discount rate	11.08-12.2%
		- discount for minority owner	15.6-25%
Corporate debt securities and PPDT preference share	Cash flow discounting	- discount for lack of marketability	15-18.2%
		- comparable maturity state bond yield	2.1%-3.0%
	Yield-based approach	- average credit risk of comparable corporate bonds	0.6%-5.7%
		- illiquidity premium	0.5%-1.0%
Investment property	(certified external appraisers every 5 years and in-house experts every year)	- capitalisation measure	7.15-7.57%
		- discount rate	3.89-6.24%
		- risk premium	3.70-6.05%
		- non-recoverability	3-5%

13.1.4.13 Operating and other receivables

Operating receivables are recognised in the amount of the issued invoices reduced by any value adjustments. The assessed bad debt allowances are based on the reasonable expectation of the Company that payment is no longer probable either in full or in a certain amount.

13.1.4.14 Cash and cash equivalents

Cash and cash equivalents include cash at bank, cash in hand, and demand deposits.

In the cash flow statement, the Company discloses cash and cash equivalents as assets in bank accounts and free cash with the investment manager of the guarantee fund. The cash flow statement is compiled using the indirect cash flow method. Cash and cash equivalents comprise cash at bank and cash in hand as well as deposits with maturity of up to three months.

13.1.4.15 Equity

The Company's share capital consists of ordinary and preference shares.

Direct additional costs of issuing new shares less tax effects are recognised in equity. In the event that any of the Group companies purchase shares of the parent, the payment including the direct transaction costs less tax effects is recognised in equity as own shares until these shares are reissued, sold or withdrawn. In the event of a subsequent sale or reissue of these shares, all effects of the sale or issue are included in the equity.

Ordinary shares

An ordinary share entitles its owner to a voting right and, based on the decision of the General Meeting, to dividends.

Preference shares

Preference shares are cumulative shares without voting rights which entitle their owners to a fixed 6% dividend per year. The General Meeting adopts decisions on the payment of dividends at its meeting upon the proposal of the Management Board. Preference shares are considered part of equity, since holders of ordinary shares decide at the General Meeting whether dividends will be paid out to preference shareholders or not.

Capital surplus and revenue reserves represent payments above the nominal value of shares, statutory and legal reserves, reserves for own shares, and other revenue reserves.

13.1.4.16 Liabilities from insurance contracts

Classification of insurance contracts

The classification of insurance contracts is based on:

- International Financial Reporting Standard 17 (IFRS 17)

An insurance contract is a contract under which one party (the insurer) accepts an insurance risk by agreeing with another party (the policyholder) to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. An insured event is uncertain because it is not clear at the time the contract is signed whether it will occur, when it will occur or how much the insurer will need to pay if the specified future event occurs.

The Company recognises a contract as an insurance contract if it bears insurance risk and the insurance risk assumed is significant, depending on the type of insurance. Life insurance (together with critical illness cover, supplementary accident insurance, etc.), stand-alone accident insurance, and health insurance clearly carry a significant insurance risk, as the payout of the sum insured in the event of an insured event significantly exceeds the amount of the insurance premium. Investment insurance also carries a significant insurance risk, as the sum insured for death exceeds either the single premium or the theoretical annual premium. Pension annuity contracts, which have a funeral expenses payment and supplementary accident insurance attached to the annuity, also carry a significant insurance risk. Insurance contracts also include the received reinsurance contracts. Insurance contracts are accounted for in accordance with IFRS 17.

On the other hand, pension annuity contracts, where the duration of the benefits depends on when the last balance of the funds will be paid out, do not carry significant insurance risk. Similarly, with the exception of a negligible number of contracts, pension annuities with a longer guaranteed benefit period and with profit-sharing do not carry significant insurance risk, as the present value of the benefits after the guaranteed period is estimated not to be material. Pension insurance also clearly does not bear any insurance risk during the saving period. All such contracts are classified as financial contracts and are accounted for in accordance with IFRS 9.

Liabilities/assets from insurance contracts

As the Company measures liabilities from insurance contracts in accordance with IFRS 17, liabilities/assets from insurance contract are recognised on the basis of actuarial assumptions at the reporting date and the income statement is required to reflect the “insurance services rendered” in the reporting period.

In the statement of financial position, the Company separately presents the carrying amount of the portfolios of insurance contracts issued, which are assets, and insurance contracts issued, which are liabilities. IFRS 17 additionally requires insurance contracts to be grouped into units of account based on the following criteria: the portfolio of insurance contracts, the profitability level (yes/no), and the year of inception of the contract (annual cohort).

Valuation models

The Company uses the following models prescribed under IFRS 17 for the measurement of insurance contract liabilities:

- general measurement model (GMM)
- variable fee approach (VFA) for insurance contracts with direct participation
- premium allocation approach (PAA) for insurance contracts with a contractual limit of no more than one year

Reinsurance portfolios are valued using the modified generalised measurement model (GMM).

Valuation model	Insurance type	Insurance group
General measurement model (GMM)	Life insurance	Life insurance risk
General measurement model (GMM)	Life insurance	Life annuities
General measurement model (GMM)	Non-life insurance	Accident insurance
Premium allocation approach (PAA)	Non-life insurance	Health insurance
Premium allocation approach (PAA)	Life insurance	Collective life insurance
Variable fee approach (VFA)	Life insurance	Unit-linked life insurance

Aggregation of insurance contracts

A portfolio comprises insurance contracts subject to similar risks and managed together. The portfolio of issued insurance contracts must be divided at least into:

- a group of contracts that are non-profitable (onerous) at initial recognition, if any;
- a group of contracts that at initial recognition have no significant possibility of becoming non-profitable subsequently, if any; and
- a group of the remaining contracts in the portfolio, if any.

The Company has divided the portfolio of insurance contracts issued into a group of contracts that are onerous at initial recognition and a group of remaining contracts. Contracts issued more than one year apart cannot be included in the same group. Contracts concluded in the same year (annual cohort) are thus grouped together within the portfolio.

Recognition of cash flows

The cash flows associated with a group of insurance contracts include premium payments, claims and benefit payments, cash flows in insurance acquisition (commissions to agents, salaries to the own network), and other (administrative) costs incurred in the performance of the contracts. Cash flows, both expected and actual, are estimated at the level of the individual insurance contract, with the exception of actual costs (which are allocated on the basis of keys) and portfolios (which are measured through the PAA model).

Boundaries of insurance contracts

The measurement of a group of insurance contracts includes all future cash flows that are within the boundary of each contract in that group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay the premiums or in which the Company has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

- the Company has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks; or
- both of the following criteria are satisfied:
 - the Company has the practical ability to reassess the risks of the portfolio of insurance contracts that contains the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio; and
 - the pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

Recognition of insurance contracts

The Company recognises a group of insurance contracts it issues from the earliest of the following:

- the beginning of the coverage period of the group of contracts;
- the date when the first payment from a policyholder in the group becomes due; and
- for a group of onerous contracts, when the group becomes onerous.

A group of insurance contracts is recognised at the beginning of the period. When the date on which the first premium payment is due is before the commencement date of the coverage period, the Company also recognises a group of insurance contracts at the commencement date of the coverage period. Preparing the information for recognition at the due date of the first premium payment would lead to unnecessary costs and efforts, and on the other hand, the potential one-month delay in recognition is not material in relation to the overall duration of the (mostly long-term) policies.

Measurement of insurance contracts using the general measurement model at initial recognition

At initial recognition, the Company measures a group of insurance contracts as the total of:

- the cash flows on settlement, which comprise:
 - estimates of future cash flows;
 - an adjustment to reflect the time value of money and the financial risks (discounting);
 - an adjustment for non-financial risk (RA);
- contract service margin (CSM).

Discounting

Discount curves are used to adjust future cash flows to reflect the time value of money relative to the liquidity of insurance contracts and financial risks to the extent that these are not already included in estimates of future cash flows. The discount rates used must reflect current market conditions if there are financial instruments with characteristics similar to those of insurance contracts (timing of cash flows, maturity, currency, liquidity, etc.) and must not include market factors that, despite market changes, do not affect the future cash flows of insurance contracts.

The Company uses discounting to estimate the present value of future cash flows (current discount rate), to interest CSMs, to estimate changes in CSMs (locked-in discount rate); and, in the case of an OCI option, when changes in financial risk assumptions do not have a significant effect on the payout to the policyholder, and the effect can be recognised in other comprehensive income.

For groups of contracts that do not depend on the returns of related assets, the risk-free yield curve as published by EIOPA for the purposes of Article 77e(1) of Directive 2009/138/EC, without adjustments or shocks for the euro currency is used as basis. The adjustments to the base curve are as follows:

- liquidity premium (covered by the EIOPA curve adjustment);
- credit risk premium - no adjustments needed.

Other comprehensive income (OCI)

Under the option provided by IFRS 17, the insurance company separates the effects of changes in discount rates between profit or loss and other comprehensive income (OCI) as follows:

- the effect of the change in cash flows due to the difference between the current discount rate and the locked-in discount rate is shown within OCI;
- the effect of the change in cash flows due to the difference between the locked-in discount rate of the current period and the locked-in discount rate of the previous period is shown within profit or loss.

Risk adjustment for non-financial risk

The insurance company uses the value at risk (VAR) approach to calculate the adjustment for non-financial risks (RA) and calculates it for each individual portfolio.

Portfolio	Average confidence level
Unit-linked insurance	60%-70%
Accident insurance	65%-95%
Annuity insurance	60%-70%
Health insurance	65%-75%
Life insurance	85%-95%

Contractual service margin (CSM) at initial recognition

At initial recognition, the contractual service margin represents the excess of future premiums over claims and other expenses expected to be paid over the life of the insurance contracts within the group. It therefore represents unearned profits that the Company will recognise in the future. The CSM is amortised according to the release pattern of coverage units (which may be the sum of insurance sums in the case of a group of life insurance contracts, the sum of mathematical provisions in the case of annuities, etc.).

Accounting of onerous insurance contracts

The loss component is the negative net cash flow from a group of unprofitable (onerous) contracts. The loss component may be determined at initial recognition or at any time during subsequent measurement. As soon as the loss component is established, the loss is recognised in full in the income statement. A loss component may also be established at subsequent measurement if changes in future cash flows deplete the CSM. In this case, the loss is recognised for the amount of the change in future cash flows that the formed CSM cannot cover. If the future subsequent measurement increases the loss component due to additional change in future cash flows, the loss is increased by that amount. If the change in future cash flows reduces the components of the loss, that amount is recognised as revenue. If the change in future cash flows is large enough to eliminate the entire loss component, the CSM is formed anew.

Subsequent measurement of insurance contracts using the general (and the VFA) model

The carrying amount of a group of insurance contracts at the end of each reporting period is the sum of:

- the liability for remaining coverage (LRC) comprising:
 - the fulfilment cash flows related to future service (discounted and adjusted to non-financial risk),
 - the contractual service margin(CSM) of the group
- the liability for incurred claims (LIC), comprising the fulfilment cash flows related to past service (discounted and adjusted to non-financial risk).

The following are recognised in the current reporting period:

- income and expenses from the changes in the carrying amount of the LRC:
 - insurance revenue from the reduction in the liability for remaining coverage due to services provided during the period (which means that CSM and RA are released);
 - insurance service expenses for losses on groups of onerous contracts, and reversals of such losses;
 - insurance finance income or expenses from discounting
- income and expenses from the changes in the carrying amount of the LIC:

- insurance service expenses for the increase in the liability due to claims and expenses incurred in the period, including an increase in actual claims and costs billed;
- insurance service expenses for any subsequent changes in fulfilment cash flows relating to incurred claims and incurred expenses;
- insurance finance income or expenses from discounting.

Contractual service margin (CSM) at subsequent measurement

The contractual service margin at the end of the reporting period represents the profit that the insurance company will recognise in the future. In the reporting period, the change in the CSM is due to:

- the effect of recognition of new transactions;
- changes in estimates of fulfilment cash flows;
- the release of the CSM into insurance revenue during the reporting period;
- the effect of the CSM interest rate relative to the locked-in discount rate at the beginning and end of the reporting period;
- the effect of the CSM interest rate relative to the current discount rate and the locked-in discount rate;
- differences between estimated and actual acquisition costs and premium.

Measurement of insurance contracts using the PAA model

For a group of insurance contracts with a contract boundary of no more than one year, the PAA model, which is a simplification of the general model, can be used in the measurement. At initial recognition, the carrying amount of the liability for remaining coverage (LRC) is 0. The carrying amount of a group of insurance contracts at the end of a reporting period is the sum of:

- the liability for remaining coverage (LRC);
- the liability for incurred claims (LIC), comprising the cash flows related to past service.

In the current accounting period, LRC are:

- increased by the premiums paid during the accounting period;
- decreased by the cash flows paid to acquire the insurance;
- increased by the amortisation of cash flows from the acquisition of insurance (the assumption is that this and the previous item are reversed and have no impact on the income statement);
- decreased by the expected premium earned for the period, less the expected effect of defaults.

As insurance contracts measured through the PAA model are at most one-year contracts, the carrying amount of the LRC is not adjusted for the time value of money and the effect of financial risk.

The loss component represents the negative net cash flow of a cohort of insurance contracts; the net cash flow is the difference between the expected written premium of the period and the sum of the acquisition costs and the expected claims and expenses calculated using the combined ratios. The loss component may be determined at initial recognition or at any time during subsequent measurement. As soon as the loss component is established, the loss is recognised in full in the income statement.

The following are recognised in the current reporting period:

- insurance revenue arises from the reduction in the liability for remaining coverage due to services provided in the period; concretely, the premium earned for the period, less the expected effect of defaults;
- insurance service expenses arise from the change in the carrying amount of the LIC and are:
 - insurance service expenses for the increase in the liability due to claims and expenses incurred in the period, including an increase in actual claims and costs billed in the reporting period;
 - insurance service expenses for any subsequent changes in fulfilment cash flows relating to incurred claims and incurred expenses.

Reinsurance

In reinsurance, the insurance company, in exchange for a reinsurance premium, cedes a portion of the insurance risk that exceeds a level acceptable to the company to the reinsurer.

Under IFRS, (accepted) reinsurance contracts are insurance contracts and are therefore valued under IFRS 17, specifically through the modified generalised measurement model (GMM). The measurement model for reinsurance contracts allows for the creation of a negative CSM - reinsurance is expected to be a cost - which means that reinsurance generally reduces the CSM of the direct transaction. On the other hand, reinsurance losses generally reduce the loss component of the direct transaction, as they are part of the claims covered by the reinsurance company.

The actual reinsurance cash flows required for the calculation of the balance sheet and the financial statements comprise reinsurance premiums, reinsurance claims, and profit sharing. The source of actual reinsurance cash flows is the reinsurance billing, with the corresponding receivables/liabilities being established in the same amounts, as the expected payments for the actually provided reinsurance services occur at a later date.

The expected reinsurance cash flows required for the calculation of the balance sheet and financial statement include expected reinsurance premiums, expected reinsurance losses, expected profit sharing, and the expected credit risk effect of reinsurance. The calculation of expected cash flows uses actuarial assumptions from the direct transaction, plus some additional assumptions (e.g. creditworthiness of reinsurers, expected reinsurance ratio by cover, risk premium).

13.1.4.17 Other provisions

Other provisions include provisions for employee benefits.

Employee benefits include salaries and other allowances in accordance with the collective agreement. Contributions to the pension fund at the national level, social security, health insurance, and unemployment insurance are recognised by the Company as expenses of the period. The Company also recognises any future costs under a collective bargaining agreement in respect of employees in accordance with IAS19. The aforementioned expenses are calculated in accordance with the actuary method and are recognised throughout the entire period for individual employees to whom the collective agreement applies

Upon payment, costs of severance payment upon retirement and long-service bonuses are recognised as operating costs (labour costs) in the income statement. Changes of such provisions resulting from payments or new formations are recognised the same way. The revaluation of the provisions set aside due to an increase or decrease of the present value of liabilities arising from a change in actuarial items and experience adjustment is recognised as actuarial gains or losses in other comprehensive income, but only for the provisions for severance payment upon retirement.

13.1.4.18 Assets and liabilities from financial contracts

This item represent the assets of pension funds and annuities, which guarantee the fulfilment of liabilities to policyholders. Prva manages four pension funds in accordance with the Pension and Disability Insurance Act (the ZPIZ-2) and one annuity fund.

The assets comprise investments and cash. Investments in funds are categorised into:

- investments measured at fair value through profit of loss
- Investments at amortised cost
- investment property

Annuity fund investments are also divided into investments measured at fair value through other comprehensive income.

Revenue and expenses in respect of investments are recognised directly to policyholders in the balance sheet under the 'Liabilities from financial contracts' item. Payments of premiums and realised and unrealised capital gains or losses are also included under this item rather than in the income statement of the Company.

Entry, exit and management fees are included in the profit or loss of the Company as other insurance income.

Liabilities in respect of voluntary supplementary pension insurance (during the saving period) consist of two parts, i.e. the guaranteed liability and the liability above the guaranteed liability in the case of guarantee funds, and the liability linked to investment fund units or guarantee fund units in the case of Prva and Prva+ Dynamic and Prva and Prva+ Balanced. Both pension schemes contain both types of liabilities. The guaranteed yield in the guarantee funds ranges from 40% to 60% of the guaranteed yield in line with the ZPIZ-2. The Company guarantees for the guaranteed liabilities and yield with its own assets, therefore it classifies such contracts under assets from financial contracts.

Provisions for these contracts are determined based on the value of assets on savings accounts of individual policyholders (pension scheme members). The amount of provision arises from the calculation of an individual's net premium, which is the paid-in gross premium less entry charges. The amount of a provision for an individual policyholder equals the product of the number of units of an individual fund of an individual policyholder and the unit value on valuation date.

For pension insurance products with investments in the guarantee fund, additional provisions are calculated for the event the guaranteed return on assets is not achieved.

Liabilities from financial contracts that represent liabilities for pension annuities at the time of payment are measured at fair value through profit or loss. The Company calculates fair value as the best estimate of the present value of future cash flows discounted by the risk-free interest rate curve published by EIOPA, adjusted by a liquidity premium.

13.2 AMENDMENTS TO STANDARDS AND INTERPRETATIONS

The following are new standards and interpretations and amendments to existing standards that are not yet mandatory for annual periods beginning on or after 1 January 2025 and have not been applied in the preparation of these financial statements. The Company will adopt these provisions once they are in force.

New standards and amendments effective for annual periods beginning on or after 1 January 2025

IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments)

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. The newly adopted standard did not have a significant impact on the Company's accounting policies.

New IFRS which are not effective yet

IFRS 9: Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments (Amendments).

In May 2024, the International Accounting Standards Board (IASB) issued Amendments to Classification and Measurement of Financial Instruments, which amend IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments are effective for annual periods beginning on or after 1 January 2026 with early application permitted.

The management does not expect the amendments to have a material impact on its financial statements.

IFRS 9: Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity (Amendments)

In December 2024, the IASB issued targeted amendments to better reflect contracts referencing nature-dependent electricity. The amendments are effective for annual periods beginning on or after 1 January 2026 with early application permitted.

The management does not expect the amendments to have a material impact on its financial statements.

Annual Improvements to IFRS - Volume 11

In July 2024, the IASB issued Annual Improvements to IFRS - Volume 11. The amendments are effective for annual periods beginning on or after 1 January 2026 with early application permitted.

The management does not expect the amendments to have a material impact on its financial statements.

IFRS 18: Presentation and Disclosures in Financial Statements

IFRS 18 introduces new requirements on presentation within the statement of profit or loss. It requires an entity to classify all income and expenses within its statement of profit or loss into one of the five categories: operating, investing, financing, income taxes, and discontinued operations. These categories are complemented by the requirements to present subtotals and totals for 'operating profit or loss', 'profit or loss before financing and income taxes', and 'profit or loss'. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards. IFRS 18 is effective for reporting periods beginning on or after 1 January 2027, with early application permitted. Retrospective application is required in both annual and interim financial statements. The standard has not yet been endorsed by the EU.

Management will analyse the requirements of this newly issued standard in subsequent reporting periods and will assess its impact.

IFRS 19: Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19 Subsidiaries without Public Accountability: Disclosures and in August 2025 it issued amendments to that standard. IFRS 19 (including amendments) is effective for annual periods beginning on or after 1 January 2027 with early application permitted.

The management does not expect the amendments to have a material impact on disclosures.

Amendment to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2015, the IASB postponed the date of application of the amendments indefinitely, pending the completion of a research project on the equity method.

Management will analyse the requirements of this newly issued standard in subsequent reporting periods and will assess its impact.

IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to the Presentation Currency in Hyperinflationary Economies (Amendments)

In November 2025, the IASB issued amendments clarifying translations to a hyperinflationary presentation currency to amend IAS 21 The Effects of Changes in Foreign Exchange Rates. The amendments are effective for annual periods beginning on or after 1 January 2026 with early application permitted.

The management does not expect the amendments to have a material impact on disclosures.

