



**ANNUAL
REPORT**

2025

Generali CEE Holding B.V.

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**Generali CEE Holding B.V.,
organisational unit**

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Letter from the Chairman and CEO

Dear Ladies and Gentlemen,

One year after the launch of the “Lifetime Partner 27: Driving Excellence” business strategy, we are pleased to report that the CEE region exceeded most of its key performance indicators, contributing materially to the Generali Group’s overall results.

Driven by our technical excellence, we delivered top-line growth across all markets, primarily supported by the P&C business. We also surpassed our initial financial targets, generating over €570 million in profit—an increase of 13% compared with year-end 2024.

This strong performance enabled us to revisit our 2026–2027 strategy and increase the planned remittance delivery from €1.7 billion to €1.9 billion.

As a result, the CEE region is positioned to increase net cash remittances to the Group, further strengthening its role as the fourth-largest contributor after Italy, France, and Germany. We continue to be a key engine of growth for Generali, which remains the most profitable insurance group in the CEE region and ranks among the top three by market share, serving 14 million clients.

We would also like to reiterate the pivotal role of our operative Holding in accelerating business delivery and supporting local companies in achieving their objectives.

Core business excellence

We continue to focus on Property & Casualty (P&C) and Protection, maintaining a well-balanced P&C portfolio with an even split between motor and non-motor segments. Our performance has been strong across both areas.

Building on this solid portfolio performance, we accelerated the acquisition of new customers—particularly in the retail and SME segments—by strengthening advisory and sales processes, enhancing cross-selling, and introducing AI-enabled capabilities in claims management.

In parallel, claims management remains a critical priority for our business, with a direct impact on customer satisfaction and operational efficiency.

Against this backdrop, to address underinsurance we implemented indexation and continued to focus on the Nat Cat protection gap. In 2025, the absence of major events positively affected results of the CEE region as well as the overall Generali Group performance.

Alongside these risk and portfolio actions, we further increased solution customization by delivering Need-Based Value Propositions. We remain committed to strengthening our leadership in insurance for individuals and SMEs across all business lines by leveraging our distinctive distribution network and delivering an exceptional customer experience.

To complement these commercial priorities, we also continued to pursue organic and inorganic growth, such as the DAS acquisition in the Czech Republic. We remain committed to investing in the region as attractive opportunities arise, and we will continue to assess options to further consolidate our leadership.

Regional targets within the new Strategy

To translate our priorities into delivery across the region, we are moving forward a set of major initiatives under the new strategy. Insurance in a Box has been launched in Slovenia, Croatia, and Hungary. This modern core-system implementation—supported by upgraded front-end systems—will advance our Lifetime Partner ambition for both clients and advisors.

In parallel, we are advancing our health ambitions. AdvanceCare has been launched in Hungary, after Serbia in 2024. As we aim to become a leader in health, strengthening our platforms and building an end-to-end digital health ecosystem are critical priorities.

Complementing these initiatives, the Integrated Offer has already been launched in most countries and is now in the enhancement phase. It combines excellence in protection with savings and retirement solutions that leverage the Group's Asset Management capabilities and will be instrumental in increasing Life volumes.

Strategic Foundations

To enable the priorities outlined above—and to sustain delivery of the initiatives underway—it is essential that we build on strong foundations. For our region, these foundations are:

Distinctive culture: A distinctive culture is a key source of competitive advantage. As a people-centred company, we must be guided by a clear purpose and identity, supported by shared values and behaviours within the new Cultural Framework.

Building on this cultural foundation, we also maintain a deep commitment to sustainability. While geopolitical tensions are complicating the global sustainability agenda, we remain firmly on course and continue to focus on three strategic priorities: climate change, demographic changes, and workforce transformation. At regional level, we overperformed against the Group's strategic sustainability KPIs. We also continue to expand The Human Safety Net (THSN's) national footprint across all CEE countries.

In addition, technology and data are critical enablers of our transformation, including through AI and GenAI applications across the insurance value chain. To date, we have introduced solutions to improve advisor productivity (including real-time policy comparisons and chatbots), as well as use cases in underwriting, claims, and software development.

Conclusion

Looking ahead, 2026 is expected to be another challenging year. In this context, intensifying competition and new geopolitical complexities—particularly rising tensions in the Middle East—may trigger inflationary spikes in the region, similar to those experienced in 2022.

These dynamics will require continued agility and resilience as we pursue our objectives. Against this backdrop, we remain focused on a clear set of priorities for the year ahead.

Our priorities are:

- Profitable growth: continuing to grow above market in P&C and further increasing Life volumes, with an additional €1 billion of GWP over three years to reach €6 billion euro by 2027.
- Efficiency with purpose: driving simplification, automation, and smarter ways of working.
- People and leadership: developing talent, empowering managers, and sustaining high engagement.

In closing, we would like to reiterate the crucial role of our business unit in providing centralized steering across business and control functions, strengthening regional planning and control.

Finally, we would like to thank to all colleagues from Generali Group for their commitment, professionalism, and continued support.

Jaime Anchústegui Melgarejo

Chairman, Generali CEE Holding B.V.
Deputy CEO Insurance Generali Group

Manlio Lostuzzi

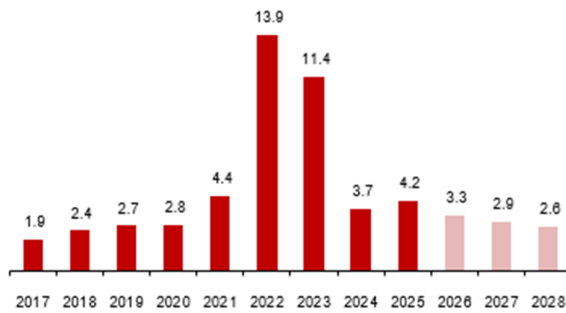
CEO of Generali CEE Holding B.V.CEE
Regional Officer Generali Group

Economic and Insurance Market Development

General economic situation in 2025

Global inflation pressures were mixed in 2025: price pressures mostly eased in Europe but developments in the U.S., largely due to the introduction of tariffs, lead to a temporary increase in case of the U.S. inflation. A full-year inflation in the CEE economies in 2025 increased in most cases, often due to food prices, services prices and in some cases due to tax and regulatory price increase related to fiscal consolidation (e.g.: Romania). The inflation outlook for 2026 expects lower inflation across CEE thanks to slower growth of food prices and in some cases due to development of regulated energy prices (Czechia) or disinflationary base effects resulting from fiscal consolidation measures adopted in 2025 (Romania). Inflation in Czechia, Hungary, Poland and Serbia is expected to stay in the central banks' target range throughout the year, while Romania may reach the target range only in early 2027. However, events related to the Iran conflict (February/March 2026) increase inflation risks both through rising mineral fuel prices and through disruptions to transport in the Middle East region.

Inflation in CEE region, year average (%)

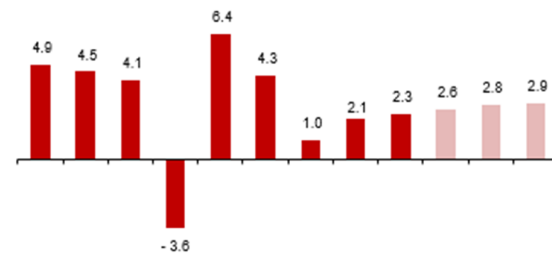


Inflation, year avg. (%)	2023	2024	2025	2026f	2027f	2028f
CEE	11.4	3.7	4.2	3.3	2.9	2.6
Bulgaria	9.5	2.4	4.6	3.8	3.2	2.6
Croatia	8.0	3.0	3.7	3.3	2.9	2.4
Czech Republic	10.7	2.4	2.5	1.5	2.2	2.1
Hungary	17.6	3.7	4.4	3.0	3.5	3.0
Montenegro	8.6	3.3	3.9	3.3	3.0	3.0
Poland	11.6	3.7	3.6	2.5	2.7	2.5
Romania	10.4	5.6	7.3	6.9	3.6	3.2
Serbia	12.4	4.7	3.8	3.3	3.8	3.2
Slovakia	10.5	2.8	4.0	4.0	3.0	2.5
Slovenia	7.2	2.0	2.4	2.2	2.0	2.0

Note: Countries included are Bulgaria, Croatia, Czech Republic, Hungary, Monte Negro, Poland, Romania, Serbia, Slovak republic, Slovenia

The Gross Domestic Product (“GDP”) performance in Europe in 2025 mostly exceeded original expectations. The EU GDP grew by 1.6% in 2025 (vs. 0.9% in 2024), the Economic and Monetary Union (“EMU”) growth reached 1.5% in 2025 (2024: 0.9%). Both EU and EMU GDP growth was driven by consumption (both private and public) and by gross fixed capital creation and by change in inventories, while contribution of net exports was negative. The U.S. GDP growth slowed from 2.8% to 2.2% in 2025. The European Commission in its Autumn 2025 Forecast expected the full-year GDP growth in 2026 at 1.2% for the Eurozone and 1.4% for the EU but we see upside risks for both the EMU and EU growth. Developments in the CEE region were mixed in 2025 with outperformance of Poland, better than expected GDP growth in Czechia and meagre growth in Hungary and Romania. Economic growth in the CEE was mostly driven by consumption expenditure (both household and government), and in some cases by inventories or gross fixed capital creation, while contribution of net exports was negative in most cases. The CEE economic growth in 2026 should be more broad-based in terms of its key drivers with solid growth of consumption and gross fixed capital creation (co-financed from the EU funds) and a recovery in exports, supported by higher European spending on defence and infrastructure.

Real GDP growth in CEE region (%)



Real GDP growth (%)	2023	2024	2025	2026f	2027f	2028f
CEE	1.0	2.1	2.3	2.6	2.8	2.9
Bulgaria	1.7	3.4	3.2	2.8	2.5	2.7
Croatia	3.8	3.8	3.2	2.5	2.3	2.3
Czech Republic	0.2	1.1	2.6	2.5	2.4	2.4
Hungary	-0.7	0.6	0.3	2.1	2.9	3.0
Montenegro	6.5	3.2	3.0	3.0	2.8	2.6
Poland	0.2	3.0	3.6	3.6	3.2	3.2
Romania	2.3	0.9	0.6	1.1	2.8	3.0
Serbia	3.7	3.9	2.0	2.8	3.7	3.2
Slovakia	2.1	1.9	0.8	1.0	1.5	2.0
Slovenia	2.1	1.6	1.1	1.8	2.2	2.0

Note: Countries included are Bulgaria, Croatia, Czech Republic, Hungary, Monte Negro, Poland, Romania, Serbia, Slovak republic, Slovenia

Monetary policy in the CEE was also mixed. Central banks in Hungary, Romania and Serbia kept interest rates unchanged in 2025. The Czech National Bank (CNB) was cutting rates in the first half of 2025 with the last cut delivered in May and with unchanged rates since then. Poland resumed rate cuts in May and was cutting rates at all five monetary policy meetings in the second half of 2025. The European Central Bank was cutting rates in the first half of 2025 with the last cut delivered in June, lowering the deposit rate to 2.00%, and kept rates unchanged since then. The Federal Reserve System (FED) resumed rate cuts only in September and cut the key rate from 4.50% to 3.75% in 3 steps by the end of 2025 and stood on hold in January 2026.

The situation in Bulgaria was dominated by preparation to the euro switch which successfully materialised in January 2026 but caused swift rating upgrades upon approval already in mid-2025. In 2025, GDP was rising strongly (by 3.2%), although the growth has been gradually slowing throughout the year. Private consumption was the key growth driver, supported by very strong wage growth. However, combined with tax hikes, it led inflation visibly higher and also contributed to worsening of the external balance. Fiscal metrics also slightly deteriorated but debt-to-GDP level still remains low. Due to renewed political woes, with early election due in April 2026, a new government must rethink expansionary fiscal policy.

Economic growth in Croatia was solid (at 3.2% in 2025), despite some weaker momentum over the summer as growth of the key tourism sector stalled. Consumers' appetite is being supported by robust wage growth, although the situation started to normalise, which also contributed to stabilisation of inflation slightly above 3%. Looking ahead, slightly slower but still solid GDP growth is expected in 2026, but inflation should stay well above the EMU average.

The Czech GDP grew by 2.6% in 2025 thanks to consumption, development of inventories, growing government consumption and recovery in gross fixed capital creation. Growing household consumption and further recovery in investment expenditure and exports may keep GDP growth in 2026 at area of 2.5%. Inflation has been within the target range of between 1% and 3% year-over-year ("yoy") since the beginning of 2024. A full-year average inflation increased from 2.4% to 2.5% in 2025. In 2026 it is likely to stay below 2% due to regulatory measures in energy prices and due to slower growth of food prices. The CNB cut the key interest rate from 4.00% to 3.50% in 2025 with the last cut delivered in May. The CNB staff forecast operates with a slight increase in rates in 2026 while the CNB Board at its monetary meeting held in February 2026 debated possibility of a slight rate cut.

The Hungarian economy increased by 0.3% in 2025. GDP growth was driven by household consumption and changes in inventories. Recovery in investment expenditure and exports should lead to GDP growth slightly above 2% in 2026. Headline CPI (consumer price index) fell to the inflation target range (set between 2% and 4% yoy) in the fourth quarter of 2025 and decreased to 2.1% yoy at start of 2026. However, a gradual increase in inflation is likely in 2026. The Magyar Nemzeti Bank (MNB)

kept the deposit rate unchanged at 6.50% in 2025 but policy easing resumed in February 2026 when the base rate was cut by 25bp to 6.25%. We expect a gradual reduction in the key rate to 5.50% in 2026.

Montenegrin economy showed decent signs of resilience with solid GDP growth around 3% in 2025, close to the 2024's number and comparable performance is projected also ahead. Growth should continue to be driven mainly by robust consumption, although it contributed to some acceleration of inflation and re-widening of the external shortfall. Fiscal metrics also slightly worsened amid expansionary policies but should remain much better versus the pre-covid era. The solid growth and some advance in the EU accession talks recently led the S&P to improve the country's outlook to B+/Positive.

In Poland, GDP growth reached 3.6% in 2025 in seasonally adjusted terms. GDP growth was driven by domestic demand (private and public consumption, and gross fixed capital creation). The Polish economy can maintain the same pace of growth in 2026, again mainly due to consumption and investment expenditure. Inflation fell to the inflation target range (1.5%-3.5% yoy) in July 2025 and remained there in the rest of 2025. Inflation decreased further to 2.2% yoy in January 2026 and may spend most of 2026 in the lower part of the target range. The National Bank of Poland resumed rate cuts in May 2025 and cut the key rate from 5.75% to 4.00% by the end of 2025. Reduction to 3.75% came in March 2026. We expect the key rate to fall to 3.50% by mid-2026 and to remain stable afterwards.

For Romania, the past year was again full of challenges with main focus of markets on complicated politics due to repeated presidential election held in May. A victory of pro-EU candidate provided a needed relief and a new grand coalition deployed strict fiscal consolidation, including VAT hike, which lifted inflation to nearly 10% in summer, followed by very gradual stagnation until now. It led to the largest slump of real wage change since 2011, knocking down consumption, the traditional engine of growth. As a result, GDP slowed to just 0.6% in 2025 and since the consolidation will continue, growth should remain muted also this year with a more pronounced rebound only in 2027. However, the consolidation safeguards smooth flow of critical EU funds and helped to restore investors' confidence, although rating agencies are still keeping Negative Outlook on BBB- (or equivalent) ratings and any improvement is conditioned by political stability. All these factors together cemented cautious central bank policy, which kept the base rate on hold at 6.50% and could think about a cut only in summer 2026 when inflation is expected to drop on base effect but mind upside inflation risk related to the recent turmoil in the Middle East.

Last year was complicated also for Serbia, which experienced visible GDP growth slowdown to 2%. Political instability related to prolonged anti-establishment protests weakened the president's hegemony. Although wage growth remained strong, increased uncertainties and depressed investments were the factors leading to slower GDP growth. While the investment-driven growth is set to revive soon, the political woes may result in early election. Inflation went up in early 2025 before it was compressed

below the 3% target by food pricing regulation.

The temporary nature of the regulation and expected growth revival led the central bank to extend on-hold stance at 5.75% with no signals pointing on a change of such strategy ahead.

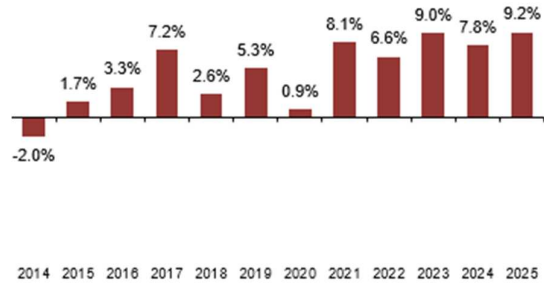
In 2025, the Slovak economy faced several challenges both at home and abroad. Economic growth slowed to 0.8%, mainly because of global trade tensions and temporary shutdowns in the key automotive sector. Slovakia continues with difficult fiscal consolidation. Higher taxes pushed inflation above 4% and weakened household spending. Inflation would have been even higher if the government had not kept broad energy price subsidies. However, these subsidies kept the public deficit high, at around 5% of GDP. Since consolidation will continue in the coming years, it will further weigh on economic growth. These factors led the S&P to cut outlook to A+/Negative.

Growth of Slovenia's economy lost further ground with muted GDP growth by 1.1% in 2025. However, decent rebound in second half of the year is encouraging with positive contribution came from consumption and fixed investments. While exports remained subdued, expected rebound of the foreign demand is conditioned by stabilisation of the geopolitical noise. Inflation leaped slightly up to a tad above the EMU average but should stay there in the foreseeable future. Sovereign rating profile continues to improve as series of upgrades by all rating agencies materialised during 2025 and early 2026 mainly thanks to strong public finances. The country will hold elections soon (in March 2026) which we are closely monitoring.

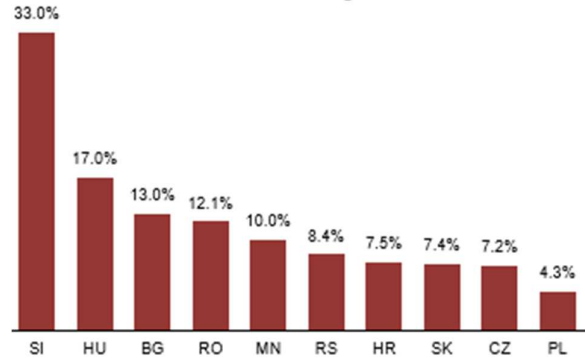
CEE Insurance market development

Over the last ten years, the insurance market in the CEE region has continued to expand at a steady pace, despite periods of economic volatility and external shocks. After a phase of low or slightly negative growth in the early 2010s, the market regained momentum from 2015 onwards and has since maintained a predominantly positive trajectory. This trend was temporarily weakened in 2020 due to the Covid-19 pandemic, but the recovery that began in 2021 has proven strong and persistent. In 2025, the CEE insurance market accelerated further, reaching a 9.2% growth rate of total insurance premiums – one of the strongest results of the past decade. Non-Life segment proved to be more resilient, showing lasting growth across the years despite less favourable conditions. Trend in Life segment is more sensitive to the economic cycle with a repetitive tendency to decline slightly in economic recession periods.

CEE Insurance market growth



Insurance market growth 2025



Note: the growth of Gross Written Premiums is expressed in local currencies. "CEE" represents the average rate (the weighted average) for countries with Generali CEE Holding presence (Bulgaria, Croatia, Czech Republic, Hungary, Montenegro, Poland, Romania, Serbia, Slovakia and Slovenia).

Source: National Insurance Markets Associations / Regulators, Generali CEE research

Total insurance premiums in the CEE region increased by +9.2% in 2025, marking one of the strongest annual results of the past decade. CEE Non-Life market remained on positive track also in 2025, achieving +9.4% growth rate, exceeding the years preceding the Covid-19 pandemic.

The Non-Life segment remained firmly on a positive trajectory, continuing the momentum observed in previous years and benefiting from both structural demand and the delayed impact of inflationary pressures from 2022 and 2023. Although the inflation pass-through into insurance premiums had already been visible in 2023 and 2024, its full effect continued to materialise in 2025. Growth in Motor insurance remained robust, supported by the sustained recovery in new car sales across the region. The positive trend that began in 2023 and strengthened in 2024 persisted into 2025. The Non-Motor segment also maintained a solid upward trend.

The CEE Life insurance market recorded a healthy growth rate of +8.5% in 2025, supported primarily by the continued expansion of Regular Life premiums. The Life segment is less directly affected by inflation and rising consumer prices, and its development in 2025 reflects stable demand for long-term savings and protection products.

All CEE countries reported positive growth of total insurance premiums in 2025, ranging from +4.3% to +33.0%, confirming the broad-based expansion of the regional insurance market. The most exceptional development was observed in Slovenia, which recorded a remarkable +33.0% growth rate. This sharp increase reflects sales on foreign markets, especially Triglav, which entered the Italian market and generated significant Motor insurance premium contribution in 2025 from such cross-border activity. Another factor shaping the Slovenian market was the normalisation after the 2024 health insurance reform, when the removal of supplementary health insurance reduced the premium volume in 2024; while in 2025 the growth normalised at those reduced health insurance levels. After excluding these two components (health business and the entire foreign market), the Slovenian insurance market would show growth of +6.6%, which is a bit lower than the average for other Central and Eastern European countries. At the same time, the total insurance market growth in CEE region in 2025, after applying this adjustment, would be +7.7%.

Other markets also performed very well, particularly Hungary (+17.0%), Bulgaria (+13.0%), Romania (+12.1%), and Montenegro (+10.0%), all of which benefited from robust development in both Motor and Non-Motor insurance classes. Solid growth was also recorded in Serbia (+8.4%), Croatia (+7.5%), Slovakia (+7.4%), and the Czech Republic (+7.2%), while Poland (+4.3%) experienced a more moderate increase after two years of stronger expansion.

