

The report of the Supervisory Board of CIG Pannónia Életbiztosító Nyilvánosan Működő Részvénytársaság (Company) on the financial reports of the Company for the year 2024 and the recommendation on the distribution of the profit after tax
(prepared for the Annual General Meeting of the Company convened for 17 April 2025)

The Supervisory Board confirms to have inspected as per Section IV (a) of its Rules of Procedures¹ and thereafter discussed on its session held on 26 March 2025 all proposals submitted before the **Annual General Meeting** convened for 17 April 2025 (General Meeting), and **agrees to all of thereof, and suggests thereof for approval by the General Meeting.**

In addition to its general proposal, the Supervisory Board draws particular attention to the following:

The Supervisory Board - considering also the opinion of the Audit Committee and with the active involvement of selected for maintaining contact - has examined the consolidated annual financial report of the Company for the financial year 2024. In submitting the quarterly reports by the Management Board to the Supervisory Board also familiarised itself with the content of the financial reports in full, and provided its opinion thereon, and kept an active contact with the Company via its member selected for its preparation in person.

The Supervisory Board has established that the Company has performed the consolidation in accordance with the regulations in force, as confirmed by the audited consolidated annual report.

In its capacity as the parent company, the Company has audited the individual and consolidated financial statements of CIG Pannónia Group for the year 2024, which are presented to the Annual General Meeting, and the audited financial statements of **MAZARS Könyvszakértő és Tanácsadói Korlátolt Felelősségű Társaság** (registered office: 1139 Budapest, Fiastyúk utca 4-8.; company registration number: 01-09-078412; tax number: 10618684-2-41; Chamber of Auditors registration number: 000220; Auditor) and on the basis of its findings it had during the discussion of the accounts, the Supervisory Board agrees with the contents of the proposal of the Management Board on the agenda items prepared for the General Meeting and **recommends it** to the Annual General Meeting for adoption with priority.

THE **SEPARATE** FINANCIAL STATEMENTS AND ANNUAL REPORT **FOR THE YEAR 2024** PREPARED ON THE BASIS OF THE INTERNATIONAL FINANCIAL REPORTING STANDARDS APPROVED BY THE EUROPEAN UNION, including all its annexes with

**a balance sheet total of HUF 169,345 million,
an after-tax profit and loss of HUF 695 million, and
a total comprehensive income of HUF 1,240 million.**

¹ <https://www.cigpannonia.hu/befektetok/tarsasagiranyitas>

THE **CONSOLIDATED** FINANCIAL STATEMENTS AND CONSOLIDATED ANNUAL REPORT **FOR THE YEAR 2024** PREPARED ON THE BASIS OF THE INTERNATIONAL FINANCIAL REPORTING STANDARDS APPROVED BY THE EUROPEAN UNION, including all its annexes, with

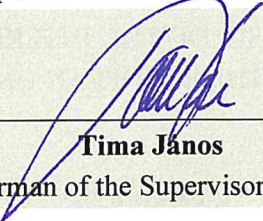
**a balance sheet total of HUF 183,672 million,
an after-tax profit and loss of HUF 1,279 million, and
a total comprehensive income of HUF 1,728 million.**

proposes to approve.

In connection with its proposal on the dividend payment, as detailed in agenda item 3, the Supervisory Board also specifically notes that it has examined the Management Board's argument that, while emphasising and prioritising the importance of a conservative dividend policy, it has identified constraints at the close of the 2024 financial year that affect the prudent feasibility of a long-term dividend policy, which temporarily prevent the payment of dividends from the results of the previous year. Although the technical possibilities (profit and loss reserve) are there, it is necessary and expected that, in the context of the development of the insurance industry and the emphasis on improvements, the necessary reserves for the "run-off" of the so-called Italian affairs² should be provided to the best of our knowledge. The Supervisory Board considers the argumentation to be real and in the interest of the Company's continued development, on the basis of which it does not propose the payment of a dividend after the results for 2024.

The Supervisory Board also reviewed its Rules of Procedure, which were consolidated and entered into force on 24 April 2020, with the changes made in the meantime, and approved by the General Meeting of Shareholders on 11/2024 (18.4.2020). The revision includes clarifications of certain provisions which also set the framework for the work, and certain additions were necessary in view of Recommendation No 12/2023 (27.11.2023) of the Magyar Nemzeti Bank on climate change and environmental risks and the integration of environmental sustainability aspects in the activities of insurance undertakings. In order for these amendments to enter into force, the Supervisory Board requests the approval of the Shareholders in accordance with the framework set out in the proposals to the General Meeting.

Dated as of 26 March 2025 in Budapest



Tima János
Chairman of the Supervisory Board

² **Italian affairs:** a summary name for the risks and their management in EMABIT's Italian claims cases, covering in particular the management of these cases and the strategy for the management of ongoing legal cases, the status and review of existing claims and recourse reserves.