13.3 ADDITIONAL DISCLOSURES TO THE STATEMENT OF FINANCIAL POSITION AND

THE INCOME STATEMENT

Disclosures which the Company is obliged to include in its annual report in compliance with the Companies Act and International Financial Reporting Standards are presented under separate headings and under the items to which they correspond.

13.4 SEGMENT REPORTING

The Group operates in two main geographic areas. The Group's main geographic area of operations is Slovenia. The Group is present in other Southeast European countries (non-member countries), i.e. North Macedonia, Serbia, and Kosovo.

The Group has divided business segments on the basis of its main activities, namely non-life insurance, life insurance, and other operations, which includes the business of Prva Group. The Group included pension insurance in life insurance.

Table 8: Income statement by segments for 2025

in EUR	Non-life Slovenia	Life Slovenia	Abroad	Other Slovenia	Total Slovenia	Total Life	Cons. eliminations	Total	
A. Result from insurance operations	585,514	2,371,774	-	651,153	-	2,957,288	1,720,621	-	2,306,135
1. Insurance revenue	3,959,381	11,243,402	-	199,517	-	15,202,783	11,442,919	-	15,402,300
2. Insurance expenses	- 3,358,475	- 8,373,456	-	850,764	-	11,731,931	9,224,220	-	12,582,695
3. Net result from reinsurance contracts	- 15,392	- 498,173	-	94	-	513,564	498,078	-	513,470
B. Result from investment activities	218,563	4,662,236	683,885	7,207,570	12,088,368	5,346,120	6,016,550	-	6,755,703
1. Interest revenue calculated using the effective interest method	185,852	1,709,419	803,315	-	1,895,271	2,512,734	-	-	2,698,586
2. Dividend revenue	-	191,883	-	107,531	7,032,578	7,224,461	84,352	6,016,550	1,100,380
3. Gains and losses from the derecognition of financial assets:	2,222	10,348	-	-	12,570	10,348	-	-	12,570
4. Unrealised gains/losses from investments	-	2,125,916	142,054	-	-	-	107,531	-	2,267,970
5. Net impairments/reversal of impairments of financial assets	3,140	- 50,308	5,435	- 107,531	- 154,699	44,873	-	-	149,264
July Other revenue/expenses from investing activities	27,349	2,617,432	- 2,188,455	282,523	2,927,304	428,977	-	-	738,848
C. Result from insurance contracts	- 11,529	- 2,308,571	- 1,239	-	- 2,320,100	- 2,309,810	-	-	- 2,321,339
1. Net financial revenue/expenses from insurance contracts	- 15,120	- 2,344,870	- 1,239	-	- 2,359,990	- 2,346,109	-	-	- 2,361,229
2. Net financial revenue/expenses from reinsurance contracts	3,591	36,299	0	-	39,890	36,299	-	-	39,890
D. Other revenue and expenses	- 283,839	4,242,698	2,482,586	- 311,187	3,647,672	6,725,285	393,432	-	6,523,690
1. Revenue from asset management	-	4,783,163	6,348,312	-	4,783,163	11,131,475	-	-	11,131,475
2. Other net operating revenue/expenses	79,502	1,464,381	2,495,589	-	1,543,884	3,959,971	-	-	4,039,473
4. Non-directly attributable expenses	- 363,628	- 3,220,167	- 4,680,416	- 320,773	- 3,904,568	- 7,900,583	196,716	-	- 8,388,268
5. Net impairments/reversal of impairments of non-financial assets	-	-	-	-	-	-	-	-	-
July Other net revenue and expenses	287	8,660	- 456,918	9,586	1,212	465,578	196,716	-	258,990
E. Profit or loss before tax	508,709	2,450,926	9,031,290	6,896,382	9,856,017	11,482,216	5,623,118	-	13,264,189
Corporate income tax	- 89,767	- 493,390	- 486,440	- 28,036	- 611,193	- 979,830	-	-	- 1,097,633
Change in deferred taxes	- 411	- 14,579	- 0	-	- 14,989	- 14,579	-	-	- 14,989
Net profit or loss for the period	418,531	8,460,167	2,027,640	6,868,347	15,747,045	10,487,807	5,623,118	-	12,151,567

Table 9: Income statement by segments for 2024

in EUR	Non-life	Life		Other	Total	Total	Cons.	Total
	Slovenia	Slovenia	Abroad	Slovenia	Slovenia	Life	eliminations	
A. Result from insurance operations	484,472	1,473,111	-403,149	-	1,957,583	1,069,962	-	1,554,434
1. Insurance revenue	3,291,762	10,879,113	183,119	-	14,170,875	11,062,233	-	14,353,994
2. Insurance expenses	-2,790,855	-9,203,162	-549,228	-	-11,994,018	-9,752,391	-	-12,543,246
3. Net result from reinsurance contracts	-16,434	-202,840	-37,040	-	-219,275	-239,880	-	-256,315
B. Result from investment activities	164,123	5,818,739	656,638	6,184,622	12,167,484	6,475,377	- 5,104,875	7,719,248
1. Interest revenue calculated using the effective interest method	15,724	1,188,618	1,042,193	-	1,204,342	2,230,811	-	2,246,535
2. Dividend revenue	-	153,076	-	6,053,503	6,206,579	153,076	-5,104,875	1,101,704
3. Gains and losses from the derecognition of financial assets:	-2,116	-24,498	0	-	-26,615	-24,498	-	-26,615
4. Unrealised gains/losses from investments	1,066	3,756,364	91,346	-	-	-	-	3,848,776
5. Net impairments/reversal of impairments of financial assets	2,893	-135,773	-16,384	-	-132,880	-152,157	-	-149,264
July Other revenue/expenses from investing activities	147,623	4,332,839	3,913,470	131,119	4,611,581	419,369	-	698,111
C. Result from insurance contracts	-10,848	-3,689,218	-4,944	-	-3,700,065	-3,694,161	-	-3,705,009
1. Net financial revenue/expenses from insurance contracts	-15,443	-3,729,491	-4,944	-	-3,744,934	-3,734,434	-	-3,749,878
2. Net financial revenue/expenses from reinsurance contracts	4,596	40,273	0	-	44,869	40,273	-	44,869
D. Other revenue and expenses	45,624	4,379,789	1,429,393	-167,146	4,258,268	5,809,182	790,466	6,478,127
1. Revenue from asset management	-	4,322,356	5,583,137	-	4,322,356	9,905,493	-	9,905,493
2. Other net operating revenue/expenses	121,876	1,482,413	2,372,470	-	1,604,289	3,854,883	-	3,976,759
4. Non-directly attributable expenses	-78,178	-2,758,948	-4,370,759	-263,098	-3,100,224	-7,129,706	395,233	-7,075,749
5. Net impairments/reversal of impairments of non-financial assets	-	-	-	-	-	-	-	-
7. Other net revenue and expenses	1,926	3,080	-824,567	95,952	100,958	-821,487	395,233	-328,376
E. Profit or loss before tax	683,372	2,099,518	7,560,842	6,017,476	8,800,366	9,660,360	-4,314,408	12,046,800
Corporate income tax	-148,692	-499,310	-431,076	-30,858	-678,860	-930,386	-	-1,109,936
Change in deferred taxes	-	34,026	-82,108	-	34,026	-48,082	-	-48,082
Net profit or loss for the period	534,680	7,517,137	1,164,755	5,986,618	14,038,435	8,681,892	-4,314,408	10,888,781

Table 10: Statement of financial position by segments for 2025

	Non-life Slovenia	Life Slovenia	Abroad	Other Slovenia	Total Slovenia	Total Life	Cons. eliminations	Total
ASSETS (A+B+D+E+F+G+H+I+J+K+L+M)	8,275,612	623,627,003	20,887,553	36,987,834	668,890,449	644,514,556	- 20,478,305	669,299,696
A. Property, plant and equipment	1,013,247	2,111,420	756,734	121,180	3,245,847	2,868,153	-	4,002,580
B. Investment property	-	3,485,893	517,369	-	3,485,893	4,003,262	-	4,003,262
C. Right-of-use assets	-	369,132	98,586	-	369,132	467,718	-	467,718
D. Intangible assets	74,453	219,721	303,506	-	294,175	523,227	-	597,681
E. Deferred tax assets	39,897	147,551	8,606	22,600	210,048	156,157	- 22,418	196,236
F. Investments in group companies and associates	-	-	-	20,419,741	20,419,741	-	- 20,419,742	0
G. Investments:	6,780,188	72,278,401	15,615,353	14,899,513	93,958,103	87,893,754	-	109,573,456
1. measured at fair value through other comprehensive income	5,484,498	20,891,275	650,091	11,011,666	37,387,439	21,541,366	-	38,037,530
2. measured at amortised cost	1,295,690	17,713,803	12,797,887	3,887,847	22,897,341	30,511,690	-	35,695,227
4. measured at fair value through profit or loss	-	33,673,323	2,167,376	-	33,673,323	35,840,699	-	35,840,699
H. Assets from financial contracts	-	539,000,264	-	-	539,000,264	539,000,264	-	539,000,264
1. Investment property	-	17,735,000	-	-	17,735,000	17,735,000	-	17,735,000
2. Investments measured at:	-	506,141,887	-	-	506,141,887	506,141,887	-	506,141,887
a. Fair value through other comprehensive income	-	10,214,673	-	-	10,214,673	10,214,673	-	10,214,673
b. Amortised cost	-	155,148,081	-	-	155,148,081	155,148,081	-	155,148,081
c. Fair value through profit or loss	-	340,779,133	-	-	340,779,133	340,779,133	-	340,779,133
3. Receivables	-	766,162	-	-	766,162	766,162	-	766,162
4. Cash and cash equivalents	-	14,357,215	-	-	14,357,215	14,357,215	-	14,357,215
I. Insurance contracts that are assets	0	111	0	-	111	111	-	111
J. Reinsurance contracts that are assets	65,235	1,666,797	65,235	-	1,732,031	1,601,562	-	1,666,797
M. Other receivables	4,734	2,446,001	708,604	397,658	2,848,392	3,154,605	- 36,146	3,520,851
N. Cash and cash equivalents	297,858	1,598,768	2,387,300	1,124,848	3,021,473	3,986,068	-	5,408,774
O. Other assets	-	302,944	556,729	2,293	305,238	859,674	-	861,967
EQUITY AND LIABILITIES	8,275,612	623,561,768	20,951,568	36,987,834	668,825,214	644,513,336	- 20,477,089	669,299,697

EQUITY									
A. Share capital	2,700,000	10,550,000	7,881,763	13,386,247	26,636,247	18,431,763	- 21,131,763	13,386,247	
B. Capital surplus	30,000	450,000	-	6,281,960	6,761,960	450,000	- 630,000	6,131,960	
C. Own shares	-	-	0	- 267,558	- 267,558	0	- -	267,558	
C. Revenue reserves	270,000	7,178,492	528,329	-	7,448,492	7,706,821	- 7,976,821	0	
D. Accumulated other comprehensive income	- 128,544	- 432,987	246,988	3,280,630	2,719,098	- 186,000	- 535,630	2,430,454	
F. Retained profit from previous years	684,621	21,609,610	7,341,436	6,646,830	28,941,061	28,951,045	10,336,342	46,618,842	
G. Net profit or loss for the period	418,531	7,236,186	3,738,780	6,868,347	14,523,064	10,974,966	- 8,163,263	10,098,581	
H. Minority interest	-	-	-	-	-	-	7,660,192	7,660,192	
Total capital	3,974,608	46,591,301	19,737,295	36,196,455	86,762,364	66,328,596	- 20,440,943	86,058,719	
Controlling interest	3,974,608	46,591,301	12,077,103	36,196,454	86,762,363	58,668,404	- 20,440,943	78,398,526	
Non-controlling interest	-	-	7,660,192	-	-	7,660,192	-	7,660,192	
LIABILITIES									
B. Deferred tax liabilities	2,469	94,183	1,727	755,578	852,231	95,911	-	853,958	
C. Insurance contracts that are liabilities	3,345,700	35,638,276	171,902	-	38,983,976	35,810,178	-	39,155,878	
D. Reinsurance contracts that are liabilities	-	79,456	10,935	-	79,456	90,391	-	90,391	
E. Liabilities from financial contracts	-	539,000,264	-	-	539,000,264	539,000,264	-	539,000,264	
F. Provisions	-	210,909	97,858	-	210,909	308,767	-	308,767	
G. Liabilities from leases	-	385,629	61,210	-	385,629	446,839	-	446,839	
J. Corporate income tax liabilities	-	-	-	-	-	-	-	-	
K. Other liabilities	952,835	1,561,749	870,641	35,801	2,550,385	2,432,390	- 36,146	3,384,881	
Total liabilities	4,301,004	576,970,467	1,214,273	791,379	582,062,850	578,184,740	- 36,146	583,240,978	

Table 11: Statement of financial position by segments for 2024

	Non-life Slovenia	Life Slovenia	Abroad	Other Slovenia	Total Slovenia	Total Life	Cons. eliminations	Total
ASSETS								
(A+B+D+E+F+G+H+I+J+K+L+M)	6,412,968	573,179,249	20,135,863	31,982,065	611,574,282	593,315,112	- 20,303,071	611,407,074
A. Property, plant and equipment	642,527	1,978,175	684,377	6,198	2,626,900	2,662,553	-	3,311,277
B. Investment property	-	3,198,000	531,051	-	3,198,000	3,729,051	-	3,729,051
C. Right-of-use assets	-	394,863	113,361	-	394,863	508,224	-	508,224
D. Intangible assets	79,772	323,954	372,673	-	403,726	696,627	-	776,399
E. Deferred tax assets	34,480	185,627	8,020	22,291	242,398	193,647	- 22,418	228,000
F. Investments in group companies and associates	-	-	-	20,027,272	20,027,272	-	- 20,027,273	0
G. Investments:	5,057,784	64,926,673	15,184,777	11,065,029	81,049,486	80,111,451	-	96,234,263
1. measured at fair value through other comprehensive income	4,663,158	21,580,854	660,195	6,190,460	32,434,472	22,241,049	-	33,094,667
2. measured at amortised cost	394,626	14,761,869	12,670,508	4,874,569	20,031,064	27,432,377	-	32,701,572
4. measured at fair value through profit or loss	-	28,583,950	1,854,074	-	28,583,950	30,438,024	-	30,438,024
H. Assets from financial contracts	-	495,737,639	-	-	495,737,639	495,737,639	-	495,737,639
1. Investment property	-	17,306,000	-	-	17,306,000	17,306,000	-	17,306,000
2. Investments measured at:	-	465,781,752	-	-	465,781,752	465,781,752	-	465,781,752
a. Fair value through other comprehensive income	-	9,840,401	-	-	9,840,401	9,840,401	-	9,840,401
b. Amortised cost	-	138,648,988	-	-	138,648,988	138,648,988	-	138,648,988
c. Fair value through profit or loss	-	317,292,363	-	-	317,292,363	317,292,363	-	317,292,363
3. Receivables	-	617,776	-	-	617,776	617,776	-	617,776
4. Cash and cash equivalents	-	12,032,111	-	-	12,032,111	12,032,111	-	12,032,111
I. Insurance contracts that are assets	-	166	-	-	166	166	-	166
J. Reinsurance contracts that are assets	113,217	1,326,725	- 113,217	-	1,439,943	1,213,508	-	1,326,725
M. Other receivables	237,928	2,361,424	387,838	613,220	3,212,572	2,749,263	- 253,380	3,347,031
N. Cash and cash equivalents	245,430	2,548,829	2,497,558	248,055	3,042,313	5,046,387	-	5,539,871
O. Other assets	1,829	197,174	469,425	-	199,003	666,598	-	668,428
EQUITY AND LIABILITIES	6,412,968	573,066,032	20,252,409	31,982,065	611,461,065	593,318,441	- 20,301,854	611,407,074
EQUITY	-	-	-	-	-	-	-	-

A. Share capital	2,700,000	10,550,000	8,068,350	13,386,247	26,636,247	18,618,350	-	21,318,350	13,386,247
B. Capital surplus	30,000	450,000	-	6,281,960	6,761,960	450,000	-	630,000	6,131,960
C. Own shares	-	-	0	-	267,558	-	267,558	0	-
C. Revenue reserves	270,000	7,178,492	-	8,618	-	7,448,492	7,169,874	-	7,439,874
D. Accumulated other comprehensive income	-	69,072	-	1,287,022	74,313	2,569,296	1,213,202	-	1,212,709
F. Retained profit from previous years	149,941	19,722,599	7,535,732	3,288,057	23,160,597	27,258,331	9,407,568	-	40,186,004
G. Net profit or loss for the period	534,680	6,186,250	3,417,788	5,986,618	12,707,548	9,604,038	-	6,980,776	9,062,452
H. Minority interest	-	-	-	-	-	-	-	7,443,769	7,443,769
Total capital	3,615,549	42,800,318	19,087,565	31,244,619	77,660,486	61,887,884	-	20,048,474	76,699,576
Controlling interest	3,615,549	42,800,318	11,643,796	31,244,618	77,660,486	54,444,114	-	20,048,474	69,255,807
Non-controlling interest	-	-	7,443,769	-	-	7,443,769	-	-	7,443,769
LIABILITIES									
B. Deferred tax liabilities	16,356	42,086	1,806	682,365	740,807	43,892	-	-	742,613
C. Insurance contracts that are liabilities	2,704,500	32,230,762	43,968	-	34,935,263	32,274,730	-	-	34,979,231
D. Reinsurance contracts that are liabilities	-	54,358	28,735	-	54,358	83,093	-	-	83,093
E. Liabilities from financial contracts	-	495,737,639	-	-	495,737,639	495,737,639	-	-	495,737,639
F. Provisions	-	207,640	92,940	-	207,640	300,580	-	-	300,580
G. Liabilities from leases	-	407,458	121,373	-	407,458	528,831	-	-	528,831
J. Corporate income tax liabilities	-	-	-	-	-	-	-	-	-
K. Other liabilities	76,562	1,585,771	876,021	55,081	1,717,414	2,461,793	-	253,380	2,335,511
Total liabilities	2,797,419	530,265,714	1,164,844	737,446	533,800,579	531,430,558	-	253,380	534,707,497

14 NOTES TO THE INCOME STATEMENT

14.1 INSURANCE REVENUE

Table 12: Net insurance revenue 2025

2025 (in EUR)	Total
Insurance contracts not measured under the premium allocation approach (PAA)	11,711,617
Amounts relating to changes in liabilities for remaining coverage	7,821,568
Amount of expected claims and other insurance expenses	5,754,672
Changes in the risk adjustment for non-financial risk	749,372
Contractual service margin recognised in profit or loss to reflect the transfer of services	1,317,525
Experience adjustments	-
Amortisation of insurance acquisition cash flows	3,890,049
Insurance contracts measured under the premium allocation approach (PAA)	3,690,683
Insurance revenue - total	15,402,300

The above table applies to the Group, as the Company does not generate revenue from insurance services.

Table 13: Net insurance revenue 2024

2024 (in EUR)	Total
Insurance contracts not measured under the premium allocation approach (PAA)	11,371,813
Amounts relating to changes in liabilities for remaining coverage	7,633,029
Amount of expected claims and other insurance expenses	5,542,989
Changes in the risk adjustment for non-financial risk	921,201
Contractual service margin recognised in profit or loss to reflect the transfer of services	1,168,839
Experience adjustments	-
Amortisation of insurance acquisition cash flows	3,738,784
Insurance contracts measured under the premium allocation approach (PAA)	2,982,181
Insurance revenue - total	14,353,994

The above table applies to the Group, as the Company does not generate revenue from insurance services.

14.2 INSURANCE EXPENSES

The Company does not have any insurance expenses (the same as in the comparative year). However, the Group recorded insurance expenses of EUR 12,582,695 in 2025 and EUR 12,543,246 in 2024.

(in EUR)	Liability for remaining coverage		Liability for incurred claims			Total
	Without loss component	Loss component	Contracts not measured under the PAA	Premium allocation approach (PAA)		
Expected present value of future cash flows				Risk adjustment for non-financial risk		
2025						
Insurance service expenses	4,579,011	91,991	5,248,376	2,660,169	3,149	12,582,695
Incurring claims and other insurance service expenses	0	-206,871	5,248,376	2,660,169	3,149	7,704,822
Claims incurred during the financial period (excluding the investment component)	0	-206,871	5,613,251	2,740,330	5,329	8,152,038
Changes in cash flows arising from past service claims	0	0	-364,875	-80,161	-2,180	-447,216
Amortisation of insurance acquisition cash flows	4,579,011	0	0	0	0	4,579,011
Losses on onerous contracts and reversals of such losses	0	298,862	0	0	0	298,862

(in EUR)	Liability for remaining coverage		Liability for incurred claims			Total
	Without loss component	Loss component	Contracts not measured under the PAA	Premium allocation approach (PAA)		
Expected present value of future cash flows				Adjustment for non-financial risk		
2024						
Insurance service expenses	4,405,879	322,173	5,774,926	2,038,084	2,184	12,543,246
Incurring claims and other insurance service expenses	0	-131,868	5,774,926	2,038,084	2,184	7,683,326
Claims incurred during the financial period (excluding the investment component)	0	-131,868	6,065,143	2,038,134	2,185	7,973,594
Changes in cash flows arising from past service claims	0	0	-290,217	-50	-1	-290,268
Amortisation of insurance acquisition cash flows	4,405,879	0	0	0	0	4,405,879
Losses on onerous contracts and reversals of such losses	0	454,041	0	0	0	454,041

14.3 NET RESULT FROM REINSURANCE CONTRACTS

Table 14: Net result from reinsurance contracts in 2025

2025 (in EUR)	Total
Reinsurance contracts not measured under the premium allocation approach (PAA)	-715,995
Amount of expected recoveries of losses on incurred claims during the financial period	-221,647
Changes in the risk adjustment for non-financial risk	-108,976
Contractual service margin recognised in profit or loss to reflect the transfer of services	-385,372
Experience adjustments	0
Reinsurance contracts measured under the premium allocation approach (PAA)	-1673.57
Reinsurance revenue - total	-717,669

The above table applies to the Group, as the Company does not generate revenue and expenses from insurance services.

