

ANNUAL REPORT
2020



**PERFORMING WELL
IN TIMES OF CHANGE.**



The GRAWE Group – grown strength.

Insurances, financial services and real estate are the core expertise of GRAWE. Eighteen Central, East and Southeast European insurance subsidiaries are responsible for the company's international orientation. GRAWE's down-to-earth attitude and financial stability bear witness to a success story of more than 190 years. With its customer-friendly, personal consultation as well as appropriate, tailor-made products, GRAWE guarantees international quality with domestic standards of security.

GRAWE Group

Banks and Investment companies	Insurances	Real estate
Bank Burgenland AG	Austria	GRAWE Immo AG
Capital Bank AG	Grazer Wechselseitige Versicherung AG HYPO Versicherung AG	STIWOG Immobilien GmbH
SECURITY Kapitalanlage AG	International	ImmoPro Immobilien GmbH
Bankhaus Schelhammer & Schattera AG	GRAWE Slovenia GRAWE Croatia GRAWE Hungary GRAWE Beograd GRAWE Sarajevo GRAWE Banja Luka	RIS Realitäten GmbH
	GRAWE Ukraine Life GRAWE Ukraine Non-Life GRAWE Bulgaria GRAWE Romania GRAWE CARAT Moldova GRAWE Podgorica	
		GRAWE neživotno Podgorica GRAWE Skopje GRAWE nezivot Skopje GRAWE Re Cyprus Eurolink Skopje



The GRAWE insurance companies in 2020

1828
Austria



1999
Cyprus



1991
Slovenia



2000
Bulgaria



1993
Croatia



2000
Romania



1997
Hungary



2001
Banja Luka



1997
Beograd



2004
Moldova



1998
Sarajevo



2004
Podgorica



1998
Ukraine



2007
Skopje





(Photo shot in 2017)

The Board of Directors

From left to right: Mag. Gerald Gröstenberger (Board director), Dr. Gernot Reiter (Deputy General Director, Vice Chairman of the Board of Directors), Dr. Philipp Meran (Chairman of the Supervisory Board), Mag. Klaus Scheitegel (General Director, Chairman of the Board of Directors), MMag. Georg Schneider (Board director)

Foreword by the Chairmen

Dear Readers,

The year 2020 not only presented the global economy with particular challenges, it also fundamentally changed everyday life at home and at work for every one of us. Our companies were called upon to adapt their work processes to the new situation and to reorganise their in-house processes and the contact to customers and business partners accordingly. In times of lockdowns, it is impossible to imagine business operations without working from home, telephone and video conferences, e-communication and webinars. In addition to the increased need for flexible and digital solutions, the aim was also to demonstrate stability and reliability. Particularly in times like these, which are characterised by uncertainty, it is all the more important for customers, business partners and employees to have a strong, reliable partner at their side.

The GRAWE companies have always opted for a strategy of security, foresightedness and sustainability. Drawing on these values, GRAWE was also able to develop further in the past financial year and to once again post stable growth.

GRAWE, which was established more than 190 years ago as a regional fire insurance by Archduke Johann, now has 18 subsidiaries in Central, East and Southeast Europe – in the insurance sector alone. In addition, GRAWE is represented nationally and internationally as a provider and partner in the banking and real estate sector. In the 2020 financial year, the GRAWE Group posted a growth in premiums totalling 4.5%, which was attributable to an increase in indemnity insurance and accident insurance of 7.8%. The result from ordinary business activity was EUR 147.4 million; profit amounted to EUR 122.4 million. Despite COVID-19 and all the associated challenges, the GRAWE Group therefore continues to be on a course of constant growth. The same applies for GRAWE in Austria which, despite a higher number of claims in the areas of business interruption and storm, was able to increase its premium income by 3.3%, its result by 5.3% and its profit by 8.3%.

One reason for this steady further development is the corporate philosophy of GRAWE, i.e. acting in a responsible manner and also seeing every change as an opportunity. We thus also see the COVID-19 crisis as an opportunity for better and more modern performance still. We have exploited the even more flexible organisation of everyday working life and the accompanying increase in digitisation that the new situation has necessitated. Looking back at 2020, we can declare that GRAWE is emerging even stronger from the COVID-19 crisis and has become more resilient still as a result of the pandemic.

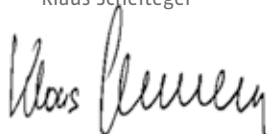
Another significant factor behind the consistently outstanding development of our companies are the GRAWE employees who are characterised by their high level of professional expertise, their extensive experience and their solution and goal-oriented way of working. We would therefore like to offer our sincere thanks to them for their particular commitment in this exceptional year and for their trust.

Our thanks also goes to our customers. We greatly appreciate their loyalty and their willingness to recommend GRAWE as a top insurer to others. We are proud that GRAWE has now been presented with the „Recommender Award“ of the Financial Marketing Association of Austria (FMVÖ) for the 13th time in 14 years. In 2020, GRAWE won anew in the category „Insurances throughout Austria“ and it was also given the highest seal of quality with the rating „Excellent customer orientation“. The bestowal of the „Recommender Award“ proves that our high requirements with regard to the care of our customers and to the quality of our products and services pay off.

Another highlight of the last financial year is the expansion of the GRAWE Group once again to include two new members. The successful integration of our insurance subsidiary, GRAWE osiguruvanje nezivot Skopje, which was acquired in North Macedonia in 2019, was followed in 2020 by the acquisition of Eurolink Insurance Inc., Skopje, which is also domiciled in North Macedonia. In addition, Montenegro-based Swiss Osiguranje A.D. Podgorica was taken over by GRAWE and will now operate in future as „GRAWE neživotno osiguranje“ A.D. Podgorica in business transactions. With these acquisitions, GRAWE has not only entered the motor vehicle and non-life insurance business in Montenegro, it has also expanded its range of services in this regard in North Macedonia.

