

PZU GROUP | Factsheet 1Q 2021

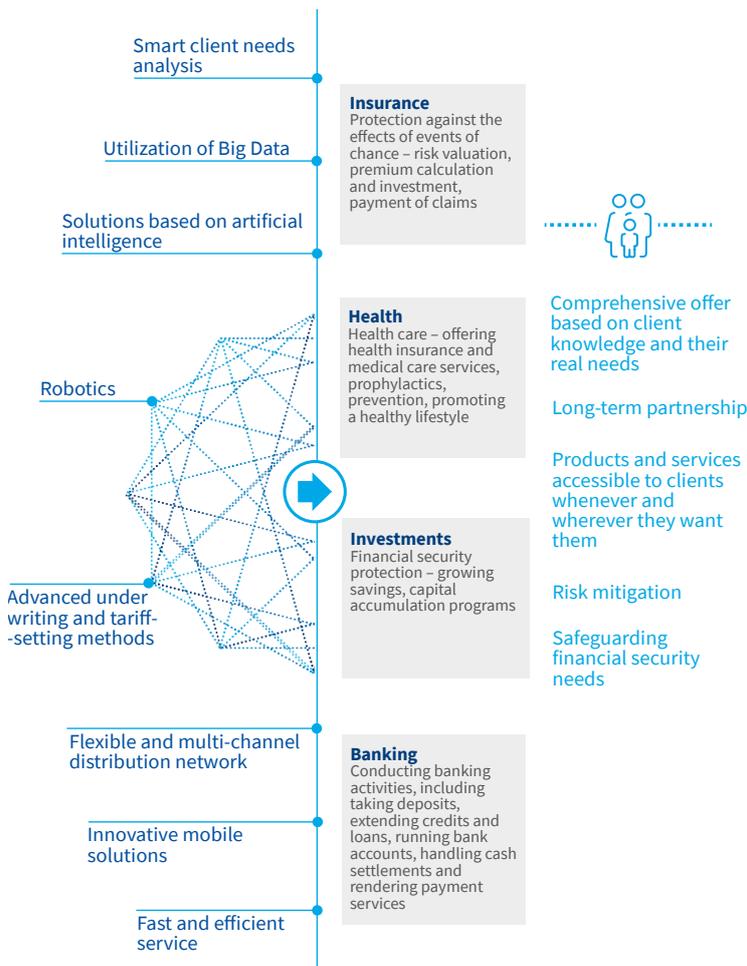


#1	PLN 395 bn	40 thousand	22 million	100%	STRONG BALANCE SHEET
largest insurance and banking group in CEE	assets	employees	clients in five countries	most recognizable brand in Poland	Solvency II ratio above average for insurance groups in Europe

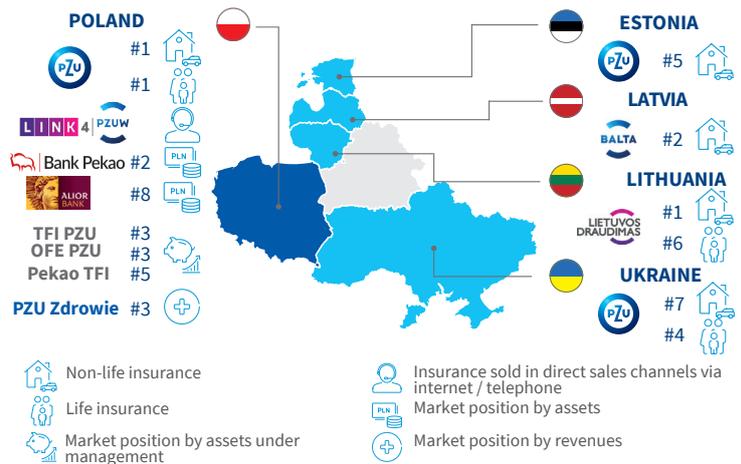
The **PZU Group** is the largest financial group in Poland and Central and Eastern Europe. PZU heads up the group with its traditions dating back to 1803. PZU's stock are listed on the Warsaw Stock Exchange (WSE) being part of the WIG20 index and WIG ESG (sustainability) index. PZU is one of the most highly valued companies and heavily traded stocks on the Polish stock exchange. At the end of December 2020, PZU's market capitalization amounted to PLN 29.4 billion. The State Treasury with a 34.19% equity stake is PZU's largest shareholder.

The PZU Group companies are active in life, non-life and health insurance as well as in investment, pension, health care and banking products. Moreover, they render assistance services to retail clients and businesses through strategic partnerships. The PZU Group business model integrates all operating areas with the client at the focal point. This makes it possible to deliver products and services that are well-matched to client needs at the appropriate time and place and respond to other client needs on a comprehensive basis. High potential, over 200 years of trust, experience, efficiency and innovation create value for the PZU Group's customers.