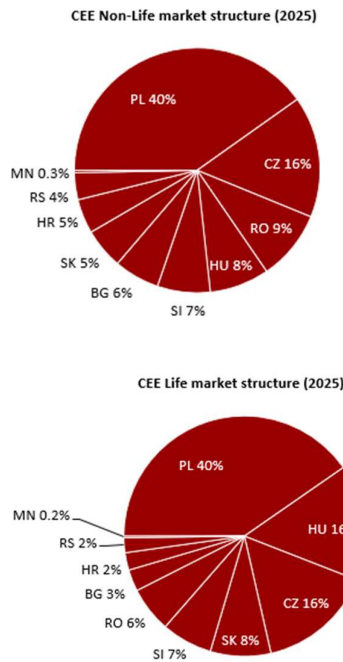
In Non-Life insurance, the strong trend in Motor insurance continued, with Motor Own Damage (“MOD”) once again achieving double-digit growth across most CEE markets. The segment benefited from rising vehicle values, higher repair costs, and sustained demand for comprehensive coverage. Motor Third Party Liability (“MTPL”) also remained on a positive trajectory, supported by tariff adjustments in several countries and the continued normalization of claims frequency and severity. The strongest Motor insurance growth was observed in Slovenia, Bulgaria and Slovakia, where both MOD and MTPL expanded significantly. The development of Non-Motor insurance remained positive and stable across the region. Growth was particularly strong in Bulgaria (driven by Property, Health and Credit insurance), Slovenia (mainly Accident and Travel) and Hungary (mainly Health and Liability insurance). These trends reflect both inflation driven increases in insured values and a rising awareness of risk protection among households and businesses.

The Life insurance segment continued to strengthen in 2025. In the four largest Life markets – Poland, the Czech Republic, Hungary, and Slovakia – the trend remained at a similar level, confirming the continued demand for long-term savings and protection products reflected in steady growth of Regular Life premiums. At the same time, Single Life premiums remained quite stable contributing to the overall solid performance of the segment. In Hungary, the segment of Single premium volume increased sharply due to top-up payments and restart of Single Unit-Linked sales following the changes in the Windfall tax rules. Considering the other markets, Romania and Slovenia

recorded double digit growth, driven by higher sales of traditional Life products. Meanwhile, Serbia, Montenegro, and Bulgaria maintained steady growth in the range of mid-single digits, and finally Croatia was stagnating. In the long-term perspective, the southeastern region continues to demonstrate strong potential due to lower market saturation and increasing consumer interest in Life insurance solutions.

All in all, the entire CEE insurance market reached EUR 52.4 billion in 2025 (considering the countries with the presence of Generali CEE Holding), confirming the region's continued expansion and its transition into a phase of sustained, broad-based growth. The Non-Life segment represents 72.7% of total premiums, amounting to EUR 38.1 billion, while the Life segment accounts for 27.3%, corresponding to EUR 14.3 billion. This structure reflects the long-term dominance of Non-Life insurance in the region, supported by strong Motor and Property lines and the ongoing development of Health and Liability insurance.

The CEE insurance market remains economically dominated by Central European countries. Poland continues to be the largest market, representing 40% of total insurance premium volume in the region. It is followed by the Czech Republic (16%) and Hungary, which further strengthened its position with a 10% share of the total market. Together, these three countries form the core of the CEE insurance landscape, accounting for nearly two thirds of the region's total premium volume. At the same time, southeastern markets – such as Romania, Croatia, Serbia, Montenegro, and Bulgaria – continue to demonstrate strong long-term potential due to lower saturation levels and increasing demand for both Life and Non-Life insurance products.



Source: National Insurance Markets Associations / Regulators, Generali CEE Research

The Holding's management

Board of Directors

Jaime Anchústegui Melgarejo

Chairperson and Non-Executive Director

Heike Ottemann-Toyza

Vice-Chairperson and Non-Executive Director

Manlio Lostuzzi

Executive Director and Chief Executive Officer

Carlo Schiavetto

Executive Director

Miroslav Bašta

Executive Director

Executive Committee

Manlio Lostuzzi

CEE Regional Officer and CEO Generali CEE Holding

Josef Beněš

Chief Executive Officer CEE Asset Management

Samuele Borghi

Chief Insurance Officer Non-Life and Head of GC&C

(appointed on 1st January 2026 – From 1st of January 2025 till 31st December 2025 he has been appointed Regional Head of Middle Markets & Head of CEE Global Corporate and Commercial)

Alberto Branchesi

Regional Chief Operating Officer

Andrej Bukovčan

Regional Chief People & Organization Officer

Pavel Charamza

Chief Risk Officer

Gianluigi Costagliola

Chief of Business Development & Claims

(appointed on 1st January 2026 – From 1st of May 2025 till 31st December 2025 he has been appointed Chief of Business Development)

Mark Dassui

Regional Chief Insurance Officer P&C *ad interim*

(From 1st of January till 31st December 2025)

Andrea Leskovská

Regional Chief Life & Health Insurance Officer

Carlo Schiavetto

Regional Chief Financial Officer

Elena Silvani

Regional Head of Distribution & Marketing

Miroslav Singer

Director for Institutional Affairs & CEE Chief Economist

Antonio Tedesco

Regional Chief Investment Officer

Davide Consiglio

Chief of CEE Hub of Group Data & Artificial Intelligence

(appointed on 1st February 2026)

Manlio Lostuzzi

Manlio Lostuzzi has been appointed Chief Executive Officer and CEE Regional Officer on 1 September 2022. With over 30 years of experience, Lostuzzi joined Assicurazioni Generali S.p.A. in 1986 and has covered a variety of managerial roles within the Generali Group. In 2003, Lostuzzi became the head of the technical and reinsurance area of the Generali Group and, in 2011, he assumed the position of deputy general manager of Generali Italia with responsibility for the agency network. In 2013, Manlio Lostuzzi was appointed to Chief Insurance Officer of Generali Italia and, after one year in 2014, Lostuzzi became CEO of Genertel and GenertelLife – the companies operating in bancassurance and direct channel businesses. In September 2019, Lostuzzi has been appointed CEO of Generali Global Corporate & Commercial until January 2023. Passionate Chess master and judo athlete, Manlio Lostuzzi graduated in Statistics, Actuarial and Economic Sciences from the Università degli Studi di Trieste.

Josef Beneš

Josef Beneš has been appointed CEO of Generali Investments CEE in 2014. Subsequently, he took responsibility also for the entire CEE Asset Management perimeter. From 2014 till 2023, Josef held also the position of Chief Investment Officer at Generali CEE Holding. He joined the Executive Committee of Generali CEE Holding in July 2016. Over his extensive career, he gathered vast experience in the financial industry in the Czech Republic and abroad. Josef holds master's degrees from the University of Economics Prague and the Columbia University New York.

Samuele Borghi

Samuele Borghi has been appointed CEE Head of P&C Corporate & Commercial and Member of the Executive Committee of Generali CEE Holding B.V. in December 2022. Due to the change of GC&C CEE business perimeter and the establishment of the P&C Middle Market unit, as of January 2025 he became Regional Head of Middle Markets & Head of CEE Global Corporate and Commercial. Previously, Samuele held the position of Head of Operations and IT in the GC&C segment. Before moving to the Czech Republic in 2013, he held various managerial positions in the Netherlands, Belgium and Italy, primarily in the organizational/process improvement field within Life and P&C retail segments. He has a master's degree from the University of Padova in Industrial and Management Engineering.

Alberto Branchesi

Alberto Branchesi was appointed Regional Chief Operating Officer and Member of the Executive Committee of Generali CEE Holding B.V. in December 2022. Since he joined Assicurazioni Generali in 2016, Alberto has been Group Head of Data and Digital Platforms where he defined Generali Group strategy in digital and innovation and managed Group Smart Process Automation program. Before Generali, Alberto worked in Microsoft and in IBM, leading enterprise digital transformation projects and managing business development teams. Alberto Branchesi graduated in Theoretical Physics at University of Bologna and has an Executive MBA at POLIMI Graduate School of Management.

Andrej Bukovčan

Andrej Bukovčan has been appointed Head of Human Resources & Organization in Austria & CEE in December 2019 and at the same time became a Member of the Executive Committee of Generali CEE Holding B.V. As of September 2022, Austria is not anymore under his supervision, due to a Generali Group reorganization. He joined Generali CEE Holding in May 2016 and contributed significantly to further development of the HR area in the region. Before, Andrej was Head of HR at Generali Poist'ovňa in Bratislava. He reached this position after a significant external experience, which provided him with the opportunity to work extensively across different countries within the region. Andrej Bukovčan has studied psychology and English language and literature at the Comenius University in Bratislava.

Pavel Charamza

Pavel Charamza has been appointed CEE Head of Risk Management and Member of the Executive Committee of Generali CEE Holding B.V. in December 2022. Before he worked as a Head of Enterprise risk management in Generali CEE Holding and Generali Česká pojišťovna from 2017. He came to Generali Group from Erste Group where he worked as a Team leader of risk parameters competence center. Pavel studied Econometrics at the Charles University. He is experienced Team Lead with a demonstrated history of working in the banking and insurance industry. Skilled in Enterprise Risk Management, Solvency II and Basel III regulations. Strong information technology professional with focus on automation, development and innovations.

Gianluigi Costagliola

Gianluigi Costagliola has been appointed to the new role of Regional Business Development Officer at Generali CEE Holding, effective May 1st, 2025. In this new role, Gianluigi supports the most relevant regional functions to steer major projects in our business units, leveraging his vast experience gained within the Generali Group over 30 years. Previously, Gianluigi held various management positions within the Generali Group. Before working as Head of Business Development at Generali International in Italy, he held the positions of Chief Financial Officer at Generali Global Business Lines, and Chief Financial Officer at Genertel and Genertel Life. He graduated from the Università degli Studi di Trieste.

Mark Dassui

Mark Dassui is still holding *ad interim* the position of CEE Head of Property & Casualty Retail & Motor Insurance and Claims, as from January 2025 he has been appointed Chief P&C Insurance Officer of Generali Poland. In December 2022, he was elected Member of the Executive Committee of Generali CEE Holding B.V. Previously, Mark held various management positions within the Generali Group. After working for many years as a manager in Generali Deutschland, in 2011 he moved to Poland as Member of the Management Board. In May 2014, Mark moved to the Generali CEE Holding as Head of P&C Non-Motor and took over at the same time the position as Head of Product Management Non-Life Motor and Retail Non-Motor of Česká pojišťovna. In July 2015, Mark was asked to join the Group Head Office in Trieste as Head of Non-Life Non-Motor before he returned at the end of 2016 to the Generali CEE Holding as Chief Insurance Officer. After Austria became part of the CEE region Mark acted as Deputy Chief Insurance Officer P&C.

Andrea Leskovská

Andrea Leskovská was appointed Regional Chief Life & Health Insurance Officer and Member of the Executive Committee of Generali CEE Holding B.V. in February 2024. She joined Generali Slovakia in 2017 as Chief Insurance Officer and Board member and, after the merger of Generali Czech and Slovak operations in December 2021, she was appointed Non-Life Chief Insurance Officer and Board member of Generali Česká pojišťovna and Generali Slovakia. Andrea has been in the insurance industry since 1999, and prior to joining Generali Group, she was working for Allianz Slovakia as Head of Motor Insurance, Director of External Sales Channels and Director of Product Management both for Life and Non-Life

Carlo Schiavetto

Carlo Schiavetto became Chief Financial Officer of Generali CEE Holding B.V. on 1 May 2020 to supervise the financial performance and strategic development of 13 countries within the entire Austria & CEE Region. As of September 2022, Austria is not anymore under his supervision, consequently a Generali Group reorganisation. As of 1st of May 2020, he was appointed a member of the Executive Committee of Generali CEE Holding B.V. Previously, Carlo held position of Head of Controlling at Generali CEE Holding B.V. based in Prague. Before moving to the Czech Capital in 2013, Carlo was Senior Controller at the Group Control and Strategic Planning Department at the Corporate Center in Trieste in charge for the CEE countries. From 2004 till 2008 he was working for Allianz Group in Milan and Dublin as Financial Controller and Head of the Financial Department.

Elena Silvani

Elena Silvani was appointed International CEE Head of Distribution & Marketing and Member of the Executive Committee of Generali CEE Holding in March 2024. Prior to this appointment, Elena was Head of Sales Operations and Governance for Alleanza Assicurazioni, part of Generali Group, from 2016 till February 2024. She previously covered for Generali the role of Contact Center Manager, responsible for all claim notification procedures and first level assistance to Generali Italia distribution network and clients. Before joining Generali, Elena worked for six years at the financial consulting firm Towers Perrin supporting insurance clients improving the effectiveness and efficiency of their core business and developing their marketing and commercial strategies. Elena holds a degree in Business Administration from Bocconi University and an MBA from the MIB Trieste School of Management.

Elena Silvani was appointed Regional Head of Distribution & Marketing and Member of the Executive Committee of Generali CEE Holding in March 2024. Prior to this appointment, Elena was Head of Sales Operations and Governance for Alleanza Assicurazioni, part of Generali Group, from 2016 till February 2024. She previously covered for Generali the role of Contact Center Manager, responsible for all claim notification procedures and first level assistance to Generali Italia distribution network and clients. Before joining Generali, Elena worked for six years at the financial consulting firm Towers Perrin supporting insurance clients improving the effectiveness and efficiency of their core business and developing their marketing and commercial strategies. Elena holds a degree in Business Administration from Bocconi University and an MBA from the MIB Trieste School of Management.

Miroslav Singer

Miroslav Singer joined Generali CEE Holding B.V. in January 2017 as Director for Institutional Affairs and Chief Economist of Generali CEE Holding. As of 1st of January 2018, he has been appointed member of the Executive Committee of Generali CEE Holding. He, then, became also the Chairman of the Supervisory Board of Česká pojišťovna. Miroslav served as Governor of the Czech National Bank (“CNB”) from 2010 till 2016 and from 2005 till 2010, he was a CNB Board Member and Vice Governor. Prior to this, he worked as a deputy director, researcher and lecturer at the Economic Institute of the Charles University in Prague and the Center for Economic Research and Graduate Education of the Czech Academy of Science between 1991 and 1995. He also held management posts at the financial and industrial group Expandia, later becoming its CEO in 1995, until 2001. From 2001 until 2005 Miroslav Singer was a director at PriceWaterhouseCoopers. After graduating in mathematical methods in economics, he completed his postgraduate thesis at the University of Pittsburgh and was awarded a PhD in 1995.

Antonio Tedesco

Antonio Tedesco was appointed Regional Chief Investment Officer and Member of the Executive Committee of Generali CEE Holding in January 2024. He joined Generali Group in 2018 as Head of Group Asset Liability Management & Strategic Asset Allocation within Generali's investments, asset & wealth management unit before becoming Head of Investment Transformation and Innovation Projects in Assicurazioni Generali S.p.A. With more than 20 years' experience, he joined Generali from Poste Vita, where he was Head of Asset Management Project and Head of Capital Management, and previously, Head of Finance, with a specific focus on Strategic Asset Allocation and Asset Liability Management. Prior to this, he served in senior positions at JPMorgan Chase Bank in New York and London, with responsibility for client-oriented structured investment products and solutions across all asset classes

Davide Consiglio

Davide Consiglio was appointed Chief of CEE Hub of Group Data & Artificial Intelligence and Member of the Executive Committee of Generali CEE Holding in February 2026. Davide joined Generali in 2017 as Head of Advanced Analytics for Generali Italy, and he has served as Country Data Officer for Generali Italy since 2022. Before joining Generali, Davide spent ten years at The Boston Consulting Group and was among the co-founders of BCG X, the firm's analytics and AI unit. Earlier in his career, he worked as a Data Science Consultant at Value Lab (now Jakala), focusing on quantitative marketing for clients in luxury, fashion, and retail. Davide graduated in Economics from Bocconi University in Milan.

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I. Board of Directors Report

A. Profile

Generali CEE Holding B.V. (“the Company”) is a parent holding company of subsidiaries operating mainly in P&C (Property and casualty) and life insurance business as well as in pension and asset management services. The Company’s subsidiaries are located in Bulgaria, Croatia, Czech Republic, Hungary, Montenegro, Netherlands, Poland, Romania, Serbia, Slovakia, and Slovenia. The companies of Generali CEE Holding offer insurance and financial products ranging from savings and family protection policies to unit-linked policies and complex plans for multinationals. The Company has 161 employees of 16 different nationalities.

The authorised share capital of the Company amounts to €0.5 million and is divided into 500,000 ordinary shares with a nominal value of €1 each, of which 100,000 shares are issued and fully paid. Sole shareholder is Assicurazioni Generali S.p.A. All shares are registered and are numbered consecutively from 1 onwards. Attached to each share is a voting right, a meeting right and a right to share in the Company’s profits and reserves, in accordance with the provisions of the articles of association.

The Company and its subsidiaries are a key part of the Generali Group, one of the largest global insurance and asset management providers with a total premium income of € 98.1 billion in 2025. Established in 1831, with over 88,000 employees and 163,000 advisors serving 75 million customers, the Group has a leading position in Europe and a growing presence in Asia and America.

In order to ensure proper governance framework over data governance and data quality, the Company implemented Data Governance Group/Regional Policy & Guideline and Integrated Data Quality System Group/Regional Policy & Guideline. In brief, the Data Governance Policy has been defined the “Master Policy” to which other internal regulations on data management shall refer to, ensuring compliance with external regulation, through an effective data management activity, guaranteeing efficient decision-making processes and appropriate market and regulatory reporting.

The Integrated Data Quality System (“IDQS”) Policy then identifies the following processes for data quality management: (i) Identification, Analysis and Design; (ii) Implementation and Monitoring; (iii) Verification. Basic Requirements and Extended Requirements are defined for all the processes above. For all data, group legal entities in scope shall guarantee (Basic Requirements): the design and implementation of adequate data quality (“DQ”) controls, ensuring their effective execution; the performance of data categorization through a dedicated tool; the performance of a DQ assessment and the definition of the System of Governance (roles and responsibilities for data). For Relevant Outputs, additional requirements (Extended Requirement) are provided for monitoring activities, performed using specific tools (Data Directory approach and/or Process-Data Flow approach).

A specific Escalation Process is in place for the on-going management of data quality issues, recorded in a dedicated register with the aim of putting in place dedicated structural actions. Specific management certifications on data quality are provided (Integrated Confirmation Letter and DQ Certification).

Being part of Generali Group the Company adheres to the “Code of Conduct” (maintained by the Compliance function), setting up minimum standards of behaviour to follow in the relationships with colleagues, customers, shareholders, suppliers and the other stakeholders. The Code of Conduct mandatorily applies to all employees of the Company.

Company Highlights

Dividend income

CZK 16,560 million

Net profit

CZK 14,639 million

Our people

161

B. Financial performance

In 2025, the Company maintained its solid financial position. At the end of 2025, the shareholder's equity of the Company amounted to CZK 77,936 million (2024: CZK 75,639 million) and total assets amounted to CZK 79,164 million (2024: CZK 76,571 million).

The profit of the Company in 2025 reached CZK 14,639 million (2024: CZK 18,735 million) with the main source of revenues being dividend income which reached in 2025 the level of CZK 16,560 million (2024: CZK 17,343 million).

C. Risk management

The Company has implemented a risk management system, which is aligned with the general framework set up by Generali Group, which the Company is part of. That aims at identifying, evaluating and monitoring the most important risks to which the Company is exposed. The purpose of the risk management system is to ensure that all risks to which the Company is exposed are properly and effectively managed through a defined risk strategy following a set of processes and procedures and based on clear governance provisions. The principles defining the risk management system are provided in the risk management policy, which is the cornerstone of all risk-related policies and guidelines. The risk management policy covers all risks the Company is exposed to, both on a current and on a forward-looking basis.

The Company is exposed to various risks as a result of its activities: financial risks, credit risks, liquidity risks, strategic risks, operational risks, sustainability risks, emerging risks and reputational risks. The Company uses different tools to mitigate the individual risks.

With respect to financial and credit risks, different types of financial derivatives, risk management guidelines related to investment risk management, the system of investments risk limits, credit ratings and guidelines on an approval process for new instruments are in place.

With respect to operational risks, the Company performs the qualitative assessment of operational risks. The assessment outputs are presented in a heatmap, where the Company distinguishes financial heatmap and heatmap including also reputational risks effects. Within this assessment also sustainability risks are considered.

With respect to liquidity, the Company manages expected cash inflows and outflows to maintain a sufficient available cash level to meet short- and medium-term needs, and by investing in instruments that can be quickly and easily converted into cash. The Company considers its prospective liquidity situation under plausible market conditions as well as under stress scenarios.

For detailed information on risk management, see Section D of the Company Financial statements.

D. Sustainability

Generali Group strategic priorities

We believe that true economic prosperity is built on socially just and environmentally sound foundations. Therefore, Generali believes that sustainability is a necessary strategic way to approach business. It all stems from our purpose to "Empowering Lives and Dreams".

It is about creating long-lasting value shared among a wide array of stakeholders: not only shareholders, investors and clients, but also our people, suppliers, the environment, local communities, and society as a whole.

Together with Generali's people, and artificial intelligence and data, sustainability is one of the three strategic foundations of Lifetime Partner 27: Driving Excellence strategy, that supports the enhancement of excellence across customer relationships, in Group's operating model and in core capabilities. In particular, sustainability aims to be a driver for the profitable growth of the Group, considering the positive and negative impacts it can have on people and the planet. In this context, the strategic initiatives aim to address three topics identified as material for the Group through the double materiality assessment: climate change (both climate change mitigation and climate change adaptation), demographic changes, and workforce transformation.

The Company is fully engaged in Generali group's initiatives, and we are contributing to the targets settings for the region as described in following paragraphs.

2025 CEE Region Highlights

Our contribution to the Generali Group's sustainability strategy

Climate change

- Increasing premiums from climate insurance solutions (focus on green mobility, green efficiency and renewable energy): €134.2 million
- Insurance exposure (% on P&C portfolio) to Thermal Coal restricted companies: 0%
- Insurance exposure (% on P&C portfolio) to Oil & Gas restricted companies: 0%
- Increasing the offer of specific solutions and services aimed at mitigating the consequences of the increase in extreme natural events and strengthening social resilience, with particular attention to SMEs (GWP for Nat-Cat Insurance business for SMEs: €222.7 million)
- Reducing the absolute carbon emissions of own operations: -60%
- Countries from the CEE region taking part in SME EnterPRize: 5

Demographic changes

- Increasing the New Business Premium (NBP) for pension, life and health protection insurance solutions for underserved clients: + 7,3% (vs Year End 2024, reaching €252,3 million in 2025; FX YE2025)

Climate Change: Our Road to net-zero

With the Generali Climate Transition Plan, approved by the Board of Directors of Assicurazioni Generali in November 2025, Generali defines the commitments, levers, resources and governance mechanisms through which Generali supports a just transition towards a net-zero greenhouse gas emissions economy.

P&C insurance

Generali further focuses on developing and promoting an internally defined category of climate insurance solutions. In 2025, the CEE region grew the premiums by €134.2 million, confirming that we are on a very good track to achieve the Generali Group's target to grow 8-10% 2024-2027 GWP CAGR in the period 2024-2027.

The Group wants also to transition the insurance portfolio to net-zero greenhouse gas (GHG) emission by 2050, with a 30% a reduction of the carbon intensity of the insurance portfolio relating to private vehicles by 2030 compared to 2021.

