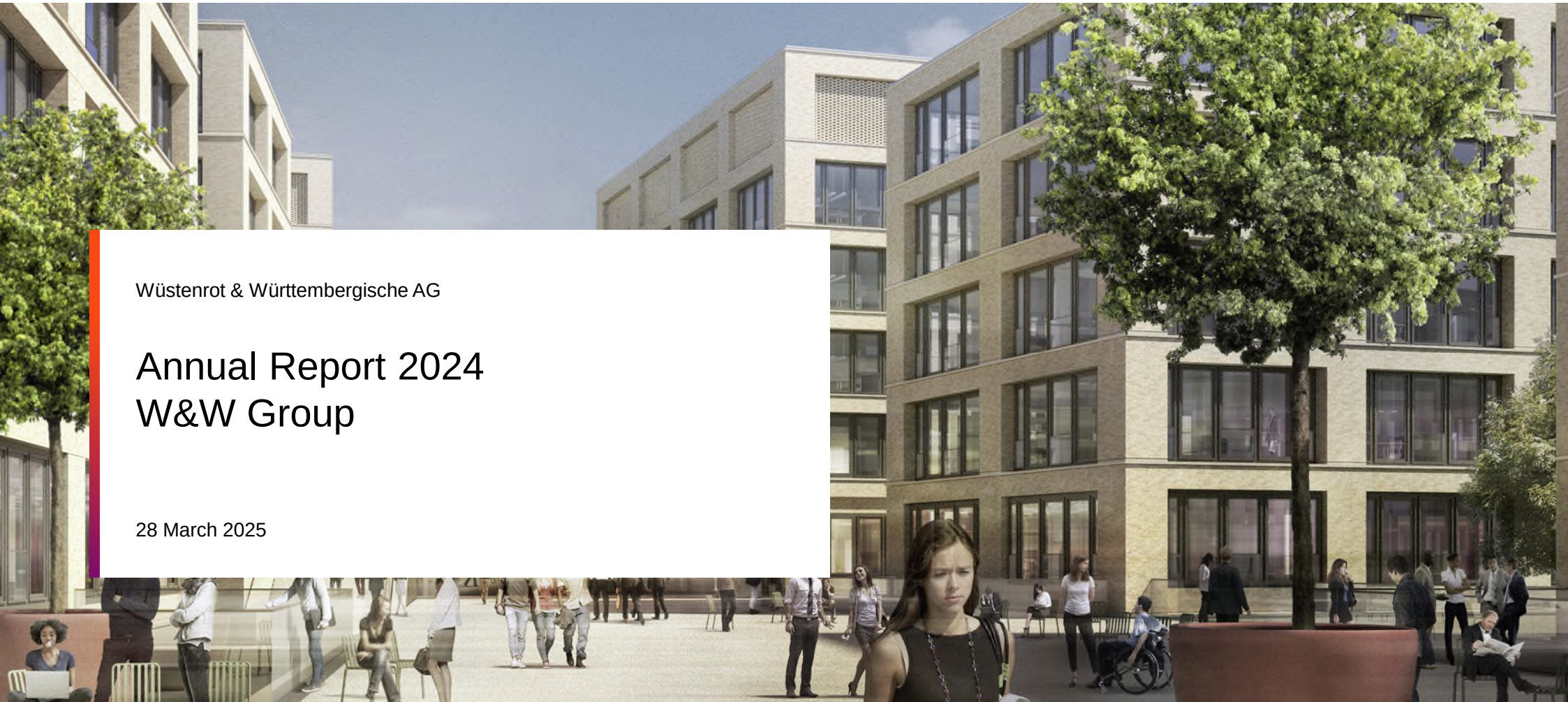


Wüstenrot & Württembergische AG

Annual Report 2024 W&W Group

28 March 2025



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Our business areas are supported by strong partners across the group



Segment Housing

- Everything around housing: home loan savings, financing, project planning, sales and brokerage



2
Bausparen¹⁾



Segment Insurance

- Service insurer in the life, health and property/casualty lines.
- Adam Riese: Direct and broker brand for private customers

Adam Riese



10
Lebens-
versicherung²⁾

9
Schaden- &
Unfallversicherung²⁾



Service and Central Functions

- Group-wide services around IT, investments, services and digitalization



6.5 mn customers, 6.6 k employees, one common location in Kornwestheim: the W&W-Campus

Change in the Management Board of the W&W Group



Alexander Mayer



Matthias Bogk

- The Supervisory Board of W&W AG has appointed Matthias Bogk (47) as the new Chief Financial Officer of W&W AG with effect from July 1, 2025.
- He succeeds Alexander Mayer (50), who will take on a Management Board role with interesting prospects within the industry at the same time.
- Matthias Bogk joined the W&W Group in 2001 and has been CFO of Wüstenrot Bausparkasse since 2019.