In summary, in 2020 GRAWE has therefore once again seized the opportunities that presented themselves and can look back at a continuously positive and stable development. It is thus continuing to prove itself as a corporate group that operates in a sustainable manner and that generates constant growth. This would not have been possible without the trust and commitment of our employees, our managers, our long-standing partners and our customers and, to conclude, we would therefore like to once again express our heartfelt thanks to them.

Yours sincerely,
Klaus Scheitegel



Yours sincerely,
Othmar Ederer





PERFORMING WELL IN TIMES OF CHANGE.

A year ago the world we lived in was a different one: The year 2020 changed our lives on a hitherto unknown scale. Despite many signs of a paradigm change which were already visible at the end of 2019, the major change occurred suddenly and differently than expected: A small virus presented our entire civilisation with health, social and economic challenges; and it will take us a very long time still to overcome them.

GRAWE too was confronted „almost overnight“ with completely new tasks – simultaneously in all countries in which our company operates. The task of protecting the health and life of our employees and customers had the utmost priority. As did the task of protecting our company from lasting damage. The well-known strengths of GRAWE – the commitment of our employees, our stability, our financial resources and above all the trust of our customers – have helped us to come through the year 2020 well.

As a company with a 192-year history, encompassing many turbulent times, we want to make constructive and positive use of this phase too: by learning from the new situation and pursuing proven strategies. Flexibility, optimism and the courage to take new paths are vital here.

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Content

Grazer Wechselseitige Versicherung AG

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GRAWE Group

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Note regarding rounding and figures in this annual report:
There may be mathematical differences due to computerised rounding
when aggregating amounts and percentages.

Gender-specific wording: To make the text easier to read, we have dispensed
with any gender-specific differentiation in this report. Corresponding terms
apply to both genders in equal measure.

March 2021

GRAWE Group Key Facts 2020

11.911 million €
balance sheet total

147,4 million €
result from ordinary activities

2,1 percent increase in
investments

1.593 million €
equity

993 million €
premiums written

5.188 (on a yearly average)
employees

13 Central, East and Southeast European
countries

~ 4,84 million
contracts



1828

Establishment of Grazer Wechselseitige as a fire insurance by Archduke Johann of Austria

1895

On 4 June, the new building of the head office in Herrengasse in Graz is ceremoniously opened in the presence of Emperor Franz Joseph I.

1938

The insurance company merges with "Steirer-Versicherungs-AG" and "Burgenländische Versicherungsanstalt" and expands its area of business to the other federal provinces. The range of insurances is extended from 3 to 13 divisions, among others, to include motor insurance.

1972

The range of insurances is extended to include life insurance.

1918

With the end of the First World War, the insurance loses its sites in Carniola (today Italy/Slovenia/Croatia).

1946

A new management team led by Dr. Franz Count von Meran, the great-grandson of Archduke Johann, sets about rebuilding the company.

1978

In the 150th year of its existence with more than 600,000 contracts, the threshold of one billion Austrian schillings (~73 million €) in premium income is exceeded.

1988

GRAWE participates in a bank for the first time, CAPITAL BANK (formerly RBB Bank AG).

1991

From this point, the activities of the insurance company are also extended to neighbouring countries: to Slovenia in 1991, followed by Croatia in 1993.

since 2000

Having established companies in Bulgaria and Romania, in the Republika Srpska, in Moldova, North Macedonia and Montenegro, GRAWE is now active in 13 countries.

2018

GRAWE celebrates the 190-year anniversary of its existence.

1989

GW Immobilien-Verwaltungs- und Vermittlungs-GmbH is established: The commercial success of GRAWE has always been linked to its large portfolio of real estate.

1997

Further GRAWE insurance subsidiaries are established in neighbouring countries of Austria: Serbia and Hungary, followed by Ukraine, Bosnia and Herzegovina in 1998 and Cyprus in 1999.

2006

Acquisition of Bank Burgenland by GRAWE and subsequent expansion to become the umbrella institution of the GRAWE banking group.

since 2019

Acquisition of two subsidiaries in North Macedonia and one in Montenegro and thus entry into the motor vehicle and non-life insurance business on these markets.



GRAZER WECHSELSEITIGE VERSICHERUNG AG

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Organs of Administration

Supervisory Board

Chairman:

Dr. Philipp Meran

Lawyer, Vienna

(Member of the Supervisory Board since 22.05.2007, appointed until the Annual General Meeting at the end of financial year 2021)

Vice Chairman:

Univ.-Prof. Dr. Dr. h.c. Josef Zechner

University Professor, Vienna

(Member of the Supervisory Board since 15.05.2001, appointed until the Annual General Meeting at the end of financial year 2020)

Members:

MMag. Dr. Ilse Bartenstein, MA

Executive Director, Lannach

(Member of the Supervisory Board since 15.05.2012, appointed until the Annual General Meeting at the end of financial year 2021)

Mag. Dr. Wolfgang Messner

Board Director (ret.), Graz

(Member of the Supervisory Board since 14.05.2002, appointed until the Annual General Meeting at the end of financial year 2021)

MMag. Martin Schaller (until 30.09.2020)

General Director, Graz

(Member of the Supervisory Board since 25.11.2013, term of office until 30.09.2020)

Univ. Prof. Mag. Dr. Michaela Stock

University professor, Graz

(Member of the Supervisory Board since 07.05.2019, appointed until the Annual General Meeting at the end of financial year 2023)

Members delegated by the Central Staff Council:

Friedrich Sampl

Chairman of the central staff council

Heiligenkreuz am Waasen

(Delegated to the Supervisory Board since 12.09.2017)

Ursula Wipfler

Chairman of the Works Council, Styria, Burgenland and Vorarlberg
Lieboch

(Delegated to the Supervisory Board since 01.03.2012)

Christian Gruber

Chairman of the Works Council, Vienna and Lower Austria
Lanzenkirchen

(Delegated to the Supervisory Board since 22.01.2019)