Last but not least, Generali Group wants to further strengthen the focus on sustainable SMEs through the SME EnterPRIZE project and the integration of sustainability into customer value proposition. Launched in 2021, the aim of the SME EnterPRIZE project is to support small and medium-sized companies in their sustainable transition and highlight significant examples of responsible business, inspiring entrepreneurs of SMEs to develop sustainable behaviours with a direct impact in two areas: environment and social. Since the first edition, SME EnterPRIZE gives now visibility to companies across Europe, including five countries from the CEE region: Croatia, the Czech Republic, Hungary, Slovenia and Bulgaria.

Investments

The Generali Group is committed to increasing investments in climate solutions by €12 billion in the period 2025-2027 to support the green and just transition; furthermore, the Group set decarbonization targets for both corporate and real estate portfolios, in accordance with the NZAOA protocol guidelines, with a reduction of the carbon intensity of the proprietary investment portfolio (corporate and real estate) by 60% compared to 2019 and by 2030.

Own operations

The Generali Group is committed to reducing the GHG emissions generated by its own operations to a net-zero level by 2035. This means to reduce at least 90% Scope 1 and Scope 2 emissions compared to the 2019 baseline and compensate with carbon removals the residual. The net-zero definition will be subject to updates in line with the new emerging regulations.

To follow a science-based path to reach net-zero, the Generali Group set the following interim targets:

- 35% reduction on all Scopes by 2025 compared to the 2019 baseline – CEE region fully aligned and reporting – 60% in 2025, especially due to actions such as moving to less energy-intensive HQs (Bulgaria, Poland, Serbia, Czech Republic in progress), use of 100% renewable energy, shifting to hybrid and electric vehicles within our corporate car fleets or enhancing digitalisation and paperless solutions.
- 60% reduction on all Scopes by 2030 compared to the 2019 baseline – CEE region shares the Group's view and is on a good track in order to achieve the Group's target.

The strategy includes Scope 1, 2 and Scope 3 emissions related to operational activities (offices, data center, mobility).

Fostering societal resilience against protection gaps due to natural catastrophes and demographic changes:

Life and Health

The Generali Group is committed to growing the health, protection and pension business with the aim of bridging the insurance gap in these business areas, with particular attention to underserved customers. Underserved customers are those more exposed to the insurance gap for various reasons, such as economic, geographic, and/or health barriers that expose them to higher risks, preventing access to products and services; lack of familiarity with financial tools and offers; shortage or limited accessibility to providers of such products and services. This commitment is articulated in the ambition to increase the New Business Premiums (NBP) for pension, health and protection insurance solutions for underserved customers by 6-8% CAGR in the period 2024-2027. In the CEE region we grew by 7,3% vs Year End 2024, reaching €252.3 million in 2025 (FX 2025), focusing on category of customers internally identified as more exposed to the gap - women, young/elderly people and families.

Strengthening Climate Preparedness with Timely Alerts and Risk Insights

To help our customers adapt to increasing climate risks, we provide early-warning solutions that enable faster response and better protection. For example, in Hungary, our optional Satellite Alert Package uses satellite-based farmland monitoring to detect sudden changes on insured and non-insured crops alike, issuing email or SMS alerts when anomalies occur. These notifications allow farmers to react immediately, whether the issue is caused by inland water, wildlife, insects, or other emerging threats. In Slovenia, we support prevention by offering risk-based pricing for Motor Casco hail insurance to customers who usually park their vehicles under a roof, encouraging protective behaviour against severe weather events. In Poland, the “i-rolnik” portal strengthens risk awareness by giving farmers access to satellite field maps, local weather updates, agricultural knowledge resources, and downloadable policy information, helping them make informed decisions and manage climate-related risks more effectively.

Our contribution to the communities through The Human Safety Net (THSN)

The Human Safety Net – a social innovation hub powered by Generali’s skills, networks, and solutions to create social impact – was activated in all CEE countries. One of the two programmes of The Human Safety Net targets key social issues affecting communities and creates equal life opportunities for children from disadvantaged backgrounds. We want to further enhance the activities of THSN by working with not only our devoted THSN internal ambassadors but all our people, promoting both – skilled and non-skilled volunteering activities. What’s more, in 2025, in Serbia, we proudly launched our first so called social product leveraging The Human Safety Net’s expertise to assist the most vulnerable communities.

We create a safe and fair working environment

In 2025, within the HR agenda across the CEE region, we continued strengthening our role as a Responsible Employer and focusing on the new projects arising from the Generali Group Strategy Lifetime Partner 27 – Driving Excellence and subsequent GPeople 27 strategy – People-Powered Excellence.

Our focus remained on systematic talent development, expanding upskilling initiatives, and enhancing leadership capabilities through group, regional and local learning programs.

At the same time, we worked on further improving the employee experience – Generali CEE Holding achieved an excellent 97% participation rate and an 89% Engagement Score in the 2025 internal, so called, Pulse Survey, reflecting a strong sense of commitment and alignment among colleagues as well as number of activities which took place to improve their engagement. At the wider regional level, the CEE Engagement Score reached 86%, confirming long-term sustainability of our high results in survey history and confirming continued positive momentum across the region.

DEI remained a key priority, with ongoing initiatives supporting inclusion, equal opportunities, and workplace flexibility. After successful completion of the Pay-Gap exercise ensuring no difference in pay between men and women on same job levels, we kept also high standard in share of women in strategic and managerial position.

We continued to develop and promote hybrid work arrangements, which remain highly valued by employees and demonstrably contribute to sustained performance and well-being.

Moreover, 2025 brought enhanced cross border cooperation and knowledge sharing across the CEE region through joint projects, HR communities, and thematic networks such as Copilot365. Strengthening employer attractiveness, leadership excellence, and a culture rooted in trust, accountability, and growth remained central objectives. Focus on excellence knowledge based within the training offer for our employees is supported in delivering on the targets of the upskilling index in entire CEE region.

Finally, CEE countries scored high also on the new focus of Generali Group in employer branding area through receiving official Top Employer certification in Hungary and Serbia followed by starting the process in the other CEE countries in 2026 and 2027.

E. Gender diversity

Gender diversity target

The Company is committed to fostering a diverse work environment and to enhancing inclusive culture for all employees.

As part of the Lifetime Partner 27: Driving Excellence strategy, Generali Group is deeply committed to strengthening a human-centric and inclusive culture, where every colleague feels valued, empowered, and able to contribute to our collective success. Diversity, Equity and Inclusion (DEI) are embedded across our strategy as key drivers of long-term value, innovation, and sustainable growth. The Company believes that an inclusive workplace accelerates performance, fosters collaboration, and creates an environment where everyone can thrive. Guided by this ambition, DEI actions focus on five priority areas that shape a workplace built on trust, belonging, and equal opportunity: gender equality, generational diversity, cultural diversity, inclusion of employees with disabilities, embedding inclusive culture.

The Company of course supports and adheres to this commitment and undertakes the necessary actions to fulfilling it. Regarding gender, the aim is to maintain a balanced gender distribution within the Generali Group. In addition, there is a clear ambition to increase the presence of women in strategic positions, with a target of at least 40% at Generali Group level by the end of 2025, which was achieved with a final result of 40.7%. A similar ambition applied to managerial roles, where the Group aimed to reach 41.5% women by the end of 2025, and the final result reached was 42.9%. At CEE regional level Generali achieved by the end of 2025 – 49.3% of women in strategic positions and 48.4% of women in managerial roles.

Status-quo 2025

At year-end 2025 the workforce of the Company consisted of a total of: 161 people (incl. GC&C and GEB), of which 68 females and 93 males. None have reported identifying beyond binary gender categories.

Board of Directors consisted of 5 members, of which 1 female and 4 males. The ratio of women in the Board of Directors (BoD) was therefore 20%.

The Company had 41 employees on strategic positions, of which 16 were women (39%) and 25 men.

Course of action

In recent years, the theme of a balanced distribution of seats in the BoD has been part of the nomination procedure when filling vacancies in this body. Due to the nature of the business, it is the Company's policy to primarily nominate internal candidates, either from its own management team or from management teams of companies within the Generali Group. As part of the broader Group governance framework, DEI priorities are supported by dedicated structures at Group level, including a DEI Council providing strategic direction. This governance model reinforces consistent attention to gender balance in leadership pipelines and decision-making processes, with employees and members of top management from the CEE region also participating. Across the CEE perimeter, implementation of the Group DEI Guidelines has progressed to ensure consistent standards and governance. Given the composition of the Company's current BoD, it is a realistic expectation that in the coming years female candidates will be nominated to further increase gender distribution.

To foster the development and career progression of female managers within the Company, a range of development opportunities is offered. These include training focused on both technical and soft skills, coaching, mentoring, and opportunities for virtual or physical international experience within the Generali Group. At Group level, several concrete initiatives have been launched targeting senior female managers (Lioness Acceleration Program) and managers (Elevate). Experience-based learning is also offered to raise awareness of diversity-related topics among management and board members. A DEI Communities of Practice has been active at Group level, focusing on various areas of diversity, with the participation of the Company's employees, including management and board members. The community aims to promote a culture where DEI is embedded in the way we work and conduct business. In parallel, the CEE and wider European perimeter launched the NextGen program, designed to support the development of the youngest generation; while not gender-specific, this initiative contributes to broader inclusion and long-term leadership readiness. Several CEE companies are also advancing work toward DEI-related external certifications, supporting transparent and measurable progress in diversity, equity and inclusion, with many of these certifications specifically assessing policies that promote gender equality, family-friendly conditions and fair representation.

F. Outlook for operations

Economic conditions in Central and Eastern Europe are expected to remain broadly supportive in 2026, although the pace of expansion will moderate and differ across countries. According to the IMF and European Commission projections, growth in the region should continue to outpace the Eurozone average, reflecting a combination of resilient domestic demand, easing financial conditions and the gradual recovery of investment activity. Lower inflation compared with recent years is expected to support real disposable incomes, while EU-funded investment programmes, particularly in infrastructure and defence, should contribute positively to gross fixed capital creation. At the same time, the external environment remains challenging, with global trade uncertainties and geopolitical tensions continuing to weigh on export dynamics.

Inflation across most CEE economies is projected to decline further in 2026, supported by slower food price growth, base effects from earlier fiscal measures and, in some countries, regulated energy price developments. While inflation risks have not disappeared, central banks expect consumer price growth to remain broadly consistent with their medium-term targets over the year. Against this backdrop, monetary policy in the region is likely to become gradually less restrictive, following the easing cycle already initiated in several markets during 2025, while maintaining a cautious stance to safeguard price stability and anchor inflation expectations.

From a macro-financial perspective, fiscal positions in Central and Eastern Europe remain an area of focus. After several years of elevated deficits, many governments are pursuing fiscal consolidation paths aimed at stabilising public debt ratios and preserving investor confidence. Although these measures may temporarily constrain growth in some countries, they are expected to support longer-term macroeconomic stability and the continued absorption of EU funds. Overall, the regional outlook for 2026 points to more balanced growth, increasingly driven by consumption, investment and a gradual improvement in export performance.

At the same time, the macroeconomic outlook for 2026 continues to be influenced by heightened geopolitical uncertainty, with developments related to the conflict in Iran representing a relevant source of risk. In case the conflict will persist for an extended period, potential implications could arise through higher energy costs and disruptions in the global transports, which move inflation above current baseline assumptions. Such scenario would weight on real income dynamics and could delay the expected normalisation of monetary conditions. In addition, prolonged uncertainty could dampen investment activity and external demand, resulting in a more moderate pace of economic growth across the region. While current projections remain based on a scenario of gradually easing tensions, a longer-lasting conflict would tilt risks toward higher inflation and lower GDP growth than presently envisaged.

Against this macroeconomic backdrop, developments in the insurance market are expected to remain closely linked to underlying economic conditions, inflation dynamics and changes in household and corporate demand for risk protection.

The insurance market in the CEE region showed a solid expansion in 2025 and it is expected to continue its long-term expansion in 2026, supported by economic convergence, rising awareness of risk protection and still-relatively low insurance penetration. The Non-Life segment should remain the primary growth driver, particularly in Motor and Property lines, reflecting higher insured values, tariff adjustments and sustained demand. The Life segment is expected to show more moderate but still positive growth, benefiting from renewed interest in long-term savings and protection products. Overall, the CEE insurance market continues to demonstrate solid fundamentals and attractive medium-term growth potential.

Concerning the expected development of the Group's results, an overall increase in premium volumes is anticipated across the insurance subsidiaries. Growth is expected to be more pronounced in the Non-Life segment, with particularly dynamic development in Non-Motor lines. In the Life segment, premium growth should be primarily driven by protection products.

Profit after tax of our subsidiaries is expected to show a moderate improvement compared to the previous year, supported by a very solid technical performance in both the Non-Life and Life segments. This positive development is expected to translate into higher dividend inflows from the subsidiaries, which should constitute the main driver of a slight increase in profit before tax compared to the 2025 level.

Prague, 16 April 2026
The Board of Directors

II. Company Financial Statements for the Year Ended 31 December 2025

Acronyms:

Acronym	
AC	Amortised cost
AG	Assicurazioni Generali S.p.A.
BoD	Board of Directors
bp	Basis point
BM	Business Model
CAGR	Compound annual growth rate
CCS	Cross currency swap
CDO	Credit default option
CDS	Credit default swap
CEE	Central and East Europe
CEO	Chief Executive Officer
CNB	Czech National Bank
CZK	Czech koruna
DDM	Dividend discount model
DEI	Diversity, equity and inclusion
DQ	Data quality
Dutch GAAP	Dutch generally accepted accounting principles and guidelines
EAD	Exposure at default
ECL	Expected credit loss
EMS	Environmental Management System
EMU	Economic and Monetary Union
EPS	Earnings per share
ESG	Environmental, Social and Governance
EU	European union
EUR / €	Euro
FTE	Full-time equivalent
FTP	Fund Transfer Pricing
FV	Fair value
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
FX	Foreign exchange
GAAP	Generally accepted accounting principles
GCA	Gross carrying amount
GC&C	Generali Corporate and Commercial
GDP	Gross domestic product
GEB	Generali Employee Benefits
GHG	Greenhouse gas
GICEE	Generali Investments CEE, Investiční Společnost, a.s.
GIH	Generali Investments Holding S.p.A.

GLG	Global Leadership Group
GHO	Group Head Office
GWP	Gross written premium
IAS	International accounting standards
IASB	International accounting standards board
IDQS	The Integrated Data Quality System
IFRIC	Interpretation of International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
IRR	Internal rate of return
IRS	Interest rate swap
ISDA	International Swaps and Derivatives Association
IT	Information technology
KPIs	Key Performance Indicators
LCR	Low credit risk
LGD	Loss given default
LTI	Long-term incentive
MNB	The Hungarian National Bank (Magyar Nemzeti Bank)
MOD	Motor Own Damage insurance
MTPL	Motor Third Party Liability insurance
NAV	Net assets value
NBP	New Business Premium
NBS	National Bank of Serbia
NGO's	Non-governmental organisations
NHCF	Net Holding Cash Flow
No.	Number
NZAOA	Net-Zero Asset Owner Alliance
OCI	Other comprehensive income
OECD	Organisation for Economic Co-operation and Development
ORA	Operational Risk Assessment
P&C	Property and casualty
PD	Probability of default
PLN	Polish zloty
qoq	Quarter-on-quarter
REPO	Repurchase operations
ROE	Return on Equity
SAA	Strategic Asset Allocation
SEE	Southern and Eastern Europe
SME	Small and medium enterprise
S&P	Standard & Poor's
SPPI	Solely Payments for Principal and Interest
TAA	Tactical Asset Allocation
THSN	The Human Safety Net
TSR	Total Shareholder's Return
USD	United States dollar
VAT	Value added tax
yoy	Year-over-year

COMPANY STATEMENT OF FINANCIAL POSITION

as at 31 December

(CZK million)	Note	31.12.2025	31.12.2024
Total assets		79,164	76,571
Cash and cash equivalents	E.1	416	337
Financial investments	E.2	19,181	16,621
<i>Financial investments measured at amortised cost</i>	E.2.1	64	4,611
<i>Financial investments measured at FVTPL</i>	E.2.2	1,487	1,977
<i>Financial investments measured at FVOCI</i>	E.2.3	17,630	10,033
Receivables	E.3	159	179
Intangible assets	E.4	39	47
Investments in subsidiaries and associates	E.5	59,220	58,744
Non-current assets held for sale	E.6	-	558
Current tax assets	E.7	102	67
Other assets	E.8	47	18
Total liabilities		1,228	932
Financial liabilities measured at FVTPL	E.10	60	36
Payables	E.11	67	310
Provisions	E.12	13	10
Current tax liabilities	E.7	85	170
Deferred tax liabilities	E.23.1	678	113
Other liabilities	E.13	325	293
Total equity		77,936	75,639
Share capital	E.9	3	3
Share premium reserve	E.9	48,347	48,347
Revaluation reserves – Financial assets at FVOCI	E.9	439	-
Revaluation reserves – Financial assets at FVTPL	E.9	313	593
Other reserves	E.9	14,195	7,961
Unappropriated profits	E.9	14,639	18,735
Total liabilities and equity		79,164	76,571

COMPANY INCOME STATEMENT

For the year ended 31 December

(CZK million)	Note	2025	2024
Net result from investments into subsidiaries	E.15	15,994	19,102
Net income / loss (-) from financial assets and liabilities	E.16	(47)	373
Net expected credit loss expense (-) / income	E.17	5	(7)
Interest revenue calculated using the effective interest method	E.18	304	215
Interest expense calculated using the effective interest method	E.19	(1)	(2)
Net foreign exchange differences	E.20	(89)	118
Other income	E.21	10	83
Other expenses	E.22	(1,033)	(935)
Profit before taxes		15,143	18,947
Income taxes	E.23	(504)	(212)
Net profit of the year		14,639	18,735
Profit for the period attributable to owners of the parent		14,639	18,735

COMPANY STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December

(CZK million)	Note	2025	2024
Net profit of the year		14,639	18,735
Other comprehensive income items that maybe reclassified to profit or loss in future periods			
Revaluation of financial assets measured at FVOCI	E.9	4	-
Other comprehensive income items that may not be reclassified to profit or loss in future periods			
Revaluation of financial assets measured at FVOCI	E.9	562	(147)
Total gains and losses recognised directly in equity		566	(147)
Tax on items taken directly to or transferred into equity	E.9	(119)	31
Other comprehensive income, net of tax		447	(116)
Total comprehensive income		15,086	18,619
Comprehensive income for the period attributable to owners of the parent		15,086	18,619

STATEMENT OF CHANGES IN EQUITY

(CZK million)	Note	Share Capital	Share Premium reserve	Revaluation reserve – financial assets at FVOCI	Revaluation reserve – financial assets at FVTPL	Other reserves and unappropriated profits	Total
Balance as at beginning of reporting period 2024		3	48,347	108	-	22,376	70,834
Net profit of the year 2024		-	-	-	-	18,735	18,735
Revaluation of financial assets measured at FVOCI	E.9	-	-	(147)	-	-	(147)
Revaluation of financial assets measured at FVTPL	E.9	-	-	-	710	(710)	-
Tax on other comprehensive income items	E.9	-	-	31	(117)	117	31
Total comprehensive income 2024	E.9	-	-	(116)	593	18,142	18,619
Other movements	E.9	-	-	8	-	(11)	(3)
Allocation to reserve for share-based payments	E.9	-	-	-	-	58	58
Dividends to shareholders	E.9	-	-	-	-	(13,869)	(13,869)
Balance as at end of reporting period 2024	E.9	3	48,347	-	593	26,696	75,639
Balance as at beginning of reporting period 2025		3	48,347	-	593	26,696	75,639
Net profit of the year 2025		-	-	-	-	14,639	14,639
Revaluation of financial assets measured at FVOCI	E.9	-	-	566	-	-	566
Revaluation of financial assets measured at FVTPL	E.9	-	-	-	(326)	326	-
Tax on other comprehensive income items	E.9	-	-	(119)	46	(46)	(119)
Total comprehensive income 2025	E.9	-	-	447	(280)	14,919	15,086
Other movements	E.9	-	-	(8)	-	10	2
Allocation to reserve for share-based payments	E.9	-	-	-	-	61	61
Dividends to shareholders	E.9	-	-	-	-	(12,852)	(12,852)
Balance as at end of reporting period 2025	E.9	3	48,347	439	313	28,834	77,936

STATEMENT OF CASH FLOWS (indirect method)

For the period from 1 January to 31 December

(CZK million)	Note	2025	2024
Cash flow from operating activities			
Earnings before taxes		15,143	18,947
Adjustments for:			
Depreciation and amortisation	E.4	13	9
Impairment of investments into subsidiaries	E.15	227	424
Loss on revaluation of investments held for sale	E.15	-	161
Loss / Gain (-) on disposal of investments into subsidiaries	E.15	80	(2,344)
Net ECL change of the year	E.17	(5)	7
Loss / Gain (-) from revaluation of financial assets and financial liabilities at FVTPL	E.16	429	(266)
Dividend income from FVOCI equities	E.16	(382)	(107)
Interest expense	E.19	1	2
Interest income	E.18	(304)	(215)
Dividend income from investments into subsidiaries	E.15	(16,301)	(17,343)
Income / expenses not involving movements of cash		(79)	56
Net foreign exchange differences	E.20	86	(125)
Share-based payments reserve	E.14	61	58
Change in receivables	E.3	62	(42)
Change in other assets	E.8	(29)	50
Change in payables	E.11	(121)	77
Change in other liabilities	E.13	32	(316)
Change in provisions	E.12	3	(1)
Change in financial investments measured at FVTPL		(33)	(34)
Change in financial investments measured at FVOCI		(6,358)	(2,173)
Change in financial investments measured at AC		4,463	148
Dividends received		16,740	17,423
Interest received		272	236
Cash flows arising from taxes on income		(161)	(43)
Net cash flow from operating activities		13,839	14,589
Cash flow from investing activities			
Purchase of tangible assets and intangible assets	E.4	(10)	(251)
Proceeds from disposals of tangible and intangible assets	E.4	5	327
Net cashflow from acquisition of subsidiaries, associates and joint ventures		(905)	(663)
Net cash flow from investing activities		(910)	(587)
Cash flow from financing activities			
Interest paid		(1)	(2)
Dividends paid to shareholders	E.9.1	(12,852)	(13,869)
Net cash flow from financing activities		(12,853)	(13,871)
Net increase (decrease) in cash and cash equivalents		76	131
Cash and cash equivalents as at beginning of reporting period	E.1	337	199
Effect of exchange rate changes on cash and cash equivalents		3	7
Cash and cash equivalents as at end of reporting period	E.1	416	337

Notes to the Company Financial Statements

A. General Information

A.1 Description of the Company

Generali CEE Holding B.V. (“Generali CEE Holding”, or the “Company”) is a parent holding company of subsidiaries offering a wide range of life and P&C insurance products, as well as pension fund schemes and asset management services in Central and Eastern Europe.