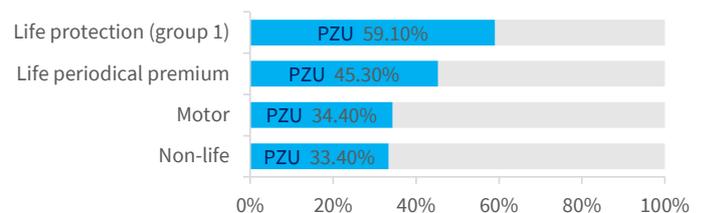
BUSINESS MODEL



MARKET POSITION



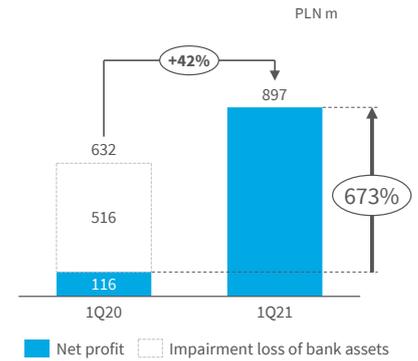
MARKET SHARE in Poland (4Q 2020)



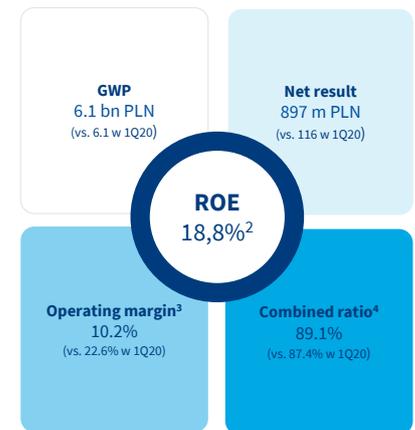
FINANCIAL HIGHLIGHTS

PLN million	2019	2020	1Q 2020	1Q 2021
A) PZU GROUP NET OF ALIOR BANK AND BANK PEKAO				
Gross written premiums	24,191	23,866	6,097	6,148
Net result on investing activity including interest expenses	1,995	2,044	(276)	720
Net insurance claims and benefits paid	(15,695)	(15,580)	(3,281)	(3,926)
Acquisition expenses	(3,363)	(3,317)	(835)	(798)
Administrative expenses	(1,739)	(1,801)	(448)	(460)
Operating profit	3,606	3,941	758	1,052
Net profit attributable to equity holders of the parent company	2,780	3,106	577	3,106
B) Impairment attributable to equity holders of the parent company	-	(1,343) ⁵⁾	(516)	-
C) BANKS: ALIOR BANK AND BANK PEKAO				
Net profit attributable to equity holders of the parent company	515	149	55	149
(A+B+C) NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	3,295	1,912	116	897
Total assets	343,385	378,974	357,215	395,418
Equity attributable to the owners of the parent company	16,169	18,777	16,169	19,374

✓ PZU Group's net profit¹⁾



✓ One of the highest ROE among European insurers



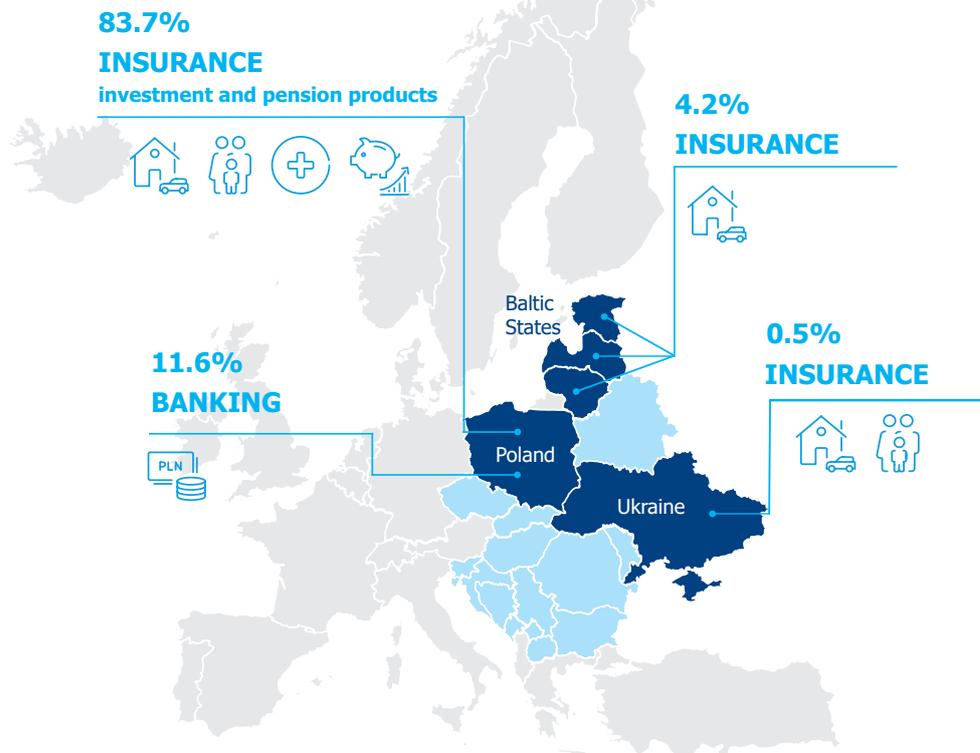
Financial strength rating and credit rating awarded to PZU by S&P