Board of Directors

Chairman:

Mag. Klaus Scheitegel

General Director

Vice Chairman:

Dipl.-Ing. Dr. Gernot Reiter

Deputy General Director

Members:

Mag. Gerald Gröstenberger, MBA

Director

MMag. Georg Schneider

Director

Balance sheet on 31 December 2020

Assets	Non-life EUR	Life EUR	31.12.2020 Total EUR	31.12.2019 Total TEUR
A. Intangible assets				
Other intangible assets	654.019,09	0,00	654.019,09	944
B. Investments				
I. Land and buildings	430.588.165,86	172.248.857,84	602.837.023,70	590.918
II. Investments in affiliated undertakings and participating interests				
1. Shares in affiliated companies	490.126.021,83	0,00	490.126.021,83	464.505
2. Debt securities and other securities of affiliated companies and loans to affiliated companies	10.095.890,63	9.000.000,00	19.095.890,63	19.727
3. Participating interests	3.162.012,97	0,00	3.162.012,97	3.270
III. Other investments				
1. Shares and other variable-yield securities	274.385.592,71	376.561.437,56	650.947.030,27	614.985
2. Debt securities and other fixed-income securities	471.106.288,85	903.111.289,57	1.374.217.578,42	1.343.762
3. Loans guaranteed by mortgages	0,00	600.000,00	600.000,00	750
4. Advance payments on policies	0,00	1.267.221,23	1.267.221,23	1.170
5. Other loans	797.066,67	24.185.429,39	24.982.496,06	24.431
6. Deposits with credit institutions	0,00	0,00	0,00	0
7. Other investments	481.936,00	0,00	481.936,00	482
IV. Deposits with ceding undertakings	53.470,71	0,00	53.470,71	61
C. Investments of unit-linked and index-linked life insurance	0,00	226.855.682,88	226.855.682,88	223.522
D. Receivables				
I. Receivables from direct insurance operations				
1. due from policyholders	11.705.847,27	2.276.635,13	13.982.482,40	17.588
2. due from intermediaries	2.383.278,83	501.300,00	2.884.578,83	3.475
3. due from insurance undertakings	8.709.761,35	0,00	8.709.761,35	3.958
II. Settlement receivables arising from reinsurance operations	26.799.517,32	1.629.659,24	28.429.176,56	4.079
III. Other receivables	40.276.391,49	3.157.090,41	43.433.481,90	16.146
E. Accrued interest and rent	7.156.956,41	14.654.893,00	21.811.849,41	23.851
F. Other assets				
I. Tangible assets (except for land and buildings) and stocks	5.099.718,80	0,00	5.099.718,80	4.553
II. Cash at bank and in hand	14.299.173,99	9.561.658,40	23.860.832,39	30.142
III. Other assets	176.663,09	0,00	176.663,09	445
G. Prepaid expenses	3.352.344,82	0,00	3.352.344,82	2.885
H. Deferred taxes on the assets side	37.059.259,26	0,00	37.059.259,26	34.799
I. Offsetting items between the balance sheet groups	76.838.730,48	-76.838.730,48	0,00	0
	1.915.308.108,43	1.668.772.424,17	3.584.080.532,60	3.430.448

Liabilities

	Non-life	Life	31.12.2020 Total	31.12.2019 Total
	EUR	EUR	EUR	TEUR
A. Equity				
I. Share capital				
Par value	10.500.000,00	4.500.000,00	15.000.000,00	15.000
II. Capital reserves				
1. committed	1.086.848,59	516.917,01	1.603.765,60	1.604
2. not committed	3.495.192,39	0,00	3.495.192,39	3.495
III. Revenue reserves				
Free reserves	689.631.345,62	117.590.492,81	807.221.838,43	742.984
IV. Risk reserve	16.634.348,55	5.838.586,62	22.472.935,17	21.496
V. Net profit for the year	0,00	0,00	0,00	0
of which profit brought forward	0,00	0,00	0,00	0
B. Technical provisions, net of reinsurance				
I. Provision for unearned premiums				
1. Gross amount	68.645.932,12	20.350.738,81	88.996.670,93	88.370
2. Reinsurance amount	-8.033.577,52	-1.939.126,07	-9.972.703,59	-10.220
II. Life insurance provision				
1. Gross amount	0,00	1.145.987.620,19	1.145.987.620,19	1.115.213
2. Reinsurance amount	0,00	-7.174.762,03	-7.174.762,03	-7.782
III. Provision for claims outstanding				
1. Gross amount	878.768.315,00	17.356.402,76	896.124.717,76	860.342
2. Reinsurance amount	-90.669.839,13	-822.560,14	-91.492.399,27	-97.998
IV. Provision for rebates				
Gross amount	2.228.000,00	0,00	2.228.000,00	2.065
V. Provision for bonuses and/or policyholders' participation in profits				
Gross amount	0,00	93.777.858,13	93.777.858,13	87.718
VI. Volatility reserve	67.175.696,00	0,00	67.175.696,00	66.551
VII. Other technical provisions				
1. Gross amount	6.762.872,18	0,00	6.762.872,18	6.882
2. Reinsurance amount	-329.814,68	0,00	-329.814,68	-387
C. Technical provisions of unit-linked and index-linked life insurance				
I. Gross amount	0,00	223.567.841,01	223.567.841,01	221.987
II. Reinsurance amount	0,00	0,00	0,00	0
D. Non-technical provisions				
I. Provisions for severance pay	31.448.944,15	0,00	31.448.944,15	29.838
II. Provisions for pensions	37.172.264,47	0,00	37.172.264,47	37.684
III. Provisions for taxes	19.839.870,44	0,00	19.839.870,44	16.944
IV. Other provisions	26.994.010,59	409.100,00	27.403.110,59	27.605
E. Deposits received from reinsurers	4.046.727,55	0,00	4.046.727,55	4.215
F. Other liabilities				
I. Liabilities arising from the direct insurance operations				
1. due from policyholders	19.525.155,59	3.150.833,19	22.675.988,78	22.157
2. due from intermediaries	4.493.198,79	0,00	4.493.198,79	5.229
3. due from insurance undertakings	8.559.704,69	0,00	8.559.704,69	10.403
II. Settlement liabilities arising from reinsurance operations	11.970.061,96	2.291.513,73	14.261.575,69	15.344
III. Amounts owed to credit institutions	251.879,73	99.760,17	351.639,90	344
IV. Other liabilities	86.584.726,47	950.208,73	87.534.935,20	79.930
G. Prepaid expenses	18.526.244,88	42.320.999,25	60.847.244,13	63.435
	1.915.308.108,43	1.668.772.424,17	3.584.080.532,60	3.430.448