Table 15: Net result from reinsurance contracts in 2024

2024 (in EUR)	Total
Reinsurance contracts not measured under the premium allocation approach (PAA)	-816,729
Amount of expected recoveries of losses on incurred claims during the financial period	-270,082
Changes in the risk adjustment for non-financial risk	-150,315
Contractual service margin recognised in profit or loss to reflect the transfer of services	-396,332
Experience adjustments	0
Reinsurance contracts measured under the premium allocation approach (PAA)	-597.40125
Reinsurance revenue - total	-817,326

The above table applies to the Group, as the Company does not generate revenue and expenses from insurance services.

14.3.1 Reinsurance expenses

They are disclosed in more detail in Section 15.11, shown in the table Changes in Liabilities for Remaining Coverage (LRC) and Liabilities for Incurred Claims (LIC).

14.4 FINANCIAL RESULT

14.4.1 Financial result from insurance and reinsurance contracts

Result from insurance contracts in 2025 amounts to EUR -2,361,229 (2024: -3,749,878 EUR).

Table 16: Financial result from insurance contracts in the year

in EUR	Prva Group		The Group			
	2025	2024	2025		2024	
			Life	Non-life	Life	Non-life
Net financial revenue/expenses from insurance contracts	0	0	-2,346,109	-15,120	-3,734,434	-15,443
Net financial revenue/expenses from reinsurance contracts	0	0	36,299	3,591	40,273	4,596
Total	0	0	-2,309,810	-11,529	-3,694,161	-10,848

14.4.1 Result from investing activities

Table 17: Result from investing activities

	Prva Group		The Group	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Interest revenue calculated using the effective interest method	0	0	2,698,586	2,246,534
· Investments measured at fair value through other comprehensive income	0	0	928,051	759,148
· Investments measured at amortised cost using the effective interest rate method	0	0	1,770,535	1,487,387
Dividend revenue	7,032,578	6,053,503	1,100,380	1,101,704
· Investments measured at fair value through profit or loss	0	0	268,084	153,076
· Investments measured at fair value through other comprehensive income	7,032,578	6,053,503	832,296	948,628
· Investments measured at amortised cost	0	0	0	0
Gains and losses from the derecognition of financial assets:	0	0	12,570	-26,615
· Investments measured at fair value through profit or loss	0	0	11,012	21,697
Gains from disposal of investments	0	0	21,427	27,845
Losses on disposal of investments	0	0	10,416	6,148
· Investments measured at fair value through other comprehensive income	0	0	338	-50,186
Gains from disposal of investments	0	0	32,563	2,314
Losses on disposal of investments	0	0	32,225	52,500
· Investments measured at amortised cost	0	0	1,220	1,874
Gains from disposal of investments	0	0	1,220	1,874
Losses on disposal of investments	0	0	0	0
Net impairments/reversal of impairments of financial assets	0	0	-62,652	-149,264
· Investments measured at fair value through other comprehensive income	0	0	40,193	3,760
Revaluation revenue	0	0	50,678	28,189
Revaluation expenses	0	0	10,485	24,429
· Investments measured at amortised cost	0	0	-102,844	-153,024
Revaluation revenue	0	0	-1,041	12,994
Revaluation expenses	0	0	101,803	166,018
Unrealised gains/losses from investments	0	0	2,267,970	3,848,776
Exchange differences	0	0	-823,228	354,628
Revenue from foreign exchange rate differences	0	0	2,571,187	2,023,272
Expenses for negative exchange rate differences	0	0	3,394,415	1,668,644
Revaluation to fair value	0	0	3,091,198	3,494,148
Revenue from revaluation to fair value	0	0	23,886,033	16,887,036
Expenses for revaluation to fair value	0	0	20,794,835	13,392,888
Other revenue/expenses from investing activities	282,523	131,119	738,848	698,111
Interest rate revenue from investments at fair value through profit or loss	0	0	209,711	373,179
Other financial revenue	282,523	131,119	556,022	345,736
Other financial expenses	0	0	26,885	20,804
Total	7,315,101	6,184,622	6,755,703	7,719,247

14.5 REVENUE FROM ASSET MANAGEMENT

The Company did not generate any revenue from asset management in 2025 and 2024.

In 2025, the Group's revenue from asset management amounted to EUR 11,131,475 (2024: EUR 9,905,493).

The Group charges an annual management fee of 1.0% for the administration and management of all pension funds (2024: 1%).

14.6 OTHER NET OPERATING REVENUE AND EXPENSES

Table 18: Other net operating revenue and expenses

in EUR	Prva Group		The Group	
	2025	2024	2025	2024
Entry fee	0	0	2,960,900	2,832,349
Exit fee	0	0	97,059	80,346
Revenue from services to affiliated companies	0	0	207,201	408,924
Revaluation operating revenue (fixed assets)	0	0	13,830	48,893
Other	0	0	760,484	606,249
TOTAL	0	0	4,039,473	3,976,761

The main part of operating revenue are entry and exit fees from supplementary pension insurance.

The Group is entitled to the reimbursement of entry fees from paid-in premiums, not exceeding 3% in 2025 (2024: 3%).

Upon the termination of the supplementary pension insurance, the pension scheme provider/Group is entitled to the reimbursement of the exit fee in the amount of 1% of the redemption value upon termination of the insurance contract (2024: 1%).

Other revenue mainly relates to revenue from administrative expenses and revaluation of fixed assets.

14.7 OPERATING EXPENSES - DIRECTLY AND NON-DIRECTLY ATTRIBUTABLE EXPENSES

Table 19: Operating expenses related to being attributable to insurance contracts

in EUR	Prva Group		The Group			
	2025	2024	2025	2024	2025	2024
	Non-directly attributable expenses	Non-directly attributable expenses	Non-directly attributable expenses	Directly attributable expenses	Non-directly attributable expenses	Directly attributable expenses
Labour costs	131,519	68,579	3,545,970	4,347,402	3,083,465	4,184,577
Employee salaries	99,844	53,320	2,506,066	3,165,989	2,207,836	3,106,070
Holiday allowance	2,903	583	80,936	216,047	67,751	120,074
Reimbursements for meals and transportation to work	2,096	874	55,170	213,623	52,862	249,097
Employer's contributions on salaries paid	17,580	9,031	613,895	585,378	545,802	558,260
Payments to employees for supplementary pension insurance	2,866	-	116,746	142,810	99,265	136,545
Costs of Services provided by natural persons not engaged in the activity and other labour costs	6,229	4,771	173,157	23,555	109,949	14,531
Costs of acquiring insurance contracts	-	-	708,855	3,725,009	717,110	2,634,116
Amortisation/Depreciation	9,333	1,370	269,218	451,233	275,313	353,713
Operating expenses	179,922	193,149	3,864,225	1,446,815	2,999,861	1,569,868
Operating material costs	700	904	51,308	96,637	20,724	105,553
Reimbursement of work-related costs	9,379	8,802	48,411	34,841	19,231	47,292
Costs of intellectual and personal services	82,959	108,057	709,926	104,195	603,778	129,493
Costs of rent	1,785	9,865	143,593	211,386	148,663	122,392
Costs of banking services	2,183	990	42,541	12,811	48,710	763
Costs of supervisory bodies			1,454,243	29,581	70,784	23,065
Costs of postal services			39,042	178,006	36,562	149,701
Maintenance	5,129	50	228,410	335,451	183,222	348,783
Costs of other services	41,221	46,395	488,525	385,148	447,307	321,759
Other costs	36,566	18,086	658,224	58,759	1,534,103	321,066
Total	320,773	263,098	8,388,268	9,970,459	7,075,749	8,742,275

Costs of acquiring insurance contracts

Commissions to agents and marketing costs directly connected to the acquisition of policyholders are included under costs of acquiring insurance contracts. Commissions to agents refer to fees which are paid to outside contractors as an incentive for the successful acquisition of policyholders.

Labour costs

The Group's labour costs for 2025 include salaries, holiday allowance, reimbursements for meals and transportation to work, employer contributions and taxes for remitted salaries, and payments of supplementary pension insurance. In 2025, the Group's labour costs amounted to EUR 7,893,372 (2024: EUR 7,336,622).

For more detailed disclosures regarding employees, see Section 9, 'Organisation and Human Resources'.

Operating expenses

In 2025, operating costs at Company level amounted to EUR 179,922 (2024: EUR 193,149 EUR) and at Group level to EUR 5,311,040 (2024: EUR 4,569,730). These are primarily costs of custodian banks, intellectual services, rent, maintenance, and other services. Rental costs relate to the rent of low value assets and short-term leases. None of the subsidiaries have defaulted in the payment of their liabilities in 2025 and 2024.

Audit and non-audit services

The table below shows the cost of audit and non-audit services.

Table 20: Audit and non-audit services

in EUR	Prva Group		The Group	
	2025	2024	2025	2024
Audit of the Annual Report	12,200	10,000	148,307	124,315
Other assurance services	9,760	2,000	42,749	77,554
Total	21,960	12,000	191,056	201,869

14.8 NET IMPAIRMENTS, REVERSAL OF IMPAIRMENTS OF NON-FINANCIAL ASSETS

Net impairment reversal of impairment losses of non-financial assets relates entirely to the revaluation or write-off of receivables from policyholders. The Company did not record any impairment or reversal of impairment of non-financial assets in 2025 and 2024. The Group also did not record any impairment of non-financial assets in 2025 and 2024.

14.9 OTHER NET REVENUE AND EXPENSES

Other revenue and expenses relate to items incurred by the subsidiaries, Prva osebna zavarovalnica and Prva pokojninska družba, and cover the costs charged to the companies that cannot be included under any other profit or loss item. In 2025, these amounted to EUR -258,990 (2024: EUR -328,376). The Group includes settlements of lawsuits and company car claims, commission expense, revaluation of receivables and assets, interest expense on leases, and other minor events not related to the core business of the Company in this category.

14.10 DEFERRED TAX AND INCOME TAX

Table 21: Deferred tax of the Group

in EUR	Balance Sheet	Balance Sheet	Recognise d in comprehensive income	Recognise d in profit or loss	Recognise d in comprehensive income	Recognise d in profit or loss
	31 Dec 2025	31 Dec 2024	2025	2025	2024	2024
Deferred income tax receivables	22,600	22,291	0	309	0	-145
Impairment of investments and receivables	22,600	22,291	0	309	0	-145
From unused tax losses	0	0	0	0	0	0
Deferred income tax liabilities	755,578	682,365	73,213	0	574,765	0
Revaluation of investments measured at fair value through comprehensive income	755,578	682,365	73,213	0	574,765	0
Total deferred income tax receivables (+) / liabilities (-)	-732,978	-660,074	-73,213	309	-574,765	-145

Table 22: Deferred taxes of the Group

in EUR	Balance Sheet	Balance Sheet	Recognise d in comprehensive income	Recognise d in profit or loss	Recognise d in comprehensive income	Recognise d in profit or loss
	31 Dec 2025	31 Dec 2024	2025	2025	2024	2024
Deferred income tax receivables	196,236	228,000	-17,670	-11,761	-26,514	36,213
Fixed asset depreciation	0	0	0	0	0	0
Impairment of investments and receivables	178,233	210,729	-17,670	-12,492	-26,514	31,389
Provisions for employees and other provisions	18,003	17,271	0	732	0	4,824
From unused tax losses	0	0	0	0	0	0
Deferred income tax liabilities	853,958	742,614	-23,626	0	686,355	0
Revaluation of investments measured at fair value through comprehensive income	853,958	742,614	-23,626	0	686,355	0
Total deferred income tax receivables (+) / liabilities (-)	-657,722	-514,613	5,956	-11,761	-712,869	36,213

At the date of the statement of financial position, deferred taxes are recalculated at the tax rate at which the Group expects to be able to realise the assets, i.e. 22% (2024: 22%).

Table 23: Calculation of income tax

in EUR	Prva Group		The Group	
	2025	2024	2025	2024
Profit or loss before tax for the period	6,896,382	6,017,476	13,156,658	12,046,800
Adjustment for profit or loss with a 0 tax rate	0	0	-5,380,740	-4,492,014
Profit or loss subject to income tax	6,896,382	6,017,476	7,775,918	7,554,785
Income tax using the statutory tax rate	1,517,204	1,323,845	1,710,702	1,662,053
Adjustment to the actual statutory tax rate	0	0	-661,130	-668,057
Tax effect of deductible income	-1,547,167	-1,331,771	0	0
Tax effect of non-deductible expenses	32,143	3,543	81,668	99,783
Tax effect of imputed income	77,358	66,589	77,426	66,672
Tax effect of imputed costs	-1,838	-130	-7,219	-5,316
Tax effect of tax relief	-11,051	-252	-129,251	-45,197
Tax effect of using tax losses	-38,614	-30,965	0	0
Corporate income tax	28,035	30,858	1,072,195	1,109,936
Change in deferred taxes	0	-145	-14,989	-48,082
Total tax	28,035	30,713	1,057,206	1,061,854
Effective tax rate	0.41%	0.51%	8.04%	8.81%

In the financial year under review, the Group accounted for the amount of current income tax payable using the applicable tax rate of 22% in Slovenia (2024: 22%).

14.11 NET EARNINGS PER SHARE

The basic earnings per share are calculated by dividing the net profit for the financial period attributable to ordinary shareholders by the weighted average number of outstanding ordinary shares in the financial period. The weighted average number of outstanding ordinary shares is calculated using data on the number of outstanding ordinary shares while taking into consideration eventual purchases and sales within the period and the period in which the shares participated in the generating of profit. The adjusted earnings per share also take into account all potential ordinary shares. The Company does not have any potential ordinary shares, therefore the net earnings per share equal the adjusted earnings per share.

Table 24: Net earnings per share

	The Group	
	2025	2024
Net profit for the year attributable to the Company/Group	9,991,050	9,062,452
Less dividends paid out to owners of preference shares	-380,433	-380,433
Net profit attributable to ordinary equity holders of the parent (EUR)	9,610,617	8,682,019
Weighted average number of ordinary shares for basic earnings per share	291,484	291,484
Earnings per share (in EUR)	32.97	29.79

15 NOTES TO THE STATEMENT OF FINANCIAL POSITION

15.1 PROPERTY, PLANT AND EQUIPMENT

Table 25: Changes in property, plant and equipment in 2025

in EUR	Prva Group		The Group		
	Equipment	TOTAL	Buildings	Equipment	TOTAL
COST					
Balance as at 31 Dec 2024	21,111	21,111	3,258,533	2,206,499	5,640,470
Increases	124,315	124,315	93,079	975,337	1,068,416
Disposals	0	0	0	-200,387	-200,387
Exchange differences	0	0	-159	-15	-174
Balance as at 31 Dec 2025	145,425	145,425	3,351,453	2,981,434	6,508,325
REVALUATION					
Balance as at 31 Dec 2024	14,913	14,913	709,428	1,619,764	2,329,193
Depreciation in 2025	9,333	9,333	89,657	286,264	375,922
Impairments	0	0	0	0	0
Disposals	0	0	0	-199,417	-199,417
Exchange differences	0	0	-13	60	47
Balance as at 31 Dec 2025	24,245	24,245	799,072	1,706,671	2,505,744
CARRYING AMOUNT					
Balance as at 31 Dec 2024	6,198	6,198	2,538,593	772,684	3,311,277
Balance as at 31 Dec 2025	121,180	121,180	2,552,381	1,274,763	4,002,581

The Company and the Group have no property, plant and equipment pledged as debt collateral. As at 31 December 2025, the Company and the Group do not have any open liabilities for acquiring items of property, plant and equipment. The Company and the Group consider the balance sheet value to be a good indicator of fair value.

On 31. 12. 2025 The Group has 971,072 EUR property plant and equipment amortized in full and still in use.

Table 26: Changes in property, plant and equipment in 2024

in EUR	Prva Group		The Group		
	Equipment	TOTAL	Buildings	Equipment	TOTAL
COST					
Balance as at 31 Dec 2023	18,244	18,244	3,258,386	2,556,824	5,953,893
Increases	2,867	2,867	0	77,623	526,700
Disposals	0	0	0	-428,269	-840,591
Exchange differences	0	0	147	320	467
Balance as at 31 Dec 2024	21,111	21,111	3,258,533	2,206,499	5,640,470
REVALUATION					
Balance as at 31 Dec 2023	13,543	13,543	616,395	1,625,970	2,242,365
Depreciation in 2024	1,370	1,370	93,013	211,309	304,322
Impairments	0	0	0	0	0
Disposals	0	0	0	-217,754	-217,754
Exchange differences	0	0	20	240	260
Balance as at 31 Dec 2024	14,913	14,913	709,428	1,619,764	2,329,193
CARRYING AMOUNT					
Balance as at 31 Dec 2023	4,701	4,701	2,641,991	1,069,538	3,711,529
Balance as at 31 Dec 2024	6,198	6,198	2,549,105	762,173	3,311,277

The fair value of real estate used by the Group to perform its core business is EUR 2,541,868 (2024: EUR 2,549,105).

Table 27: Changes in property, plant and equipment under the right-of-use asset in 2025

in EUR	Prva Group		The Group	
	Total	Buildings / business premises	Equipment	Total
COST				
Balance as at 31 Dec 2024	0	788,011	0	788,011
Increases	0	64,150	0	64,150
Disposals	0	0	0	0
Exchange differences	0	-854	0	0
Balance as at 31 Dec 2025	0	851,307	0	851,307
REVALUATION				
Balance as at 31 Dec 2024	0	279,787	0	279,787
Depreciation in 2025	0	104,296	0	104,296
Disposals	0	0	0	0
Exchange differences	0	-494	0	-494
Balance as at 31 Dec 2025	0	383,589	0	383,589
CARRYING AMOUNT				
Balance as at 31 Dec 2024	0	508,224	0	508,224
Balance as at 31 Dec 2025	0	467,718	0	467,718

The Group has no property, plant and equipment pledged as debt collateral.

Table 28: Changes in property, plant and equipment under the right-of-use asset in 2024

in EUR	Prva Group		The Group	
	Total	Buildings / business premises	Equipment	Total
COST				
Balance as at 31 Dec 2023	0	776,014	0	776,014
Increases	0	24,318	0	24,318
Disposals	0	-13,814	0	-13,814
Exchange differences	0	1,494	0	0
Balance as at 31 Dec 2024	0	788,011	0	788,011
REVALUATION				
Balance as at 31 Dec 2023	0	196,191	0	196,191
Depreciation in 2024	0	91,884	0	91,884
Disposals	0	-9,210	0	-9,210
Exchange differences	0	921	0	921
Balance as at 31 Dec 2024	0	279,787	0	279,787
CARRYING AMOUNT				
Balance as at 31 Dec 2023	0	579,822	0	579,822
Balance as at 31 Dec 2024	0	508,224	0	508,224

15.2 INVESTMENT PROPERTY

Table 29: Investment property

in EUR	Prva Group	The Group
Balance as at 1 Jan 2024	0	3,109,000
Increases	0	531,051
Disposals	0	-
Profit/loss from revaluation to market value	0	89,000
Balance as at 31 Dec 2024	0	3,729,051
Balance as at 1 Jan 2025	0	3,729,051
Increases	0	-
Disposals	0	-
Profit/loss from revaluation to market value	0	274,211
Balance as at 31 Dec 2025	0	4,003,262

Group companies own two properties and additional properties are owned by pension funds. Prva pokojninska družba d.d. owns an investment property located in Fajfarjeva ulica in Ljubljana. A part of the property is used for own needs (disclosed in fixed assets) and a part is rented out. Prva Život owns an investment property located in Mitropolit Teodosij Gologanov in Skopje

In 2025, the Group had the value of investment property reviewed by an authorised real estate appraiser. The following assumptions were used in the appraisals:

The market value of commercial property largely depends on the future price of market leases. This means that the estimated value of commercial property is affected by the returns buyers will be able to achieve based on purchase prices. Commercial property is primarily assessed based on future returns. The value of our commercial property is assessed by reviewing the macroeconomic trends and the validity of unobserved data assumptions, such as:

- the anticipated volume of rental income
- lease possibility
- vacancy deduction consideration and inability to collect rental claims, and
- capitalisation rate growth

The manager of life-cycle funds determines the fair value of real estate on the basis of a yield-based approach. The most important assumptions used in the calculation are:

- expected average long-term annual rent
- the risk-free rate of return is estimated based on the yield to maturity of a 10-year AAA rated Eurobond
- the risk premium is estimated on the basis of the purchase and rental transactions concluded for the real estate concerned and general observations of the real estate market.