A-
/STABLE/

Gross Written Premium structure (1Q 2021)



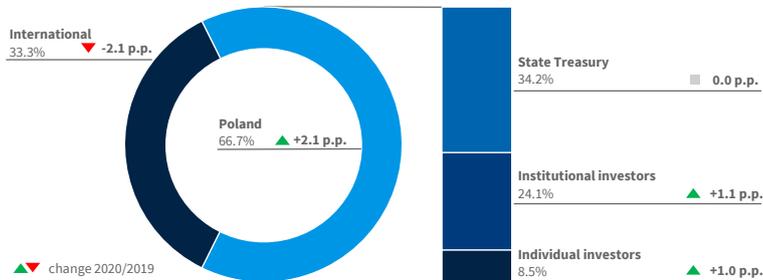
Percentage share of business segments in the operating result (adjusted for PZU's shares in banks in 2020, excluding the impairments on banks' goodwill and intangibles identified during the acquisition of Alior Bank)



PZU's STOCK

Number of shares	863,523,000	P/E	10.9x	Average trading value per session	PLN 68.0m
Free float (%)	65.81 %	P/BV	1.5x	Average number of trades per session	5,993
Market capitalization	PLN 29.4 bn	D/Y	0% ^(6),7)	Average trading volume per session	2,141,452 shares

Shareholder structure (31 December 2020)



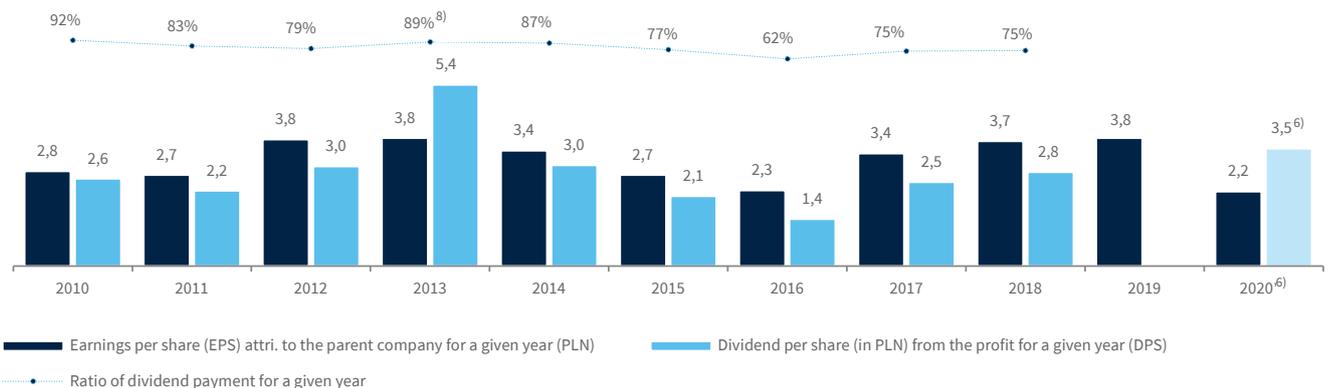
Recommendations statistics (31 March 2021)

RECOMMENDATIONS	▲ 8	Buy, Outperform
	3	Neutral, Hold
	▼ 0	Underperform, Reduce
11		
Highest target price	PLN 41.5	
Average target price	PLN 36.8	
Lowest target price	PLN 26.8	

PZU's share performance - min/max share price at session closing



PZU's earnings per share and dividend per share



ANNOTATION:

¹⁾ Net profit attributable to equity holders of the parent company; ²⁾ Annualized ratio, attributable to equity holders of the parent company; ³⁾ Margin in 1Q20 and 2021 for the group and individually continued insurance segment; ⁴⁾ Non-life insurance in the PZU Group (Poland); ⁵⁾ Including the impairment loss on goodwill arising from the acquisition of Alior Bank (PLN 746 million) and Bank Pekao (PLN 555 million), the impairment loss on intangibles arising from the acquisition of Alior Bank (i.e. trademark and relations with clients adjusted for the impact of deferred tax and minority interest) in the amount of PLN 42 million; ⁶⁾ On 26 March 2020, the Polish Financial Supervision Authority (KNF) issued a decision prohibiting the disbursement of dividends in 2020 by insurance companies and banks from their 2019 profits. On 16 December 2020 the Polish Financial Supervision Authority (KNF) issued a decision allowing the disbursement of dividends in an amount equal to 100% of the 2019 profit and 50% of the 2020 profit. On 12 May 2021 the Supervisory Board issued a positive opinion on the Management Board's motion to the OGM for dividend payment of PLN 3.5 per share; ⁷⁾ Historical dividend yield: 6.4% (2019); 5.9% (2018); 4.2% (2017); ⁸⁾ The payout ratio net of the dividend payout from excess capital (PLN 2 per share)



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