Income Statement for Financial Year 2020

Non-life insurance	2020 EUR	2019 TEUR
Technical account		
1. Earned premiums		
a) Premiums written		
Gross amount	498.986.226,60	482.417
Ceded reinsurance premiums	-83.266.506,34	-81.128
b) Change in the provision of unearned premiums		
Gross amount	-3.512.223,90	-5.273
Reinsurance amount	3.651.217,33	386
2. Allocated investment return	151.272,68	152
3. Other technical income	1.302.267,23	1.456
4. Claims accrued		
a) Claims payments		
Gross amount	-300.702.160,92	-295.639
Reinsurance amount	51.981.119,81	45.609
b) Change in the provision for claims outstanding		
Gross amount	-39.411.251,20	-22.999
Reinsurance amount	15.686.972,14	2.789
5. Increase in the technical provisions		
Other technical provisions		
Gross amount	-264.850,00	-262
6. Rebates		
Gross amount	-695.108,96	-675
7. Operating expenses		
a) Insurance acquisition costs	-114.533.167,15	-112.141
b) Other operating expenses	-21.559.511,52	-21.328
c) Reinsurance commissions and bonuses from reinsurance covers	22.182.123,77	22.653
8. Other technical charges	-3.291.047,48	-3.831
9. Change in the volatility reserve	-624.751,00	3.588
10. Technical account balance	26.080.621,09	15.774
Non-technical account		
1. Technical account balance	26.080.621,09	15.774
2. Investment income and interest income		
a) Income from participating interests	25.340.538,42	27.435
of which affiliated undertakings	25.093.938,42	26.653
b) Income from land and buildings	18.682.533,85	21.497
of which affiliated undertakings	190.352,65	189
c) Income from other investments	17.166.697,48	19.448
of which affiliated undertakings	69.695,64	57
d) Income from write-ups	138.670,37	3.236
e) Gains on the realisation of investments	3.114.567,62	1.853
f) Other investment income and interest income	640.197,04	487
3. Investment charges and interest paid		
a) Asset management charges	-5.430.950,74	-5.981
b) Write-offs on investments	-9.646.662,66	-12.580
of which affiliated undertakings	-618.122,56	-5.420
c) Interest paid	-703.199,30	-844
d) Losses on the realisation of investments	-24.597,38	-7
e) Other investment charges	-158.380,65	-58
4. Allocated investment return transferred to the technical account	-151.272,68	-152
5. Other non-technical income	36.298,03	433
6. Other non-technical charges	-245.294,77	-294
7. Earnings gross before taxes	74.839.765,72	70.247

Life insurance

	2020 EUR	2019 TEUR
Technical account		
1. Earned premiums		
a) Premiums written		
Gross amount	150.818.940,35	146.668
Ceded reinsurance premiums	-5.505.755,35	-5.531
b) Change in the provision of unearned premiums		
Gross amount	562.729,80	-431
Reinsurance amount	88.750,71	295
2. Allocated investment return	38.480.745,09	48.209
3. Unrealised gains on investments pursuant to asset item C.	4.301.715,16	20.914
4. Other technical income	1.266.913,94	1.388
5. Claims accrued		
a) Claims payments		
Gross amount	-121.432.696,07	-118.968
Reinsurance amount	3.060.865,83	2.311
b) Change in the provision for claims outstanding		
Gross amount	-1.868.063,68	-1.569
Reinsurance amount	44.945,09	224
6. Increase in the technical provisions		
Life insurance provision		
Gross amount	-25.539.179,84	-32.612
Reinsurance amount	49.076,69	-12.322
7. Bonuses and/or policyholders' participation in profits		
Gross amount	-13.723.000,00	-22.700
8. Operating expenses		
a) Insurance acquisition costs	-18.920.756,27	-16.321
b) Other operating expenses	-3.883.569,58	-3.880
c) Reinsurance commissions and bonuses from reinsurance covers	250.802,40	806
9. Unrealised losses on investments pursuant to asset item C.	-2.551.562,28	-293
10. Other technical charges	-173.046,33	-257
11. Technical account balance	5.327.855,66	5.931
Non-technical account		
1. Technical account balance	5.327.855,66	5.931
2. Investment income and interest income		
b) Income from land and buildings	10.412.327,05	11.429
of which affiliated undertakings	140.334,84	137
c) Income from other investments	31.896.508,25	36.246
of which affiliated undertakings	304.254,65	329
d) Income from write-ups	391.489,86	5.305
e) Gains on the realisation of investments	6.802.811,77	2.544
f) Other investment income and interest income	834.691,61	184
3. Investment charges and interest paid		
a) Asset management charges	-1.968.323,03	-2.784
b) Write-offs on investments	-8.479.296,94	-4.268
c) Interest paid	-159.023,89	-184
d) Losses on the realisation of investments	-441.964,74	-261
e) Other investment charges	-808.474,85	0
4. Allocated investment return transferred to the technical account	-38.480.745,09	-48.209
5. Other non-technical income	49.636,47	199
6. Other non-technical charges	-14.559,06	-202
7. Earnings gross before taxes	5.362.933,07	5.928