The Company was established under the laws of the Netherlands and as at 31 December 2025 is fully owned by Assicurazioni Generali S.p.A. (“Generali Group”), which is the Company’s ultimate parent company. Generali Group’s financial statements are publicly available on its internet pages www.generali.com.

Although a Dutch company, incorporated on 8 June 2007 under the laws of the Netherlands, with its registered office in De Entree 91, 1101 BH Amsterdam, The Netherlands, its main operations are based in the Czech Republic, where its branch is registered at Na Pankráci 121/1658, 140 21 Prague 4, Czech Republic. The Company identification number issued by the commercial register in the Netherlands is 342 75 688, the branch in the Czech Republic is registered under the identification number of 282 39 652.

The Company was incorporated for the purpose of integrating the business activities of Generali Group and PPF Group (former minority shareholder of the Company). The Company’s business activities are consulting services in the entrepreneurial, financial, economic and organisational fields and their procurement to the Company’s subsidiaries. The Company is doing these activities in order to support its subsidiaries with their business activities in order to keep growing the Company’s main income of dividend.

The Board of Directors authorised the separate financial statements to be issued on 16 April 2026.

A.2 Statutory body

The statutory body of the Company was as at 31 December 2025 as follows:

Members: Manlio Lostuzzi
Jaime Anchustegui Melgarejo
Carlo Schiavetto
Heike Otteman-Toyza
Miroslav Bašta

The Company is subject to Dutch and Czech corporate income taxation, due to its branch in the Czech Republic. Since all the assets and activities of the Company have been transferred to the Czech branch, Czech tax law has primacy for the Company’s tax status.

B. Basis of preparation

B.1 Statement of compliance

These separate financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS-EU”), including International Accounting Standards (“IAS”), promulgated by the International Accounting Standards Board (“IASB”), and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”) of the IASB, and with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code.

Management has reviewed those IFRS and interpretations adopted by the EU that, as at the date of issuance of these separate financial statements, were not yet effective as at that date. An assessment of the expected impact of these standards and interpretations on the Company is shown in C.3.1.

B.2 Basis of preparation

The Company prepares these separate financial statements in accordance with IFRS Accounting Standards (as adopted by the EU).

The Company has elected to apply the exemption permitted in Section 408, Book 2 of the Dutch Civil Code from preparing consolidated financial statements and presents only separate financial statements. As at the reporting date, the ultimate parent company of the Company was Assicurazioni Generali S.p.A. ("Generali Group"). Consolidated financial statements of Generali Group are publicly available on its internet pages www.generali.com. Generali Group is registered in the Group Insurance Register maintained by Institution for the Supervision of Insurance ("IVASS") under No. 026. For more details about Company's subsidiaries see note E.5.

The Company's separate financial statements are presented in the Czech Koruna (CZK), which is the functional currency of the Company and the domestic currency of the Czech Republic, as permitted in Section 362(7), Book 2 of the Dutch Civil Code. All amounts have been rounded to the nearest million, except where otherwise indicated.

These separate financial statements have been prepared on a historical cost basis except for the following assets and liabilities which are stated at their fair value: derivative financial instruments, financial instruments at fair value through profit or loss and financial instruments at fair value through other comprehensive income.

The preparation of these separate financial statements in accordance with IFRS-EU requires that Management makes judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that cannot readily be determined from other sources. The actual values may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period, or in both the period of the revision and future periods if the revision affects both the current and future periods.

The accompanying separate financial statements have been prepared assuming that the Company will continue as a going concern.

C. Material accounting policies and assumptions

C.1 Material accounting policies

The accounting standards adopted in preparing the separate financial statements, and the contents of the items in the Company's financial statements are presented in this section.

C.1.1 Intangible assets

In accordance with IAS 38, an intangible asset is recognised if, and only if, it is identifiable and controllable, it is probable that the expected future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

This category includes mainly software. The Company owns no software with indefinite useful life.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Intangible asset acquired by the Company is measured at cost less accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite useful lives are amortised on a straight-line basis over an average period of 3-5 years. The amortisation methods, useful lives, and residual values, if not insignificant, are reassessed annually. If a material additional investment is made to an asset during the year, its useful life and residual value are reassessed at the time the cost of the investment is added to the carrying amount of the asset.

The amortisation and potential impairment of other intangible assets are recognised in the separate income statement under the item "Other expenses". For further details, see note E.22.

Where there is an indication that an impairment loss recognised for an asset in prior years no longer exists, the carrying amount of the asset is increased to its estimated recoverable amount. The increased carrying amount of the asset due to the reversal of impairment loss cannot exceed the carrying amount that would be determined if no impairment loss had been recognised for the asset in prior years, net of any depreciation or amortisation accounted for in the meantime.

C.1.2 Investments in subsidiaries

Investments in subsidiaries are entities (including intermediate subsidiaries and special purpose entities) over which the Company has control. Subsidiaries are recognised from the date on which control is transferred to the Company or its intermediate holding entities. They are derecognised from the date that control ceases.

There are three conditions of control (according to the standard IFRS 10 Consolidated Financial Statements) which must be met for considering an entity as controlled:

- Power over the investee.
- Exposure, or right to variable returns.
- The ability to affect those returns through power over the investee.

Investments in group companies are originally measured at cost. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

The Company assesses at the end of each reporting period whether there is any indication of impairment. If such indication exists, investment is subject to impairment testing.

An impairment loss is recognised if the carrying amount of an investment exceeds its estimated recoverable amount. The latter is the higher of its fair value less costs of disposal (i.e., the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal) and its value in use (i.e., the present value of the future cash flows expected to be derived from holding the investment).

The value in use resulting from the impairment test model is compared to the historical cost of the investment. In particular, the Dividend Discount Model ("DDM") has been used for the determination of the value in use.

The Dividend Discount Model is based on the hypothesis that the value of the investment is equal to the present value of the post-tax cash flows available for its shareholders. These cash flows are supposed to be equal to the flows derived from the distributable dividends, while maintaining an adequate capital structure as required by the laws in force and the entity's economic nature and to maintain its expected future development.

According to this method, the value of the cash-generating unit is equal to the sum of the discounted value of future dividends plus the terminal value of the cash-generating unit itself.

The application of this criterion has generally entailed the following phases:

- a) For forecasting the future cash flows of each Company subject to the test, profit after tax available in the most recent Rolling plan 2026-2028 has been taken into account. The main economic-financial data has been calculated for two additional years (2029 and 2030) on the basis of the growth rate in the last year of the rolling plan (2028) to extend the forecast period.
- b) Explicit forecasting of the future cash flows to be distributed to shareholders in the planned time frame, taking into account limits requiring the maintenance of an adequate capital level.
- c) Calculating the participation's terminal value, which is the expected value of the participation at the end of the latest year planned.
- d) Regarding the terminal value, applying a growth rate of 2.0% on the cash flows of the latest Plan year.
- e) The discount rate of the future cash flows (between 8.79% and 12.88%) has been derived from the return rate of risk-free investments (between 3.04% and 7.13%), annual cost of capital (5.00%), size premium (1.00%) and beta (0.95).

The impairment loss is recognised in the income statement.

Where there is any indication that an impairment loss recognised for an investment in prior years no longer exists, the carrying amount of the asset is increased to its estimated recoverable amount. The increased carrying amount of the investment due to the reversal of impairment loss cannot exceed the carrying amount that would be determined if no impairment loss had been recognised for the investment in prior years.

The reversal of impairment loss is recognised in the income statement.

C.1.3 Investments

C.1.3.1. Recognition and initial measurement

Investments include financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, financial assets at amortised cost, cash and cash equivalents.

For spot purchases and sales of financial assets, the Company's policy is to recognise them using settlement-date accounting. Other financial assets are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Any change in the fair value of an asset to be received during the period between the trade date and the settlement date is accounted for in the same way as would be accounted for subsequent measurement for the respective measurement category. Financial instruments are measured initially at fair value plus, with the exception of financial instruments at fair value through profit or loss, transaction costs directly attributable to the acquisition or issue of the financial instrument.

A financial asset is derecognised when the Company transfers the risk and rewards of ownership of the financial assets or loses control over the contractual rights that comprise that asset. This occurs when the rights are realised, expired or surrendered.

C.1.3.2. Classification and subsequent measurement

Financial assets

Classification

On initial recognition, a financial asset is classified as measured at amortised cost, FVOCI or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are Solely Payments for Principal and Interest ("SPPI").

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are SPPI.

The Company elects to present changes in the fair value of certain equity investments that are not held for trading in OCI. For these equity instruments, only dividend income can be presented in the profit and loss statement, any value loss or gain is presented as Other comprehensive income and shall be never recycled to profit and loss (specific "non-recycling" rule applies). The election is made on an instrument-by-instrument basis on initial recognition and is irrevocable. The Company decided to activate this option for such instruments to mitigate the volatility of the results which is implied in this asset class.

All financial assets not classified as measured at amortised cost or FVOCI, as described above, are measured at FVTPL.

In addition, on initial recognition the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. In the observed periods, the Company did not use this option.

Business model assessment

The Company assesses the objective of the business model in which a financial asset is held. The information considered includes:

1. the stated policies and objectives and the operation of those policies in practice, including whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of assets;
2. how the performance of the portfolio is evaluated and reported to the Key Management Personnel;
3. the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
4. how managers of the business are compensated and the linkage of their remuneration with KPIs; and
5. the frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realised.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

The business model of the Company was identified for separate clusters of assets:

1) Financial assets managed as investments

Instruments within this group include equities, investment funds, reverse REPO and derivatives.

Management of these assets is in line with the strategic asset allocation process which defines target exposure and limits, in term of minimum and maximum exposure allowed, for each relevant asset class.

The Company needs to consider its business in relation to investments management and take into account liability cash flow matching, liquidity needs, management of specific credit risk profile, generation of valued added from investment activity, actively assessing investment opportunities, related risk profile and return and value maximization. All of the above is done both through holding assets and collecting related cash flows and also through sales.

Based on the above considerations, asset groups that fall within this category follow general approach which is “hold to collect and sell” business model, in line with General Business Model of the Generali Group.

2) Financial assets not managed as investments

The objectives of these items are interpreted as not based on objectives normally used to manage investments. It can be assumed as a transitory item between cash collection and investment decision.

No sales before maturity, no active trading or other selling activities are performed within these assets. Expectations about future sales activity remain on current level without any changes.

These assets generate very small fraction of the investment result. Results generated by these clusters are monitored and reviewed on regular basis, but it is not the key driver of KPIs.

Financial assets not managed as investment are assigned to a “hold to collect” business model, considering as primary objective in relation to these assets the collection of contractual cash flows.

a) Receivables

Receivables are amounts due from employees, suppliers and customer, intermediaries, or any other party. Receivables are usually short-term instruments that do not have a significant financing component. The objectives of these items are interpreted as not based on objectives normally used to manage investments as they arise in the ordinary course of business.

Receivables have characteristics as described above for financial assets not managed as investments and are therefore assigned to a “hold to collect” business model, considering as primary objective in relation to these assets the collection of contractual cash flows as they become due.

b) Cash and cash equivalent

Cash comprises cash on hand and demand deposits together with term deposits. Cash equivalents are defined by the same standard as short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for meeting short-term cash commitments or as transitory item between cash collection and investment decision rather than for investment or other purposes. Considering short term nature and an insignificant risk of changes in value, this group contains also term deposits with maturity at inception less than 15 days.

Cash and cash equivalents are assigned to a “hold to collect” business model, considering main characteristics of these assets.

c) Loans to subsidiaries

Loans to subsidiaries comprises loans provided by the Company to its subsidiaries as one source of financing. No sales before maturity and no active trading are performed within these assets which is not expected to be changed for the future.

Primary objective of loans to subsidiaries is collection of contractual cash flows once they become due and such items are assigned to a hold to collect business model.

d) Term Deposits and Cash pool

These assets represent either short-term money allocation or are part of specific Generali Group cash pooling initiative to efficiently manage Group’s cash capacity. No sales before maturity and no active trading are performed within these assets which is not expected to be changed for the future.

Primary objective of these assets is short term funds allocation and consequently collection of contractual cash flows once they become due or cash is needed, and such items are assigned to a hold to collect business model.

Assessment of whether contractual cash flows are SPPI

For the purposes of this assessment, principal is defined as the fair value of the financial asset on initial recognition. However, the principal may change over time – e.g. if there are repayments of principal.

Interest is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration for the time value of money (e.g. periodic reset of interest rates).

A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. In addition, for a financial asset acquired at a premium or discount to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant on initial recognition.

Some prepayment features permit the debtor to prepay the debt instrument at an amount calculated as the remaining contractual cash flows discounted at the current market benchmark interest rate plus a fixed spread. The Company has determined that these prepayment features are consistent with the SPPI criterion. Because the Company would be compensated only for the change in the market benchmark interest rate and for lost interest margin, the prepayment penalty would not include any non-SPPI risks and may be seen as reasonable compensation.

Subsequent measurement and gains and losses

Financial assets at FVTPL	Measured at fair value. Net gains and losses, including any interest or dividend income and foreign exchange gains and losses, are recognised in profit or loss. For financial assets for which a frequent market quotation is not available (Level 2 and Level 3 instruments) unrealized gains, originally recognized in profit or loss statement, are subsequently reclassified to the equity, as required by Dutch law Article 390 BW2.
Debt investments at FVOCI	Measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and change in expected credit losses are recognised in profit or loss. Other net gains and losses are recognised in OCI and accumulated in the fair value reserve. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	Measured at fair value. Dividends are recognised as income in profit or loss when the Company's right to receive payment is established, unless they clearly represent a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment.
Financial assets at amortised cost	Measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses and change in expected credit losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial liabilities

Classification

The Company classifies its financial liabilities, into one of the following categories:

- financial liabilities at FVTPL, and within this category as:
 - held-for-trading;
 - derivative hedging instruments;
 - designated as at FVTPL;
- financial liabilities at amortised cost.

Subsequent measurement and gains and losses

Financial liabilities at FVTPL	Measured at fair value. Net gains and losses, including any interest expenses and foreign exchange gains and losses, are recognised in profit or loss.
Financial liabilities at amortised cost	Measured at amortised cost using the effective interest method. Interest expenses and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derivatives

Derivatives, including embedded derivatives separated from their host contracts, are classified as held-for-trading. They are measured at fair value with changes in fair value recognised in profit or loss.

Derivatives may be embedded in another contractual arrangement (a host contract). When the host contract is a financial asset in the scope of IFRS 9, the hybrid financial instrument as a whole is assessed for classification, and the embedded derivative is not separated from the host contract.

For other contracts, the Company accounts for an embedded derivative separately from the host contract when:

- the hybrid contract is not measured at FVTPL;
- the terms of the embedded derivative would have met the definition of a derivative if they were contained in a separate contract; and
- the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. In particular an embedded derivative is closely related to a host insurance contract if they are so interdependent that the embedded derivative cannot be measured separately – i.e. without considering the host contract.

C.1.4 Cash and cash equivalents

Cash consists of cash on hand, demand deposits with banks and other financial institutions and term deposits due within 15 days. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. All cash and cash equivalents held by the Company are available for use by the Group. There are no restrictions imposed on cash and cash equivalents.

C.1.5 Non-current assets held for sale

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sales rather than through continuing use are classified as held-for-sale. Immediately before being classified as held-for-sale, the assets (or components of a disposal group) are measured in accordance with the applicable IFRS. Thereafter, generally, the assets (or disposal group) are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group is allocated to assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets and investment property, which continue to be measured in accordance with the Company's accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains or losses on re-measurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

C.1.6 Equity

Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

Share premium reserve

Excess contributed by an investor to the Company over the par-value price of a share issue is recognised in share premium reserve.

Revaluation reserve – financial assets at FVOCI

The item includes gains or losses arising from changes in the fair value of FVOCI financial assets, as previously described in the corresponding item of financial investments. The amounts are presented net of the related deferred taxes.

Other reserves

This item comprises retained earnings or losses adjusted for the effects arising from the first-time application of IFRS and statutory reserve funds.

Unappropriated profits

The item refers to the Company's earnings after taxes for the period. Dividend payments are accounted for after the approval of the shareholders' general meeting.

Dividends

Dividends are recognised as a liability provided when they are declared before the end of the reporting period. Dividends declared after the end of the reporting period are not recognised as a liability but are disclosed in the notes.

C.1.7 Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reasonable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

The Company, among the other similar classes of potential legal disputes, monitors and assesses thoroughly whether some liabilities should be recognised in the Czech Republic under Act No. 229/2002 Coll. as amended by subsequent changes.

C.1.8 Payables

Accounts payable is a contractual obligation to deliver cash or another financial asset. Accounts payable are measured at amortised cost, which will normally equal their nominal or repayment value.

C.1.9 Net result from investments into subsidiaries

Net result from investments in subsidiaries includes dividend income, impairment / reversal of impairment expense and realised gains or losses from the disposal of subsidiaries recognised during the period.

Dividend income from a subsidiary is recognised in the profit and loss statement of the Company when the Company's right to receive the dividend is established. This right is established once the dividend payment is approved by the general meeting of the subsidiary.

C.1.10 Net income and loss from financial assets and liabilities

Other income and expenses from financial assets comprise realised and unrealised gains/losses on investments.

A realised gain/loss arises on de-recognition of financial assets other than financial assets at fair value through profit or loss. The amount of the realised gain/loss represents the difference between the carrying value of a financial asset and the sales price adjusted for any cumulative gain or loss that had been recognised in other comprehensive income.

Net fair value gain/loss on financial assets and liabilities at fair value through profit or loss not held-for-trading represents the amount of the subsequent measurement of financial assets and liabilities classified at fair value through profit or loss to their fair value or the gain/loss from disposal thereof.

C.1.11 Interest revenue and interest expenses calculated using the effective interest method

Interest income and interest expense are recognised in the income statement on an accrual basis, taking into account the effective yield of the asset or liability, or an applicable floating rate. Interest income and interest expense include the amortisation of any discount or premium or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated using the effective interest method.

In the context of effective interest method, interests are normally recognised on Gross carrying amount ("GCA"), with exception of assets classified as ECL Stage 3 (see C.1.14 for more detailed information), when interests are calculated on amortised cost.

Interest on financial assets measured at fair value through profit or loss and interest income on other assets is reported as a part of "Interest revenue calculated using the effective method". Interest expense on other liabilities is reported as "Interest expense calculated using the effective method".

Interest recognition on financial instruments

Interest income and expenses are recognised in profit or loss using the effective interest method. The effective interest rate is calculated on initial recognition of a financial instrument and is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The gross carrying amount of a financial asset is its amortised cost before adjusting for any loss allowance.

Financial assets not credit-impaired on initial recognition	<p>If the financial asset is not credit-impaired, then interest income is calculated by applying the effective interest rate to the gross carrying amount of the asset. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the asset, but not ECL.</p> <p>If the financial asset has become credit-impaired subsequent to initial recognition, then interest income is calculated by applying the effective interest rate to the amortised cost of the asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.</p> <p>For information on when financial assets are credit-impaired, see (C.1.14).</p>
Financial assets credit-impaired on initial recognition	<p>Interest income is calculated by applying a credit-adjusted effective interest rate to the amortised cost of the asset. The credit-adjusted effective interest rate is calculated using estimated future cash flows including ECL. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.</p>
Financial liabilities	<p>Interest expenses are calculated by applying the effective interest rate to the amortised cost of the liability. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the liability.</p>

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

Interest revenue calculated using the effective interest method and other finance costs presented in profit or loss include interest on financial assets and financial liabilities measured at amortised cost and debt investments measured at FVOCI.

C.1.12 Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except where it relates to items recognised directly in other comprehensive income, in which case it is recognised in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted as at the end of the reporting period and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates enacted or substantially enacted as at the end of the reporting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available, against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred, if applicable.

C.1.13 Employee benefits

Short-term employee benefits

Short-term employee benefits are those due to be settled within twelve months of the end of the period in which the employees render the related service, other than termination benefits. Short-term employee benefits mainly include wages and salaries, management remuneration and bonuses, remuneration for membership of Company boards and non-monetary benefits. The Company makes contributions to government pension schemes at the statutory rates in force during the year, based on gross salary payments. The benefits are recognised in an undiscounted amount as an expense and as a liability (accrued expense).

Other long-term employee benefits

Other long-term employee benefits are those that are not due to be settled within twelve months after the end of the period in which the employees render the related service, other than post-employment benefits and termination benefits.

The benefits are measured at present value of the defined obligation at the balance sheet date using the projected unit credit method.

Post-employment benefits

Post-employment benefits are those (other than termination benefits) payable after completion of employment. The Company makes contributions to the government health, accident and guarantee insurance and unemployment schemes at the statutory rates in force during the year, based on gross salary payments. Throughout the year, the Company made contributions defined by the relevant laws to such schemes. The cost of these Company made contributions is charged to the income statement in the same period as the related salary cost as this is a defined contribution plan. There are no further obligations of the Company in respect of employees' post-employment benefits.

Termination benefits

Termination benefits are employee benefits payable as a result of the Company's decision to terminate an employee's employment before the normal retirement date, or as an inducement to accept voluntary redundancy.

The Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed irrevocable formal plan or providing termination benefits as an inducement to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to present value.

C.1.14 Other accounting policies

Foreign currency translation

(a) Functional and presentation currency

The financial statements are presented in CZK, which is the Company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing as at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in the income statement and presented within "Net foreign exchange differences".

Changes in the fair value of monetary securities denominated in foreign currencies classified as FVOCI are distinguished between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in the income statement, and other changes in the carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss in the income statement. Translation differences on non-monetary financial assets, such as equities classified FVOCI financial assets, are included in the reserve for unrealised gains and losses on financial assets at FVOCI in other comprehensive income.

Impairment on financial instruments – Expected credit losses

The impairment requirements on financial instruments are based on an expected credit loss (ECL) model. The ECL model applies to debt instruments accounted for at amortised cost or at FVOCI. In addition, ECL shall be recognised when such cases are present, on most loan commitments (if not accounted for at FVTPL), financial guarantee contracts, contract assets under IFRS 15 and lease receivables under IFRS 16 Leases.

Expected Credit Losses ("ECL") in the context of IFRS 9 are the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. Credit losses are the present value of expected cash shortfalls, where a cash shortfall is the difference between the cash flows due to

the entity in accordance with the contract (scheduled or contractual cashflows) and the cash flows that the entity expects to receive (actual expected cashflows).