In 2025, the Company carried out a review of the value of the investment property based on the direct capitalisation method, based on an appraisal by a licenced appraiser of 30 September 2025.

The following assumptions were used:

- capitalisation rate: 7.87%
- non-occupancy and non-recoverability deduction: 5%

The Company conducted an internal appraisal of pension funds' investment property as at 31 December 2025. It was established that the internal appraisal based on the direct capitalisation method was appropriate.

The Group generated EUR 256,036 of revenue from rent in 2025 (2024: EUR 208,694). There were no costs relating to the investment property in 2025 (2024: EUR 0). The expected rents in the coming years are the same as the rents from 2025 and 2024 (between 200,000 EUR and 260,000 EUR), as the company does not expect any changes to the rental contracts.

Investment property is not pledged as security for debts.

15.3 NON-CURRENT INTANGIBLE ASSETS

Table 30: Changes in non-current intangible assets in 2025

in EUR	Prva Group				The Group			
	Software	Investments in progress	Non-current deferred acquisition costs	TOTAL	Software	Investments in progress	Non-current deferred acquisition costs	TOTAL
COST								
Balance as at 31 Dec 2024	0	0	0	0	3,336,445	12,200	246,456	3,595,101
Increases	0	0	0	0	76,180	36,780	0	112,961
Transfers	0	0	0	0	8,052	-8,052	0	0
Disposals	0	0	0	0	0	-40,928	0	-40,928
Exchange differences	0	0	0	0	-697	0	-741	-1,438
Balance as at 31 Dec 2025	0	0	0	0	3,419,980	0	245,715	3,665,695

REVALUATION								
Balance as at 31 Dec 2024	0	0	0	0	2,672,542	0	131,703	2,804,245
Depreciation in 2025	0	0	0	0	248,005	0	0	248,005
Decreases	0	0	0	0	0	0	0	0
Exchange differences	0	0	0	0	-651	0	-399	-1,050
Balance as at 31 Dec 2025	0	0	0	0	2,919,896	0	131,304	3,051,200
CARRYING AMOUNT								
Balance as at 31 Dec 2024	0	0	0	0	663,903	12,200	100,295	776,398
Balance as at 31 Dec 2025	0	0	0	0	500,084	0	97,596	597,680

As at 31 December 2025, the Company and the Group do not have any open liabilities for acquiring intangible assets. As at 31 December 2025, the Company and the Group do not have any intangible assets with indefinite useful lives.

Table 31: Changes in non-current intangible assets in 2024

in EUR	Prva Group				The Group			
	Software	Investments in progress	Non-current deferred acquisition costs	TOTAL	Software	Investments in progress	Non-current deferred acquisition costs	TOTAL
COST								
Balance as at 31 Dec 2023	0	0	0	0	3,285,355	0	238,998	3,524,352
Increases	0	0	0	0	2,648	70,377	0	73,025
Transfers	0	0	0	0	48,190	-48,190	0	0
Disposals	0	0	0	0	0	-9,987	7,229	-2,758
Exchange differences	0	0	0	0	252	0	229	481
Balance as at 31 Dec 2024	0	0	0	0	3,336,445	12,200	246,456	3,595,101
REVALUATION								
Balance as at 31 Dec 2023	0	0	0	0	2,410,040	0	131,703	2,541,742
Depreciation in 2024	0	0	0	0	262,469	0	0	262,469
Decreases	0	0	0	0	0	0	0	0
Exchange differences	0	0	0	0	33	0	0	33
Balance as at 31 Dec 2024	0	0	0	0	2,672,542	0	131,703	2,804,245
CARRYING AMOUNT								
Balance as at 31 Dec 2023	0	0	0	0	875,315	0	107,295	982,610
Balance as at 31 Dec 2024	0	0	0	0	663,903	12,200	100,295	776,398

15.4 INVESTMENTS IN SUBSIDIARIES

Stakes in subsidiaries represent investments of Prva Group in the following companies: Prva pokojninska družba d.d., Prva osebna zavarovalnica d.d., KB Prvo penzisko društvo AD, Skopje, Prva Život, Skopje, Fondi Slloveno-Kosovar I Pensioneve sh.A Pristhine Kosovo, and DDOR GARANT Belgrade. These companies and the parent company Prva Group plc. form the Group.

Table 32: Investments in subsidiaries

in EUR	Ownership	Prva Group	
		31 Dec 2025	31 Dec 2024
Prva osebna zavarovalnica d.d.	100%	7,015,000	7,015,000
KB Prvo penzisko društvo AD Skopje	51%	918,272	918,272
Fondi Slloveno-Kosovar I Pensioneve Sh.A Pristhine Kosovo	67%	321,000	321,000
DDOR GARANT Beograd	60%	800,469	908,000
Prva pokojninska družba d.d.	100%	6,865,000	6,865,000
Prva Život	100%	4,500,000	4,000,000
Total		20,419,741	20,027,272

The table below shows the basic information on the operations of subsidiaries in 2025. The subsidiaries KB Prvo penzisko društvo AD, DDOR GARANT Beograd, and Fondi Slloveno-Kosovar I Pensioneve Sh.A manage the funds of their insured off-balance sheet and these funds are not shown in total assets. Information on off-balance sheet assets can be found in Section 15.17.

Table 33: Basic information on the operations of subsidiaries

in EUR	Ownership	Investment carrying amount	Total equity	Total assets	Liabilities from insurance/financial contracts	Operating revenue (local standards)	Insurance revenue	Operating profit/loss
Subsidiaries								
Prva osebna zavarovalnica d.d. <i>Fajfarjeva ulica 33, 1000 Ljubljana</i>	100%	7,015,000	20,713,415	61,864,785	38,981,576	/	15,189,596	2,361,488
KB Prvo penzisko društvo AD Skopje <i>Mitropolit Teodosij Gologanov 6, 1000 Skopje</i>	51%	918,272	7,274,917	14,918,525	/	7,572,645	/	2,105,839
Fondi Slloveno-Kosovar I Pensioneve Sh.A Pristine Kosovo <i>Rr.UCK, nr.50/2, 10000 Pristina</i>	67.40%	321,000	293,286	453,708	/	190,499	/	9,803
DDOR GARANT Beograd <i>Maršala Birjuzova 3-5, 11000 Belgrade</i>	60%	800,469	746,761	1,446,382	/	1,079,880	/	37,481
Prva pokojninska družba d.d. <i>Fajfarjeva ulica 33, 1000 Ljubljana</i>	100%	6,865,000	29,852,494	569,972,595	539,000,264	/	13,187	5,293,229
Prva Život <i>Mitropolit Teodosij Gologanov 6, 1000 Skopje</i>	100%	4,500,000	0	4,134,173	182,837	/	199,517	-467,331
Total		20,419,741	58,880,872	652,790,167	578,164,677	8,843,024	15,402,300	9,340,510

Voting rights in subsidiaries are equal to the ownership share. The Company assesses signs of impairment of investments into subsidiaries by reviewing the macroeconomic environment, previously realised results, dividends paid, and future business plans of subsidiaries.

The Company assessed that there is no indication of impairment for Prva osebna zavarovalnica, Prva pokojninska družba, and KB Prvo, as all three companies performed well in 2025 and the plan for the next three years also shows continued growth. Furthermore, the equity attributable to these companies significantly exceeds the carrying amount of the investment.

Prva Život AD Skopje (100% stake) was set up in 2023 and started selling risk life and investment insurance in North Macedonia in 2024. Sales results for 2025 have met our expectations when entering the market. The business plan for the next three years shows a continuation of the success recorded at the time of entry to the market. The majority of the company's book value at the end of 2025 consists of investments in real estate (EUR 0.5 million), government bonds (EUR 2.3 million), and deposits (EUR 0.3 million).

As at 31 December 2025, the Company conducted an internal appraisal of the investments in Fondi Sllloveno- Kosovar I Pensioneve Sh.A Pristine Kosovo, Prva Život AD Skopje, and DDOR GARANT Beograd using the present value of discounted free cash flows method.

The following assumptions were used in the appraisals:

- discount rate for Fondi Sllloveno- Kosovar I Pensioneve Sh.A Pristine Kosovo: 15.5%
- discount rate for DDOR GARANT Beograd: 14.4%
- long-term growth rate for Fondi Sllloveno- Kosovar I Pensioneve Sh.A Pristine Kosovo: 2.5%
- long-term growth rate for DDOR GARANT Beograd: 3.0%

According to the estimated values of investments, the Company concluded that there is no need for impairments for these companies.

Table 34: Sensitivity analysis for the value of the investment in DDOR Garant Beograd

		Long-term growth rate		
		2.00%	2.50%	3.00%
Discount rate	15.70%	0.00%	1.60%	3.40%
	16.70%	-3.90%	-2.60%	-1.10%
	17.70%	-7.10%	6.00%	-4.90%

Table 35: Sensitivity analysis for the value of the investment in Fondi Sllloveno- Kosovar I Pensioneve Sh,A Pristine

		Long-term growth rate		
		2.00%	2.50%	3.00%
Discount rate	15.70%	1.90%	3.40%	5.10%
	16.70%	-1.30%	0.00%	1.40%
	17.70%	-4.00%	-2.90%	-1.80%

15.5 INVESTMENTS

Table 36: Investments in securities

in EUR	Prva Group		The Group	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
1. Measured at amortised cost	3,887,828	4,874,569	35,695,227	32,701,572
2. Measured at fair value through other comprehensive income	11,011,686	6,190,460	38,037,530	33,094,667
3. Measured at fair value through profit of loss	0	0	35,840,699	30,438,024
Total	14,899,513	11,065,029	109,573,456	96,234,263

Table 37: Changes in investments

in EUR	Prva Group		The Group	
	2025	2024	2025	2024
Opening balance as at 1 Jan	11,065,029	5,785,696	96,234,263	83,657,560
Purchases	12,138,690	10,181,080	55,527,841	80,850,257
Sell/maturity	-8,804,206	-8,901,747	-65,255,138	-90,854,542
Revaluation	500,000	4,000,000	23,066,489	22,580,988
Closing balance as at 31 Dec	14,899,513	11,065,029	109,573,456	96,234,263

Investments in securities represent investments in shares, bonds, and securities.

Table 38: Structure of securities based on type of interest rate

in EUR	Prva Group		The Group	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
1. Measured at amortised cost	3,887,828	4,874,569	35,695,228	32,701,572
- debt securities at a fixed interest rate	3,887,828	4,874,569	35,695,228	32,701,572
- debt securities at a variable interest rate	0	0	0	0
2. Measured at fair value through other comprehensive income	11,011,686	6,190,460	38,037,529	33,071,032
- debt securities at a fixed interest rate	4,052,172	0	31,078,015	26,880,107
- debt securities at a variable interest rate	0	0	0	464
- equity securities	6,959,514	6,190,460	6,959,514	6,190,460
3. Measured at fair value through profit of loss	0	0	35,840,699	30,438,024
- debt securities at a fixed interest rate	0	0	6,985,031	3,335,271
- debt securities at a variable interest rate	0	0	0	0
- equity securities	0	0	28,855,668	27,126,388
Total	14,899,513	11,065,029	109,573,456	96,234,263

Table 39: Company (and Group) investments in equity securities measured at fair value through other comprehensive income

	Fair value as at 31 Dec	Dividends from portfolio investments as at 31 Dec	Transfers within capital
2024	6,190,460	0	0
2025	6,959,514	0	0

As at 31 Dec 2025, the Company conducted an appraisal of shares based on the capitalisation method of normalised free cash flow and the method of market comparisons.

The following assumptions were used in the appraisals:

- discount rate 11.1%
- growth rate 2.0%
- discount for lack of control 14.3%

All of the Company's fixed-rate debt securities in 2025 and 2024 are classified in Stage 1 of expected credit losses. The amount of expected credit losses at the end of 2025 is EUR 2,896 and at the end of 2024 EUR 695.

An overview of the securities by Stages of expected credit losses for the Group is presented in the tables below.

Table 40: Group investments measured at amortised cost by stages and credit ratings 2025

Credit rating	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
AAA-AA	-	-	-	-
A	2,234,203	-	-	2,234,203
BBB-BB	22,636,931	394,392	-	23,031,323
B	14,941	-	404,083	419,024
CCC-CC	-	-	-	-
C	-	-	-	-
D	-	-	-	-
Not rated	10,010,677	-	-	10,010,677
Balance as at 31 Dec 2025	34,896,752	394,392	404,083	35,695,226

Table 41: Group investments measured at amortised cost by stages and credit ratings 2024

Credit rating	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
AAA-AA	-	-	-	-
A	396,048	-	-	396,048
BBB-BB	22,504,211	352,784	-	22,856,995
B	-	-	-	-
CCC-CC	-	-	-	-
C	-	-	-	-
D	-	-	-	-
Not rated	9,448,530	-	-	9,448,530
Balance as at 31 Dec 2024	32,348,789	352,784	-	32,701,572

As at 31 December 2025, the Group has deposits, commercial papers and bonds among its investments measured at amortised cost with credit risk rating grade BBB-BB. Investments without credit risk rating grade are fully purchases of receivables.

Table 42: Group investments measured at fair value through comprehensive income by stages and credit ratings 2025

Credit rating	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
AAA-AA	8,976,618	-	-	8,976,618
A	8,750,340	-	-	8,750,340
BBB-BB	19,614,493	-	-	19,614,493
B	324,928	-	-	324,928
CCC-CC	-	-	-	-
C	-	-	-	-
D	-	-	-	-
Not rated	371,151	-	-	371,151
Balance as at 31 Dec 2025	38,037,530	-	-	38,037,530

Table 43: Group investments measured at fair value through comprehensive income by stages and credit ratings 2024

Credit rating	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
AAA-AA	8,415,538	-	-	8,415,538
A	4,369,486	-	-	4,369,486
BBB-BB	19,397,941	-	-	19,397,941
B	538,280	-	-	538,280
CCC-CC	-	-	-	-
C	-	-	-	-
D	349,787	-	-	349,787
Not rated	-	-	-	-
Balance as at 31 Dec 2024	33,071,032	-	-	33,071,032

Table 44: Changes in Group investments measured at amortised cost 2025

in EUR	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance as at 1 Jan 2025	139,407	0	0	139,407
Transfers	34,403	0	0	34,403
From Stage 1 to Stage 2	73	0	0	73
Other net changes (purchases, sales, rating changes)	-38,485	0	0	-38,485
<i>Total change recognised in profit or loss</i>	<i>-38,485</i>	<i>0</i>	<i>0</i>	<i>-38,485</i>
Balance as at 31 Dec 2025	135,399	0	0	135,399

Table 45: Changes in Group investments measured at amortised cost 2024

in EUR	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
Loss allowance as at 1 Jan 2024	296,609	0	0	296,609
Transfers	0	0	0	0
From Stage 1 to Stage 2	0	0	0	0
Other net changes (purchases, sales, rating changes)	-157,202	0	0	-157,202
<i>Total change recognised in profit or loss</i>	-157,202	0	0	-157,202
Balance as at 31 Dec 2024	139,407	0	0	139,407

Table 46: Changes in Group investments measured at fair value through comprehensive income 2025

in EUR	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
Loss allowance as at 1 Jan 2025	69,782	0	0	69,782
Transfers	0	0	0	0
From Stage 1 to Stage 2	0	0	0	0
Other net changes (purchases, sales, rating changes)	-34,866	0	0	-34,866
<i>Total change recognised in profit or loss</i>	-34,866	0	0	-34,866
Balance as at 31 Dec 2025	34,915	0	0	34,915

Table 47: Changes in Group investments measured at fair value through comprehensive income 2024

in EUR	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
Loss allowance as at 1 Jan 2024	80,059	0	0	80,059
Transfers	0	0	0	0
From Stage 1 to Stage 2	0	0	0	0
Other net changes (purchases, sales, rating changes)	-10,277	0	0	-10,277
<i>Total change recognised in profit or loss</i>	-10,277	0	0	-10,277
Balance as at 31 Dec 2024	69,782	0	0	69,782

15.5.1 Fair value of investments and assets from financial contracts

Table 48: Overview of the financial instruments of the Company - carrying amount and fair value

in EUR	Carrying amount		Fair value	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Investments into securities	14,899,513	11,065,029	14,899,513	11,065,029
1. Measured at amortised cost	3,887,847	4,874,569	3,887,847	4,874,569
2. Measured at fair value through other comprehensive income	11,011,666	6,190,460	11,011,666	6,190,460
3. Measured at fair value through profit of loss	0	0	0	0

The Company assumes that the carrying amounts of trade receivables, other receivables, and cash are the best approximation of fair values, so they are not included in the table above.

Table 49: Presentation of the financial instruments of the Group - carrying amount and fair value

in EUR	Carrying amount		Fair value	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Investments into securities	506,141,887	465,781,752	507,274,452	466,102,310
1. Measured at amortised cost	155,148,081	138,648,988	156,280,646	138,969,546
2. Measured at fair value through other comprehensive income	10,214,673	9,840,401	10,214,673	9,840,401
3. Measured at fair value through profit or loss	340,779,133	317,292,363	340,779,133	317,292,363
Investment property	17,735,000	17,306,000	17,735,000	17,306,000
Trade receivables (from policyholders)	0	0	0	0
Other receivables (assets)	766,162	617,776	766,162	617,776
Cash and cash equivalents	14,357,215	12,032,111	14,357,215	12,032,111
Total assets	539,000,264	495,737,639	540,132,829	496,058,196
Liabilities from direct insurance operations	536,561,415	493,978,644	536,561,415	493,978,644
Other liabilities	2,438,848	1,758,994	2,438,848	1,758,994
Total liabilities	539,000,263	495,737,639	539,000,263	495,737,639

15.5.2 Assets and liabilities in terms of fair value hierarchy in Prva Group

Table 50: Assets and liabilities in terms of fair value measurement for Prva Group in 2025

in EUR	Stage 1	Stage 2	Stage 3	Total fair value	Total carrying amount
ASSETS measured at fair value					
Investments	4,052,172	0	6,959,514	11,011,686	11,011,686
Investments into securities	4,052,172	0	6,959,514	11,011,686	11,011,686
<i>Measured at fair value through other comprehensive income</i>	4,052,172	0	6,959,514	11,011,686	11,011,686
<i>Measured at fair value through profit of loss</i>	0	0	0	0	0
ASSETS whose fair value is disclosed					
Investments into securities	991,343	0	2,895,769	3,887,113	3,887,828
<i>Investments measured at amortised cost</i>	991,343	0	2,895,769	3,887,113	3,887,828
Receivables	0	0	428,296	428,296	428,296
Cash and cash equivalents	1,124,848	0	0	1,124,848	1,124,848
LIABILITIES whose fair value is disclosed					
Other liabilities	0	0	35,801	35,801	35,801

Table 51: Assets and liabilities in terms of fair value measurement for Prva Group in 2024

in EUR	Stage 1	Stage 2	Stage 3	Total fair value	Total carrying amount
ASSETS measured at fair value					
Investments	0	0	6,190,460	6,190,460	6,190,460
Investments into securities	0	0	6,190,460	6,190,460	6,190,460
<i>Measured at fair value through other comprehensive income</i>	0	0	6,190,460	6,190,460	6,190,460
<i>Measured at fair value through profit of loss</i>	0	0	0	0	0
ASSETS whose fair value is disclosed					
Investments into securities	0	0	4,875,326	4,875,326	4,874,569
<i>Investments measured at amortised cost</i>	0	0	4,875,326	4,875,326	4,874,569
Receivables	0	0	613,220	613,220	613,220
Cash and cash equivalents	248,055	0	0	248,055	248,055
LIABILITIES whose fair value is disclosed					
Other liabilities	0	0	55,081	55,081	55,081

Prva Group estimates that the carrying amounts of trade receivables and other receivables are the best approximation of fair values, so they are not included in the table below.

At the end of 2025, the Company discloses an investment in one share, one investment in one commercial security, and several debt purchase transactions at Stage 3. There were no transfers between the Stages in 2025 and 2024.