Income Statement for Financial Year 2020

Total	2020 EUR	2019 TEUR
Non-technical account		
1. Earnings gross before taxes		
Non-life insurance	74.839.765,72	70.247
Life insurance	5.362.933,07	5.928
	80.202.698,79	76.174
2. Taxes on income and earnings	-14.987.767,96	-15.962
3. Profit / Loss for the financial year	65.214.930,83	60.212
5. Transfer to reserves		
a) Transfer to free reserves	-64.238.093,73	-58.904
b) Allocation to risk reserve	-976.837,10	-1.309
6. Annual profit	0,00	0
7. Profit brought forward	0,00	0
8. Net profit	0,00	0



GRAWE- VERMÖGENSVERWALTUNG

ANNUAL REPORT
2020

Organs of Administration

Members' representatives

Chairman:

Dr. Philipp Meran
Lawyer, Vienna

Vice Chairman:

Univ.-Prof. Dr. Dr. h.c. Josef Zechner
University Professor, Vienna

Members:

Dr. Michael Axmann
Lawyer and Dean Curator of Evangelical Church A.C.
Styria, Graz

Dipl.-Ing. Ernst Buchacher
Entrepreneur, Hermagor

Mag. Wolfgang Burger-Scheidlin
Tax Consultant and Chartered Public Accountant, Vienna

Univ.-Prof. Dr. Tina Ehrke-Rabel
University professor, Graz

Univ.-Prof. Dr. Prof. (eh) Georg Eisenberger
Lawyer, Vienna – Graz

Jakob Falkner
Businessman, Sölden

Anita Ferner
Executive Director, Murau

Bettina Fink-Haberl
Managing partner, Walkersdorf

Maria Fürnholzer
Entrepreneur, Kitzack im Sausal

Dipl.-Ing. Dr. Werner Fürnschuß
Executive Director, Frauental

Mag. Philipp Gady
Managing Partner, Graz

Werner Gröbl
Entrepreneur, Graz

Ferdinand Habsburg-Lothringen, MBA
Executive Director and CFO, Vienna

Abbat Mag. Gerhard Hafner
Abbat of the Monastery of Admont, Admont

Birgit Höllwart
Executive Director, Graz

Jakob Karner
Chairman Obersteirische Molkerei, Krieglach

Daniela Klampfer
Managing Partner, St. Ruprecht/Raab

Helmut Köberl
Timber construction contractor, Grundlsee

Ökonomierat Alois Kowald
Farmer, Wildon

Dr. Gabriele Krenn
President of the Styrian Bar Association,
Lawyer, Graz

Kommerzialrat Mag. Engelbert König
Executive Director, Kufstein

Ökonomierat Karl Lackner
Farmer, Irdning–Donnersbachtal

Mag. Caroline List
President of the Regional Court for
Criminal Matters Graz, Graz

Mag. Markus Mair
Chairman of the Board of Directors, Graz

Barbara Maxonus
Executive Director, Admont

Franz Mayr–Melnhof–Saurau
Entrepreneur and Federal Professional Hunter,
Frohnleiten

Hofrätin Elisabeth Meixner, BEd
Education Director Provincial Educational Board
Styria, Graz

Stefan Meyer
Managing Partner, Kalsdorf bei Graz

Daniela Müller–Mezin
Executive Director, Graz

Maria Pein
Vice–President of the Styrian Chamber of Agriculture,
Deutsch Goritz

Kommerzialrätin Renate Remta–Grieshofer
Managing Owner, Bad Radkersburg

Ökonomierat Rudolf Rosenstatter
President of FHP, Chairman of Waldverband Austria, farmer
and forester, Nussdorf

Hannes Sandler
Executive Director, Marbach/Donau

Dr. Friedrich Santner
Executive Director, Graz

Ökonomierat Hermann Schachner
Chairman of the Alpine Cooperative of Ennstal
(until 03.07.2020), Stainach Pürgg

Hofrätin Mag. Brigitte Scherz–Schaar
Director of the Provincial Authority, Graz

Waltraud Schinko–Neuroth
Entrepreneur (ret.), Wolfsberg/Steiermark

Anton Schlögl
Poultry farmer and fresh egg producer, Drassmarkt

Kommerzialrat Karl–Heinz Strauß
Partner, Pettenbach

Ökonomierat Ing. Wilfried Thoma
Chairman of the Supervisory Board of
Raiffeisen–Landesbank Steiermark AG, Trofaiach

Ökonomierat Franz Titschenbacher
President of the Styrian Chamber of Agriculture, Irdning

Mag. Otto Umlauf
Entrepreneur, Klagenfurt

Margarete Umschaden–Schwarzl
Managing Partner, Laßnitzhöhe

Dr. Klaus Weikhard
Managing Partner, Graz

Gert Wiesenegger
Executive Director, Klaus

Monika Zechner, MIM
Authorised officer, Deutschfeistritz

Organs of Administration

Honorary President

Dr. Franz Harnoncourt-Unverzagt
Businessman, Graz

Supervisory Board

President of the Supervisory Board:

Dr. Philipp Meran
Lawyer, Vienna

(Member of the Supervisory Board since 22.05.2007, appointed until the Annual General Meeting at the end of financial year 2021)

Vice Chairman:

Univ.-Prof. Dr. Dr. h.c. Josef Zechner
University Professor, Vienna

(Member of the Supervisory Board since 15.05.2001, appointed until the Annual General Meeting at the end of financial year 2020)

Members:

MMag. Dr. Ilse Bartenstein, MA
Executive Director, Lannach

(Member of the Supervisory Board since 15.05.2012, appointed until the Annual General Meeting at the end of financial year 2021)

Mag. Dr. Wolfgang Messner
Board Director (ret.), Graz

(Member of the Supervisory Board since 14.05.2002, appointed until the Annual General Meeting at the end of financial year 2021)