The key inputs into the measurement of ECL are the term structures of the following variables:

- Probability of default (“PD”);
- loss given default (“LGD”); and
- exposure at default (“EAD”); being EAD equal to the Gross Carrying Amount (“GCA”) at evaluation date.

An entity must determine whether the financial asset is in one of three stages (Stage 1, Stage 2, Stage 3) based on assessment whether the credit risk (i.e. risk of default) on a financial instrument has increased significantly since initial recognition.

The Company recognises 12-month ECL on initial recognition (or when the commitment or guarantee was entered into) and thereafter as long as there is no significant deterioration in credit risk. However, if there has been a significant increase in credit risk on an individual or collective basis, then a lifetime ECL is recognised. For trade receivables, a simplified approach is applied whereby the lifetime ECL are always recognised.

12-month ECL is the portion of expected credit losses associated with the probability of financial instrument defaulting in the next 12 month. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the financial instrument.

Below table offers a more schematic representation of applied rule:

	Stage 1	Stage 2	Stage 3
Credit-impaired assets	No	No	Yes
Significant increase of the credit risk	No	Yes	Yes
Expected credit loss	ECL – 12-month	ECL – lifetime	ECL – lifetime
Interest revenue	On Gross Carrying Amount	On Gross Carrying Amount	On Amortised cost

In this risk assessment related to significant deterioration in credit risk, the Company must take into account the change in default that may occur after the initial recognition of the financial instrument rather than change in the amount of expected credit losses.

The approach chosen by the Company in order to measure Significant Increase in Credit Risk for Bonds (and similar to Bonds) exposures foresees the Credit Rating Downgrading by a defined number of notches. In this quantitative transfer criteria, the rating shift is the parameter monitored in order to detect a significant credit risk deterioration. The difference is measured as number of notches compared with a threshold that determines, in relative terms, if the position is classified as Stage 1, Stage 2 or Stage 3. The case in which the number of notch is lower than the threshold, tranche will be classified as Stage 1 and ECL calculated considering risk of default over next 12 months; if higher than the threshold for passing to Stage 2 but lower than the threshold of Stage 3, the position will be classified at Stage 2 and ECL is calculated considering lifetime risk of default; otherwise it is classified at Stage 3 and ECL calculated based on the recovery amounts estimates. As Stage 3 are also considered all cases with objective evidence of impairment, regardless of approach above.

Use of Low Credit Risk (“LCR”) exemption is implicitly considered in the definition of number of notches change described above. In this case, the threshold limits of BBB-, S&P rating scale, has been chosen for the identification of Low Credit Risk Assets, being this the rating floor to define an “investment grade” score.

The Company assesses at each reporting date whether the credit risk (i.e. risk of default) on a financial instrument has increased significantly since initial recognition. ECL shall always reflect the current expectations of credit losses. Consequently, as the Company would recognise lifetime ECL in case of significant increase of credit risk, equally lifetime ECL recognised in previous reporting periods changes to 12-month ECL if there is evidence that there is no longer a significant increase in credit risk relative to initial recognition.

Expected credit loss is calculated as weighted value obtained by considering a series of possible scenarios in which forward-looking information are specified. The Company has decided to identify three different scenarios with following weights (Upward scenario – 30%; Base scenario – 40%; Downward scenario – 30%). Calculation considers all reasonable and supportable information, including the forward-looking one. Probabilities of defaults used for each scenario depend on rating class and the historical evolution of related probabilities of default in time, deriving so the point in time probability of default. This is adjusted through the use of satellite models to forward looking probabilities of default, considering impact of specific relevant macroeconomic factors to the probability of default for each of three mentioned scenarios. As mentioned above, PDs are then combined with LGDs and EAD to calculate the ECL amounts.

Presentation expected credit losses in Statement of financial position and Income statement

In case of financial assets measured at amortised cost, ECL is reducing the gross carrying amount of the asset. Hence, the total value presented in the balance sheet, i.e. Amortised cost, is the difference of GCA and ECL. In P&L, ECL is presented as cost at initial recognition or through our first year of assets recognition. Subsequently the change of ECL

estimate respect to last annual reporting period is recognised as either cost or income, depending on whether ECL estimate increased or decreased in time.

In case of FVOCI assets, In P&L ECL is presented as cost at initial recognition or through our first year of assets recognition. Subsequently the change of ECL estimate respect to last annual reporting period is recognised as either cost or income, depending on whether ECL estimate increased or decreased in time. Within a dedicated reserve in equity, ECL reserve is recognised, counterbalancing the ECL cumulative cost as recognised in P&L, assuring Company's financial statement are reflecting Fair value measurement as required for OCI instruments.

In Income statement, ECL is presented in the line "Net expected credit loss expense (-) / income.

Write-offs

Debt securities are written off (either partially or fully) if there is not real and achievable possibility of recovery.

Considering very limited cases of applicable investments, the Company doesn't have a specific write off policy. These cases, if occurred, would be assessed on case-by-case basis.

Transfers that do not qualify for derecognition – REPO/reverse REPO transactions

Securities sold under agreements to repurchase at a specified future date are not derecognised from the statement of the financial position as the Company retains substantially all of the risks and rewards of ownership. The corresponding cash received is recognised in the statement of financial position as an asset with a corresponding obligation to return it, including accrued interest as a liability within payables section (cash collateral on securities lent and repurchase agreements), reflecting the transaction's economic substance as a loan to the Company. The difference between the sale and repurchase prices is treated as interest expense and is accrued over the life of agreement using the effective interest rate.

When the counterparty has the right to sell or re-pledge the securities, the Company reclassifies those securities in its statement of financial position to financial assets held for trading pledged as collateral or to financial investments available for sale pledged as collateral, as appropriate.

Conversely, securities purchased under agreements to resell at a specified future date are not recognised in the statement of financial position. The consideration paid, including accrued interest, is recorded in the statement of financial position, within cash collateral on securities borrowed and reverse repurchase agreements, reflecting the transaction's economic substance as a loan by the Company. The difference between the purchase and resale prices is recorded in net interest income and is accrued over the life of the agreement using the effective interest rate.

If securities purchased under an agreement to resell are subsequently sold to third parties, the obligation to return the securities is recorded as a short sale within financial liabilities held for trading and measured at fair value with any gains or losses included in income from other financial instruments.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is an unconditional and legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Share-based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby they render services as consideration for equity instruments (equity-settled transactions). The Company has no obligation to settle the share-based transaction. Transaction will be settled by shares issued by Assicurazioni Generali S.p.A. (ultimate parent company).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised together with a corresponding increase in retained earnings in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the best estimate of the number of equity instruments that will ultimately vest. The statement of profit or loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in other expenses.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting, irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification.

When an equity-settled award is cancelled, it is treated as if it vested on the date of cancellation and any expenses not yet recognised for the award are recognised immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if there were a modification of the original award, as described in the previous paragraph.

Fair value measurements

Fair value is defined as 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. A fair value measurement assumes that the asset or liability is exchanged in an orderly transaction between market participants to sell the asset or transfer the liability at the measurement date under current market conditions.

The fair value of financial instruments and other assets and liabilities is based on their quoted market price as at the end of the reporting period, without any deduction for transaction costs. If a quoted market price is not available or if the market for an asset or liability is not active, the fair value is estimated using pricing models or discounted cash-flow techniques.

To assess whether the market is active or not, the Company carefully determines whether the quoted price really reflects the fair value, i.e., in cases where the price has not changed for a long period or the Company has information about an important event, but the price did not change accordingly, the market is not considered active. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Discounted cash flow techniques use estimated future cash flows, which are based on management estimates and the discount rate, which is constructed from risk-free rates adjusted by risk margin (credit spread). This is usually derived from an instrument with similar terms and conditions (ideally from the same issuer, similar maturity and seniority) which reflects the market price in the best way.

In general, if pricing models are used, inputs are based on market-related measures as at the end of the reporting period which limits the subjectivity of the valuation performed by the Company, and the result of such a valuation best approximates the fair value of an instrument.

The fair value of derivatives that are not exchange-traded is estimated as at the end of the reporting period using appropriate pricing models as described in the previous paragraph taking into account current market conditions and the current creditworthiness of the counterparties. In the case of options, Black-Scholes models are applied. Also, for any other over-the-counter instruments (CDS, IRS, CCS, etc.), widely recognised models are applied and, again, the parameters of the valuation are intended to reflect market conditions.

Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs are used.

The fair value hierarchy (defined by IFRS 13) of three levels has been used. The fair value hierarchy categorises the inputs to valuation techniques used to measure fair value as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

The fair value assets or liabilities that are not traded in an active market (for example, over-the-counter derivatives or unquoted bonds) is determined by using valuation techniques. If all significant inputs required to fair value an instrument are observable on the market, the instrument is included in Level 2. Specific valuation techniques used in valuation include mainly quoted market prices or over-the-counter offers for similar instruments, cash flow estimation and risk-free curves.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Level 3 contains the assets and liabilities where market prices are unavailable, and entity specific estimates are necessary.

Assets and liabilities are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable. Level 3 instruments also include those for which the determination of fair value requires significant expert judgement or estimation.

A general description of the valuation techniques used for Level 3 assets and liabilities is provided below:

- independent evaluation by a third party – the adequacy of the price results from evaluations, reports or fairness opinions issued by independent third parties;
- price based on the amount of Shareholder's equity;
- price that incorporates additional information about the value of an instrument (insufficient value of illiquid underlying assets in case of funds/hedge funds, not enough resources to finance junior tranches in case of structured products like CDO, default of an issuer, etc.).

The following table provides a description of the valuation techniques and the inputs used in fair value measurement:

	Level 2	Level 3
Equities		The fair value is mainly determined using an independent evaluation provided by a third party or is based on the amount of Shareholder's equity. Valuation technique consists of dividend discount model, trading multiples or combination of both techniques.
Investment funds		The fair value is mainly based on information about the value of underlying assets.
Bonds, Loans	Bonds are valued using the discounted cash flow technique. It uses estimated future cash flows and the discount rate, which is constructed from risk-free rates adjusted by credit spread.	Indicative price is provided by a third party or determined by discounted cash-flow method with significant expert judgement regarding credit spread.
Derivatives	Derivatives are valued using the discounted cash flow technique.	
Deposits, Reverse REPO operations	These instruments are valued using discounted cash flow technique.	

The table below shows unobservable inputs of Level 3 assets (in CZK million):

Description	Fair value as at 31 December 2025	Valuation technique(s)	Unobservable input(s)	Range
Equities at FVTPL	1,210	net asset value	value of underlying instruments	n/a
Equities at FVOCI	6,128	dividend discount model trading multiples	cost of equity terminal growth rate estimated cash-flows	+/- 50 bps (5,600 – 6,732)
Investment fund units	232	net asset value	value of underlying instruments	n/a

Description	Fair value as at 31 December 2024	Valuation technique(s)	Unobservable input(s)	Range
Equities at FVTPL	1,620	net asset value	value of underlying instruments	n/a
Equities at FVOCI	5,470	dividend discount model trading multiples	cost of equity terminal growth rate estimated cash-flows	+/- 50 bps (5,076 – 5,945)
Investment fund units	204	net asset value	value of underlying instruments	n/a

Where possible, the Company tests the sensitivity of the fair values of Level 3 investments to changes in unobservable inputs for reasonable alternatives. Where possible, valuations for Level 3 investments are sourced from independent third parties and, where appropriate, validated against internally modelled valuations, third-party models or broker quotes.

Where third-party pricing sources are unwilling to provide a sensitivity analysis for their valuations or where no third-party pricing source is available, the Company undertakes, where feasible, a sensitivity analysis on the following basis:

- For third-party valuations validated against internally modelled valuations using significant unobservable inputs, the sensitivity of the internally modelled valuation to changes in unobservable inputs for a reasonable alternative is determined.
- For third-party valuations either not validated or validated against a third-party model or broker quote, the third-party valuation in its entirety is considered an unobservable input. Sensitivities are determined by flexing inputs of internal models to a reasonable alternative, including the yield, NAV multiple, IRR or other suitable valuation multiples of the financial instrument implied by the third-party valuation. For example, for a fixed income security the implied yield would be the rate of return which discounts the security's contractual cash flows to equal the third-party valuation.

The policy on the timing of recognising transfers, which is based on the date of the event or changes in circumstances that caused the transfer, is the same for transfers into each level as for transfers out of the levels.

C.2 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

C.2.1 Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded on an active market (for example, over-the-counter derivatives) is determined using a valuation method. The Company uses its judgement to select a variety of valuation methods and makes assumptions that are mainly based on the market conditions existing at the end of each reporting period (see also Note C.1.3).

C.2.2 Impairment test of investments in subsidiaries

Investments in subsidiaries are subject to annual impairment testing. Determination of recoverable amount of the investments require usage of certain assumptions. Impairment test process and calculation are described in Note C.1.2.

C.3 New standards and interpretations

C.3.1 Standards, interpretations and amendments to existing standards that are not yet effective and are relevant for the Company's financial statements

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7, effective for annual periods beginning on or after 1 January 2026) to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments.

Annual Improvements to IFRS Accounting Standards — Volume 11 (effective for annual reporting periods beginning on or after 1 January 2026) – amendments to standards IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.

IFRS 18 Presentation and Disclosures in Financial Statements (effective for an entity's first annual IFRS financial statements for periods beginning on or after 1 January 2027)

This standard replaces the standard IAS 1 Presentation of Financial statements.

The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

IAS 8 (2005) will be superseded by IAS 8 (2024) Basis of Preparation of Financial Statements when an entity applies IFRS 18 Presentation and Disclosure in Financial Statements.

IFRS 18 will amend also standards IAS 33 and IAS 34.

The amendments to IAS 33 permit an entity to disclose additional earnings per share in the notes only if the numerator is either a total or subtotal identified in IFRS 18 or is a management performance measure.

The amendments to IAS 34 require an entity to include in its interim report the disclosures about management-defined performance measures.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (Effective for periods beginning on or after 1 January 2027)

IFRS 19 specifies reduced disclosure requirements that an eligible entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.

An entity may elect to apply this Standard in its consolidated, separate or individual financial statements if, and only if, at the end of the reporting period:

- (a) it is a subsidiary;
- (b) it does not have public accountability; and
- (c) it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

Amendment to IFRS 19 Subsidiaries without Public Accountability: Disclosures issued in August 2025.

The amendments cover new or amended IFRS Accounting Standards issued between 28 February 2021 and 1 May 2024 that were not considered when IFRS 19 was first issued.

The Company is currently assessing the impact of these standards and interpretations on its financial statements. The impact of their application cannot be reliably estimated at this stage.

C.3.2 Standards, interpretations and amendments to published standards that are not yet effective and are not relevant for the Company's financial statements

Amendment to IAS 21 – Translation to a Hyperinflationary Presentation Currency (effective for annual periods beginning on or after 1 January 2027)

Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity (effective for annual reporting periods beginning on or after 1 January 2026)

C.3.3 Standards, interpretations and amendments to published standards that are effective and are not relevant for the Company's financial statements

Amendment to IAS 21 – Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025), that contains guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

D. Risk report

In the risk report, the Company presents further information to enable the assessment of the significance of financial instruments for the assessment of an entity's financial position and performance. Furthermore, the Company provides information about its exposure to risks arising from financial instruments, and it discloses management's objectives, policies and processes for managing those risks, in accordance with IFRS 7.

D.1 Risk management system, measurement and control

The Company is a member of the Generali Group and is part of its risk management structure.

Generali CEE Holding is not a regulated entity. The Company is, however, approved as a qualified shareholder in all of its direct and indirect subsidiaries, which are regulated entities and must meet criteria stipulated by relevant local laws and regulatory. In addition, being a member of the insurance group headed by Assicurazioni Generali, the Company is required to comply with the measures imposed on the Company for the implementation of applicable laws and provisions set by the Italian Institute for insurance supervision for the purposes of the stable and efficient management of the Generali Group. This is reflected in risk profile of the Company.

Generali Group has implemented a risk management system that aims at identifying, evaluating and monitoring the most important risks to which the Generali Group and the Company are exposed.

Risk management process is defined within the Risk Management Group Policy and applicable for the Company, including the risk map determining the risks which the Company faces.

The purpose of the risk management system is to ensure that all risks to which the Company is exposed are properly and effectively managed through a defined risk strategy following a set of processes and procedures and based on clear governance provisions.

The principles defining the risk management system are provided in the risk management policy, which is the cornerstone of all risk-related policies and guidelines. The risk management policy covers all risks the Company is exposed to, both on a current and on a forward-looking basis.

The risk management process is defined within the following phases:



Specifically, the Company is exposed to financial risks, credit risks, liquidity risks, strategic risks, operational risks, sustainability risks, emerging risks and reputational risks. Details about risks are mentioned in separate chapters.

The Company mainly uses the following approaches to mitigate the individual risks:

Financial and Credit risks

The Company uses derivatives to mitigate the financial risks in the portfolio. The derivatives help the Company improve the quality, liquidity and profitability of the portfolio, according to the business planning targets.

Swaps

Swaps are over-the-counter agreements between the Company and other parties to exchange future cash flows based upon agreed notional amounts. Swaps most commonly used by the Company are foreign currency swaps. Under foreign currency swaps the Company agrees to simultaneously borrow one currency and lend another currency at an initial date, then exchanging the amounts at maturity.

Market risk arises from potentially unfavourable movements in foreign exchange rates.

Forwards

Forward contracts are commitments to either purchase or sell of a designated financial instrument, currency, commodity or an index at a specified future date for a specified price and may be settled in cash or another financial asset. Forward contracts result in credit exposure to the counter party and exposure to market risk based on changes in market prices relative to the contracted amounts.

Financial instruments and other investments

With specific focus on financial instruments and other investments, Risk Management guidelines related to investment risk management, the system of investments risk limits, credit ratings and guidelines on an approval process for new instruments are in place, as well as the investment risk reporting for management on a monthly basis.

The Company acts in line with Investment Risk Group Guideline. This guideline is cascaded to the Company via the Guideline for the System of Investment Risk Limits and a Risk limit Annex specific for the Company, providing it with a set of definitions, limits, requirements and restrictions to manage credit and market risks. The Guideline illustrates also the treatment and the requirements related to specific asset classes or transactions, and, in addition, it describes the related monitoring activities.

The asset portfolio is invested based on the Prudent Person Principle. The objective of the strategy is to establish appropriate return potential while ensuring that the Company can always meet its obligations without undue cost and in accordance with its internal and external regulatory capital requirements.

Strategic asset allocation follows standardised process described by Asset Liability management and Strategic asset allocation Group Guideline (SAA and TAA Group Guideline). The SAA is subject to approval of Regional Investment Committee with Group head office (“GHO”) representative which is held twice a year.

In addition to that, there are also Investment Governance Group Policy, Risk Concentrations Management Group Policy and Treasury Group Policy which specify the roles and responsibilities, processes and reporting requirements in these areas.

Liquidity risk

The Company manages and mitigates liquidity risk in accordance with the framework set in the Generali Group’s internal regulations. The Company also aims to ensure its capacity to meet its commitments in adverse scenarios. To this end, it manages expected cash inflows and outflows to maintain a sufficient available cash level to meet short- and medium-term needs, and by investing in instruments that can be quickly and easily converted into cash. The Company considers its prospective liquidity situation under plausible market conditions as well as under stress scenarios.

The Company has established clear governance guidelines for liquidity risk measurement, management, mitigation and reporting in accordance with the Generali Group regulations. This includes the setting of specific limits and escalation processes should limits be breached or other liquidity issues arise.

Operational risks, sustainability risks and reputation risks

On yearly basis the Company performs qualitative assessment of operational risks which is done by Risk Management function.

The assessment takes into account internal and external inputs, both historical and forward looking. Within the exercise the qualitative evaluation is performed for all the operational risks in the operational risk catalogue defined by Generali Group and aligned with the Generali Group methodology. The assessments outputs are presented in a heatmap, where we distinguish financial heatmap and heatmap including also reputational risks effects. Within the assessment also sustainability risks are considered.

Operational risks are well managed, individually based on type of the operational risks. The main topics for the Company are international sanctions, cyber-attack, ICT systems and the associated business continuity risk.

D.2 Roles and responsibility

The system is based on three levels of responsibility:

- Assicurazioni Generali (“Generali Group”) – for every country, it sets the targets in terms of solvency, results, and risk exposure. Moreover, it defines the risk management policy through a list of Guidelines for acceptance of the main risks. The Generali Group has developed the Risk Management Group Policy to align the risk measurement methodology, the governance and the reporting of each company within the Generali Group.
 - Generali CEE Holding (“the Company”) – defines strategies and objectives for every company within the CEE region, taking into account the local features and regulations, providing support for the implementation and controlling the results. In particular, in order to assure a better solution to the specific features of local risks and changes in local regulation, the risk management responsibility and decisions are delegated to the Chief Risk Officer of the Company respecting the Generali Group policy framework. Generali Group and the Company are also assigned performance targets for their respective areas.
 - Business Unit – risk management involves the corporate governance of Generali Group entities and the operational and control structure, with defined responsibility levels and aims to ensure the adequacy of the entire risk management system at every point.
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D.3 Market risk

Unexpected movements in prices of equities, currencies, and interest rates might impact the value of the Company's assets and liabilities.

In relation to Market risks monitoring, the Company focuses on investments where market risks affect the Company's result of financial positions.

The following table shows investments subject to interest rate and equity risk affecting the Company's financial position.

(CZK million)	31.12.2025		31.12.2024	
	Total fair value	weight (%)	Total fair value	weight (%)
Equity investments and funds	9,717	50.8%	8,980	74.8%
Bonds	8,090	42.3%	727	6.1%
Reverse repurchase agreement	1,265	6.6%	2,150	17.9%
Derivative financial assets	45	0.3%	153	1.2%
Total Assets	19,117	100.0%	12,010	100.0%
Derivative financial liabilities	60	100.0%	36	100.0%
Total Liabilities	60	100.0%	36	100.0%

As mentioned above, the economic impact of changes in interest rates, equity prices, currencies and corresponding volatility for the shareholders will depend on the sensitivity of the assets to these shifts.

Other financial instruments (receivables, term deposits, financial liabilities, etc.) are not subject to significant market risk with exception of currency risk.

D.3.1 Interest rate risk

The Company's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets (including investments) and interest-bearing liabilities mature or re-price at different times or in differing amounts. In the case of floating rate assets and liabilities, the Company is also exposed to an interest-rate cash-flow risk, which varies depending on the different re-pricing characteristics of the various floating rate instruments.

The financial instruments subject to interest rate risk are bonds, derivative instruments and reverse repurchase agreements.