Table 52: Changes in investments in Stage 3 for Prva Group 2025

	1 Jan 2025	Loss/gain recognised in other comprehensive income	Purchases	Sales	Maturity	31 Dec 2025
Measured at fair value through other comprehensive income	6,190,460	769,034	0	0	0	6,959,514
Total	6,190,460	769,034	0	0	0	6,959,514

Table 53: Changes in investments in Stage 3 for Prva Group 2024

	1 Jan 2024	Loss/gain recognised in other comprehensive income	Purchases	Sales	Maturity	31 Dec 2024
Measured at fair value through other comprehensive income	4,259,375	1,931,085	0	0	0	6,190,460
Total	4,259,375	1,931,085	0	0	0	6,190,460

Sensitivity analysis of non-marketable securities

The sensitivity analysis of investments classified in Stage 3 is presented below. The analysis shows by how much the fair values of these investments would increase or decrease under different assumptions, which are not based on observable market data. The sensitivity analysis is based on the midpoint scenario of the estimated values.

in EUR	31 Dec 2025	31 Dec 2024
Value of Stage 3 investments	9,855,283	6,190,460
Estimated value deviation	-739,848 / +689,326	-419,746 / +429,611

For the equity investment, the value deviation was determined by adjusting the discount rate and the long-term ROE. For the other investments, the calculation of the deviation takes into account $\pm 15\%$ of the change in the value of the investment.

15.5.1 Assets and liabilities in terms of fair value hierarchy in the Group

Table 54: Assets and liabilities of the Group in terms of fair value hierarchy for the Group in 2025

in EUR	Stage 1	Stage 2	Stage 3	Total fair value	Total carrying amount
ASSETS measured at fair value					
Investments into securities	38,136,270	15,807,579	19,738,930	73,682,778	73,682,778
<i>Measured at fair value through profit of loss</i>	27,370,834	766,074	7,508,301	35,645,209	35,645,209
<i>Measured at fair value through other comprehensive income</i>	10,765,435	15,041,504	12,230,629	38,037,530	38,037,530
Assets from financial contracts	228,162,139	43,698,325	96,868,342	368,728,806	368,728,806
<i>Investments into securities</i>	228,162,139	43,698,325	79,133,342	350,993,806	350,993,806
<i>Measured at fair value through profit of loss</i>	224,575,754	37,585,555	78,617,824	340,779,133	340,779,133
<i>Measured at fair value through other comprehensive income</i>	3,586,385	6,112,770	515,518	10,214,673	10,214,673
<i>Investment property</i>	0	0	17,735,000	17,735,000	17,735,000
ASSETS whose fair value is disclosed					
Investments into securities	4,565,642	6,007,555	25,258,127	35,831,325	35,695,227
<i>Held-to-maturity</i>	4,565,642	6,007,555	25,258,127	35,831,325	35,695,227
Assets from financial contracts	55,685,287	73,179,574	42,539,162	171,404,023	170,271,458
<i>Investments measured at amortised cost</i>	41,328,072	73,179,574	41,773,000	156,280,646	155,148,081
<i>Other receivables (assets)</i>	0	0	766,162	766,162	766,162
<i>Cash and cash equivalents</i>	14,357,215	0	0	14,357,215	14,357,215
Insurance contracts that are assets	0	0	111	111	111
Reinsurance contracts that are assets	0	0	1,666,797	1,666,797	1,666,797
Cash and cash equivalents	5,408,774	0	0	5,408,774	5,408,774
Receivables and other assets	1,305,766	5,080,798	5,774,038	12,160,602	12,160,602
LIABILITIES whose fair value is disclosed					
Insurance contracts that are liabilities	0	0	39,155,878	39,155,878	39,155,878
Reinsurance contracts that are liabilities	0	0	90,391	90,391	90,391
Other liabilities	0	0	3,384,881	3,384,881	3,384,881
Liabilities from financial contracts	0	0	539,000,264	539,000,264	539,000,264

Table 55: Assets and liabilities of the Group in terms of fair value hierarchy for the Group in 2024

in EUR	Stage 1	Stage 2	Stage 3	Total fair value	Total carrying amount
ASSETS measured at fair value					
Investments into securities	34,351,839	15,069,213	14,088,004	63,509,056	63,509,056
<i>Measured at fair value through profit of loss</i>	25,203,299	313,592	4,921,133	30,438,024	30,438,024
<i>Measured at fair value through other comprehensive income</i>	9,148,540	14,755,621	9,166,871	33,071,032	33,094,667
Assets from financial contracts	203,437,449	41,933,574	99,067,740	344,438,764	344,438,764
<i>Investments into securities</i>	203,437,449	41,933,574	81,761,740	327,132,764	327,132,764
<i>Measured at fair value through profit of loss</i>	200,137,000	36,694,965	80,460,398	317,292,363	317,292,363
<i>Measured at fair value through other comprehensive income</i>	3,300,449	5,238,610	1,301,342	9,840,401	9,840,401
<i>Investment property</i>	0	0	17,306,000	17,306,000	17,306,000
ASSETS whose fair value is disclosed					
Investments into securities	2,220,159	1,094,967	29,421,606	32,736,732	32,701,572
<i>Held-to-maturity</i>	2,220,159	1,094,967	29,421,606	32,736,732	32,701,572
Assets from financial contracts	29,970,809	84,189,788	37,458,836	151,619,433	151,298,876
<i>Investments measured at amortised cost</i>	17,938,698	84,189,788	36,841,061	138,969,546	138,648,989
<i>Other receivables (assets)</i>	0	0	617,776	617,776	617,776
<i>Cash and cash equivalents</i>	12,032,112	0	0	12,032,112	12,032,112
Insurance contracts that are assets	0	0	166	166	166
Reinsurance contracts that are assets	0	0	1,326,725	1,326,725	1,326,725
Cash and cash equivalents	5,539,871	0	0	5,539,871	5,539,871
Receivables and other assets	0	96,481	9,854,149	9,950,630	9,950,630
LIABILITIES whose fair value is disclosed					
Insurance contracts that are liabilities	0	0	34,979,231	34,979,231	34,979,231
Reinsurance contracts that are liabilities	0	0	83,093	83,093	83,093
Other liabilities	0	0	2,335,511	2,335,511	2,335,511
Liabilities from financial contracts		0	0	495,737,639	495,737,639

Table 56: Changes in Stage 3 investments of the Group in 2025

	1 Jan 2025	Gains or losses recognised in profit or loss/CI	Purchases	Sales	Maturity	31 Dec 2025
Investments measured at fair value through profit or loss	4,921,133	2,264,944	350,899	28,676	0	7,508,301
Investments measured at fair value through other comprehensive income	9,166,871	1,719,063	2,895,789	421,337	1,129,776	12,230,629
Total	14,088,005	3,984,006	3,246,688	450,013	1,129,776	19,738,930

Table 57: Changes in Stage 3 investments of the Group in 2024

	1 Jan 2024	Gains or losses recognised in profit or loss/CI	Purchases	Sales	Maturity	31 Dec 2024
Investments measured at fair value through profit or loss	4,757,649	542,645	391,527	19,810	750,876	4,921,133
Investments measured at fair value through other comprehensive income	8,245,418	2,684,551	500,000	310,184	1,952,914	9,166,871
Total	13,003,067	3,227,196	891,527	329,995	2,703,790	14,088,005

Table 58: Changes in Stage 3 assets from financial contracts of the Group in 2025

	1 Jan	Gains or losses recognised in profit or loss	Purchases	Sales	Maturity	31 Dec
Investments measured at fair value through profit or loss	80,460,398	-6,196,499	6,418,322	2,064,398	0	78,617,824
Investments measured at fair value through other comprehensive income	1,301,342	-785,824	0	0	0	515,518
Real estate measured at fair value through profit or loss	17,306,000	429,000	0	0	0	17,735,000
Total	99,067,740	-6,553,323	6,418,322	2,064,398	0	96,868,342

Table 59: Changes in Stage 3 assets from financial contracts of the Group in 2024

	1 Jan	Gains or losses recognised in profit or loss	Purchases	Sales	Maturity	31 Dec
Investments measured at fair value through profit or loss	71,743,862	10,699,589	7,525,317	2,410,897	6,776,738	80,460,398
Investments measured at fair value through other comprehensive income	1,232,996	68,346	0	0	0	1,301,342
Real estate measured at fair value through profit or loss	16,789,247	516,753	0	0	0	17,306,000
Total	89,766,106	11,284,688	7,525,317	2,410,897	6,776,738	99,067,740

15.5.2 Assets of unit-linked policyholders

The Group also discloses the assets of unit-linked policyholders under investments in the amounts detailed in Section 15.5.1. These are explained below.

Table 60: Investments of unit-linked policy holders

in EUR	31 Dec 2025	31 Dec 2024
Securities of unit-linked policyholders	27,358,836	22,658,160
Securities of unit-linked policyholders measured at fair value through profit or loss	26,602,674	21,969,249
<ul style="list-style-type: none"> • equity securities and ETF shares • debt securities 	25,712,868	21,003,334
	889,805	965,915
Securities of unit-linked policyholders measured at amortised cost	756,163	688,911
Other investments measured at amortised cost (deposits)	0	0

15.5.3 Assets from financial contracts

Assets from financial contracts relate to pension funds and the annuity fund of Prva pokojninska družba d.d.

Table 61: Assets from financial contracts at carrying amount and fair value for pension and annuity policyholders

in EUR	Carrying amount		Fair value	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Investments into securities:	506,141,887	465,781,752	507,274,452	466,102,310
1. Measured at amortised cost	155,148,081	138,648,988	156,280,646	138,969,546
2. Measured at fair value through other comprehensive income	10,214,673	9,840,401	10,214,673	9,840,401
3. Measured at fair value through profit or loss	340,779,133	317,292,363	340,779,133	317,292,363
Investment property	17,735,000	17,306,000	17,735,000	17,306,000
Trade receivables (from policyholders)	0	0	0	0
Other receivables (assets)	766,162	617,776	766,162	617,776
Cash and cash equivalents	14,357,215	12,032,111	14,357,215	12,032,111
Total assets	539,000,264	495,737,639	540,132,829	496,058,196
Liabilities from direct insurance operations	536,561,415	493,978,644	536,561,415	493,978,644
Other liabilities	2,438,848	1,758,994	2,438,848	1,758,994
Total liabilities	539,000,263	495,737,639	539,000,263	495,737,639

15.5.4 Assets from financial contracts of the annuity fund

Table 62: Assets from financial contracts of the annuity fund

in EUR	Carrying amount		Fair value	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Investments into securities:	43,488,164	35,945,053	43,578,296	35,988,635
1. Measured at amortised cost	29,089,530	23,186,302	29,179,662	23,229,883
2. Measured at fair value through other comprehensive income	10,214,673	9,840,401	10,214,673	9,840,401
3. Measured at fair value through profit or loss	4,183,961	2,918,351	4,183,961	2,918,351
Other receivables (assets)	20,769	6,182	20,769	6,182
Cash and cash equivalents	2,802,122	2,583,146	2,802,122	2,583,146
Total assets	46,311,055	38,534,381	46,401,187	38,577,962
Liabilities from direct insurance operations	44,395,916	37,286,448	44,395,916	37,286,448
Other liabilities	1,915,138	1,247,933	1,915,138	1,247,933
Total liabilities	46,311,054	38,534,381	46,311,054	38,534,381

Table 63: Changes in investments of the annuity fund

in EUR	31 Dec 2025	31 Dec 2024
Balance as at 1 Jan	23,186,302	17,607,196
Increase	8,237,847	10,372,043
Revaluation	-57,153	-9,456
Maturity/sales	2,277,466	4,783,482
Balance as at 31 Dec	29,089,530	23,186,302

Table 64: The structure of papers according to the form of interest rate - annuity insurance

in EUR	31 Dec 2025	31 Dec 2024
Debt securities	39,511,237	33,230,895
<ul style="list-style-type: none"> • fixed interest rate • variable interest rate 	39,511,237 0	33,230,895 0
Equity securities and ETFs	3,976,927	2,714,159
Total	43,488,164	35,945,053

The sensitivity analysis of investments classified in Stage 3 is presented below. The analysis shows by how much the fair values of these investments would increase or decrease under different assumptions, which are not based on observable market data. The sensitivity analysis is based on the midpoint scenario of the estimated values.

Table 65: Sensitivity analysis of Stage 3 investments

in EUR	31 Dec 2025
Value of Stage 3 investments	5,882,198
Estimated value deviation	+784,967 / -861,783

For bond investments with model valuation, the value deviation is determined by adjusting the key assumption of the required rate of return. There are no equity investments classified in Stage 3.

For other investments, the calculation of the deviation takes into account $\pm 15\%$ of the change in the value of the investment, and an asymmetrical - 25% or + 10% of the change in the value of the investment for alternative investment funds.

15.5.5 Assets from financial contracts of pension funds

Table 66: Assets from financial contracts of pension funds

in EUR	Carrying amount		Fair value	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Investments into securities:	462,653,723	429,836,699	463,696,156	430,113,675
1. Measured at amortised cost	126,058,551	115,462,687	127,100,984	115,739,663
3. Measured at fair value through profit or loss	336,595,172	314,374,012	336,595,172	314,374,012
Investment property	17,735,000	17,306,000	17,735,000	17,306,000
Other receivables (assets)	745,393	611,594	745,393	611,594
Cash and cash equivalents	11,555,093	9,448,966	11,555,093	9,448,966
Total assets	492,689,209	457,203,258	493,731,642	457,480,234
Liabilities from direct insurance operations	492,165,499	456,692,196	492,165,499	456,692,196
Other liabilities	523,710	511,062	523,710	511,062
Total liabilities	492,689,209	457,203,258	492,689,209	457,480,258

Table 67: Investments on accounts of pension policyholders by fund

		31 Dec 2025	31 Dec 2024
Prva and Prva+ Dynamic	Investments into securities held-to-maturity	4,102,283	3,056,620
	Investments into securities measured at fair value through profit or loss	132,998,488	114,209,430
	Real estate	0	0
	Cash and cash equivalents	1,815,635	981,319
Prva and Prva+ Balanced	Investments into securities held-to-maturity	10,831,538	7,471,763
	Investments into securities measured at fair value through profit or loss	112,166,494	106,703,436
	Real estate	0	0
	Cash and cash equivalents	255,156	672,799
Prva Guaranteed	Investments into securities held-to-maturity	12,753,705	12,214,931
	Investments into securities measured at fair value through profit or loss	9,728,999	10,463,922
	Real estate	1,497,913	1,476,230
	Cash and cash equivalents	648,026	421,468
Prva+ Guaranteed	Investments into securities held-to-maturity	98,371,026	92,719,374
	Investments into securities measured at fair value through profit or loss	81,701,192	82,997,224
	Real estate	16,237,087	15,829,770
	Cash and cash equivalents	4,797,324	3,477,532

Investments of pension funds in deposits with banks and savings banks represent long-term and short-term deposits and commercial records, denominated in euros. The interest rates on deposits range from 6.0% to 8.0% annually (2024: from 4.3% to 8,0%).

Investments in securities valued at maturity represent deposits, bonds, and commercial papers of Slovenian issuers.

Investments in securities designated at fair value through profit or loss represent shares traded on the securities market, shares and units of investment funds traded on the securities market, shares, traded on the securities market and corporate bonds from the organised markets of the Republic of Slovenia and EC and EOC countries, as well as other countries.

Investment property is measured at fair value. In 2025, the value increased by EUR 429,000. Rent revenue of pension funds amounted to EUR 1,256,053, while the costs of property maintenance amounted to EUR 129,975.

Table 68: Changes in investments in securities on accounts of pension policyholders

in EUR	31 Dec 2025	31 Dec 2024
Balance as at 1 Jan	429,836,699	372,820,879
Increase	76,217,569	110,346,249
Revaluation	18,496,484	36,050,394
Decrease	-61,897,028	-89,380,822
Balance as at 31 Dec	462,653,723	429,836,699

Table 69: Structure of securities based on type of interest rate on accounts of pension policyholders

in EUR	31 Dec 2025	31 Dec 2024
Debt securities	185,308,081	184,958,967
- Fixed interest rate	185,308,081	184,955,396
- Variable interest rate	0	3,570
Equity securities	277,345,642	244,877,732
Total	462,653,723	429,836,699

The effective interest rate on securities of pension funds ranges from 0.05% to 9.72% (2024: from -0.39% to 39.07%).

The Company has no investments valued at cost in the pension funds in the portfolio of investments.

As at 31 December 2025, the Company carried out a review of the value of the investment property based on an appraisal by a licenced appraiser of 30 September 2025. The valuation used the direct capitalisation method (Ameriška ulica 4 and Ameriška ulica 4), the market comparisons method, and partly the method of capitalisation of returns (sheltered housing units).

The following assumptions were used in the appraisals:

- Ameriška ulica 8:
 - capitalisation rate: 7.15%
 - non-occupancy and non-recoverability deduction: 3%
- Ameriška ulica 4:
 - capitalisation rate: 7.77%
 - non-occupancy and non-recoverability deduction: 3%
- sheltered housing units:
 - discount rate: 4.42%

As at 30 November 2025, the Company conducted an internal appraisal of shares of Prva Group owned by pension funds based on the present value of expected cash flows method. The following assumptions were used in the appraisals:

- discount rate: 12.26%
- discount rate for minority interest: 25%
- discount for lack of marketability: 20%

As at 30 June 2025, the Company also conducted an external appraisal of investments in DBS shares based on the dividend discount model and the method of market comparisons.

The following assumptions were used in the appraisals:

- discount rate: 11.1%
- growth rate: 6.1%
- control mark-up 2.2%
- discount for lack of marketability 14.3%

The sensitivity analysis of investments classified in Stage 3 is presented below. The analysis shows by how much the fair values of these investments would increase or decrease under different assumptions, which are not based on observable market data. The sensitivity analysis is based on the midpoint scenario of the estimated values. Deposits and loans are not included in the sensitivity analysis.

Table 70: Sensitivity analysis of Stage 3 investments

in EUR	31 Dec 2025
Value of Stage 3 investments	107,421,197
Estimated value deviation	+11,352,298 / -19,645,035

For bond investments with model valuation, the value deviation is determined by adjusting the key assumption of the required rate of return. For equity investments with model valuation, this is done by adjusting the discount rate and the long-term growth rate or long-term ROE.

For other investments, the calculation of the deviation takes into account $\pm 15\%$ of the change in the value of the investment, and an asymmetrical - 25% or + 10% of the change in the value of the investment for alternative investment funds.

15.6 OTHER RECEIVABLES AND OTHER ASSETS

Table 71: Receivables

in EUR	Prva Group		The Group	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Direct insurance receivables	0	0	95,328	92,700
Current trade receivables	338	338	207,779	85,084
Current advances granted	0	0	86,030	12,237
Receivables from corporate income tax	0	0	422	3,932
Receivables from the state and other institutions	12	12	203,642	103,468
Assets from financial contracts	0	0	0	0
Other receivables	425,653	612,870	2,955,994	3,049,610
Total receivables	426,003	613,220	3,549,196	3,347,031

Table 72: Other assets

in EUR	Prva Group		The Group	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Deferred costs	0	0	388,797	254,111
Accrued revenue	2,293	0	473,170	414,316
Total deferred costs and accrued revenue	2,293	0	861,967	668,427

15.7 CASH AND CASH EQUIVALENTS

Table 73: Cash and cash equivalents

in EUR	Prva Group		The Group	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Cash on hand	0	0	403	380
Cash at bank (local currency)	17,434	45,202	3,138,659	4,324,887
Cash at bank (foreign currency)	0	0	23,282	8,168
Deposits with up to 3-month maturity at banks	1,107,414	202,853	2,246,429	1,206,436
Total	1,124,848	248,055	5,408,773	5,539,871

Deposits with up to three month maturity are disclosed together with the interest accrued in accordance with contractual provisions.

15.8 EQUITY

15.8.1 Share capital

As at 31 December 2025, the share capital of the Company amounted to EUR 13,386,247, of which EUR 6,704,638 relates to ordinary shares, with the difference in the amount of EUR 6,681,609 relating to preference shares.

The ultimate parent of Prva Group is Prva Finance d.o.o. with registered office at Devinska 1, Ljubljana. Prva Finance was set up in 2021 after separation from the A-Z Finance Group, which was established in 1998. The majority owner of the company is Alenka Žnidaršič Kranjc. The company holds a 73.93% stake of Prva Group. The consolidated annual report is compiled by Prva Finance d.o.o. and can be obtained at the company's headquarters. The capital of the Group represents the capital of Prva Group and the capital of a non-controlling interest.

Table 74: Share capital

in EUR	31 Dec 2025	31 Dec 2024
Approved share capital (ordinary shares with a face value of EUR 23.00)	6,704,638	6,704,638
Approved share capital (preference shares with a face value of EUR 33.00)	6,681,609	6,681,609
Share capital (ordinary shares with a face value of EUR 23.00)	6,704,638	6,704,638
Share capital (preference shares with a face value of EUR 33.00)	6,681,609	6,681,609
Total share capital (issued and paid-in shares)	13,386,247	13,386,247

Table 75: Number of issued and paid-in shares

in EUR	Ordinary shares		Preference shares	
	2025	2024	2025	2024
As at 1 Jan	291,484	291,484	202,437	202,437
Issued	0	0	0	0
As at 31 Dec	291,484	291,484	202,437	202,437

As at 31 December 2025, the Company owns 18 ordinary and 10,299 preference shares (in 2024: 18 ordinary and 10,299 preference shares).