MMag. Martin Schaller (until 30.09.2020)
General Director, Graz

(Member of the Supervisory Board since 25.11.2013, term of office until 30.09.2020)

Univ. Prof. Mag. Dr. Michaela Stock
University professor, Graz

(Member of the Supervisory Board since 07.05.2019, appointed until the Annual General Meeting at the end of financial year 2023)

Board of Directors

Chairman:

Mag. Dr. Othmar Ederer

Members:

DDipl.-Ing. Mag. Dr. Günther Puchtler

KR Dipl.Techn. Erik Venningdorf



(Photo shot in 2017)

The Board of Directors

From left to right: DDI Mag. Dr. Günther Puchtler (Board member), Mag. Dr. Othmar Ederer (Chairman of the Board of Directors), Dipl.Techn. Erik Vennigdorf (Board member)

Balance Sheet on 31 December 2020

Assets	31.12.2020 EUR	31.12.2019 TEUR
A. Investments		
I. Investments in affiliated undertakings and participating interests		
1. Shares in affiliated companies	20.568.958,90	20.569
II. Other investments		
1. Shares and other variable-yield securities	2.084.063,68	2.084
2. Debt securities and other fixed-income securities	6.921.428,00	6.872
B. Receivables		
I. Other receivables	138.532,26	135
C. Accrued interest	88.303,87	84
D. Other assets		
I. Cash at bank	418.814,97	332
E. Prepaid expenses	6.987,48	7
F. Deferred taxes on the assets side	15.396,19	9
	30.242.485,35	30.092

Liabilities

	31.12.2020 EUR	31.12.2019 TEUR
A. Equity		
I. Revenue reserves		
1. Contingency reserve	19.623.299,03	19.611
2. Free reserves	10.369.827,28	10.256
B. Non-technical provisions		
I. Other provisions	176.813,53	149
II. tax accruals	49.541,39	30
C. Other liabilities		
I. Other liabilities	23.004,12	47
	30.242.485,35	30.092

Income Statement for Financial Year 2020

	2020 EUR	2019 TEUR
1. Investment income and interest income		
a) Income from other investments	144.995,69	158
b) Income from write-ups	0,00	4
c) Gains on the realisation of investments	73.066,50	17
d) Other investment income and interest income	38,74	0
of which affiliated undertakings	38,74	0
2. Investment charges and interest paid		
a) Asset management charges	-195.323,35	-190
of which affiliated undertakings	245.685,85	240
3. Other non-technical income	162.739,46	164
4. Other technical charges	-310,63	0
5. Earnings gross before tax	185.206,41	153
6. Taxes on income and earnings	-58.543,76	-51
7. Profit / Loss for the financial year	126.662,65	102
8. Transfer to reserves		
a) Transfer to the contingency reserve	-12.666,27	-10
b) Transfer to free reserves	-113.996,38	-92
9. Annual profit = Net profit of the year	0,00	0



GRAWE GROUP

ANNUAL REPORT
2020

Consolidated Balance Sheet on 31 December 2020

Assets	31.12.2020 EUR	31.12.2019 TEUR
A. Intangible assets		
I. Goodwill acquired for valuable consideration	24.389.585,08	16.772
II. Other intangible assets	1.595.673,74	1.630
B. Investments		
I. Land and buildings	741.485.185,96	725.159
II. Investments in affiliated undertakings and participating interests		
1. Shares in affiliated companies	20.800.881,28	13.450
2. Debt securities and other securities of affiliated companies and loans to affiliated companies	13.477.832,51	13.544
3. Participating interests of which associated undertakings	4.495.233,12 180.332,23	4.610 183
III. Other investments		
1. Shares and other variable-yield securities	962.987.703,51	916.473
2. Debt securities and other fixed-income securities	3.214.372.157,45	3.191.368
3. Loans guaranteed by mortgages	2.880.734,01	3.248
4. Advance payments on policies	8.147.050,48	8.425
5. Other loans	26.634.140,57	25.700
6. Deposits with credit institutions	47.721.424,42	47.889
7. Other investments	3.291.269,41	2.955
IV. Deposits with ceding undertakings	53.470,69	61
C. Investments of unit-linked and index-linked life insurance	336.234.911,42	324.086
D. Receivables		
I. Receivables from direct insurance operations		
1. due from policyholders	28.333.212,49	30.797
2. due from intermediaries	2.971.179,98	3.892
3. due from insurance undertakings	8.822.890,30	4.309
II. Settlement receivables arising from reinsurance operations	21.720.569,93	2.751
III. Other receivables	39.057.943,18	27.491
E. Accrued interest and rent	52.979.801,95	57.573
F. Other assets		
I. Tangible assets (except for land and buildings) and stocks	10.076.371,80	9.521
II. Cash at bank and in hand	104.680.875,72	100.323
III. Other assets	364.320,81	1.049
G. Prepaid expenses		
I. Other prepaid expenses	4.566.025,10	4.268
H. Deferred taxes on the assets side	49.459.256,25	39.707
I. Assets which derive from credit institutions	6.179.358.910,20	5.560.353
	11.910.958.611,36	11.137.403