Excellent client base with growth potential

~6.5 mn

Customers¹



On average three contracts per customer



High client retention (low churn rate)



Solvent customer base



Increasing digital affinity

Note: 1) as of December 2024

The W&W Group pursues a multi-channel sales approach

Own sales channels

2,300 tied agents

 **wüstenrot**

3,000 tied agents

 **württembergische**

Direct channels

 **wüstenrot**  **württembergische**

 **Adam Riese**

Partnerships and cooperations

Insurances

Banks and financial distributors

Sales networks & Brokers

   Over 20.000 brokers

Partnerships

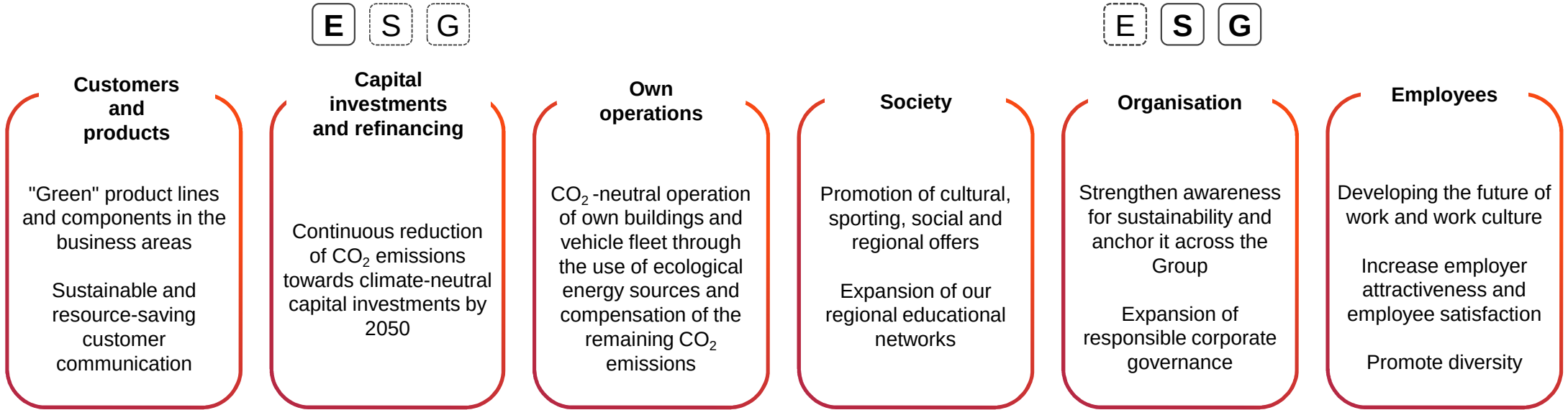
 

55 mn

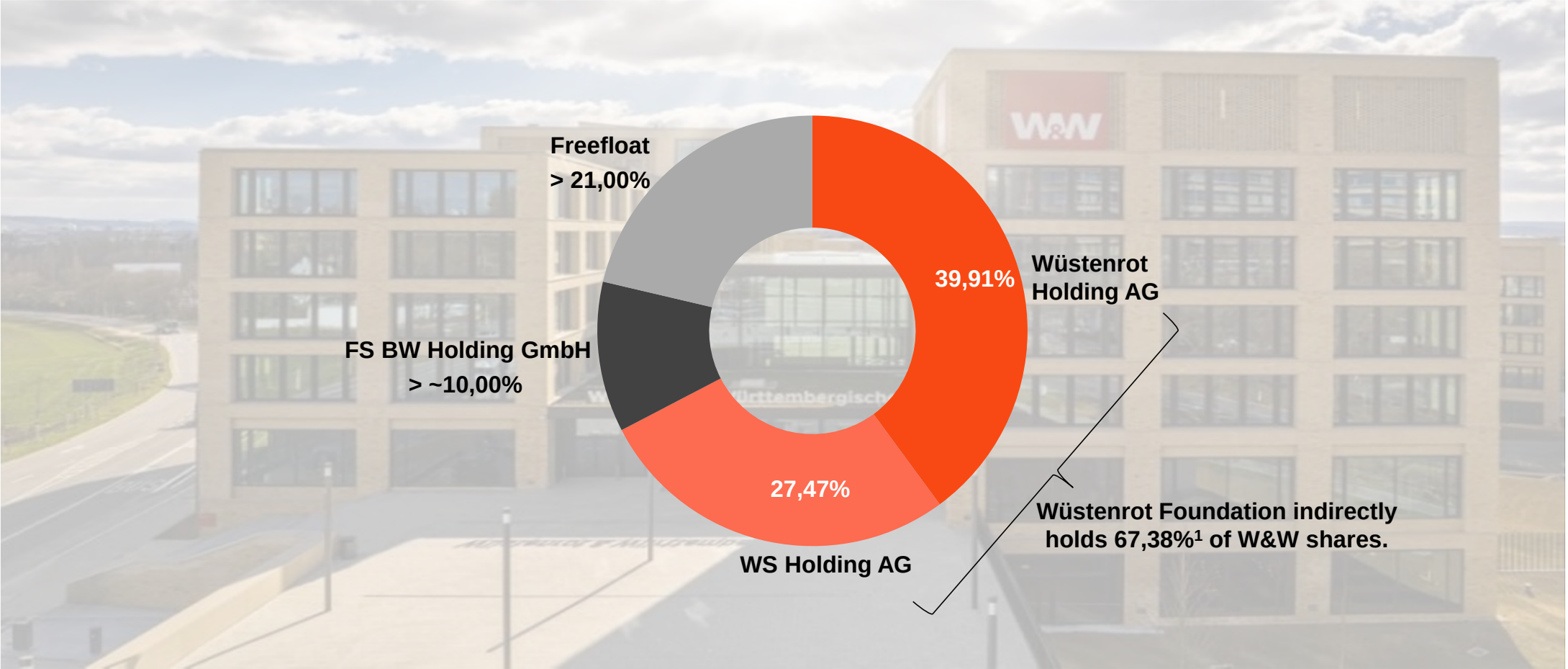
potential customers

Comprehensive multi-channel distribution approach opens up access to 55 mn customers

To the point: Sustainability goals of the W&W Group



W&W Group structure as of 31 December 2024



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Overview 2024

The IFRS consolidated result amounted to EUR 36 million (previous year: EUR 141 million). In addition to the weak economic development, the financial year was characterized in part by massive storm damage in the W&W Group's regional core insurance area. In particular, the so-called "Orinoco" natural hazard event and various regional storms led to a significant decline in the IFRS consolidated result. In addition, the inverted yield curve had a negative impact on earnings in the Housing segment throughout 2024.

