

PZU GROUP | Factsheet 2Q 2021

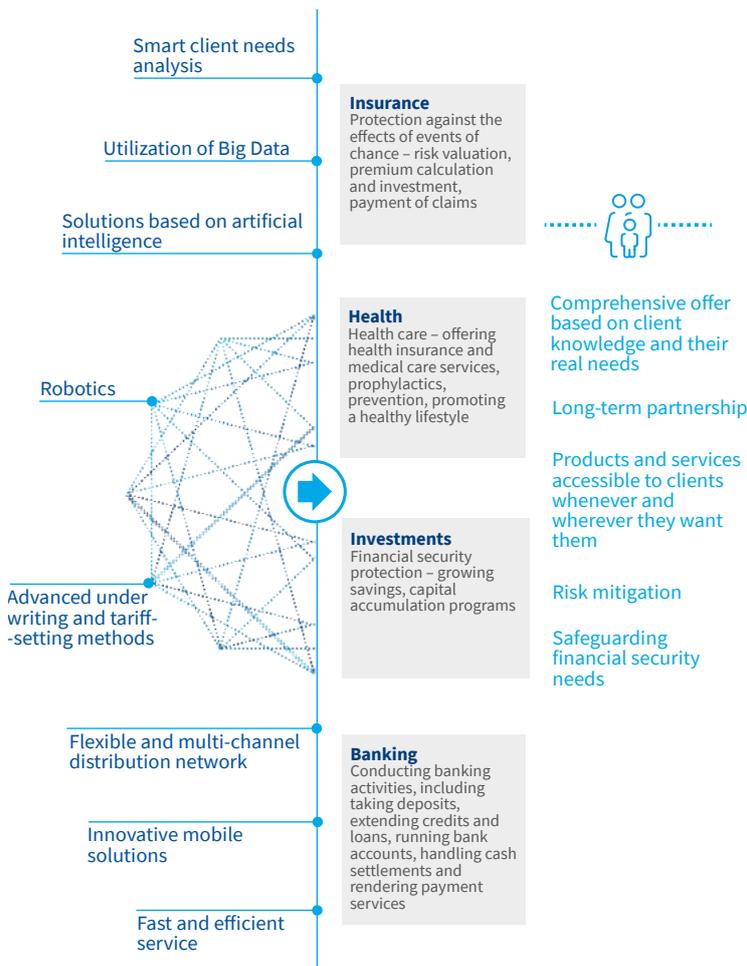


#1	PLN 391 bn	40 thousand	22 million	100%	STRONG BALANCE SHEET
largest insurance and banking group in CEE	assets	employees	clients in five countries	most recognizable brand in Poland	Solvency II ratio above average for insurance groups in Europe

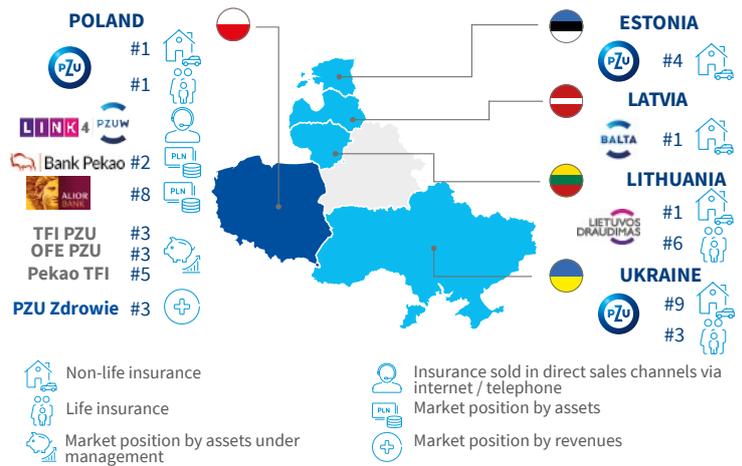
The PZU Group is the largest financial group in Poland and Central and Eastern Europe. PZU heads up the group with its traditions dating back to 1803. PZU's stock are listed on the Warsaw Stock Exchange (WSE) being part of the WIG20 index and WIG ESG (sustainability) index. PZU is one of the most highly valued companies and heavily traded stocks on the Polish stock exchange. At the end of June 2021, PZU's market capitalization amounted to PLN 31.7 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.