Liabilities

	31.12.2020 EUR	31.12.2019 TEUR
A. Equity		
I. Revenue reserves		
1. Contingency reserve	19.623.299,03	19.611
2. Free reserves	1.550.292.389,93	1.446.150
II. Risk reserve	22.984.596,11	22.008
III. Compensating items for the other shareholders' shares	47.252,67	1.961
B. Technical provisions, net of reinsurance		
I. Provision for unearned premiums		
1. Gross amount	194.003.172,73	190.359
2. Reinsurance amount	-11.662.848,83	-10.518
II. Life insurance provision		
1. Gross amount	2.840.550.989,64	2.807.009
2. Reinsurance amount	-7.311,20	-13
III. Provision for claims outstanding		
1. Gross amount	1.012.507.136,38	960.127
2. Reinsurance amount	-92.330.882,10	-93.180
IV. Provision for rebates		
Gross amount	4.457.041,98	4.442
V. Provision for bonuses and/or policyholders' participation in profits		
Gross amount	134.491.320,54	132.331
VI. Volatility reserve	67.432.711,31	66.835
VII. Other technical provisions		
1. Gross amount	10.571.543,35	19.593
2. Reinsurance amount	-329.819,58	-387
C. Technical provisions of unit-linked and index-linked life insurance		
1. Gross amount	332.057.399,14	319.993
2. Reinsurance amount	0,00	20
D. Non-technical provisions		
I. Provisions for severance pay	32.597.762,80	31.179
II. Provisions for pensions	38.640.551,40	39.160
III. Provisions for taxes	20.563.963,48	17.016
IV. Provisions for deferred tax liabilities	1.945.796,22	1.925
V. Other provisions	35.684.504,74	34.613
E. Deposits received from reinsurers	4.045.366,37	4.214
F. Other liabilities		
I. Liabilities arising from the direct insurance operation		
1. due from policyholders	59.787.244,08	60.889
2. due from intermediaries	7.203.087,87	8.339
3. due from insurance undertakings	8.578.654,38	10.419
II. Settlement liabilities arising from reinsurance operations	9.720.808,95	16.077
III. Amounts owed to credit institutions	11.437.923,58	10.658
IV. Other liabilities	46.098.132,41	46.365
G. Prepaid expenses	61.660.345,56	64.025
H. Provisions, liabilities and deferred income which derive from credit institutions	5.488.306.478,42	4.906.186
	11.910.958.611,36	11.137.403

Consolidated Income Statement for Financial Year 2020

General insurance business

	2020 EUR	2019 TEUR
Technical account		
1. Earned premiums		
a) Premiums written		
Gross amount	593.355.007,30	550.683
Ceded reinsurance premiums	-84.229.137,46	-80.062
b) Change in the provision of unearned premiums		
Gross amount	-6.469.983,27	-7.747
Reinsurance amount	1.791.917,95	337
2. Allocated investment return	151.272,68	152
3. Other technical income	2.690.351,13	2.089
4. Claims accrued		
a) Claims payments		
Gross amount	-343.144.652,97	-327.171
Reinsurance amount	51.331.886,68	44.921
b) Change in the provision for claims outstanding		
Gross amount	-47.313.644,26	-29.922
Reinsurance amount	16.104.627,91	3.307
5. Increase in the technical provisions		
a) Other technical provisions		
Gross amount	0,00	-294
6. Decrease in the technical provisions		
a) Other technical provisions		
Gross amount	39.141,25	0
7. Rebates		
Gross amount	-1.060.766,33	-675
8. Operating expenses		
a) Insurance acquisition costs	-135.565.072,85	-132.106
b) Other operating expenses	-49.239.543,70	-38.406
c) Reinsurance commissions and bonuses from reinsurance covers	21.035.668,40	21.205
9. Other technical charges	-4.233.476,75	-4.200
10. Change in the volatility reserve	-624.751,00	3.588
11. Technical account balance	14.618.844,71	5.701
Non-technical account		
1. Technical account balance	14.618.844,71	5.701
2. Investment income and interest income		
a) Income from affiliated undertakings	750.000,00	580
b) Income from associated undertakings	35.762,87	-18
c) Income from other participating interests	285.692,18	851
d) Income from land and buildings	26.530.449,40	32.741
of which affiliated undertakings	97.086,92	99
e) Income from other investments	24.534.835,71	25.947
of which affiliated undertakings	134.331,07	96
f) Income from write-ups	557.357,97	4.278
g) Gains on the realisation of investments	6.397.139,70	2.484
h) Other investment income and interest income	1.658.271,36	864
of which affiliated undertakings	8.415,01	20
3. Investment charges and interest paid		
a) Asset management charges	-6.600.348,72	-9.792
b) Write-offs on investments	-12.072.541,54	-11.895
c) Interest paid	-736.233,75	-861
d) Losses on the realisation of investments	-596.179,28	-343
e) Other investment charges	-372.789,73	-692
4. Allocated investment return transferred to the technical account	-151.272,68	-152
5. Other non-technical income	4.313.182,15	762
6. Other non-technical charges	-6.833.383,89	-3.881
7. Earnings gross before taxes	52.318.786,46	46.573