15.8.2 Capital surplus

Capital surplus comprises the surplus of capital paid (payments above the minimum emission values of shares or stakes) in the amount of EUR 6,278,574 (31.12.2024: EUR 6,278,574) and cannot be distributed. Other revenue reserves amount to EUR 3,388 (31.12.2024: EUR 3,388).

The Company separately discloses reserves for own shares in the amount of EUR -267,588 (31.12.2024: EUR -267,558) as a negative component of capital. Changes in capital surplus can be seen in the Statement of Changes in Equity.

Exchange rate differences arising from the translation of the functional currencies into the reporting currency are recognised directly in the statement of comprehensive income until the sale of a subsidiary when the exchange rate differences are transferred to profit or loss. These differences cannot be divided.

Undistributed profits are not earmarked and can be used for the payment of dividends in ensuing years.

15.9 PROPOSED AND PAID-OUT DIVIDENDS

As at 31 December 2025, the distributable profit of Prva Group amounts to EUR 13,515,177 (31.12.2024: EUR 9,274,676) and is comprised of retained earnings of EUR 6,646,830 EUR (31.12.2024: EUR 3,288,058) and of the current year's profit of EUR 6,868,347 (31.12.2024: EUR 5,986,618).

The Company also paid dividends in previous years. In 2025, EUR 380,433 of dividends were paid to preference shareholders. Ordinary shareholders received EUR 2,247,203 of dividends in 2025.

The Company intends to pay dividends to ordinary and preference shareholders for the 2025 financial year. Dividends, which are announced after the reporting period, are not included in the liabilities item in the balance sheet.

15.10 INSURANCE CONTRACTS THAT ARE ASSETS OR LIABILITIES

Table 76: Carrying amount of assets and liabilities under insurance contracts as at 31 December 2025

Balance as at 31 Dec 2024 (in EUR)	Insurance contracts that are assets	Insurance contracts that are liabilities	Total
Non-life insurance	0	818,412	619,982
General measurement model (BBA)	0	527,196	471,886
Premium allocation approach (PAA)	0	291,216	148,095
Variable fee approach (VFA)	0	0	0
Life insurance	0	253,758	0
General measurement model (BBA)	-1,931	38,337,465	38,335,535
Premium allocation approach (PAA)	-111	10,834,557	10,834,446
Variable fee approach (VFA)	-1,820	4,536	2,717
Total	0	26,950,820	26,950,820

The table above shows the value of the Group's assets and liabilities under insurance contracts; the Company does not have any such contracts.

Table 77: Carrying amount of assets and liabilities under insurance contracts as at 31 December 2024

Balance as at 31 Dec 2023 (in EUR)	Insurance contracts that are assets	Insurance contracts that are liabilities	Total
Non-life insurance	0	619,982	619,982
General measurement model (BBA)	0	471,886	471,886
Premium allocation approach (PAA)	0	148,095	148,095
Variable fee approach (VFA)	0	0	0
Life insurance	-166	34,048,540	34,048,374
General measurement model (BBA)	-166	11,572,442	11,572,276
Premium allocation approach (PAA)	0	1,722	1,722
Variable fee approach (VFA)	0	22,474,376	22,474,376
Total	-166	34,668,521	34,668,355

The table above shows the value of the Group's assets and liabilities under insurance contracts; the Company does not have any such contracts.

Table 78: Distribution of unallocated liabilities of Prva osebna zavarovalnica

v EUR	2025		2024	
	Življenje	Premoženje	Življenje	Premoženje
Vračunani stroški posredniške provizije	160,616	163,208	173,106	13,332
Prevrednotovalne poslovne terjatve	0	0	0	0
Obveznosti do zavarovancev	189,550	13,036	93,614	12,723
Obveznosti za davek od zavarovalnih poslov	1,528	19,503	1,490	16,444
Skupaj	351,694	195,747	268,210	42,499

The table above shows the value of unallocated liabilities of Prva osebenzavarovalnica. Other companies in the group do not have such liabilities.

Table 79: Changes in liabilities for remaining coverage (LRC) and liabilities for incurred claims (LIC) in 2025

(in EUR)	Liability for remaining coverage		Liability for incurred claims			Total
	Without loss component	Loss component	Contracts not measured under the PAA	Premium allocation approach (PAA)		
2025				Expected present value of future cash flows	Risk adjustment for non-financial risk	
Carrying amount at the beginning of the financial period	31,000,931	1,428,356	2,156,130	80,742	2,196	34,668,355
Insurance contracts that are assets	-3,129	2,963	0	0	0	-166
Insurance contracts that are liabilities	31,004,060	1,425,393	2,156,130	80,742	2,196	34,668,521
Changes in the income statement or other comprehensive income						
Insurance revenue	-15,402,300	0	0	0	0	-15,402,300
Contracts where the modified retrospective approach has been applied	-64,187	0	0	0	0	-64,187
Contracts where the fair value approach has been applied	0	0	0	0	0	0
Other contracts	-15,338,113	0	0	0	0	-15,338,113
Insurance service expenses	4,579,011	91,991	5,248,376	2,660,169	3,149	12,582,695
Incurred claims and other insurance service expenses	0	-206,871	5,248,376	2,660,169	3,149	7,704,822
Claims incurred during the financial period (excluding the investment component)	0	-206,871	5,613,251	2,740,330	5,329	8,152,038
Changes in cash flows arising from past service claims	0	0	-364,875	-80,161	-2,180	-447,216
Amortisation of insurance acquisition cash flows	4,579,011	0	0	0	0	4,579,011
Losses on onerous contracts and reversals of such losses	0	298,862	0	0	0	298,862
Investment component	0	0	0	0	0	0
Result from insurance operations	-12,661,004	91,991	7,086,091	2,660,169	3,149	-2,819,605
Financial revenue/expenses from insurance contracts	1,573,487	25,668	4,113	-45	-1	1,603,223
Total amounts recognised in the income statement or other comprehensive income	-11,087,517	117,659	7,090,205	2,660,124	3,147	-1,216,382
Cash flows	14,997,409	0	-	-	0	5,194,454
Premiums received	20,587,200	0	7,258,540	2,544,415	0	20,587,200
Claims payments, including the investment component	0	0	-7,258,540	-2,544,415	0	-9,802,955
Cash flows from insurance acquisition	-5,589,792	0	0	0	0	-5,589,792
Carrying amount at the end of the financial period	34,910,823	1,546,015	1,987,795	196,451	5,343	38,646,427
Insurance contracts that are assets	-4,185	2,254	0	0	0	-1,931
Insurance contracts that are liabilities	34,915,008	1,543,760	1,987,795	196,451	5,343	38,648,358

Table 80: Changes in liabilities for remaining coverage (LRC) and liabilities for incurred claims (LIC) in 2024

(in EUR)	Liability for remaining coverage		Liability for incurred claims			Total
	Without loss component	Loss component	Contracts not measured under the PAA	Premium allocation approach (PAA) Expected present value of future cash flows	Adjustment for non-financial risk	
2024						
Carrying amount at the beginning of the financial period	24,735,655	1,074,872	2,267,735	497	14	28,078,773
Insurance contracts that are assets	-3,893	3,653	0	0	0	-240
Insurance contracts that are liabilities	24,739,548	1,071,219	2,267,735	497	14	28,079,013
Changes in the income statement or other comprehensive income						
Insurance revenue	-14,353,994	0	0	0	0	-14,353,994
Contracts where the modified retrospective approach has been applied	-73,386	0	0	0	0	-73,386
Contracts where the fair value approach has been applied	0	0	0	0	0	0
Other contracts	-14,280,608	0	0	0	0	-14,280,608
Insurance service expenses	4,405,879	322,173	5,774,926	2,038,084	2,184	12,543,246
Incurred claims and other insurance service expenses	0	-131,868	5,774,926	2,038,084	2,184	7,683,326
Claims incurred during the financial period (excluding the investment component)	0	-131,868	6,065,143	2,038,134	2,185	7,973,594
Changes in cash flows arising from past service claims	0	0	-290,217	-50	-1	-290,268
Amortisation of insurance acquisition cash flows	4,405,879	0	0	0	0	4,405,879
Losses on onerous contracts and reversals of such losses	0	454,041	0	0	0	454,041
Investment component	0	0	0	0	0	0
Result from insurance operations	-11,175,720	322,173	7,002,532	2,038,084	2,184	-1,810,748
Financial revenue/expenses from insurance contracts	3,785,534	31,311	20,100	-33	-1	3,836,911
Total amounts recognised in the income statement or other comprehensive income	-7,390,186	353,484	7,022,631	2,038,051	2,183	2,026,163
Cash flows	13,655,463	0	-	-	0	4,563,420
Premiums received	18,403,249	0	0	0	0	18,403,249
Claims payments, including the investment component	0	0	-7,134,236	-1,957,807	0	-9,092,043
Cash flows from insurance acquisition	-4,747,785	0	0	0	0	-4,747,785
Carrying amount at the end of the financial period	31,000,931	1,428,356	2,156,130	80,742	2,196	34,668,355
Insurance contracts that are assets	-3,129	2,963	0	0	0	-166
Insurance contracts that are liabilities	31,004,060	1,425,393	2,156,130	80,742	2,196	34,668,521

15.11 REINSURANCE CONTRACTS THAT ARE ASSETS OR LIABILITIES

Table 81: Carrying amount of assets and liabilities under reinsurance contracts as at 31 December 2025

Balance as at 31 Dec 2025 (in EUR)	Reinsurance contracts that are assets	Reinsurance contracts that are liabilities	Total
Non-life insurance	-65,235	0	-65,235
General measurement model (BBA)	-52,033	0	-52,033
Premium allocation approach (PAA)	0	0	0
Variable fee approach (VFA)	0	0	0
Unallocated liabilities/receivables	-13,202	0	-13,202
Life insurance	-1,601,562	90,391	-1,511,171
General measurement model (BBA)	-1,384,635	90,391	-1,294,244
Premium allocation approach (PAA)	-196	0	-196
Variable fee approach (VFA)	0	0	0
Unallocated liabilities/receivables	-216,731	0	-216,731
Total	-1,666,797	90,391	-1,576,405

Table 82: Carrying amount of assets and liabilities under reinsurance contracts as at 31 December 2024

Balance as at 31 Dec 2024 (in EUR)	Reinsurance contracts that are assets	Reinsurance contracts that are liabilities	Total
Non-life insurance	-48,672	0	-48,672
General measurement model (BBA)	-48,672	0	-48,672
Premium allocation approach (PAA)	0	0	0
Variable fee approach (VFA)	0	0	0
Unallocated liabilities/receivables	0	0	0
Life insurance	-1,278,053	83,093	-1,194,960
General measurement model (BBA)	-1,149,191	83,093	-1,066,098
Premium allocation approach (PAA)	0	0	0
Variable fee approach (VFA)	0	0	0
Unallocated liabilities/receivables	-128,862	0	-128,862
Total	-1,326,725	83,093	-1,243,632

Table 83: Changes in assets for remaining coverage and for incurred claims under reinsurance contracts in 2025

(in EUR)	Assets for remaining coverage		Assets for incurred claims			Total
	Without loss component	Loss component	Contracts not measured under the PAA	Premium allocation approach (PAA) Expected present value of future cash flows	Risk adjustment for non-financial risk	
2025						
Carrying amount at the beginning of the financial period	-705,962	-124,072	-285,008	0	0	-1,115,042
Reinsurance contracts that are assets	-836,270	-79,010	-282,855	0	0	-1,198,135
Reinsurance contracts that are liabilities	130,308	-45,062	-2,154	0	0	83,093
Changes in the income statement or other comprehensive income						
Reinsurance expenses	717,669	0	0	0	0	717,669
Reinsurance revenue	0	32,464	-235,155	-1,500	0	-204,192
Expected recoveries of losses on incurred claims during the financial period	0	9,842	-387,263	-1,500	0	-378,921
Changes in cash flows arising from past service claims	0	0	152,108	0	0	152,108
Recovered losses and reversals of recoveries for onerous contracts	0	22,622	0	0	0	22,622
Investment component of reinsurance contracts	760,898	0	-760,898	0	0	0
Net result from reinsurance contracts	1,478,567	32,464	-996,053	-1,500	0	513,477
Financial effects arising from credit risk of reinsurance	-7	0	0	0	0	-7
Financial revenue/expenses from reinsurance contracts	-216,239	-5,075	-1,191	0	0	-222,505
Total changes in the income statement or other comprehensive income	1,262,321	27,389	-997,244	-1,500	0	290,965
Cash flows	-1,394,682	0	876,572	1,500	0	-516,610
Reinsurance premiums paid	-1,394,682	0	0	0	0	-1,394,682
Reinsurance costs reimbursed	0	0	876,572	1,500	0	878,073
Carrying amount at the end of the financial period	-838,323	-96,683	-405,681	0	0	-1,340,687
Reinsurance contracts that are assets	-952,037	-82,007	-402,820	0	0	-1,436,864
Reinsurance contracts that are liabilities	113,713	-14,676	-2,861	0	0	96,177

Table 84: Changes in assets for remaining coverage and for incurred claims under reinsurance contracts in 2024

(in EUR)	Assets for remaining coverage		Assets for incurred claims			Total
	Without loss component	Loss component	Contracts not measured under the PAA	Premium allocation approach (PAA) Expected present value of future cash flows	Risk adjustment for non-financial risk	
2024						
Carrying amount at the beginning of the financial period	-945,353	-83,406	0	0	0	-1,028,759
Reinsurance contracts that are assets	-1,073,553	-29,694	0	0	0	-1,103,246
Reinsurance contracts that are liabilities	128,200	-53,712	0	0	0	74,487
Changes in the income statement or other comprehensive income						
Reinsurance expenses	817,326	0	0	0	0	817,326
Reinsurance revenue	0	-33,115	-527,613	-291	0	-561,019
Expected recoveries of losses on incurred claims during the financial period	0	-13,100	-466,578	-291	0	-479,970
Changes in cash flows arising from past service claims	0	0	-61,035	0	0	-61,035
Recovered losses and reversals of recoveries for onerous contracts	0	-20,015	0	0	0	-20,015
Investment component of reinsurance contracts	736,265	0	-736,265	0	0	0
Net result from reinsurance contracts	1,553,591	-33,115	-1,263,878	-291	0	256,307
Financial effects arising from credit risk of reinsurance	8	0	0	0	0	8
Financial revenue/expenses from reinsurance contracts	-7,744	-7,550	-166	0	0	-15,460
Total changes in the income statement or other comprehensive income	1,545,855	-40,666	-1,264,044	-291	0	240,854
Cash flows	-1,306,464	0	979,036	291	0	-327,137
Reinsurance premiums paid	-1,306,464	0	0	0	0	-1,306,464
Reinsurance costs reimbursed	0	0	979,036	291	0	979,327
Carrying amount at the end of the financial period	-705,962	-124,072	-285,008	0	0	-1,115,042
Reinsurance contracts that are assets	-836,270	-79,010	-282,855	0	0	-1,198,135
Reinsurance contracts that are liabilities	130,308	-45,062	-2,154	0	0	83,093

15.12 LIABILITIES FROM FINANCIAL CONTRACTS

While Prva Group does not have any liabilities from financial contracts, its subsidiary, Prva pokojninska družba d.d., does, and recognises them in its balance sheet in accordance with IFRS.

Table 85: Liabilities from financial contracts

in EUR	31 Dec 2025	31 Dec 2024
Other liabilities from pension insurance	1,155,966	511,062
Other liabilities from annuity insurance	1,282,883	1,247,933
Net liabilities from annuity insurance	44,395,916	37,286,448
Net liabilities to pension policyholders	492,165,499	456,692,196
Total	539,000,264	495,737,639

The Group guarantees the guaranteed liabilities and return with its own funds and therefore classifies such contracts as financial contracts.

Table 86: Other liabilities from voluntary supplementary pension insurance

in EUR	31 Dec 2025	31 Dec 2024
Liabilities from insurance operations	471,460	457,288
Other liabilities	684,507	53,774
Total	1,155,966	511,062

Table 87: Other liabilities from annuities

in EUR	31 Dec 2025	31 Dec 2024
Liabilities from insurance operations	1,281,306	804,778
Other liabilities	1,577	443,155
Total	1,282,883	1,247,933

Liabilities from insurance operations are liabilities for fees and commission and liabilities to policyholders of Prva pokojninska družba d.d..

Table 88: Net liabilities to pension policyholders

in EUR	31 Dec 2025	31 Dec 2024
Mathematical provisions for paid net premiums	163,519,547	162,728,325
Mathematical provisions for attributable return of the fund	63,178,201	58,222,417
<i>Guaranteed return</i>	25,130,245	24,459,025
<i>Return exceeding the guaranteed return</i>	38,047,956	33,763,392
Provisions for insurance, where the property of the fund is divided into units (VEP)	265,467,751	235,741,454
Total	492,165,499	456,692,196

Net liabilities to pension policyholders represent mathematical provisions which are managed separately for each individual guarantee fund.

Mathematical provisions must comply with the Decision on Detailed Rules and Minimum Standards to be applied in the Calculation of Technical Provisions and at any time equal at least the amount of the redemption value of the insurance.

Thus, provisions are formed for each individual pension fund with guaranteed return and comprise the guaranteed funds on the personal account of policyholders and provisions for returns exceeding the guaranteed return. The guaranteed value of the fund consists of the payment of the net premium and prescribed guaranteed return. Mathematical provisions are not reinsured for any guarantee fund.

Table 89: Changes in liabilities to pension policyholders

in EUR		2024
Balance as at 1 Jan 2024		399,563,635
Payments		30,552,660
Redemption and net transfers		-16,124,880
Net result from investments		47,620,068
Fees		-4,919,288
Balance as at 31 Dec 2024		456,692,196
in EUR		2025
Balance as at 1 Jan 2025		456,692,196
Payments		31,741,207
Redemption and net transfers		-20,961,770
Net result from investments		30,029,636
Fees		-5,335,771
Balance as at 31 Dec 2025		492,165,499

Table 90: Changes in liabilities from annuity insurance

in EUR		2024
Balance as at 1 Jan 2024		27,054,544
Payments		8,597,575
Revaluation		1,634,328
Balance as at 31 Dec 2024		37,286,448
in EUR		2025
Balance as at 1 Jan 2025		37,286,448
Payments		11,680,336
Revaluation		-4,570,868
Balance as at 31 Dec 2025		44,395,916

15.13 LIABILITIES FROM LEASES

Table 91: Liabilities from leases

in EUR	Prva Group		The Group	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Liabilities from leases	0	0	446,840	528,830
Total	0	0	446,839	528,831

Table 92: Maturity of liabilities from leases

in EUR	Prva Group		The Group	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Up to one year	0	0	88,884	83,643
From one to five years	0	0	137,608	185,973
More than 5 years	0	0	220,348	259,214
Total	0	0	446,839	528,831

15.14 OTHER FINANCIAL LIABILITIES

Prva Group and the Group do not have any financial liabilities from loans.

15.15 OTHER LIABILITIES AND PROVISIONS

Table 93: Other liabilities

in EUR	Prva Group		The Group	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Other liabilities	30,317	43,082	2,432,510	1,321,078
Current accrued costs and deferred revenue	5,485	12,000	952,362	1,014,433
Total	35,802	55,082	3,384,873	2,335,510

Group companies pay their liabilities upon maturity. Other liabilities are mostly related to Prva osebna zavarovalnica d.d. and Prva pokojninska družba and relate to liabilities to suppliers, employees, rent liabilities, and other liabilities.

Table 94: Other provisions

in EUR	Prva Group		The Group	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Other provisions	0	0	308,767	300,580
Total	0	0	308,767	300,580

Other provisions are provisions for pensions, long-service bonuses, and severance pay upon retirement. Provisions for pensions and severance pay upon retirement as at 31 Dec 2025 in the Group amount to EUR 150,226 and the provisions for long-service bonuses in the Group amount to EUR 60,683. The remaining amount of EUR 97,859 represents other provisions of DDOR Garant ad and Prva Život ad.

The table below shows the changes in the Group's provisions for severance pay upon retirement and long-service bonuses in 2025.