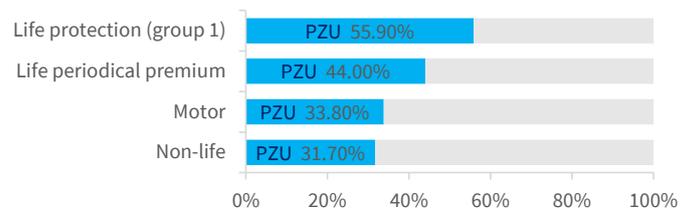
BUSINESS MODEL



MARKET POSITION



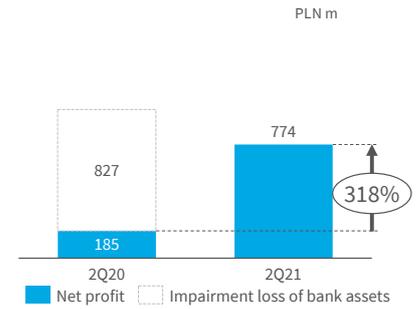
MARKET SHARE in Poland (1Q 2021)



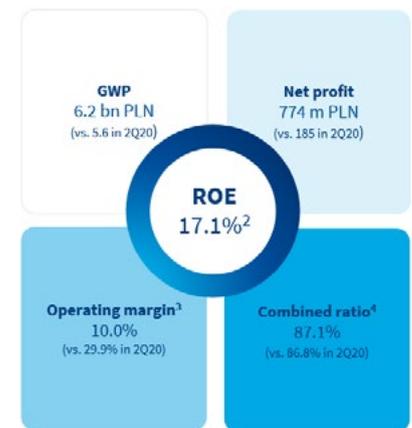
FINANCIAL HIGHLIGHTS

PLN million	2020	2Q 2020	1Q 2021	2Q 2021
A) PZU GROUP NET OF ALIOR BANK AND BANK PEKAO				
Gross written premiums	23,866	5,594	6,148	6,194
Net result on investing activity including interest expenses	2,044	1,106	720	597
Net insurance claims and benefits paid	(15,580)	(4,010)	(3,926)	(4,144)
Acquisition expenses	(3,317)	(812)	(798)	(825)
Administrative expenses	(1,801)	(457)	(460)	(442)
Operating profit	3,941	1,438	1,052	771
Net profit attributable to equity holders of the parent company	3,106	1,111	811	609
B) Impairment attributable to equity holders of the parent company	(1,343) ⁵⁾	(827) ⁶⁾	-	-
C) BANKS: ALIOR BANK AND BANK PEKAO				
Net profit attributable to equity holders of the parent company	149	(99)	86	165
(A+B+C) NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	1,912	185	897	774
Total assets	378,974	376,645	395,418	391,342
Equity attributable to the owners of the parent company	18,777	16,976	19,374	16,916