Life insurance

	2020 EUR	2019 TEUR
Technical account		
1. Earned premiums		
a) Premiums written		
Gross amount	399.291.252,21	399.662
Ceded reinsurance premiums	-4.855.611,40	-4.805
b) Change in the provision of unearned premiums		
Gross amount	961.093,20	-1.177
Reinsurance amount	177.328,54	141
2. Allocated investment return	133.360.027,05	142.134
3. Unrealised gains on investments pursuant to asset item C.	9.308.728,77	33.006
4. Other technical income	1.763.468,79	1.802
5. Claims accrued		
a) Claims payments		
Gross amount	-319.551.799,01	-316.675
Reinsurance amount	2.985.994,44	1.260
b) Change in the provision for claims outstanding		
Gross amount	-3.045.248,70	-2.846
Reinsurance amount	78.884,77	56
6. Increase in the technical provisions		
a) Life insurance provision		
Gross amount	-81.428.000,74	-102.434
Reinsurance amount	-6.069,08	-4
b) Other technical provisions		
Gross amount	-693.567,04	-5.493
7. Rebates		
Gross amount	165.330,41	-583
Reinsurance amount	349.732,17	-138
8. Bonuses and/or policyholders' participation in profits		
Gross amount	-12.188.608,95	-28.367
9. Operating expenses		
a) Insurance acquisition costs	-61.494.975,15	-60.466
b) Other operating expenses	-23.778.535,68	-22.749
c) Reinsurance commissions and bonuses from reinsurance covers	1.231.858,64	1.644
10. Unrealised losses on investments pursuant to asset item C.	-3.641.301,59	-293
11. Other technical charges	-262.854,71	-388
12. Technical account balance	38.727.126,94	33.288
Non-technical account		
1. Technical account balance	38.727.126,94	33.288
2. Investment income and interest income		
a) Income from participating interests	1.013,39	-11
b) Income from land and buildings	15.928.630,53	15.883
of which affiliated undertakings	72.716,71	81
c) Income from other investments	107.537.554,20	121.007
of which affiliated undertakings	320.958,01	318
d) Income from write-ups	3.202.071,92	9.097
e) Gains on the realisation of investments	25.050.318,56	15.250
f) Other investment income and interest income	24.245.712,00	3.517
of which affiliated undertakings	28.793,64	25
3. Investment charges and interest paid		
a) Asset management charges	-2.291.913,06	-3.169
b) Write-offs on investments	-9.159.402,33	-7.207
c) Interest paid	-356.463,56	-390
d) Losses on the realisation of investments	-1.841.530,12	-535
e) Other investment charges	-24.331.842,40	-10.819
4. Allocated investment return transferred to the technical account	-133.360.027,05	-142.134
5. Other non-technical income	1.140.001,55	11.740
6. Other non-technical charges	-1.068.866,85	-4.500
7. Earnings gross before taxes	43.422.383,72	41.018

Consolidated Income Statement for Financial Year 2020

Total	2020 EUR	2019 TEUR
Non-technical account		
1. Earnings gross before taxes of insurance undertakings		
General insurance business	52.318.786,46	46.573
Life insurance	43.422.383,72	41.018
	95.741.170,18	87.592
2. Earnings gross before taxes of credit institutions	51.689.675,91	64.346
3. Earnings gross before taxes in total	147.430.846,09	151.938
4. Taxes on income and earnings	-25.058.788,33	-26.722
5. Profit / Loss for the financial year	122.372.057,76	125.215
6. Share in profit for the year allocated to other shareholders	-10.976,41	-56
7. Transfer to reserves		
a) Transfer to the risk reserve	-976.837,10	-1.309
b) Transfer to the contingency reserve	-12.666,27	-10
c) Transfer to free reserves	-121.371.577,98	-123.840
8. Annual profit = Net profit for the year	0,00	0

Development of Equity for Financial Year 2020

Development of equity	Contingency reserve	Free reserves	Risk reserve	Compensating items for the other shareholders' shares	Net profit	Equity
	EUR	EUR	EUR	EUR	EUR	EUR
As of 31.12.2018	19.600.428,47	1.321.376.914,40	20.699.142,28	1.948.892,80	0,00	1.363.625.377,95
Profit / Loss for the financial year					125.215.332,98	125.215.332,98
Change in reserves	10.204,29	123.840.027,39	1.308.616,73	56.484,57	-125.215.332,98	0,00
Offsetting transactions recognised directly in equity		932.890,61		-392,18		932.498,43
Dividends to minority shareholders				-44.155,32		-44.155,32
As of 31.12.2019	19.610.632,76	1.446.149.832,40	22.007.759,01	1.960.829,87	0,00	1.489.729.054,04
Profit / Loss for the financial year					122.372.057,76	122.372.057,76
Change in reserves	12.666,27	121.371.577,98	976.837,10	10.976,41	-122.372.057,76	0,00
Offsetting transactions recognised directly in equity		-17.229.020,45		1.924.043,61		-19.153.064,06
Dividends to minority shareholders				-510,00		-510,00
As of 31.12.2020	19.623.299,03	1.550.292.389,93	22.984.596,11	47.252,67	0,00	1.592.947.537,74

Consolidated Cash Flow Statement for Financial Year 2020

	2020 EUR	2019 TEUR
1. Period result (not including credit institutions)	82.281.261,54	74.585
2. Change in technical provisions, net	85.050.538,21	177.228
3. Change in deposit receivables and liabilities and in settlement receivables and liabilities	-27.163.054,01	2.398
4. Change in other receivables and liabilities	-13.764.726,39	10.771
5. Profit/loss on the realisation of investments	-29.020.648,88	-16.862
6. Change in other balance sheet items	1.252.920,15	3.001
7. Other non-cash expenses and income and adjustments of the period result	90.688.513,52	-25.317
8. Cash flow from ongoing activities	189.324.804,14	225.804
8.a) Cash flow from ongoing activities of credit institutions	427.457.221,59	-111.599
9. Inflows from sale of consolidated companies and other business units	864.760,44	18
10. Outflows for the acquisition of consolidated companies and other business units	-24.624.992,13	-10.847
11. Inflows from the sale and final maturities of remaining investments	564.668.947,11	336.903
12. Outflows for the acquisition of remaining investments	-696.304.887,91	-577.868
13. Inflows from the sale of investments of unit-linked life insurance	18.898.948,03	45.975
14. Outflows for the acquisition of investments of unit-linked and index-linked life insurance	-27.725.196,66	-44.319
15. Other inflows	455.995,12	110
16. Other outflows	-5.252.302,12	-4.415
17. Cash flow from investment activities	-169.018.728,12	-254.442
17.a) Cash flow from investment activities of credit institutions	8.342.000,00	13.995
18. Outflows to company owners and minority shareholders	-510,00	-44
19. Cash flow from financing activities	-510,00	-44
19.a) Cash flow from financing activities of credit institutions	-258.000,00	-9.707
20. Cash-based changes in fund (sum of 8, 8.a, 17, 17.a, 19, 19.a)	455.846.787,61	-135.993
21. Changes in cash funds due to exchange rate, consolidation and valuation factors	-30.947.707,07	793
22. Cash funds at the beginning of the period	608.296.397,67	743.496
23. Cash funds at the end of the period	1.033.195.478,12	608.296