Table 95: Balance and changes in provisions

Liabilities to employees	Severance pay upon retirement	Long-service bonuses
Provisions at the start of the period (31 Dec 2024)	151,128	56,510
Use of provisions in the period	-5,428	-3,592.4
Provisioning for current service costs	21,994	12,485
Provisioning for past service cost	-7,916	8,006.52
Provisioning/reversal of provisions for interest costs	4,927	2,219.39
Reversal of provisions for actuarial gains	-14,478	-14,946
Provisions at the end of the period (31 Dec 2025)	150,226	60,683

This assessment is based on the following assumptions:

- The trend of survival of employees will follow the probability of survival (npx) as set out in the mortality tables of the Slovenian population.
- The retirement age and the pension period for both men and women are determined in accordance with Articles 27 and 29 of the ZPIZ-2 (as of 1 January 2026, the age limit is higher).
- The average salary of an individual.
- The growth of income is estimated at 3% (the same as in the previous year).
- In accordance with the Collective Agreement for the Insurance Sector of Slovenia (Official Gazette of the Republic of Slovenia, No. 24/2011, Article 37), severance pay upon retirement is equal to the higher of two average salaries of the employee in the last three months
- or two average salaries in the Republic of Slovenia in the last three months, and is identical to the amount stipulated in the Employment Relationships Act (Official Gazette of the Republic of Slovenia, No. 21/2013, Article 132).
- When calculating potential liabilities for severance pay upon retirement, the provisions of the Decree on the tax treatment of reimbursement of costs and other income from employment (Official Gazette of the Republic of Slovenia, No. 140/06, 76/08, 162/22; hereinafter the Decree) are taken into account: if the severance pay exceeds the threshold defined by the Decree (300% of the last known average annual salary of employees in Slovenia - in 2025, this amount was $\text{EUR } 2,394.92 \times 3 = \text{EUR } 7,184.76$), the employer is required to pay an additional employer contribution of 16.10% on the excess amount.
- In accordance with the Company's resolution, the amounts of long-service bonuses are identical to those defined by the Decree.
- The calculation includes a growth rate of 3.7% for both severance pay upon retirement and long-service bonuses (the same as last year).
- The amount of severance pay upon long-service bonuses is uniform for all employees.
- The discount rate applied is 3.44% (compared to 3.0% in 2024).

The table below presents the actuarial changes to the assumptions for provisions within the Group.

Table 96: Analysis of changes to actuarial assumptions as at 31 December 2025

Parameter	Increase		Decrease	
	Severance pay upon retirement	Long-service bonuses	Severance pay upon retirement	Long-service bonuses
growth of income +/- 1% point	-23,716	-8,083	19,946	6,991
discount rate +/- 1% point	20,253	7,294	-24,631	-8,620
mortality rate +/- 10%	108	22	-108	-22
fluctuation +/- 10%	2,421	1,010	-2,421	-1,010

15.16 OFF-BALANCESHEET LIABILITIES OF THE GROUP

The Group's off-balance sheet liabilities and contingencies refer to liabilities arising from the pension funds of subsidiaries abroad.

Table 97: Assets of guarantee funds of subsidiaries abroad recognised in the off-balance sheet items (Group disclosure)

in EUR	31 Dec 2025	31 Dec 2024
Fondi Kosovo	10,675,860	10,001,251
KB Prvo Makedonija	1,514,035,254	1,321,729,107
DDOR Garant Srbija	77,085,296	73,241,098
Total	1,601,796,410	1,404,971,456

Foreign subsidiaries do not guarantee a return on such assets with their own assets and, as result, they do not assume such risk. Hence, the Group does not disclose them as financial contracts.

16 OTHER DISCLOSURES TO THE FINANCIAL STATEMENTS OF THE COMPANY AND THE GROUP

16.1 REMUNERATIONS OF MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS

In accordance with the provisions of the Companies Act (the ZGD-1), Prva Group has a Remuneration Policy in place, which was adopted by the Management Board in 2021 and approved by the General Meeting on 27 June 2022.

Table 98: Costs of the Management and Supervisory Boards (including attendance fees of subsidiaries) for Prva Group

	2025	2024
Management Board	43,504	33,438
Supervisory Board	12,906	14,914
Total payouts	56,410	48,352

In 2025, Prva Group did not provide members of its Management or Subsidiary Boards with any prepayments or loans, nor did it assume any liabilities on their behalf. Remunerations made in 2025 are presented below.

Table 99: Remunerations to members of the Management Board of Prva Group plc. in 2025

	Salary	Pension insurance	Benefits	Reimbursement of expenses	Holiday allowance	Attendance fee	Bonus	Total
Janez Kranjc	30,000	296	0	313	264	0	66	30,939
Alenka Žnidaršič Kranjc	12,000	0	0	565	0	0	0	12,565
Total	42,000	296	0	878	264	0	66	43,504

Table 100: Remunerations to members of the Management Board of Prva Group plc. in 2024

	Salary	Pension insurance	Benefits	Reimbursement of expenses	Holiday allowance	Attendance fee	Bonus	Total
Janez Kranjc	30,000	0	0	314	0	0	110	30,424
Alenka Žnidaršič Kranjc	3,000	0	0	14	0	0	0	3,014
Total	33,000	0	0	328	0	0	110	33,438

Table 101: Remunerations to members of the Supervisory Board of Prva Group plc. in 2025

Members	Function	Attendance fee	Total gross	Personal income tax	Net	Contr. for pension and disability ins. 8.85%+0.53% flat contr.
MATEJ AKRAPOVIĆ	2,500	716	3,216	674	2,343	272
MIHA KRANJC	2,500	716	3,216	674	2,343	272
TINKARA GODEC	1,250	358	1,608	339	1,177	136
LINDSAY STUART	3,750	716	4,466	936	3,254	377
SARA ČUČNIK	0	400	400	83	290	34
Total	10,000	2,906	12,906	2,706	9,409	1,090

Table 102: Remunerations to members of the Supervisory Board of Prva Group plc. in 2024

Members	Function	Attendance fee	Total gross	Personal income tax	Net	Contr. for pension and disability ins. 8.85%+0.53% flat contr.
MATEJ AKRAPOVIĆ	2,500	716	3,216	672	2,354	272
MIHA KRANJC	2,500	716	3,216	672	2,354	272
TINKARA GODEC	1,250	358	1,608	339	1,177	136
HELENA PETRIN	1,250	358	1,608	339	1,177	136
LINDSAY STUART	3,750	716	4,466	934	3,269	377
SARA ČUČNIK		800	800	167	586	68
Total	11,250	3,664	14,914	3,124	10,917	1,261

16.2 TRANSACTIONS WITH AFFILIATED PERSONS

The Company charged Group companies for services mainly in the areas of investment, internal audit, and the rental of hardware and software. The table below shows purchases, sales, and the balance of receivables and liabilities between the Company and affiliated persons.

Table 103: Transactions of Prva Group with subsidiaries in 2025

PG - affiliated persons	Costs - purchases from affiliated persons	Revenue - sales to affiliated persons	Receivables due from affiliated persons	Liabilities to affiliated persons
Prva osebna zavarovalnica	0	8,430	0	5,586
Prva pokojninska družba	0	0	0	0
Ddor Garant	3,600	0	300	0
Fondi Slloveno-Kosovar i Pensioneve	5,421	0	38	0
KB Prvo Makedonija	0	0	0	0
Prva Zhivot	0	0	0	0
Total	9,021	8,430	338	5,586

The table below shows dividend revenue and interest revenue and expenses between the Company and affiliated persons.

Table 104: Dividend revenue of Prva Group with subsidiaries in 2025

PG - affiliated persons	Dividend revenue	Interest revenue	Interest expenses
Prva osebna zavarovalnica d.d.	700,000	0	0
Prva pokojninska družba d.d.	3,599,965	0	0
KB Prvo	1,780,773	0	0
DDOR Garant penzijsko društvo a.d	43,343	0	0
Fondi Slloveno-Kosovar I pensioneve Sh.a.	0	0	0
Total	6,124,081	0	0

The table below shows purchases, sales, and the balance of receivables and liabilities between the Company and affiliated persons.

Table 105: Transactions of Prva Group with subsidiaries in 2024

PG - affiliated persons	Costs - purchases from affiliated persons	Revenue - sales to affiliated persons	Receivables due from affiliated persons	Liabilities to affiliated persons
Prva osebna zavarovalnica	0	7,174	0	5,582
Prva pokojninska družba	0	0	0	0
Ddor Garant	3,600	0	300	0
Fondi Slloveno-Kosovar i Pensioneve	5,400	0	0	0
KB Prvo Makedonija	0	0	16	0
Prva Zhivot	0	0	22	0
Total	9,021	7,174	338	5,582

The table below shows dividend revenue and interest revenue and expenses between the Company and affiliated persons.

Table 106: Dividend revenue of Prva Group with subsidiaries in 2024

PG - affiliated persons	Dividend revenue	Interest revenue	Interest expenses
Prva osebna zavarovalnica d.d.	700,000	0	0
Prva pokojninska družba d.d.	2,875,508	0	0
KB Prvo	1,485,577	0	0
DDOR Garant penzijsko društvo a.d	43,790	0	0
Fondi Sloveno-Kosovar I pensioneve Sh.a.	0	0	0
Total	5,104,875	0	0

The Company and individual subsidiaries had no other significant affiliated party transactions in 2025.

The table below shows purchases, sales, receivables, and liabilities within the Group on a consolidated basis.

Table 107: Consolidated transactions of Prva Group with subsidiaries in 2025

	Sales to affiliated persons	Purchases from affiliated persons	Receivables due from affiliated persons	Liabilities to affiliated persons
CONSOLIDATED	196,716	196,716	36,146	36,146

In addition to transactions in which the Company is the buyer or the provider, the Group also carries out transactions between subsidiaries and affiliates in which the Company is not itself involved. In all such transactions, Prva osebna zavarovalnica d.d. is considered to be either the buyer or the provider of the services. The tables below thus also show transactions between Prva osebna zavarovalnica and affiliated persons in 2025 and 2024.

Table 108: Transactions with affiliated persons from the viewpoint of Prva osebna zavarovalnica d.d in 2025

in EUR	2025	Sales to affiliated persons	Purchases from affiliated persons	Receivables due from affiliated persons	Liabilities to affiliated persons
Prva Group		6,242	-	5,586	-
Prva pokojninska družba		108,742	3,391	24,659	456
Fondi Sloveno-kosovar i pensi		7,500	-	-	-
DDOR GARANT A.D.		49,231	-	4,139	-
Prva finance		2,228	-	2,719	-
Prva skladi		7,800	-	853	-
Prva skladi-prva private debt		9,600	-	976	-
Deos		-	96,072	29,274	8,553
DEJ Skladi, d.o.o.		5,457	-	405	-
Prva Zhivod A.D.		10,400	-	967	-
MN d.o.o.		-	18,961	-	2,974
Total		207,201	118,424	69,577	11,983

Table 109: Transactions with affiliated persons from the viewpoint of Prva osebna zavarovalnica d.d in 2024

in EUR	Sales to affiliated persons	Purchases from affiliated persons	Receivables due from affiliated persons	Liabilities to affiliated persons
Prva Group	6,200	-	5,582	-
Prva pokojninska družba	111,527	1,719	27,363	475
Fondi Sloveno-kosovar i pensi	227,013	-	219,513	-
DDOR GARANT A.D.	30,000	-	0	-
Prva finance	2,228	-	2,719	-
Prva skladi	7,800	-	793	-
Prva skladi-prva private debt	10,684	-	976	-
Deos d.o.o.	-	107,616	-	9,732
DEJ Skladi, d.o.o.	4,743	-	-	-
Prva Zhivod A.D.	8,800	-	109	-
Total	408,995	109,335	257,055	10,207

All transactions with affiliated persons have been carried out under market conditions and the Company/Group was not deprived.

17 RISK MANAGEMENT

17.1 RISK MANAGEMENT SYSTEM IN THE LAST YEAR

After a period of relatively high interest rates in 2023, a gradual calibration towards expected levels started in 2024 and continued in 2025. Global financial markets continue to be subject to various geopolitical situations with escalating tensions and uncertainties that could translate into higher price volatility.

The Company meets all its obligations within the legal, contractual and strategic frameworks and in line with the adopted plan. The adopted measures ensure the smooth management of the funds and the fulfilment of obligations towards its customers and supervisory institutions.

The Group continually monitors the global geopolitical situation, examining the impact it may have on its operations (war in Ukraine, inflationary pressures, politics in the USA, the EU, China, and Russia). The subsidiaries and the funds they manage do not have direct exposure to Russia and Ukraine through investments, but do have indirect exposure through investments in index funds; however, this exposure is negligible.

We further assess that the achievement of guaranteed returns is not at risk. We do not consider that the going concern assumption is compromised as a result of the situation and we do not expect any deterioration in the provision of adequate cash flows. The Group meets all its obligations within the legal, contractual and strategic frameworks and in line with the adopted business plan. The adopted measures ensure the smooth management of the funds and the fulfilment of obligations towards its users and supervisory institutions. The Group has not received any assistance or aid from the governments of the countries in which it operates.

The Group regularly reviews its adequacy and maintains an appropriate level of capital adequacy also for future periods. It has put mechanisms in place to ensure that it can continue to operate smoothly and meet all its obligations even in crisis situations.

17.2 INSURANCE RISK MANAGEMENT

Every insurance contract is exposed to uncertainties whether an insured event will occur, when it will occur, and how much the insurance premium will be. By nature, the insurance risks that arise from insurance contracts are coincidental and thus unpredictable.

Insurance risks relate to the uncertainty of insurance transactions. The most important components of insurance risk are:

- risk of unsuitable amount of premium (premium risk);
- risk of inappropriate amount of technical provisions (provision risk);
- risk of improperly calculated costs (cost risk); and
- risk of contract termination.

Premium and cost risks are the risks that the actual costs and claims incurred will be higher than the written premium. This can occur when the frequency or the amount of claims is higher than expected or if products are too expensive or sold unsuccessfully, which results in a product being cost-ineffective. Risk of contract termination is a risk that there will be more contract terminations than expected, which affects the profitability of the product and exposes companies to the risk of counterparties, particularly agents, where commission is paid in advance at the time of conclusion of a contract.

Experience shows that portfolio size and diversification decrease deviations. The companies have implemented a process of accepting insurances that differentiates among different types of risks and aims to achieve appropriate portfolio size risks in order to decrease variability of expected claims.

The companies manage risks with the help of criteria for accepting insurances which depends on the amount or the sum insured and the type of risk. Furthermore, the companies manage these risks through appropriate development of products, pricing, and reinsurance. The portfolio and portfolio costs are regularly analysed and checked for gender, age, and geographical structure to prevent the occurrence of excessive exposure. Termination risk is managed through the return of the unearned commission on reversal and long-term customer management. To this end, the companies also use a CRM system.

As Prva osebna zavarovalnica and Prva Život market only personal insurance, the impact of inflation on the valuation of technical provisions is reflected through changes in the parameters on the expected level of fixed and variable (operating) costs.

17.2.1 Insurance contract adequacy test - Prva osebna zavarovalnica d.d.

The Company has passed the liability adequacy test based on the portfolio situation as at 31 Dec 2025, both for technical provisions for capital adequacy purposes (best estimate of liabilities, hereinafter BEL) and for liabilities/assets from insurance contracts for financial reporting purposes.

Adequacy of technical provisions for capital adequacy purposes

When calculating the best estimate of liabilities (BEL), the Company used the present value of the best estimate of all future expected contractual cash and related financial flows, including:

- gross premium,
- costs, including the expected inflation,
- commission,
- commission refunds,
- claims,
- options and guarantees,
- reinsurance premium and reinsurance claims.

Parameters

The projection of future cash flows is made using economic and biometric parameters based on the available information obtained from financial institutions or own portfolio analyses. The parameters used represent the current best estimate without risk adjustments. The most important parameters are presented below.

- Interest rate curve: the December risk-free interest rate curve for 2025 (excluding volatility adjustment) is used on the basis of data on risk-free interest rate curves for 2025, prescribed and published monthly by EIOPA.
- Costs: the basis for determining costs in insurance types is the accounting categorisation of the Company's costs by insurance types. These costs are analysed and broken down to underwriting costs, which do not affect the future operations of the Company and are not used in the determination of future costs included in provisions. The cost analysis was carried out on the basis of the situation as at 31 December 2025. The cost projection model also considered the (annual) inflation target of 2.0% per year. This parameter is derived from the forecast of the European Central Bank.
- Mortality and morbidity: the tables used as a basis for determining expected mortality and morbidity rates are either standard or used in the pricing of insurance. The tables are weighted according to the perceived loss result of insurance by individual insurance coverage. In case of an insufficient number of insurance contracts or claims in individual coverage, the data of similar coverage is reasonably used.
- Reversals, redemptions, and capitalisations: the expected lapse rates are obtained based on portfolio analysis over the past few years.

Sensitivity analysis of the result on change in parameters

The Company conducted a sensitivity analysis on the change in the key parameters, which were used for carrying out the BEL test.

Table 110: Sensitivity analysis

Sensitivity to change in mortality and morbidity tables					
	Starting point	10%	deviation	-10%	deviation
Life insurance	-3,731,519	-2,242,729	-39.90%	-5,269,642	41.22%
Health insurance	-997,009	-902,698	-9.46%	-1,094,842	9.81%
Unit-linked insurance	-8,421,868	-8,403,137	-0.22%	-8,454,497	0.39%
Pension annuities	2,593,926	2,576,417	-0.68%	2,613,475	0.75%
Sensitivity to changes in cancellations and capitalisations					
	Starting point	10%	deviation	-10%	deviation
Life insurance	-3,731,519	-3,667,126	-1.73%	-3,797,302	1.76%
Health insurance	-997,009	-1,000,698	0.37%	-992,918	-0.41%
Unit-linked insurance	-8,421,868	-7,948,528	-5.62%	-8,944,997	6.21%
Sensitivity to changes in costs					
	Starting point	10%	deviation	-10%	deviation
Life insurance	-3,731,519	-2,161,845	-42.07%	-5,301,193	42.07%
Health insurance	-997,009	-852,435	-14.50%	-1,141,583	14.50%
Unit-linked insurance	-8,421,868	-8,014,180	-4.84%	-8,829,556	4.84%
Pension annuities	2,593,926	2,627,110	1.28%	2,560,742	-1.28%
Sensitivity to changes in the interest rate curve					
	Starting point	+1 percentage point	deviation	-1 percentage point	deviation
Life insurance	-3,731,519	-3,896,690	4.43%	-3,493,019	-6.39%
Health insurance	-997,009	-972,093	-2.50%	-1,023,959	2.70%
Unit-linked insurance	-8,421,868	-8,177,803	-2.90%	-8,691,477	3.20%
Pension annuities	2,593,926	2,358,800	-9.06%	2,873,271	10.77%
Sensitivity to changes in the price growth index					
	Starting point	+0.5 percentage point	deviation	-0.5 percentage point	deviation
Life insurance	-3,731,519	-3,090,261	-17.18%	-4,332,539	16.11%
Health insurance	-997,009	-950,670	-4.65%	-1,040,186	4.33%
Unit-linked insurance	-8,421,868	-8,243,749	-2.11%	-8,587,855	1.97%
Pension annuities	2,593,926	2,609,361	0.60%	2,579,591	-0.55%

Adequacy of liabilities/assets from insurance contracts for financial reporting purposes.

In calculating the present value of future cash flows, the Company considers the best estimate of all future expected contractual cash and related financial flows. The projection of future cash flows is made using economic and biometric parameters based on the available information obtained from financial institutions or own portfolio analyses. The parameters used represent the best estimate without risk adjustments.

The calculation as at 31 December 2025 uses the same parameters as for the quarterly calculation of technical provisions for capital adequacy purposes as at 31 December 2025. The exceptions are:

- discount curve, where a liquidity premium is added to the risk-free interest rate curve;
- forecast costs, which do not include a forecast for the part of non-directly attributable expenses
- additional parameters for accident insurance.

Adequacy of liabilities for remaining coverage

Analyses of the comparisons of forecast and actual cash flows for 2025 showed that most of the cash flows are forecast reliably. The only exception are cash flows that are inherently highly volatile, such as claims on insurance and reinsurance contracts and the sharing of the technical result from reinsurance.

Adequacy of liabilities for incurred claims

The analyses of the adequacy of the IBNR and the RBNS for 2025 showed that the IBNR and the RBNS adequately cover the claims incurred in 2025. Consequently, the liabilities for incurred claims (LIC) are also adequately formed.

17.2.2 Insurance contract adequacy test - Prva pokojninska družba d.d.

Contracts for voluntary supplementary pension insurance do not appear to carry any insurance risk during the savings period and are therefore treated by the Company as financial contracts. The amount of the liabilities under these contracts is equal to the balance of the policyholders' personal accounts, which fluctuate in line with market conditions and carry a certain portion of the guarantee (minimum guaranteed return on guaranteed funds). In terms of verifying the adequacy of the liabilities, this means verifying the correctness of balances on personal accounts on the basis of actual cash flows (premium payments, redemptions, transfers, etc.) under the influence of the AUV. The conducted tests have shown that the conversions in 2025 were carried out correctly.

A portfolio that contains insurance risk, even if insignificant, is the portfolio of pension annuities under the ZPIZ-2. The number of total annuities that are actually insurance contracts is negligible. The Company therefore treats all of these contracts as financial contracts.

The Company measures the amount of the annuity liability at amortised cost.

As at 31 December 2025, the Company verified that the technical provisions of the pension annuity portfolio for the purposes of capital adequacy are greater than or equal to the liabilities measured at market assumptions (best estimate of liabilities).

The insurance contracts include family and disability pension insurance. This insurance is taken out only rarely and there are about 200 active policies and only about EUR 6,000 of claims paid out every year.