The income statement and Shareholder's equity sensitivity to interest rate changes have been calculated by applying the stress test (100 bp parallel fall or rise in all yield curves worldwide) to financial instrument portfolio.

The following table shows this sensitivity analysis at the year end, before and after the related deferred taxes. The overall impact on the Company's position is the result of sensitivity analysis on both the asset and liability side that creates a mitigating effect.

(CZK million)		31.12.2025		31.12.2024	
		Income Statement	Shareholder's Equity	Income Statement	Shareholder's Equity
100 bp parallel increase	Gross impact on fair value	-	(121)	-	(12)
	Income tax charge / (credit)	-	23	-	2
	Total net impact	-	(98)	-	(10)
100 bp parallel decrease	Gross impact on fair value	-	125	-	12
	Income tax charge / (credit)	-	(24)	-	(2)
	Total net impact	-	101	-	10

D.3.2 Equity price risk

Equity price risk is the risk that equity prices will fluctuate, affecting the fair value of equity investments and other instruments that derive their value from a particular equity investment or index of equity prices.

The Company manages its use of equity investments in response to changing market conditions using the following risk management tools:

- The limits for investments are set and carefully monitored for each business unit in its investment policy.
- The portfolio is diversified (limits are set per single counterparty exposure).

The table below summarises the breakdown by equity and equity investment fund unit type:

(CZK million)	31.12.2025	31.12.2024
Equities at fair value	9,485	8,776
<i>Quoted</i>	2,147	1,686
<i>Unquoted</i>	7,338	7,090
Investments in fund units	232	204
Total	9,717	8,980

The majority of unquoted equities consist of shares of Generali Investments Holding S.p.A. (CZK 6,128 million as at 31 December 2025; CZK 5,470 million as at 31 December 2024).

The Income statement and shareholder's equity sensitivity to equity price changes have been calculated by applying the stress test (+/- 10% change in equity prices) to all equities and investment fund unit portfolios as at 31 December 2025 and 2024.

The following table shows this sensitivity analysis at the year end, before and after the related deferred taxes.

(CZK million)	31.12.2025		31.12.2024	
	Income Statement	Shareholder's Equity	Income Statement	Shareholder's Equity
Equity price +10%				
Gross impact on fair value	144	828	182	716
Income tax credit	(27)	(157)	(35)	(136)
Total net impact	117	671	147	580
Equity price -10%				
Gross impact on fair value	(144)	(828)	(182)	(716)
Income tax charge	27	157	35	136
Total net impact	(117)	(671)	(147)	(580)

The impact on the income statement or shareholder's equity is determined by the IFRS classification of the particular investment.

D.3.3 Currency risk

The Company is exposed to currency risk as a result of transactions in foreign currencies and through its assets and liabilities being denominated in foreign currencies.

The following table shows the composition of assets and liabilities with respect to the main currencies:

(CZK million) 31.12.2025	CZK	EUR	Other currencies	Total CZK
Cash and cash equivalents	238	175	3	416
Financial investments	10,278	8,882	21	19,181
Receivables	40	119	-	159
Other assets	33	13	1	47
Total assets	10,589	9,189	25	19,803
Financial liabilities FVTPL	-	26	34	60
Payables	47	18	2	67
Other liabilities	201	124	-	325
Total liabilities	248	168	36	452

(CZK million) 31.12.2024	CZK	EUR	Other currencies	Total CZK
Cash and cash equivalents	241	91	5	337
Financial investments	3,752	11,934	935	16,621
Receivables	121	58	-	179
Other assets	4	13	1	18
Total assets	4,118	12,096	941	17,155
Financial liabilities FVTPL	17	14	5	36
Payables	41	145	123	309
Other liabilities	175	118	-	293
Total liabilities	233	277	128	638

D.4 Credit risk

Credit risk includes:

- Spread widening risk – the risk of adverse changes in the market value of the assets due to changes in the market value of non-defaulted credit assets. The market value of an asset can decrease because of Spread widening risk either because the market's assessment of the creditworthiness of the specific obligor decreases, which is typically accompanied by a credit rating downgrade, or because there is a market-wide systemic reduction in the price of credit assets.
- Default risk – refers to the risk of incurring losses because of the inability of a counterparty to honour its financial obligations.
- Counterparty default risk – reflects possible losses due to unexpected default or deterioration in the creditworthiness of the counterparties where the company holds cash, derivatives and receivables.

The table below shows the assets sensitive to change in credit risk:

(CZK million)	31. 12. 2025	31. 12. 2024
Financial investments	9,419	7,489
<i>Financial investments at amortised cost</i>	64	4,611
<i>Financial investments at FVOCI</i>	9,355	2,878
Receivables	159	179
Current tax assets	102	67
Other assets	47	18
Cash and cash equivalents	416	337
Total	10,143	8,090

The following tables show the credit quality of the Company's financial assets. The majority of these assets consist of government bonds (CZK 7,789 million as at 31 December 2025; CZK 727 million as at 31 December 2024) and intragroup financial assets (CZK 175 million as at 31 December 2025; CZK 4,760 million as at 31 December 2024; see chapter E.27 for further details on related party transactions).

Rating of Financial investments measured at amortised cost, Financial investments measured at FVOCI and Receivables

(CZK million)	31. 12. 2025			31. 12. 2024		
	Stage 1	Stage 2	Total	Stage 1	Stage 2	Total
AA-	8,908	-	8,908	2,878	-	2,878
A-	64	-	64	-	-	-
BBB+	62	-	62	3,814	-	3,814
BBB	179	-	179	797	-	797
BBB-	206	-	206	-	-	-
Not rated	-	159	159	-	179	179
Total	9,419	159	9,578	7,489	179	7,668

The decrease in 2025 of the BBB+ financial assets category is primarily driven by a reduction in term deposits related to direct cash-pooling operations (by CZK 1,234 million), and the repayment of a loan amounting to CZK 2,522 million.

The increase in the AA- financial assets category is attributable to the change of investment strategy with higher share of investments into government bonds.

Assets classified at Stage 2 are receivables, for this lifetime ECL is calculated as simplification allowed by IFRS 9. The Company did not identify any non-performing exposure belonging to Stage 3.

The following table presents the ageing analysis for financial investments measured at amortised cost, financial investments measured at FVOCI and Receivables:

(CZK million) 31.12.2025	Financial investments at FVOCI	Receivables	Financial investments at amortised cost
Neither past due nor impaired			
Gross carrying amount	9,357	159	64
Allowances	(2)	-	-
Net carrying amount	9,355	159	64

(CZK million) 31.12.2024	Financial investments at FVOCI	Receivables	Financial investments at amortised cost
Neither past due nor impaired			
Gross carrying amount	2,878	179	4,618
Allowances	-	-	(7)
Net carrying amount	2,878	179	4,611

The Company has no past due or credit impaired financial asset.

The following table shows the fair value of collateral held:

(CZK million)	31.12.2025	31.12.2024
Reverse REPO	1,265	2,150
Derivative instruments	45	153
Total collateral held	1,310	2,303

The collaterals held fully cover the exposure to above mentioned assets.

D.4.1 Amounts arising from ECL on financial assets

Inputs, assumptions and techniques used for estimating impairment

See accounting policies in C.1.3.2

Significant increase in credit risk

The approach chosen by Generali Group, of which the Company is a part, in order to measure Significant Increase in Credit Risk for Bond exposures foresees the Credit Rating Downgrading by a defined number of notches. In this quantitative transfer criteria, the rating shift is the parameter monitored in order to detect a significant credit risk deterioration. The difference measured as number of notches compared with a threshold that determines, in relative terms, if the position is classified as Stage 1, Stage 2 or Stage 3. The case in which the number of notch is lower than the threshold, tranche will be classified as Stage 1 and ECL calculated 12 months; if higher than the threshold for passing to Stage 2 but lower than the threshold of Stage 3, the position will be classified at Stage 2 and ECL calculated lifetime; otherwise it is classified at Stage 3 and ECL calculated using the recovery amounts. As Stage 3 are also considered all cases with objective evidence of impairment, regardless of approach above.

Use of low credit risk exemption is implicitly considered in the definition of number of notches change described above. In this case, the threshold limits of BBB-, S&P rating scale, has been chosen for the identification of LCR Assets since is also the rating floor to define an "investment grade" score.

The Company assesses at each reporting date whether the credit risk (i.e. risk of default) on a financial instrument has increased significantly since initial recognition.

Definition of default

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

In assessing whether a debtor is in default, the Company considers indicators that are:

- qualitative: e.g. breaches of covenant;
- quantitative: e.g. overdue status and non-payment of another obligation of the same debtor to the Company; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Incorporation of forward-looking information

The Company incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since initial recognition and its measurement of ECL.

The Company formulates three economic scenarios: a base case, and two less likely scenarios, one upside and one downside scenario. External information considered includes economic data and forecasts. Weights of the scenarios are following:

- Base 40%
- Down 30%
- Up 30%

Measurement of ECL

The key inputs into the measurement of ECL are the term structures of the following variables:

- Probability of default;
- loss given default; and
- exposure at default.

The expected credit loss calculation is based on probability of default, loss given default and total exposure at default parameters that are influenced by forward-looking information obtained by processing specific scenarios.

With regard to quantification of a significant increase in credit risk, necessary in order to allocate debt instruments to the various stages, the Generali Group has defined a model based on a combination of quantitative elements (e.g. measurement based on a comparison with lifetime probability of default) and qualitative elements (e.g. watchlists). A similar approach is used to identify default events, required for classification of an instrument as Stage 3. In the approaches used by the Generali Group to quantify a significant increase in credit risk, the aforementioned low credit risk exemption is not taken into consideration directly.

The model also envisages the option of a simplified approach for trade receivables and leases, for which it is not necessary to calculate the 12-month expected credit losses, but lifetime expected credit losses are always recognised.

The introduction of the Generali Group Expected Credit Losses model, which the Company adopted, has had a limited impact on the Financial Statements, reflecting the strong credit rating of the debt securities portfolio held by the Company.

Loss allowance

The following tables show reconciliations from the opening balance to the closing balance of the loss allowance.

(CZK million)	Stage 1	Stage 2*	Stage 3	Total
Balance as at 1 January 2025	7	-	-	7
Transfer to (out) Stage 1	-	-	-	-
Transfer to (out) Stage 2	-	-	-	-
Transfer to (out) Stage 3	-	-	-	-
Remeasurements, changes in models and methods	-	-	-	-
New financial assets acquired	2	-	-	2
Derecognition and maturities	(7)	-	-	(7)
Write-offs (use of allowances)	-	-	-	-
Balance as at 31 December 2025	2	-	-	2

(CZK million)	Stage 1	Stage 2*	Stage 3	Total
Balance as at 1 January 2024	-	-	-	-
Transfer to (out) Stage 1	-	-	-	-
Transfer to (out) Stage 2	-	-	-	-
Transfer to (out) Stage 3	-	-	-	-
Remeasurements, changes in models and methods	-	-	-	-
New financial assets acquired	7	-	-	7
Derecognition and maturities	-	-	-	-
Write-offs (use of allowances)	-	-	-	-
Balance as at 31 December 2024	7	-	-	7

* The Company identifies Receivables as Stage 2. Allowances for expected credit losses are nil in both years.

Write-offs

Considering very limited cases of applicable investments, the Company does not have a specific write-off policy. These cases, if occurred, would be assessed on case-by-case basis.

D.5 Liquidity risk

Liquidity risk is defined as the uncertainty arising from business operations, investment or financing activities over the ability of the Company to meet its payment obligations in the current or a stressed environment in a full and timely manner. This could include meeting commitments only through credit market access under unfavourable conditions or through the sale of financial assets incurring additional costs due to the illiquidity of (or difficulties in liquidating) the assets.

Liquidity risk arises during the general funding of the Company's activities and in the management of its positions. It includes both the risk of being unable to fund assets using instruments with appropriate maturities and rates, the risk of being unable to liquidate an asset sufficiently quickly and in the appropriate amount and the risk of being unable to meet obligations as they become due.

The Company's liquidity risk assessment relies on projecting cash obligations and available cash resources into the future to ensure that available liquid resources are always sufficient to cover cash obligations that will come due in the same period.

The Company strives to maintain a balance between continuity of funding and flexibility through the use of liabilities with a range of maturities. Further, the Company holds a portfolio of liquid assets as part of its liquidity risk management strategy. The Company continuously monitors the liquidity risk to gain smoothly access to funds to meet known obligations, with an additional buffer to cover potential unknown situations.

The Company continually assesses its liquidity risk by identifying and monitoring changes in the funding required to meet business goals and the targets set in terms of the overall strategy. The identification of the liquidity risk sources addresses the size and time distribution of both cash inflows and cash outflows, as well as the marketability of assets, identifying any potential Liquidity mismatch.

The following table shows an analysis of the Company's financial assets and liabilities (undiscounted) broken down into their relevant maturity bands, based on the residual contractual maturities.

Residual contractual maturities of financial assets

(CZK million) 31.12.2025	Less than 1 year	Between 1 and 5 years	More than 5 years	Unspecified	Total
Financial investments at amortised cost	64	-	-	-	64
Financial investments at FVOCI	1,904	7,917	-	8,275	18,096
Financial investments at FVTPL	45	-	-	1,442	1,487
Receivables	159	-	-	-	159
Other assets	47	-	-	-	47
Cash and cash equivalents	416	-	-	-	416
Total	2,635	7,917	-	9,717	20,269

(CZK million) 31.12.2024	Less than 1 year	Between 1 and 5 years	More than 5 years	Unspecified	Total
Financial investments at amortised cost	4,611	-	-	-	4,611
Financial investments at FVOCI	2,150	773	-	7,156	10,079
Financial investments at FVTPL	153	-	-	1,824	1,977
Receivables	179	-	-	-	179
Other assets	18	-	-	-	18
Cash and cash equivalents	337	-	-	-	337
Total	7,448	773	-	8,980	17,201

Residual contractual maturities of financial liabilities

(CZK million) 31.12.2025	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Financial liabilities measured at FVTPL	60	-	-	60
Payables	67	-	-	67
Other liabilities	325	-	-	325
Total	452	-	-	452

(CZK million) 31.12.2024	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Financial liabilities measured at FVTPL	36	-	-	36
Payables	309	-	-	309
Other liabilities	293	-	-	293
Total	638	-	-	638

D.6 Operational risk and other risks

Operational risk is defined as potential losses arising from shortcomings or underperformance in internal processes, human resources and systems or from other causes which may result from internal or external factors (e.g. natural catastrophes).

As part of the on-going processes of the Generali Group, the Company has set some common principles for these kinds of risks:

- policies and basic requirements to handle specific risk sources as defined at the Generali Group level;
- criteria to measure operational risk. Common Generali Group methodology was set up to identify, measure and monitor operational risks; and
- common methodologies and principles guiding internal audit activities to identify the most relevant processes to be audited.

The operational risk management process is primarily based on analysing the risks and designing modifications to work procedures and processes to eliminate the risks associated with operational events. Work procedures governing the risk management processes constitute a part of the Company's system of mandatory policies and procedures.

Specific focus on Fraud risk

Fraud risk is among risks that are regularly assessed through Operational Risk Assessment ("ORA"), which is performed on yearly bases. The fraud risk is further split to fraud risk from clients, intermediaries and suppliers and internal fraud risk (categories are defined within Group Operational Risks catalogue). It is important to note, that the Company is not a business entity, and therefore certain risks (e.g. fraud by clients, fraud by intermediaries) are not applicable to it. The risk assessment considers Potential Risk Exposure, which is assessed through financial impact and frequency of the risk occurrence, and adequacy of control system in place. Combination of two mentioned factors defines residual risk area – from Very low up to Very High. The 2025 assessment for the Company concluded there is Very low exposure related to fraud risk. Hence the self-assessment concluded the controls put in place are efficient in mitigating such risks.

D.7 Capital management

The company is not subject to any regulatory capital requirements. It manages its capital in a way not to put in danger liquidity position of the Company and to be able to continue as a going concern.

Capital composition is available in the note E.9.

There are no financial debts or loans which can be considered as capital.

D.8 Potential impact of climate changes

The Generali Group is committed to promote the transition towards a low-carbon economy, disclosing the risks and opportunities associated with climate change.

Climate Change has been identified as a relevant and strategic Sustainability priority within the Generali Group Double-Materiality Assessment.

The Generali Group Strategy on Climate Change defines decisions and actions taken by the Group to promote a fair and socially just transition to a net-zero emission economy both as an Issuer, an Asset Owner and Underwriter.

Sustainability rooted excellence is a pillar of the Lifetime Partner 2027 Generali Group strategy, where the focus is:

- supporting the green transition with updated milestone 2030 GHG reduction targets and developing innovative solutions,
- enhancing societal resilience through improved natural catastrophe protection, and addressing health, and pension coverage, especially for underserved groups.

Responsible investor

As an Asset Owner, the Generali Group remains steadfast in its commitment to supporting a green and just transition, embedding sustainability into its long-term investment strategy and capital allocation decisions, in line with the Lifetime Partner 2027 plan. Our key objectives and actions include:

- Over €12 billion of cumulative net new investments in climate solutions during 2025–2027, aimed at advancing the transition to a low-carbon economy and sustainable growth.
- A progressive reduction of exposure to carbon-intensive issuers through exclusion policies and portfolio reallocation, closely following the Group's decarbonization pathway.
- Exclusion of new investments and a gradual phase-out of coal-related assets, with an exit from the coal sector completed by 2030 in OECD countries and globally by 2040, subject to market constraints.
- Exclusion of new investments in unconventional fossil fuels, such as tar sands, fracking-related oil and gas, Arctic upstream activities, and related infrastructure.
- A targeted reduction in greenhouse gas emissions from investments by 60% by 2030 (compared to 2019), covering listed equities, corporate bonds, and real estate within the general account portfolio, depending on market conditions.
- A confirmation of the Group's commitment to achieve net zero greenhouse gas emissions by 2050, encompassing investments across a wide range of asset classes, including both direct and indirect investments.

Responsible insurer

As a Responsible Insurer, the Generali Group business activity is focused on:

- Development of Climate Insurance solutions achieving 8-10% GWP CAGR (Compound Annual Growth Rate), as well as a 6-8% NBP CAGR to support addressing Health and Pension gaps for underserved customers, over the period 2024-2027.
- Exclusion of new underwriting cover and gradual discontinuation of the existing cover for clients insured for activities strictly related to the coal industry identified with progressively more restrictive criteria.
- Phase-out of underwriting exposure to the coal sector by 2030 for OECD countries and by 2038 for the rest of the world.
- Forging ahead with the commitment to no longer insure clients operating in upstream oil and gas, both conventional and unconventional.
- Progressive decarbonization of the insurance portfolio to reach net-zero emissions by 2050.

Responsible employer

The Generali Group commitment to promote diversity, equity, and inclusion in our work environment, upskill our people, nurture talent in all its forms, and implement more flexible and sustainable ways of working while measuring, reducing, and reporting the carbon footprint resulting from our own direct operations.

Achievement of net-zero emissions by 2040 through financing of removal projects that will take into account the evolution of sector-specific regulations.

E. Notes to the Company statement of financial position and Company income statement

E.1 Cash and cash equivalents

For the purposes of the separate statement of cash flows, cash and cash equivalents comprise the following balances with maturities from the acquisition of less than 15 days:

(CZK million)	31.12.2025	31.12.2024
Cash at bank and credit balances with banks payable on demand	416	337
Total Cash and cash equivalents	416	337

E.2 Financial investments

E.2.1 Financial investments measured at amortised cost

(CZK million)	31.12.2025	31.12.2024
Term deposits related to direct cash pooling	64	1,298
Loans to the Group entities	-	3,313
Total Financial investments measured at amortised cost	64	4,611

In 2025 and 2024, the financial investments at amortised cost are classified as Stage 1 financial assets.

The significant decrease in Loans to the Group entities is mainly due to the short-term loan of CZK 2,516 million provided to the parent company Assicurazioni Generali, which was repaid in 2025. In addition, the second intragroup loan of CZK 797 million granted to Generali Biztosító Zrt. was also fully repaid in 2025. See also the Note E.27.3 Related party transactions.

E.2.2 Financial investments measured at FVTPL

(CZK million)	31.12.2025	31.12.2024
Investment fund units	232	204
Equity securities	1,210	1,620
Derivative instruments	45	153
Total Financial investments measured at FVTPL	1,487	1,977

E.2.3 Financial investments measured at FVOCI

(CZK million)	31.12.2025	31.12.2024
Equity securities	8,275	7,156
Bonds	8,090	727
Reverse repurchase agreement	1,265	2,150
Total Financial investments measured at FVOCI	17,630	10,033

The investment portfolio increased as part of a reallocation of liquidity, with a portion of the cash position invested into bonds based on the outlook and anticipated cash flow needs of the Holding towards the shareholder.

E.2.4 Fair value of financial investments

Fair value measurement of financial investments

(CZK million)	31.12.2025			
	Level 1	Level 2	Level 3	Total
Financial investments measured at amortised cost	-	64	-	64
Term deposits related to direct cash pooling	-	64	-	64
Financial investments measured at FVTPL	-	45	1,442	1,487
Investment fund units	-	-	232	232
Equity securities	-	-	1,210	1,210
Derivative instruments	-	45	-	45
Financial investments measured at FVOCI	10,237	1,265	6,128	17,630
Equity securities	2,147	-	6,128	8,275
Bonds	8,090	-	-	8,090
Reverse repurchase agreement	-	1,265	-	1,265
Total Financial investments	10,237	1,374	7,570	19,181

(CZK million)	31.12.2024			
	Level 1	Level 2	Level 3	Total
Financial investments measured at amortised cost	-	4,625	-	4,625
Term deposits related to direct cash pooling	-	1,298	-	1,298
Loans to the Group entities	-	3,327	-	3,327
Financial investments measured at FVTPL	-	153	1,824	1,977
Investment fund units	-	-	204	204
Equity securities	-	-	1,620	1,620
Derivative instruments	-	153	-	153
Financial investments measured at FVOCI	2,413	2,150	5,470	10,033
Equity securities	1,686	-	5,470	7,156
Bonds	727	-	-	727
Reverse repurchase agreement	-	2,150	-	2,150
Total Financial investments	2,413	6,928	7,294	16,635

There were no transfers between fair value levels in 2025 and 2024 for financial investment instruments.