✓ PZU Group's net profit¹⁾



✓ One of the highest ROE among European insurers



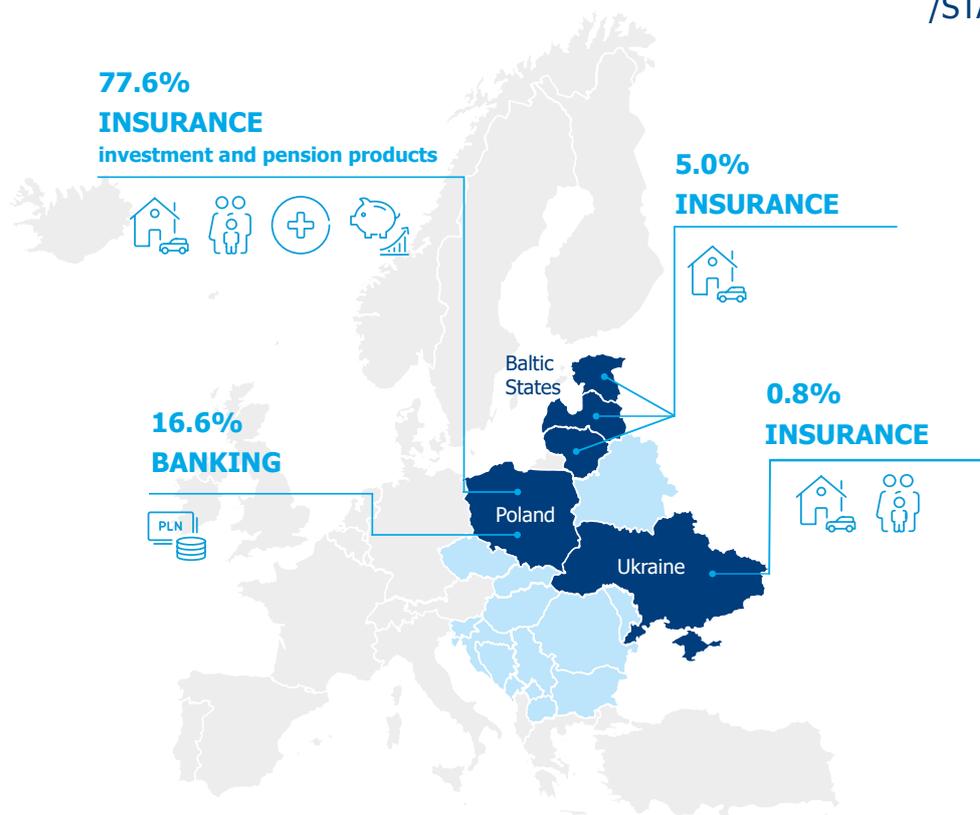
Financial strength rating and credit rating awarded to PZU by S&P

A-
/STABLE/

Gross Written Premium structure (2Q 2021)



Percentage share of business segments in the operating result (adjusted for PZU's shares in banks) the data after H1 2021)



PZU's STOCK

Number of shares	863,523,000	P/E	9.7x	Average trading value per session	PLN 73.5m
Free float (%)	65.81 %	P/BV	1.9x	Average number of trades per session	5,616
Market capitalization	PLN 31.7 bn	D/Y	10.8%	Average trading volume per session	2,069,269 shares

Shareholder structure (31 December 2020)



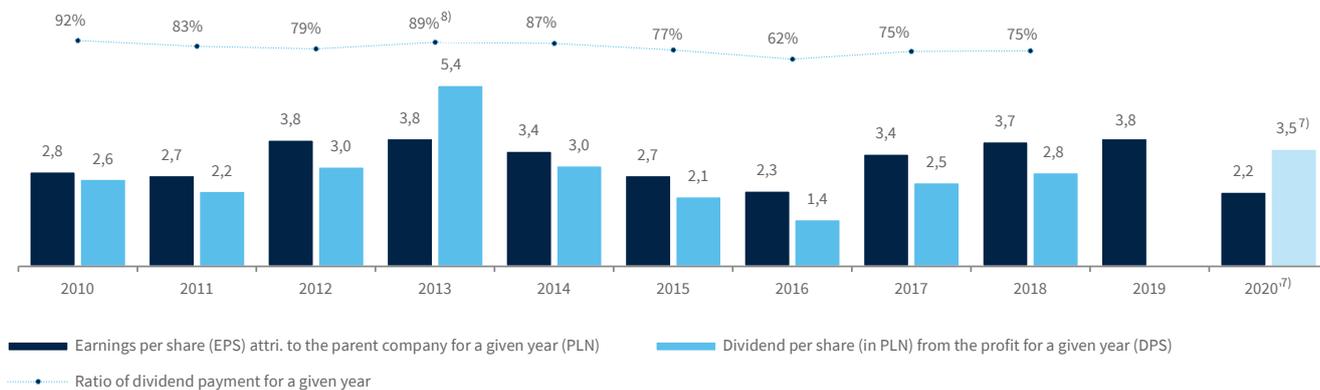
Recommendations statistics (30 June 2021)

RECOMMENDATIONS	▲ 10	Buy, Outperform
	2	Neutral, Hold
	▼ 0	Underperform, Reduce
Highest target price	PLN 44.0	
Average target price	PLN 39.3	
Lowest target price	PLN 36.4	