Annuity liability testing

In calculating best estimate liabilities (BEL), the Company considered its best estimate of the present value of all expected future contractual cash and related cash flows, including:

- gross premium,
- costs, including the expected inflation,
- payment of annuities,
- options and guarantees,

at the level of an individual insurance contract.

Parameters

The projection of future cash flows is made using economic and biometric parameters obtained from financial institutions and own portfolio analyses. The parameters used represent the best estimate without risk adjustments. The most important parameters are:

- interest rate curve: the present value of cash flows was calculated using the risk-free interest rate curve for December 2025 as stipulated and published by EIOPA, with an adjustment for the liquidity premium;

- costs: the basis for determining costs was the accounting categorisation of the Company's costs by insurance types. Other underwriting costs have been excluded, as agents' commissions are modelled as a separate cash flow in the BEL calculation. The cost analysis was based on data from January 2025 - December 2025, separating costs into fixed and variable and reflecting the impact of inflation. The model for the projection of expected costs also took into account the (annual) inflation target of 2.0% per year;

- mortality: the basis for the determination of expected mortality rates are mortality tables calibrated to the SIA65 Slovenian mortality tables, which are prescribed as the minimum standard for the calculation of technical provisions for newly concluded annuity insurance policies. The estimate for the weight is derived from mortality analyses on the own portfolio.

Results of the liability adequacy test

The liability adequacy test did not reveal any shortfalls in the mathematical provisions for capital adequacy purposes and the formed liabilities from financial contracts.

Sensitivity analysis

The Company conducted a sensitivity analysis on the change in the key parameters, which were used for carrying out the liability adequacy test. The best estimate of the liability is most sensitive to the shift in the interest rate curve used, with products with a higher embedded interest rate being more sensitive and contributing more to the deficit than newer products.

	BE	Sensitivity to change in mortality tables			
	Starting point	10%	difference	-10%	difference
Pension annuities	34,974,883	34,800,417	-0.50%	35,170,738	0.56%
		Sensitivity to changes in costs			
	Starting point	10%	difference	-10%	difference
Pension annuities	34,974,883	35,065,032	0.26%	34,884,734	-0.26%
		Sensitivity to changes in the interest rate curve			
	Starting point	+1 percentage point	difference	-1 percentage point	difference
Pension annuities	34,974,883	33,075,882	-5.43%	37,037,248	5.90%
		Sensitivity to changes in the price growth index			
	Starting point	+0.5 percentage point	difference	-0.5 percentage point	difference
Pension annuities	34,974,883	35,020,467	0.13%	34,932,975	-0.12%

17.3 FINANCIAL RISK MANAGEMENT

The basic financial instruments of the Company and the Group are investments in securities, cash deposits, and cash at bank. The main purpose of these financial instruments is to achieve long-term returns. The Company and the Group also have other financial instruments, such as trade receivables and trade payables. The policies are summarised below.

17.3.1 Capital management

Prva Group manages its capital with the aim of ensuring both smooth and continued operations of the Company and maximum profitability for its shareholders, through optimal balance between borrowings and capital.

The Group monitors capital balances of its subsidiaries to ensure an adequate amount of capital. All of the subsidiaries fully comply with the relevant capital adequacy requirements.

17.3.2 Credit risk

The Company and Group only do business with renowned and trustworthy customers. They are exposed to credit risk in terms of investments in securities, issued loans and deposits, cash, and other receivables. The Group's main exposure presents the risk of counterparty default due to insolvency; the maximum exposure equals the carrying amount of the financial instruments.

The credit rating structure of bond investments did not change significantly in the year under review, except for an increase in A-rated investments, nor did the Company significantly change the duration of the bond investment portfolio, as the Company holds mostly relatively short-term investments.

Securities presented in the table below have been classified to different groups according to their credit rating. In determining an individual investment's credit rating, the credit ratings issued by Moody's, S&P, and Fitch are taken into account. If the credit rating has been issued by more than one agency, the second best credit rating is applied.

Table 111: Credit quality of the financial assets of Prva Group

Prva Group plc.	31 Dec 2025	31 Dec 2025 in %	31 Dec 2024	31 Dec 2024 in %
1. Rating - AAA	0	0.00%	0	0.00%
2. Rating - AA	0	0.00%	0	0.00%
3. Rating - A	2,031,858	13.64%	0	0.00%
4. Rating - BBB	8,979,809	60.27%	6,190,460	55.95%
5. Below BBB	0	0.00%	0	0.00%
6. Not rated	3,887,847	26.09%	4,874,569	44.05%
Total	14,899,513	100.00%	11,065,029	100.00%

The structure has changed compared to 2024, with more BBB-rated securities and fewer A-rated securities in the portfolio at the end of the year.

Table 112: Credit quality of the financial assets of the Group

The Group	31 Dec 2025	31 Dec 2025 in %	31 Dec 2024	31 Dec 2024 in %
1. Rating - AAA	1,657,713	1.51%	1,141,431	1.19%
2. Rating - AA	8,701,145	7.94%	8,896,842	9.25%
3. Rating - A	10,164,168	9.28%	5,002,619	5.20%
4. Rating - BBB	26,770,068	24.43%	28,699,570	29.83%
5. Below BBB	19,753,365	18.03%	15,218,642	17.74%
6. Not rated	42,526,997	38.81%	35,422,753	36.79%
Total	109,573,456	100.00%	94,381,857	100.00%

Investments are highly diversified and therefore the Company and the Group do not have significant exposure to any single issuer. Investments are not pledged.

As at 31 December 2025, the Group classifies government bonds (46%), corporate bonds (28%), and deposits in banks (26%) in the rating group Below BBB.

As at 31 December 2025, the Group classifies deposits and redemptions of receivables (24%), bonds (1%), and holdings in investment funds (74%) in the non-rated category. The Group's portfolio structure has not changed significantly compared to 2024.

CREDIT QUALITY OF THE INVESTMENTS OF PENSION AND PENSION ANNUITY FUNDS

Table 113: Credit quality of the investments of pension and annuity funds

Pension and annuity funds	31 Dec 2025	%	31 Dec 2024	%
1. Rating - AAA	6,045,178	1.12%	5,149,662	1.04%
2. Rating - AA	16,530,197	3.07%	15,941,784	3.22%
3. Rating - A	78,793,181	14.62%	64,811,688	13.07%
4. Rating - BBB	57,644,433	10.69%	66,498,006	13.41%
5. Below BBB	17,705,049	3.24%	22,800,625	4.60%
6. Not rated	362,282,225	0.04%	320,535,873	64.66%
Total	539,000,264	67.21%	495,737,639	100.00%

Table 114: Share of investments of pension and annuity funds with a credit rating below BBB and without rating

Investments - credit rating below BBB	31 Dec 2025 in %	31 Dec 2024 in %
Deposits	13.9%	12.2%
Government bonds	44.3%	44.7%
Corporate bonds	41.8%	43.1%
Investments - without credit rating	31 Dec 2025 in %	31 Dec 2024 in %
Domestic and foreign investment funds	64.7%	62.9%
Domestic and foreign shares	23.5%	25.7%
Real estate	5.7%	6.5%
Corporate bonds	0.6%	0.4%
Government bonds	0.9%	0.0%
Money	4.6%	4.5%

Pension fund investments are diversified in accordance with the ZZavar-1, which means that the Company is not significantly exposed to any single issuer. The Company and pension funds have no outstanding receivables. None of the investments are pledged as collateral. The Company and the Group regularly assess credit risk arising from deposits at banks and by following a conservative investments policy invest any surplus assets in deposits of local banks for which they believe there is no significant risk of default.

THE COMPANY'S AND THE GROUP'S RECEIVABLES

The table below shows gross amounts of receivables by maturity, the revaluation of receivables by maturity, and the carrying amount of receivables by maturity.

Table 115: Maturity structure of receivables

Gross value of the receivable (in EUR)	Prva Group		The Group	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Receivables not yet due	397,658	613,220	2,974,494	3,327,764
Up to 90 days overdue	0	0	588,897	280,424
More than 90 days overdue	0	0	22,880	11,470
Total	397,658	613,220	3,586,271	3,619,658

Revaluation of receivables (in EUR)	Prva Group		The Group	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Receivables not yet due	0	0	0	0
Up to 90 days overdue	0	0	12,298	9,651
More than 90 days overdue	0	0	16,976	9,596
Total	0	0	29,274	19,247

Carrying amount of receivables (in EUR)	Prva Group		The Group	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Receivables not yet due	397,658	613,220	2,974,494	3,327,764
Up to 90 days overdue	0	0	576,599	270,773
More than 90 days overdue	0	0	5,904	1,874
Total	397,658	613,220	3,556,996	3,600,411

17.3.3 Liquidity risk

The Company and the Group manage liquidity risk through cash flow forecasting. The Company uses this tool to take into account the maturity of investments including planned outflows which relate to the Company's operations.

The Company's and Group's investments are financed with the Company's capital. The Group does not operate in the field of supply chain financing and consequently is not exposed to liquidity risk for this reason. At the end of the year, the Company and the Group report only current costs with maturity of up to 3 months. The following tables represent the structure of assets and liabilities according to maturity.

Table 116: Overview of the contractual maturity of the financial assets and liabilities of Prva Group

in EUR	31 Dec 2025			31 Dec 2024		
	TOTAL	Up to 12 months overdue	More than 12 months overdue	TOTAL	Up to 12 months overdue	More than 12 months overdue
ASSETS						
Investments	35,319,255	3,887,847	31,431,407	31,092,302	4,874,569	26,217,732
Shares in subsidiaries	20,419,741	0	20,419,741	20,027,272	0	20,027,272
Shares in associated companies	0	0	0	0	0	0
Investments into securities	14,899,513	3,887,847	11,011,666	11,065,029	4,874,569	6,190,460
1. Measured at amortised cost	3,887,847	3,887,847	0	4,874,569	4,874,569	0
2. Measured at fair value through other comprehensive income	11,011,666	0	11,011,666	6,190,460	0	6,190,460
3. Measured at fair value through profit of loss	0	0	0	0	0	0
Cash and cash equivalents	1,124,848	1,124,848	0	248,055	248,055	0
Other receivables and assets	399,951	399,951	0	613,220	613,220	0
TOTAL ASSETS	36,844,053	5,412,646	31,431,407	31,953,576	5,735,843	26,217,732
LIABILITIES						
Other liabilities	35,801	35,801	0	55,081	55,081	0
TOTAL LIABILITIES	35,801	35,801	0	55,081	55,081	0

Table 117: Overview of the contractual maturity of the financial assets and liabilities of the Group

in EUR	31 Dec 2025			31 Dec 2024		
	TOTAL	Up to 12 months overdue	More than 12 months overdue	TOTAL	Up to 12 months overdue	More than 12 months overdue
ASSETS						
Investments	109,710,284	20,529,610	89,180,674	96,254,808	19,558,485	76,696,324
Shares in associated companies	0	0	0	0	0	0
Investments into securities	109,710,284	20,529,610	89,180,674	96,254,808	19,558,485	76,696,324
1. Measured at amortised cost	35,832,055	16,548,553	19,283,503	32,722,117	15,253,903	17,468,214
2. Measured at fair value through other comprehensive income	38,037,530	1,322,452	36,715,078	33,094,667	2,224,716	30,869,950
3. Measured at fair value through profit of loss	35,840,699	2,658,606	33,182,093	30,438,024	2,079,865	28,358,159
Cash and cash equivalents	5,408,774	5,408,774	0	5,539,871	5,539,871	0
Other receivables and assets	4,382,818	4,382,818	0	4,015,459	4,015,459	0
Assets from financial contracts	539,000,264	65,154,676	473,845,588	495,737,639	309,400,099	186,337,540
TOTAL ASSETS	658,502,140	95,475,878	563,026,262	601,547,777	338,513,914	263,033,864
LIABILITIES						
Other liabilities	3,384,881	3,384,881	0	2,335,511	2,335,511	0
Liabilities from financial contracts	539,000,262	32,108,097	506,892,165	495,737,639	27,356,390	468,381,248
TOTAL LIABILITIES	542,385,143	35,492,978	506,892,165	498,073,149	29,691,901	468,381,248

Table 118: Overview of the structure of assets and liabilities of Prva Group according to the expected non-discounted cash flows in 2025

Prva Group in EUR	31 Dec 2025				Total	Carrying amount
	Up to 1 year overdue	1-5 years overdue	More than 5 years overdue	Assets and liabilities without maturity		
ASSETS						
Deferred tax assets	0	22,600	0	0	22,600	22,600
Investments into securities	3,887,847	0	11,011,666	0	14,899,513	14,899,513
1. Measured at amortised cost	3,887,847	0	0	0	3,887,847	3,887,847
2. Measured at fair value through other comprehensive income	0	0	11,011,666	0	11,011,666	11,011,666
3. Measured at fair value through profit of loss	0	0	0	0	0	0
Assets from financial contracts	0	0	0	0	0	0
Other receivables and assets	399,951	0	0	0	399,951	399,951
Cash and cash equivalents	1,124,848	0	0	0	1,124,848	1,124,848
TOTAL ASSETS	5,412,646	22,600	11,011,666	0	16,446,913	16,446,913
LIABILITIES						
Other liabilities	0	0	0	0	0	0
TOTAL LIABILITIES	0	0	0	0	0	0

Table 119: Overview of the structure of assets and liabilities of Prva Group according to the expected non-discounted cash flows in 2024

Prva Group in EUR	31 Dec 2024			Assets and liabilities without maturity	Total	Carrying amount
	Up to 1 year overdue	1-5 years overdue	More than 5 years overdue			
ASSETS						
Deferred tax assets	0	22,291	0	0	22,291	22,291
Investments into securities	4,874,569	0	6,190,460	0	11,065,029	11,065,029
1. Measured at amortised cost	4,874,569	0	0	0	4,874,569	4,874,569
2. Measured at fair value through other comprehensive income	0	0	6,190,460	0	6,190,460	6,190,460
3. Measured at fair value through profit of loss	0	0	0	0	0	0
Assets from financial contracts	0	0	0	0	0	0
Other receivables and assets	613,220	0	0	0	613,220	613,220
Cash and cash equivalents	248,055	0	0	0	248,055	248,055
TOTAL ASSETS	5,735,843	22,291	6,190,460	0	11,948,594	11,948,594
LIABILITIES						
Other liabilities	0	0	0	0	0	0
TOTAL LIABILITIES	0	0	0	0	0	0

Table 120: Overview of the structure of assets and liabilities of the Group in accordance with the expected non-discounted cash flows in 2025

The Group in EUR	31 Dec 2025				Total	Carrying amount
	Up to 1 year overdue	1-5 years overdue	More than 5 years overdue	Assets and liabilities without maturity		
ASSETS						
Investments into securities	20,724,090	18,517,731	37,989,861	32,286,989	109,518,672	109,573,456
1. Measured at amortised cost	16,371,882	6,920,799	12,347,763	0	35,640,443	35,695,227
2. Measured at fair value through other comprehensive income	1,693,603	11,286,251	25,057,676	0	38,037,530	38,037,530
3. Measured at fair value through profit of loss	2,658,606	310,681	584,423	32,286,989	35,840,699	35,840,699
Assets from financial contracts	65,154,676	92,124,130	381,721,458	0	539,000,264	539,000,264
Other receivables and assets	4,382,818	0	0	0	4,382,818	4,382,818
Cash and cash equivalents	5,408,774	0	0	0	5,408,774	5,408,774
TOTAL ASSETS	95,670,358	110,641,861	419,711,320	32,286,989	658,310,528	658,365,312
LIABILITIES						
Other liabilities	3,384,881	0	0	0	3,384,881	3,384,881
TOTAL LIABILITIES	32,108,097	123,234,501	383,657,663	0	539,000,262	539,000,264

Table 121: Overview of the structure of assets and liabilities of the Group in accordance with the expected non-discounted cash flows in 2024

The Group in EUR	31 Dec 2024				Total	Carrying amount
	Up to 1 year overdue	1-5 years overdue	More than 5 years overdue	Assets and liabilities without maturity		
ASSETS						
Investments into securities	19,552,129	20,960,192	28,635,042	27,107,446	96,254,808	96,234,263
1. Measured at amortised cost	15,247,552	7,506,524	9,961,691	6,351	32,722,117	32,701,572
2. Measured at fair value through other comprehensive income	2,224,716	12,588,410	18,281,541	0	33,094,667	33,094,667
3. Measured at fair value through profit of loss	2,079,861	865,259	391,810	27,101,095	30,438,024	30,438,024
Assets from financial contracts	309,400,099	96,486,322	89,851,217	0	495,737,639	495,737,639
Other receivables and assets	4,015,459	0	0	0	4,015,459	4,015,459
Cash and cash equivalents	5,539,871	0	0	0	5,539,871	5,539,871
TOTAL ASSETS	338,507,558	117,446,514	118,486,259	27,107,446	601,547,777	601,527,232
LIABILITIES						
Other liabilities	2,335,511	0	0	0	2,335,511	2,335,511
TOTAL LIABILITIES	27,356,390	113,043,755	355,337,493	0	495,737,639	495,737,639

17.3.4 Interest rate risk

The Company's and the Group's exposure to changes in market interest rates is low, as the exposure to securities with a variable interest rate as at 31 December 2025 is EUR 0 (EUR 0 as at 31 December 2024).

The Company and the Group adopt decisions for reducing interest risk on the basis of active monitoring of the development of events on the international capital markets. At the same time, interest rate risk of funds managed by Prva pokojninska družba relates to the guaranteed return which a fund must ensure to policyholders in line with the pension schemes. The Group mitigates interest rate risk through active management of investments.

Table 122: Interest rate risk - financial contracts

Change in market interest rate	2025	2024
	Impact on technical provisions (in EUR)	Impact on technical provisions (in EUR)
+/-10 bp	0	0

17.3.5 Currency risk

The Group's liabilities and receivables are converted according to the reference exchange rate of the Bank of Slovenia as at 31 December 2025. Due to regulating exposure by currency at the individual level of Group companies, the Group is not exposed to major currency risks. Foreign currency translation reserves arising due to exchange rates are recognised through comprehensive income.

The table below shows the sensitivity to changes in the most important currencies to which the Group is exposed, given that all other parameters remain the same.

The MKD currency represents the volatility in the assets of the subsidiaries in North Macedonia. The same applies to bonds denominated in RSD which are included in the portfolio of the subsidiary in Serbia. Companies incorporated abroad also hold USD-denominated bonds in their portfolios.

Table 123: Currency risk in the Group

Currency	2025		2024	
	Change in exchange rate	Effect on profit before tax	Change in exchange rate	Effect on profit before tax
MKD	0.05	157,248	0.05	158,593.55
	-0.05	-157,248	-0.05	-158,593.55
RSD	0.05	4,764	0.05	3,803.3
	-0.05	-4,764	-0.05	-3,803.3
USD	0.05	64,736	0.05	0
	-0.05	-64,736	-0.05	0

Table 124: Balance of foreign currencies in EUR in the Group's bank accounts

in EUR	31 Dec 2025	31 Dec 2024
MKD	1,675,395	1,923,616
RSD	99,615	76,098

17.3.6 The risk of changes to the market prices of securities

The Company is exposed to the risk of changes to the market prices of securities in the case of equity securities quoted on financial markets. As at 31 December 2025, the Company discloses EUR 6,959,514 of such investments (2024: EUR 0).

Table 125: The effect of changes to the market prices of securities of the Company

	Index change in %	2025	2024
		Effect on capital (in EUR)	Effect on capital (in EUR)
Other	+/-10	695,951	0

The Group is exposed to the risk of changes to the market prices of securities in relation to equity securities quoted on financial markets. As at 31 December 2025, the Group discloses EUR 13,533,630 of such investments (in 2024: EUR 0).

Table 126: The effect of changes to the market prices of securities of the Group

	Index change in %	2025	2024
		Effect on capital (in EUR)	Effect on capital (in EUR)
Other	+/-10	1,353,363	0

The Company and the Group are also exposed to the risk of changes of market prices of securities due to their exposure to fixed income securities. If the market interest rate was to grow by 100 bp, the market value of the Company's portfolio would decrease by EUR 64,566 and the Group's capital would decrease by EUR 2,449,109 as shown by the following table.

Table 127: The effect of changes of market prices of securities held by the Company, which are sensitive to market interest rates

Change in market interest rate	2025 Effect on capital (in EUR)	2024 Effect on capital (in EUR)
+/-100 bp	64,566	0

Table 128: The effect of changes of market prices of securities held by the Group, which are sensitive to market interest rates

Change in market interest rate	2025 Effect on capital (in EUR)	2024 Effect on capital (in EUR)
+/-100 bp	2,449,109	2,307,711

Neither of the illustrations above include securities of the unit-linked fund, which, due to the way they are managed, do not expose the Group to market risk.

17.4 OTHER FACTS

Prva Group has not issued any participation rights instruments, convertible bonds or similar securities or issued rights.

17.5 SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

Prva Group is an insurance holding company with subsidiaries in Slovenia, North Macedonia, Serbia, and Kosovo. The wars in Ukraine, Iran, Israel, and Palestine and changes in oil prices have no impact on direct operations.

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