The following table shows the changes in Level 3 financial investments measured at FVTPL:

(CZK million)	2025	2024
Balance as at beginning of reporting period	1,824	1,884
Unrealised gains/losses	(158)	6
Increases and purchases	42	11
Sales and disposals	(6)	(60)
Return of capital	(199)	(52)
Currency translation differences	(61)	35
Balance as at end of reporting period	1,442	1,824
Realised gains/losses for the period recognised in profit and loss	(4)	(13)
Net impairment loss for the period recognised in profit and loss	-	-

The following table shows the changes in Level 3 financial investments measured at FVOCI:

(CZK million)	2025	2024
Balance as at beginning of reporting period	5,470	-
Unrealised gains/losses	304	(455)
Increases and purchases	558	5,888
Currency translation differences	(204)	37
Balance as at end of reporting period	6,128	5,470
Realised gains/losses for the period recognised in profit and loss	-	-
Net impairment loss for the period recognised in profit and loss	-	-

E.3 Receivables

(CZK million)	31.12.2025	31.12.2024
Receivables from employees	1	-
Trade and other receivables	158	179
Total Receivables	159	179

Item *Trade and other receivables* includes among others, the receivables from derivatives collateral in the amount of CZK 66 million in 2025 (2024: CZK 14 million). The Company did not recognise any ECL on Receivables.

E.4 Intangible assets

(CZK million)	31.12.2025	31.12.2024
Software	39	47
Total Intangible assets	39	47

The tables below show the changes in the individual classes of intangible assets:

(CZK million)	2025	2024
Gross book value as at beginning of reporting period	115	191
Accumulated amortisation and impairment as at beginning of reporting period	(68)	(59)
Carrying amount as at beginning of reporting period	47	132
Additions	10	251
Disposal	(5)	(327)
Amortisation and impairment of the period	(13)	(9)
Gross book value as at end of reporting period	120	115
Accumulated amortisation and impairment as at end of reporting period	(81)	(68)
Carrying amount as at end of reporting period	39	47

E.5 Investments in subsidiaries and associates

The following table provides details about the Company's subsidiaries:

In CZK million, for the year ended 31 December 2025:

Name	Country	Cost of investment	Accumulated impairment	Impairment (-) of the period	Net cost of investment	Proportion of direct ownership interest (%)	Proportion of voting power (%)
Generali Insurance AD	Bulgaria	1,789	-	-	1,789	99.96	99.96
GP Reinsurance EAD	Bulgaria	749	-	-	749	100.00	100.00
United Health Insurance Fund Doverie Insurance EAD	Bulgaria	282	-	(60)	222	100.00	100.00
Generali Osiguranje d.d.	Croatia	2,435	-	-	2,435	100.00	100.00
Generali Česká pojišťovna a.s.	Czech Republic	13,157	-	-	13,157	100.00	100.00
Generali Biztosító Zrt.	Hungary	14,391	-	-	14,391	100.00	100.00
Generali osiguranje Montenegro	Montenegro	139	-	-	139	65.24	65.24
Generali Towarzystwo Ubezpieczeń S.A.	Poland	5,725	-	-	5,725	100.00	100.00
Generali Zycie Towarzystwo Ubezpieczeń S.A.	Poland	4,421	-	-	4,421	100.00	100.00
Generali Finance Sp. Z o.o.	Poland	698	-	-	698	49.49	49.49
Generali SAF Pensii Private S.A.	Romania	517	-	-	517	99.99	99.99
SC Generali Romania Asigurare Reasigurare S.A.	Romania	3,673	-	-	3,673	99.97	99.97
Generali Osiguranje Srbija A.D.O	Serbia	4,075	-	-	4,075	99.95	99.95
Generali Development d.o.o. Beograd	Serbia	13	-	-	13	100.00	100.00
Generali Zavarovalnica d.d.	Slovenia	6,850	-	-	6,850	100.00	100.00
GW Beta Limited	The Netherlands	5,926	(5,394)	(167)	366	49.00	100.00
Total		64,840	(5,394)	(227)	59,220		

During the year 2025 additional impairment in the amount of CZK 167 million for the investment into GW Beta Limited has been recognised based on the valuation of GW Beta.

During the year 2025 capitalization of Generali Osiguranje d.d. was increased by CZK 500 million and the cost value of investment was increased by the same amount.

On 11th of February 2025 Generali CEE Holding purchased 60,000 shares of United Health Insurance Fund Doverie Insurance EAD (Doverie) company representing shareholding of 100%. Doverie is an insurance company providing solely private health insurance. Total cost of the investment equals CZK 282 million. During the 3rd quarter 2025 Generali Insurance AD acquired business of Doverie and surviving company was impaired to the recoverable amount.

On 31st of October 2025 Generali Finance Sp. Z. o. o. capital was increased by CZK 698 million and this increase was financed by the contribution of 4LD made by Generali CEE Holding. As a result, GCEEH became direct shareholder of Generali Finance holding the share of 49.49% of shares. GCEEH is indirectly holding 100% of shares of Generali Finance through its investment into Generali Towarzystwo Ubezpieczeń S.A.

Other investments passed impairment assessment without any impairment indication.

In CZK million, for the year ended 31 December 2024:

Name	Country	Cost of investment	Accumulated impairment	Impairment (-) of the period	Net cost of investment	Proportion of direct ownership interest (%)	Proportion of voting power (%)
Generali Insurance AD	Bulgaria	1,789	-	-	1,789	99.96	99.96
GP Reinsurance EAD	Bulgaria	749	-	-	749	100.00	100.00
Generali Osiguranje d.d.	Croatia	1,935	-	-	1,935	100.00	100.00
Generali Česká pojišťovna a.s.	Czech Republic	13,157	-	-	13,157	100.00	100.00
Generali Biztosító Zrt.	Hungary	14,391	-	-	14,391	100.00	100.00
Generali osiguranje Montenegro	Montenegro	139	-	-	139	65.24	65.24
Generali Towarzystwo Ubezpieczeń S.A.	Poland	5,725	-	-	5,725	100.00	100.00
Generali Zycie Towarzystwo Ubezpieczeń S.A.	Poland	4,421	-	-	4,421	100.00	100.00
4Life Direct Spółka z ograniczoną odpowiedzialnością	Poland	778	-	-	778	100.00	100.00
Generali SAF Pensii Private S.A.	Romania	517	-	-	517	99.99	99.99
SC Generali Romania Asigurare Reasigurare S.A.	Romania	3,673	-	-	3,673	99.97	99.97
Generali Osiguranje Srbija A.D.O	Serbia	4,075	-	-	4,075	99.95	99.95
Generali Development d.o.o. Beograd	Serbia	13	-	-	13	100.00	100.00
Generali Zavarovalnica d.d.	Slovenia	6,850	-	-	6,850	100.00	100.00
GW Beta Limited	The Netherlands	5,926	(4,970)	(424)	532	49.00	100.00
Total		64,138	(4,970)	(424)	58,744		

During the year 2024 additional impairment in the amount of CZK 424 million for the investment into GW Beta Limited has been recognised based on the valuation of GW Beta. Other investments passed impairment assessment without any impairment indication.

During the year 2024 capitalization of Generali Development d.o.o. Beograd was increased by CZK 8 million and the cost value of investment was increased by the same amount.

On 28th of June 2024 Generali CEE Holding purchased 20,000 shares of 4Life Direct Spółka z ograniczoną odpowiedzialnością (4LD) company representing shareholding of 100%. 4LD is an insurance broker company based in Poland focusing on direct-to-consumer operations offering life insurance products. Total cost of the investment equals CZK 778 million.

E.6 Non-current assets held for sale

The following table provides details about the Company's non-current assets held for sale:

(CZK million)	31.12.2025	31.12.2024
Generali Investments, družba za upravljanje, d.o.o.	-	558
Total	-	558

During the year 2025 transfer of shares of subsidiary classified as held for sale has been finalised for Generali Investments, družba za upravljanje, d.o.o. Generali CEE Holding B.V. received equivalent number of shares of Generali Investments Holding S.p.A. ("GIH"). This was the final step of the intragroup reorganization related to the segment of asset management companies. There was no impact on the company income statement from this transaction.

E.7 Current tax assets and liabilities

(CZK million)	31.12.2025	31.12.2024
Current tax assets	102	67
Current tax liabilities	85	170
<i>of which: Current income tax payable</i>	<i>56</i>	<i>112</i>

Corporate income tax advances were offset with current income tax payable in the 2024 tax return and the difference was settled with the tax authority in 2025.

E.8 Other assets

(CZK million)	31.12.2025	31.12.2024
Prepaid interests	4	10
Accrued income	35	4
Prepayments	8	4
Total Other assets	47	18

E.9 Shareholder's equity

(CZK million)	31.12.2025	31.12.2024
Share capital	3	3
Share premium reserve	48,347	48,347
Revaluation reserves – Financial assets at FVOCI	439	-
Revaluation reserve – Financial assets at FVTPL	313	593
Other reserves and unappropriated profits	28,834	26,696
<i>Of which: Unappropriated profits</i>	<i>14,639</i>	<i>18,735</i>
Total Shareholder's equity	77,936	75,639

The following table provides details of reserves for revaluation of financial assets measured at FVOCI:

(CZK million)	2025	2024
Beginning of reporting period	-	108
Gross revaluation at the beginning of the year	(4)	136
Tax on revaluation at the beginning of the year	4	(28)
Equities		
Unrealised losses	-	(197)
Unrealised gains	593	-
Currency translation differences	(31)	52
Tax on revaluation	(118)	31
Other movements	(8)	8
Bonds		
Unrealised losses	(4)	(3)
Unrealised gains	6	-
Acquisitions	2	-
Tax on revaluation	(1)	1
Gross revaluation at the end of the year	554	(4)
Tax on revaluation at the end of the year	(115)	4
End of reporting period	439	-

The following table provides details of reserves for revaluation of financial assets measured at FVTPL for which a frequent market quotation (L2 and L3) is not available, as required by Dutch law Article 390 BW2.:

(CZK million)	2025	2024
Beginning of reporting period	593	-
Gross revaluation at the beginning of the year	710	-
Tax on revaluation at the beginning of the year	(117)	-
Equities		
Unrealised gains / losses (-)	(210)	470
Tax on revaluation	44	(99)
Investment funds		
Unrealised gains / losses (-)	(8)	87
Tax on revaluation	2	(18)
Derivatives		
Unrealised gains / losses (-)	(108)	153
Tax on revaluation	-	-
Gross revaluation at the end of the year	384	710
Tax on revaluation at the end of the year	(71)	(117)
End of reporting period	313	593

The following table provides details of authorised and issued shares:

	31.12.2025	31.12.2024
Number of shares authorised	500,000	500,000
Number of shares issued and fully paid	100,000	100,000
Par value per share (CZK)	26.2	26.2

The following table provides details of the distribution restrictions of equity:

(CZK million)	31.12.2025	31.12.2024
Not available for distribution to shareholders	4,658	4,499
Share capital	3	3
Share premium reserve – portion not available for distribution	3,903	3,903
Revaluation reserve	752	593
Available for distribution to shareholders	73,278	71,140
Share premium reserve – portion available for distribution	44,444	44,444
Other reserves	14,195	7,961
Unappropriated profits	14,639	18,735
Total shareholder's equity	77,936	75,639

E.9.1 Profit distribution

Overall dividend payment in 2025 amounted to CZK 12,852 million (2024: CZK 13,869 million) which corresponds to the amount of CZK 25,704.2 per share (2024: CZK 27,737.1).

E.10 Financial liabilities measured at FVTPL

Financial liabilities consist of the following:

(CZK million)	31.12.2025	31.12.2024
Derivative instruments	60	36
Total Financial liabilities measured at FVTPL	60	36

All derivatives are classified in fair value hierarchy as Level 2 and are recognised as current, with maturity within 1 year.

E.11 Payables

(CZK million)	31.12.2025	31.12.2024
Payables to employees	25	27
Payables to clients and suppliers	31	23
Social security	8	8
Collateral held for securities lending transactions and derivatives	3	127
Earn-out liability	-	122
Other	-	3
Total Payables	67	310

Earn-out liability related to the purchase of 4LD was fully repaid in 2025.

E.12 Provisions

(CZK million)	2025	2024
Provision for personnel expenses at the beginning of the year	10	11
Additions to provision	3	-
Use of provision	-	(1)
Provision for personnel expenses at the end of the year	13	10

E.13 Other liabilities

(CZK million)	31.12.2025	31.12.2024
Accrued charges	321	290
Accrued rent	4	3
Total Other liabilities	325	293

The item Accrued charges consists of accruals for bonuses, salaries and other sundry accruals.

E.14 Share-based payments

Selected members of management of the Generali Group are beneficiaries of a Generali Group's long-term incentive (LTI) plan.

Long-Term Incentives (LTI) represent the long-term variable remuneration of Generali, which takes the form of multi-year plans, approved from time to time by the competent bodies and may be addressed to directors, managers with strategic responsibilities and other Generali employees; they may be based on cash disbursements or financial instruments.

The plan LTI 2022-2024 has completed the performance cycle at the end of 2024. The corresponding share allocation has been carried out starting from April 2025, depending on the target population.

The LTI plans 2023-2025 and 2024-2026, currently in progress, may result in shares' granting in the financial years envisaged under the plan rules depending on the different categories of beneficiaries, subject to the achievement of certain Group performance levels.

A new long-term incentive plan based on Assicurazioni Generali S.p.A. shares – Long Term Incentive (LTI) 2025-2027 – has been submitted for the approval of the Shareholders' Meeting of 24 April 2025.

In line with market practices and investor expectations, shares are assigned and made available to beneficiaries over a deferred long-term time span, subject to the achievement of Group's performance conditions (Net Holding Cash Flow, relative Total Shareholder Return – relevant TSR and Sustainability & People targets) and the achievement of a minimum level of Group Regulatory Solvency Ratio and of a minimum level of Group Liquidity Ratio as access thresholds, as detailed below.

The Plan is based on the following essential aspects:

- the incentive connected with the achievement of the targets is paid through the grant of Assicurazioni Generali S.p.A. ordinary shares;
- the right to receive the shares is subject to certain entry thresholds, defined annually by the Board of Directors and which represent a condition precedent;
- the targets to which payment of the incentive is subject are Group financial and non-financial/Sustainability & People ones and are defined at the beginning of the performance period and kept consistent with the strategic plans of the Group.

The maximum number of shares that can be assigned is determined at the start of the plan. The maximum potential bonus to be disbursed in shares equals 200% of the gross fixed annual remuneration for the Group Management Committee (GMC) members and 175% of the gross fixed annual remuneration for the Global Leadership Group (GLG) members (or a different percentage for other beneficiaries); therefore, the maximum number of shares that can be assigned is the result of the ratio of the maximum amount and the standard reference share price value, with the latter calculated as the average price of the three months prior to the approval by the Board of Directors of the financial statements and consolidated financial statements' draft of the year before the beginning of the Plan's three-year reference period (standard reference price). Moreover, as additional specific provision to further align the interests of the management with those of the shareholders, the actual share price for the 2025-2027 plan will be set as the average price of the month preceding the Annual Generali Meeting 2025, upon resolution of the Board of Directors, in case it is higher than the standard reference share price. Given that this condition actually occurred, the final standard reference share price for the LTI 2025-2027 plan was set in line with this latter provision.

With reference to methods and time frame for granting the shares, they are differentiated by:

- the members of the Group Management Committee (GMC):
 - at the end of the three-year performance period, 50% of the shares accrued on the basis of the targets met will be granted; 25% are immediately available (to allow the beneficiaries to bear the tax charges connected with the grant), while the remaining 25% are subject to a one-year lock-up period;
 - the remaining 50% of the accrued shares is subject to another two years of deferral, during which the accrued amount may become zero if the Group Regulatory Solvency Ratio and the group Liquidity Ratio threshold levels established by the plan are not met, or if a malus provided for by the plan regulation should occur. After having checked that the aforesaid threshold levels have been reached and that there is no malus, and provided that on that date the beneficiary has a relationship with the Company (or with other Group companies), the remaining 50% of the shares accrued are granted; 25% are immediately available (to allow the beneficiaries to bear the tax charges connected with the grant), while the remaining 25% are subject to a one year lock-up period;
- the remaining key employees, GLG, Directors and talents: at the end of the three-year performance period, 100% of the shares accrued will be granted, of which 50% are immediately available (to allow the beneficiaries to bear the tax charges connected with the grant), while the remaining 50% are subject to a two-year lock-up period.

The performance level is expressed as a percentage of the level of individual indicators achievement, which final results are calculated using a linear interpolation approach.

During each year of the plan and at the end of the three-year performance period and, in any case, at the end of the additional two-year deferral period, an evaluation is carried out on the degree to which access thresholds has been achieved, defined in terms of Group Regulatory Solvency Ratio (RSR) equal to 130% – the limit set considering the so called hard limit defined in the Group Risk Appetite Framework – and in a specific minimum level of Group Liquidity Ratio equal to -100%. Moreover, the Board of Directors, having taken into account the opinion of the Risk and Control Committee based on the analyses by the Risk Management function of specific parameters, will reduce the incentives (that is a Group Regulatory Solvency Ratio between 150% and 140% requires at least a 25% reduction, while a Group Regulatory Solvency Ratio between 140% and 130% requires a reduction of at least 50%).

In any case, no incentive will be paid in the event of a significant worsening of the capital and financial situation of the Group. Any amount disbursed will be subject to claw-back if the performance considered should later be found to be non-lasting or ineffective as a result of wilful misconduct or gross negligence.

In line with what has already been established for the existing plans, the 2025-2027 Plan has a dividend equivalent mechanism on the basis of the dividends distributed during the performance period (dividend equivalent). In particular, should the shareholders' meeting resolve upon the distribution of dividends in favour of the shareholders during the reference period, at the expiry of such period, an additional number of shares determined in relation to the overall dividends distributed during the reference period will be assigned in favour of the beneficiaries. The additional number of shares thus determined shall be assigned simultaneously and in relation with the other shares assigned in favour of each beneficiary, subject to the same restrictions (holding period) and determined considering the shares' value at the assignment of the plan, to be calculated using the standard reference price as previously defined.

The maximum number of shares that can be granted is 7,200,000, accounting for 0.46% of the share capital at the date of approval of the plan.

In line with the previous plans, the 2025-2027 LTI plan can be treated as an equity-settled share-based payment falling under IFRS 2 – Share-based Payment, which provides a grant date measurement model seeking to capture the value of the contingent right to shares promised at grant date, to the extent that promises become an entitlement of the counterparty, rather than the value of any shares finally delivered.

The condition related to relative TSR configures as a market condition, other conditions mentioned above are considered whether as performance or as service condition.

The value of the right to receive free shares related to the market condition is estimated at grant date using a statistical model which estimates the statistically probable positioning of relative TSR of the Generali share compared to a peer group panel of selected companies.

The fair value of the bonus right linked to market condition is made by multiplying the forward price of assignable shares (taking into account the lock-up period set by the plan for the different beneficiary types) to the grant date with the pay-out ratio of the relative TSR. Such pay-out is determined as the average of the pay-outs resulting from the processing of the series of scenarios using a statistical model. The pay-out of the single simulation is zero in the case of the TSR of Generali's shares positioning below the median of the panel peer group, while it is positive in the case it is equal or above the median of the panel peer group. The maximum pay-out is recognised in the case of the relative TSR value of Generali shares positioning is equal or above the 90th percentile.

The estimated fair value of LTI 2025-2027 plan at the grant date of the bonus right related to the performance level in terms of relative TSR is € 20.44 with reference to the members of the GLG category.

The related cost on the overall plan is obtained by multiplying the fair value mentioned above by the number of rights related to the market condition, to be assigned based on the satisfaction of the vesting condition. A similar calculation was applied to the bonus portion linked to Net Holding Cash Flow (NHCF), identifying the pay-out through the linear interpolation applied to the level of performance considered most probable. The range applied to the linear interpolation of NHCF is included between the maximum pay-out, granted in case of level equal to or greater than € 12.1 billion and a pay-out equal to 0 in case of a level equal or lower than € 10.5 billion. Payment related to the achievement of Sustainability & People target is determined based on 1) CO2 Emissions Reduction Target from Group Activities and 2) People Engagement Rate.

Finally, the cost related to the recognition of dividends paid during the period (so called dividend equivalent) was estimated by applying an estimated dividend to the expected number of shares to be assigned under the plan, based on the degree of achievement assessed as above described. For additional information related to incentive plans refer to the Report on Remuneration Policy and Payments 2024.

The Annual General Meeting of 29th April 2022 approved the proposal to launch a new three-year share ownership plan for Group employees, We SHARE, in line with the 2022-2024 Strategy, focused on a culture of ownership and empowerment, and promoting participation in the creation of Group sustainable value.

The Plan offers Group employees the opportunity to purchase Generali shares at favourable conditions based on the appreciation of the value of the stock with the introduction of an ESG objective connected to the reduction of CO2 emissions relating to the Group's operating activities in line with the Group's climate strategy.

The Share Plan is addressed to employees of Assicurazioni Generali and the companies belonging to the Group, excluding members of the Group Management Committee and the Global Leadership Group who cannot subscribe to the Plan as well as employees operating in countries and companies in which it is not possible to implement the Share Plan on the terms set and approved by Generali, for reasons of a legal, fiscal, operating or organizational nature.

The Plan was launched in June 2023 and will end at the end of May 2026, thus having a duration of indicatively 3 years.

The essential features of the Plan are set out below:

- at the beginning of the Plan, employees who decide to participate ('participants') will be able to define the amount of their individual contribution;
- the amount of the individual contribution shall be between a minimum of € 660 and a maximum of € 9,900 and will be committed for the entire duration of the Plan;
- based on the amount of the individual contribution, participants will receive free of charge the right ('options') to purchase, at the end of the Plan, underlying Generali share at a price determined at the beginning of the Plan ('initial price'). The number of options assigned to each participant will be equal to the ratio between the individual contribution and the initial price. The initial price shall be calculated as the average of the official closing prices of Generali shares on Euronext Milan of the month following the date on which this Plan is launched by the Board of Directors with the possibility of applying an adjustment factor up to the +/- 10% on the defined average price;
- at the end of the Plan, the final price of Generali shares shall be determined and:
 - a) in case of share price appreciation (final price equal to or higher than the initial price, i.e. options 'in-the-Money'), participants will automatically purchase the Underlying Shares by paying to the Company the individual contribution accrued throughout the Plan and will receive free of charge:
 - dividend Equivalent Shares, amounting to the ratio between the value of the dividends per share (paid by Assicurazioni Generali on a cash basis during the years 2023, 2024 and 2025) and the initial price, multiplied by the number of Underlying Shares purchased;
 - two Matching Shares for every ten Underlying Shares purchased;
 - two ESG Shares for every ten Underlying Shares purchased, if the ESG Goal is also achieved.
 - b) In case of share price depreciation (final price lower than the initial price, i.e. options 'out-of-the-Money'), participants will receive:
 - the refund of the individual contribution accrued (protection mechanism);
 - the Dividend Equivalent Shares in case the Net Holding Cash Flow (NHCF) goal is achieved.