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

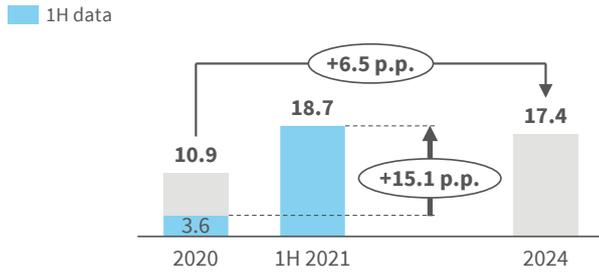


PZU's earnings per share and dividend per share

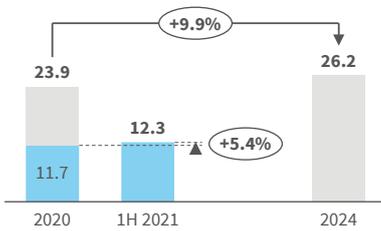


FINANCIAL MEASURES AND STRATEGY EXECUTION

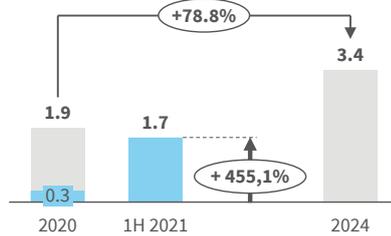
ROE (%)⁹



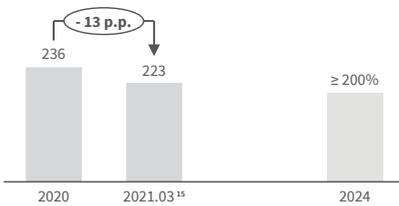
GROSS WRITTEN PREMIUM¹⁰ (BN PLN)



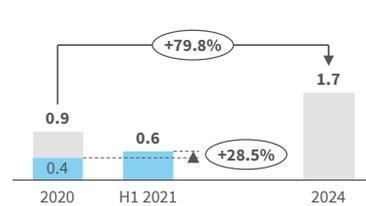
NET PROFIT¹¹ (BN PLN)



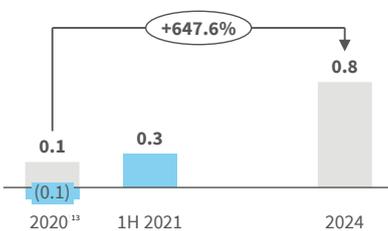
SOLVENCY II RATIO (%)



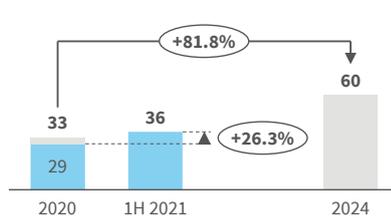
PZU ZDROWIE'S REVENUES (BN PLN)



BANKS' CONTRIBUTION TO PZU GROUP'S NET RESULT¹² (BN PLN)



ASSETS UNDER MANAGEMENT¹⁴ (BN PLN)



ESG INDICATORS

ESG goals
in Senior
Mgmt
targets

Giving consideration to ESG targets in the Company's strategic objectives and handing them over for execution by Senior Management

55%

Assessment from the ESG perspective of 55 percent of the biggest corporate insurance clients from sectors sensitive to ESG risks

500
m

Increase of the current exposure to investments supporting climate and energy transition by 500 m PLN in 2021-2024

70%

Percentage of key procurement processes which give consideration to ESG criteria

scope
1 and 2

Reaching climate neutrality of own operations thanks to reduction of emissions, purchase of green energy and compensation of CO2 emissions

70%

Percentage of employees covered by the #Well-being program

10-15
m

Number of recipients of social activities in the area of safety and sustainable lifestyle during the year

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 2Q20 and 2Q21 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⁾ including the impairment loss on goodwill arising from the acquisition of Alior Bank (PLN 516 million in Q1 and PLN 230 million in Q2) and Bank Pekao (PLN 555 million in Q2), 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 ⁷⁾ 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; ⁸⁾ The payout ratio net of the dividend payout from excess capital (PLN 2 per share); ⁹⁾ Attributable to the holders of the parent company; ¹⁰⁾ Gross written premium of the PZU Group; ^{11,12)} Net profit attributable to the holders of the parent company; ¹³⁾ Does not incorporate the impairment losses for intangible assets following from the acquisition of Alior Bank and Bank Pekao; ¹⁴⁾ Third party assets under management TFI PZU, Pekao TFI and Alior TFI; ¹⁵⁾ Data as of 2021.03 are not subjected to audit or review by a statutory auditor



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