The maximum number of shares for the Plan is 9,000,000 (about 0.6% of current Generali Group share capital), to be executed through the purchase of treasury shares in the market without capital dilution. In the event that the aggregate number of subscriptions to the Plan exceeds the maximum threshold of distributable options, or the maximum threshold of Generali purchasable or attributable shares, the number of options to be assigned free of charge shall be reduced on a pro rata basis for all the participants (reallotment). The reallotment shall be carried out for a percentage value such as to guarantee the allocation of options (or, subsequently of Generali shares) within the stated maximum limits.

The Plan also provides for mauls, clawback and prohibitions on hedging clauses in the line with Group Policies.

The overall cost of the LTI plans 2022-2024, 2023-2025, 2024-2026 and 2025-2027 and the share plan for Generali Group employees (We SHARE) is allocated over the period of maturity (vesting period) starting from the first financial year on which the performance levels are assessed, with a corresponding increase in equity.

The costs associated with the above-mentioned outstanding plans recognised during the period amounted to CZK 61 million (2024: CZK 58 million) and the equity reserve for share-based payments as at 31 December 2025 to CZK 125 million (2024: CZK 110 million).

E.15 Net result from investments in subsidiaries

(CZK million)	2025	2024
Dividend income from subsidiaries	16,301	17,343
Impairment of investments in subsidiaries	(227)	(424)
Loss on revaluation of investments held for sale	-	(161)
Realised loss (-) / gain from disposal of subsidiaries	(80)	2,344
Total Net result from investments in subsidiaries	15,994	19,102

In 2025, a realised loss from disposal of subsidiaries in the amount of CZK 80 million relates to the contribution of 4Life Direct Spółka z ograniczoną odpowiedzialnością made by GCEEH towards Generali Finance Sp. Z o.o. in exchange for the equivalent number of shares of Generali Finance.

In 2024, a realised gain from disposal of subsidiaries in the amount of CZK 2,344 million relates to the Generali Group reorganisation in the segment of asset management companies. GCEEH shareholding of Generali Investments CEE, Investiční Společnost, a.s., Generali Alapkezelő Rt., Generali Befektetési Zrt and Generali Investments Towarzystwo Funduszy Inwestycyjnych S.A. have been disposed of and exchanged for the equivalent number of shares of Generali Investments Holding S.p.A. obtaining minority shareholding of this company.

E.16 Net income / loss (-) from financial assets and liabilities

(CZK million)	2025	2024
Dividends from FVOCI Equities	382	107
Gains and losses (-) on FVTPL investment vehicles	(93)	66
Gains and losses (-) from Investment Fund Units	(8)	50
Gains and losses (-) on derivatives	(328)	150
Total Net income / loss (-) from financial assets and liabilities	(47)	373

E.17 Net expected credit loss

(CZK million)	2025	2024
ECL on loans to the Group entities measured at amortised cost	5	(7)
Total Net expected credit loss	5	(7)

E.18 Interest revenue calculated using the effective interest method

(CZK million)	2025	2024
Interest from loans	43	24
Interest from reverse REPO	103	66
Interest from term deposits	29	109
Interests on bank accounts	11	9
Interest from bonds	117	4
Other interest income	1	3
Total Interest revenue calculated using the effective interest method	304	215

Significant part of item Interest from bonds represents the interest from government bonds in the amount of CZK 112 million (2024: CZK 4 million).

E.19 Interest expense calculated using the effective interest method

(CZK million)	2025	2024
Other interest expense	1	2
Total Interest expense calculated using the effective interest method	1	2

The amount of CZK 1 million (2024: CZK 2 million) is represented by interest expenses on collateral held for securities lending transactions and derivatives.

E.20 Net foreign exchange difference

(CZK million)	2025	2024
Gains on foreign currency	34	151
Losses on foreign currency	(123)	(33)
Total Net foreign exchange difference	(89)	118

Foreign exchange differences include foreign exchange gains or losses from the revaluation of monetary items denominated in foreign currency.

E.21 Other income

(CZK million)	2025	2024
Change in the value of accrued charges	-	74

Change in the value of earn-out liability	10	9
Total Other income	10	83

E.22 Other expenses

(CZK million)	2025	2024
Amortisation of other intangible assets	13	9
Allocation to provisions for personnel expenses	3	-
Expenses on investments	47	24
Personnel expenses	745	660
IT expenditure	118	114
Consulting	61	69
Expenses for office operating and maintenance	21	49
Value added tax related charges	9	-
Other expenses	16	10
Total Other expenses	1,033	935

E.23 Income taxes

The table below shows a breakdown of income taxes recognised in the income statement:

(CZK million)	2025	2024
Current income taxes	56	112
of which: related to prior years	-	1
Non-recoverable foreign income taxes	2	93
Deferred income taxes	446	7
Total Income taxes	504	212

The tax authority may at any time inspect the books and records of the Company within a maximum period of 10 years subsequent to the reported tax year and may impose additional tax assessments and penalties. The Company's management is not aware of any circumstances which may give rise to a potential material liability in this respect.

The Company has assessed the impact of the Global minimum tax for the future periods and expects no impact on the tax liability. The Company has tax residency in the Czech Republic and therefore is assessed together with other Czech subsidiaries of Generali group for the purpose of Pillar Two tax calculations.

The Company has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred, if applicable.

Increase of deferred income taxes expense in 2025 relates mainly to the intragroup reorganization within the segment of asset management companies. The difference between the book value of contributed companies and fair value of share of GIH received was recognised within Income statement for accounting purposes while it was treated as balance sheet operation for tax purposes. This resulted in temporary difference between accounting and tax profit and recognition of deferred tax liability in the amount of CZK 491 million.

The table below shows the reconciliation between the expected and actual income tax, which is based on the 21% tax rate applicable in the Czech Republic.

(CZK million)	2025	2024
Expected income tax rate	21.0%	21.0%
Earnings before taxes	15,143	18,947
Expected income tax expense (benefit)	3,180	3,979
Tax exempt income and other tax decreasing items	(3,051)	(4,187)
Tax non-deductible expenses and other tax increasing items	222	220
Differences or adjustments between IFRS and local GAAP	140	88
Non-recoverable foreign income taxes	2	92
Other items	11	20
Tax expense	504	212
Effective tax rate	3.3%	1.1%

Tax exempt income and other tax decreasing items represent mainly dividend income from investments into subsidiaries which is exempted from tax satisfying conditions of the participation exemption regime.

E.23.1 Deferred tax

Deferred tax assets and liabilities consist of the following:

(CZK million)	31.12.2025	31.12.2024
Deferred tax assets	123	126
Financial investments measured at FVOCI	85	100
Financial investments measured at FVTPL	38	25
ECL allowance on financial investments	-	1
Deferred tax liabilities	(801)	(239)
Financial investments measured at FVOCI	(692)	(97)
Financial investments measured at FVTPL	(109)	(142)
Set off of tax	123	126
Net deferred tax asset / liability (-) at the end of period*	(678)	(113)

* The Company is offsetting the deferred tax asset and deferred tax liability and reports net deferred tax.

The following table shows the movement of the net deferred tax liability/asset:

(CZK million)	2025	2024
Net deferred tax at the beginning of period	(113)	(137)
Change in net deferred tax – profit and loss impact	(446)	(7)
- Loss allowances for loans and receivables	(1)	1
- Financial assets measured at FVTPL	46	(8)
- Financial assets initial recognition	(491)	-
Change in net deferred tax – equity impact	(119)	31
- Financial assets measured at FVOCI	(119)	31
Net deferred tax at the end of period	(678)	(113)

In accordance with the balance sheet liability method, the amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the end of the reporting period.

E.24 Information on employees

The table below shows the number employees (full-time equivalent) in the reporting periods:

(Number of employees)	2025	2024
Number of managers at the end of the period	49	49
Number of employees at the end of the period*	112	109
Total FTEs at the end of the period	161	158

* Managers are excluded.

The average number of employees during the year 2025 was 163 (2024: 165).

Employee expenses for the year 2025 equal to CZK 745 million (2024: CZK 660 million). More detailed overview can be found in the table below:

(CZK million)	2025	2024
Wages, salaries, bonuses	497	408
Benefits	92	96
<i>of which: pension contribution</i>	7	9
Social security contribution	75	70
Public health insurance contribution	42	40
Other expenses	39	46
Total Employee expenses	745	660

All employees of the Company work outside the Netherlands.

E.25 Offsetting financial instruments

The following tables provide details relating to the effect or potential effect of netting arrangements, including the rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities.

As at 31 December 2025, financial assets were as follows:

(CZK million)	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of financial assets presented in the balance sheet	Related amounts not set off in the balance sheet		Net amount
				Financial instruments	Cash collateral received	
Derivative financial assets	5,228	(5,183)	45	-	(3)	42
Receivable from derivative collateral paid	66	-	66	(66)	-	-
Total	5,294	(5,183)	111	(66)	(3)	42

As at 31 December 2024, financial assets were as follows:

(CZK million)	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of financial assets presented in the balance sheet	Related amounts not set off in the balance sheet		Net amount
				Financial instruments	Cash collateral received	
Derivative financial assets	11,736	(11,583)	153	-	(127)	26
Receivable from derivative collateral paid	14	-	14	(14)	-	-
Total	11,750	(11,583)	167	(14)	(127)	26

As at 31 December 2025, financial liabilities were as follows:

(CZK million)	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Related amounts not set off in the balance sheet		Net amount
				Financial instruments	Cash collateral paid	
Derivative financial liabilities	(5,243)	5,183	(60)	-	-	(60)
Total	(5,243)	5,183	(60)	-	-	(60)

As at 31 December 2024, financial liabilities were as follows:

(CZK million)	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Related amounts not set off in the balance sheet		Net amount
				Financial instruments	Cash collateral paid	
Derivative financial liabilities	(11,619)	11,583	(36)	-	-	(36)
Total	(11,619)	11,583	(36)	-	-	(36)

Decrease of gross amounts of recognised financial assets and liabilities relates mainly to the termination of hedging due to the sale in the real estate sector within CEE region.

Financial assets and liabilities are offset in the separate statement of financial position when the Company has a legally enforceable right to offset and has the intention to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously.

The Company is subject to an enforceable master netting arrangement in the form of an ISDA agreement with a derivative counterparty. Under the terms of this agreement, offsetting derivative contracts is permitted only in the event of bankruptcy or default of either party to the agreement. In order to manage the counterparty credit risk associated with derivative trades, the parties have executed a collateral support agreement.

E.26 Off-balance sheet items

E.26.1 Pledged assets and collaterals

The Company has received financial assets as collateral for CZK 1,265 million (2024: CZK 2,150 million), in particular for REPO operations.

E.26.2 Legal

As at 31 December 2025 and 2024 the Company is not part of any significant litigations.

E.26.3 Escrow account

The company is a party to an escrow account agreement with the seller of 4Life Direct Spółka z ograniczoną odpowiedzialnością and the escrow agent. The escrow account represents a portion of the purchase price that is held by the escrow agent and is to be released to the seller subject to the absence of any purchaser claims.

During 2025, two tranches were released from the escrow account in the amounts of CZK 29 million and CZK 14 million. The third tranche will be released in spring 2026.

As at 31 December 2025, the escrow account balance amounts to CZK 18 million (2024: CZK 58 million). The movement of escrow account relates to the release of tranches and interest income accrued.

E.27 Related parties

This chapter contains information about all important transactions with related parties, excluding those which are described in other parts of the notes.

E.27.1 Identity of related parties

The ultimate parent company is Assicurazioni Generali S.p.A.

Related parties are the Company's shareholders, entities controlled by the Generali Group, its associates and joint ventures, key management personnel, their close family members and other parties that are controlled, jointly controlled or significantly influenced by such individuals. Entities in which such individuals hold significant voting power are also considered related parties.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly.

Key management personnel of the Company comprise the members of the Board of Directors.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely to the legal form.

E.27.2 Transactions with key management personnel of the Company

The following table shows the employee benefits for the members of the Generali CEE Holding B.V. Board of Directors.

(CZK thousands)	Board of Directors			
	Related to the board membership		Related to employment contract	
	2025	2024	2025	2024
Short-term employee benefits	-	-	56,358	59,547
Long-term employee benefits	-	-	8,759	11,485
Contribution to State-defined contribution pension plans	-	-	2,226	2,265

Short-term employee benefits include wages, salaries, allowances provided for membership in the statutory bodies, bonuses and other benefits such as medical care and cars. Bonuses are conditional upon achievement of specific targets linked to profitability levels of the Generali Group's insurance business; these targets have been largely met in the current financial year.

Long-term employee benefits include income from share-based payments. For further detail please refer to note E.14.

No termination benefits were paid to the Company's key management personnel in either 2025 or 2024.

E.27.3 Related party transactions

Transactions with the parent company

The transactions with the parent company Generali Assicurazioni were as follows:

(CZK million)	31.12.2025	31.12.2024
Total assets	64	3,817
Financial investments	64	3,814
Receivables	-	3
Total liabilities	68	46
Payables	11	-
Other liabilities	57	46

Investments in the amount of CZK 64 million (2024: CZK 1,298 million) represents term deposits related to direct cash pooling operations at amortised cost. Intragroup loans in the amount of CZK 2,516 million were fully paid in 2025.

(CZK million)	2025	2024
Total income	50	103
Interest income	44	103
Other income	6	-
Total expenses	(71)	(72)
Other expenses	(71)	(72)

Interest income in 2025 is represented by interest from cash pooling in the amount of CZK 27 million (2024: CZK 100 million and income from intragroup loans in the amount of CZK 17 million (2024: CZK 3 million). Transactions are not secured.

Direct Cash Pooling is the process through which the Group Treasury unit (Treasurer) operates similarly to a bank in relation to excess Liquidity centralization and optimization. Assicurazioni Generali S.p.A., through the Direct Cash Pooling, aims to optimise the Liquidity and improve the cash circulation within the Group, reduce the risk of cash shortfall and/or the need for extra external financing of the pooling participant, facilitate the management and administration of the aggregate liquidity of the Group. Particularly the Direct cash pooling aims to provide short-term liquidity from participant with excess of cash to the participant with shortage of cash reflecting the terms and conditions of the Cash pooling agreement. The company is the owner of the funds provided to the Cash pooling and bear all the risks and rewards connected to the operation.

For the interest calculation within the Direct Pooling method, the Group Treasury unit has defined a Fund Transfer Pricing (FTP) methodology according to the indications of the Group Tax Affairs structure. FTP is determined based on the "arm's length" principle for transfer pricing purposes, also considering the tax principles related to the transfer pricing legislation and in accordance with the regulations defined at OECD level, as implemented in the different jurisdictions. The Interest rate is updated daily and is based on Euro short-term market rate, credit risk spread of the treasurer and bid-ask spread.

Other related party transactions

Other transactions with related parties that are part of the Generali Group, it means companies controlled by the ultimate parent company Assicurazioni Generali S.p.A., are presented in the following tables:

(CZK million)	31.12.2025	31.12.2024
Total assets	7,440	8,032
Financial investments	7,338	7,886
Receivables	85	144
Other assets	17	2
Total liabilities	86	69
Payables	22	3
Other liabilities	64	66

(CZK million)	2025	2024
Total income	-	65
Income from investments	-	65
Total expenses	(204)	(14)
Expenses on investments	(108)	-
Other expenses	(96)	(14)

Decrease of financial investments is caused by the fact that the loan in the amount of CZK 798 million provided to Generali Biztosító Zrt was fully paid in 2025.

Transactions are not secured.

Financial investments represent the investment to GIH in the amount of CZK 6,128 million (2024: CZK 5,470 million) and investment to Lion River private equity in the amount of CZK 1,210 million (2024: CZK 1,619 million).

The table below shows the revaluation of this investment to GIH:

(CZK million)	
Fair value as at transaction date (initial recognition)	5,888
Fair value revaluation	(455)
Currency translation differences	37
Fair value as at 31.12.2024	5,470
Investment increase	558
Fair value revaluation	304
Currency translation differences	(204)
Fair value as at 31.12.2025	6,128

E.28 Audit fees

Audit fees related to the audit of the financial statements of the Company for 2025 amounted to CZK 4.1 million, net of VAT and are due to the KPMG network of firms (2024: CZK 4.7 million).

F. Subsequent events

F.1 Interim dividend

On 16 February 2026, Generali CEE Holding B.V, adopted the resolutions of the General meeting to distribute the interim dividends to Assicurazioni Generali in the amount of CZK 7,278 million and on 23 March in the amount of CZK 3,667 million. The total dividend corresponds to the amount of CZK 21,890 per share.

As at the date of annual report no other subsequent events have been identified.

16 April 2026

Signed by the Board of Directors:

Manlio Lostuzzi
(Managing Director)

Jaime Anchústegui Melgarejo
(Managing Director)

Miroslav Bašta
(Managing Director)

Heike Ottemann-Toyza
(Managing Director)

Carlo Schiavetto
(Managing Director)

G. Other information

G.1 Profit appropriation

Provisions in the Articles of Association governing the appropriation of profit (Article 22):

- a) Distributions can only take place up to the amount of that part of the company's net assets which exceeds the aggregate of the issued capital and reserves which must be maintained by virtue of the law.
- b) Distribution of profits shall take place upon adoption of the Annual Accounts from which it appears that such distribution is allowed.

The company aims to distribute to the sole shareholder a total amount equal to the CZK equivalent of EUR 653,000,000 of which EUR 50,000,000 was already distributed in November 2025. The excess of the Total distribution above the Net profit of the year shall be distributed from Other reserves.

G.2 Independent auditor's report

To: the General Meeting of Shareholders of Generali CEE Holding B.V.



Independent auditor's report

To: the Shareholder and the Board of Directors of Generali CEE Holding B.V.

Report on the audit of the company financial statements included in the annual report

Our opinion

We have audited the financial statements for the year ended as at 31 December 2025 of Generali CEE Holding B.V., based in Amsterdam.

In our opinion, the accompanying company financial statements give a true and fair view of the financial position of Generali CEE Holding B.V. as at 31 December 2025 and of its result and its cash flows for the year ended on 31 December 2025 in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

The company financial statements comprise:

- 1 the statement of financial position as at 31 December 2025;
- 2 the following statements for the year ended on 31 December 2025: the income statement, the statements of comprehensive income, changes in equity and cash flows; and
- 3 the notes comprising material accounting policy information and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the company financial statements' section of our report.

We are independent of Generali CEE Holding B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of fraud and non-compliance with laws and regulations and going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

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

Information in support of our opinion

Audit response to the risk of fraud and non-compliance with laws and regulations

In note D.6 of the Notes to the Company financial statements, the Board of Directors describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations.

As part of our audit, we have gained insights into the Company and its business environment and the Company's risk management in relation to fraud and non-compliance. Our procedures included, among other things, assessing the Company's Code of conduct, Anti-Bribery and Anti-Corruption guidelines, Compliance and Anti-Financial Crime Report and its procedures to investigate indications of possible fraud and non-compliance. Furthermore, we performed relevant inquiries with management and other relevant functions, such as Internal Audit and Compliance. We have also incorporated elements of unpredictability in our audit, such as altering the scope of investments in subsidiaries and associates included for impairment testing, which are audited by our valuation specialists. Additionally, we have involved forensic specialists in our audit procedures.

As a result from our risk assessment, we identified the following laws and regulations as those most likely to have a material effect on the financial statements in case of non-compliance:

- Anti-bribery and corruption laws and regulations.
- Anti-money laundering and terrorist financings laws and regulations.
- Data privacy and legislation.

Our procedures did not result in the identification of a reportable risk of material misstatement in respect of non-compliance with laws and regulations.

Based on the above and on the auditing standards, we identified the following fraud risks that are relevant to our audit, including the relevant presumed risks laid down in the auditing standards, and responded as follows:

Management override of controls (a presumed risk)

Risk:

Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively such as estimates related to valuation of investments.

Responses:

- We evaluated the design and the implementation of internal controls that mitigate fraud risks, such as processes related to journal entries, and key estimates.
- As part of the fraud risk assessment, we performed a data analysis of the journal entries population to determine if high-risk criteria for testing applies and evaluated relevant estimates and judgments for bias by the Company's management, including retrospective reviews of prior years' estimates. Where we identified instances of unexpected journal entries or other risks through our data analysis, we performed additional audit procedures to address each identified risk, including testing of transactions back to source information.

- We identified and selected journal entries and other adjustments made at the end of the reporting period for testing.

Revenue recognition (a presumed risk)

We assessed the presumed fraud risk on revenue recognition as not significant, because the transactions that result in revenue are not complex and can be easily verified based on external data. Revenue recognition is not subject to significant management judgement.

Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

Audit response to going concern

The Board of Directors has performed its going concern assessment and has not identified any going concern risks. To assess the management board's assessment, we have performed, inter alia, the following procedures:

- we considered whether the Board of Director's assessment of the going concern risks includes all relevant information of which we are aware as a result of our audit;
- we analysed the company's financial position as at year-end and compared it to the previous financial year in terms of indicators that could identify going concern risks; and
- we considered whether the outcome of our audit procedures indicate going concern risks.

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on management's going concern assessment.

Compliance with Regulatory Technical Standard of SBR, including XBRL tagging, not audited

The statutory audit includes verifying that the prepared financial statements comply with the legal requirements under Title 9 of Book 2 of the Dutch Civil Code. Our audit opinion has been issued on the prepared financial statements and will be attached to the digitally filed annual report. This means that compliance with all requirements of the Regulatory Technical Standard within the SBR domain for the Trade Register (including the applied eXtensible Business Reporting Language (XBRL) tags) was not part of the statutory audit.

Report on the other information included in the annual report

In addition to the company financial statements and our auditor's report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the company financial statements and does not contain material misstatements;
- contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the company financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the company financial statements.

The Board of Directors is responsible for the preparation of the other information, including the management report, in accordance with Part 9 of Book 2 of the Dutch Civil Code, and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the company financial statements

Responsibilities of the Board of Directors for the company financial statements

The Board of Directors is responsible for the preparation and fair presentation of the company financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of the company financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the company financial statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the company financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the company financial statements.

Our responsibilities for the audit of the company financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud during our audit.

Misstatements can arise from fraud or errors 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 the company financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the company financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining 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 errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining 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 internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- concluding 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 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 company 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 ceasing to continue as a going concern;
- evaluating the overall presentation, structure and content of the company financial statements, including the disclosures; and
- evaluating whether the company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 findings in internal control that we identify during our audit.

Amstelveen, 16 April 2026

KPMG Accountants N.V.

T. Yildirim RA