The main portfolio sizes were expanded compared to the previous year. The portfolio of building loans increased from EUR 26.7 billion to EUR 28.4 billion. In the Housing segment, the portfolio of redeemed home loan and savings business (home loan and savings amount) rose to EUR 130.0 billion (previous year: EUR 125.5 billion). Insurance sales (underwriting income) in accordance with IFRS 17 also increased. In the Life & Health Insurance segment, it rose by 6.2% to EUR 1,303 (1,227) million and in the Property/Casualty Insurance segment by 7.2% to EUR 2,767 (2,581) million.

Wüstenrot Bausparkasse AG acquired start:bausparkasse AG from BAWAG P.S.K with effect from July 1, 2024. In connection with the acquisition, Wüstenrot Bausparkasse AG began a new sales cooperation with Südwestbank in the area of new home loan and savings and mortgage lending business. This provides sales impetus for the future course of business.

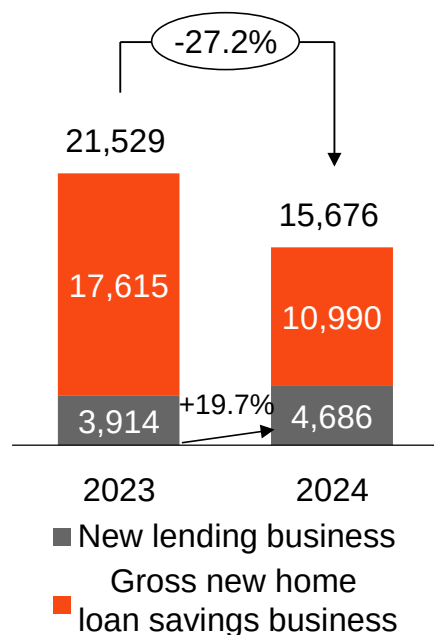
The W&W Group is continuing its digital transformation process with W&W Besser! The strategic projects were developed further throughout the 2024 financial year.

W&W fully on track operationally and strategically despite burdens

New business volume^{1,2}

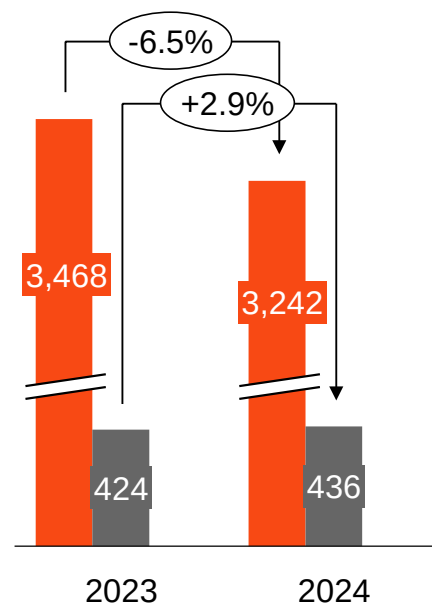
Housing

in EUR millions



New business²

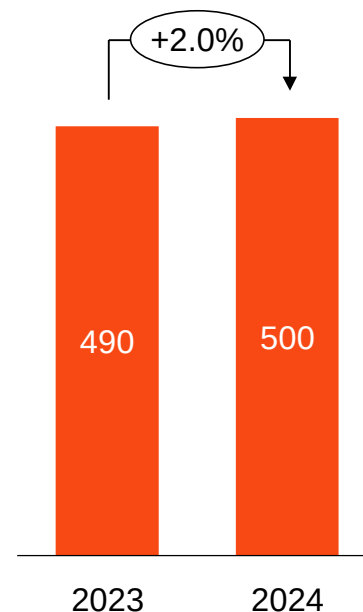
in EUR millions



- Total premiums for new life insurance
- Annual contribution to the portfolio (new and replacement business) P&C

New customers²

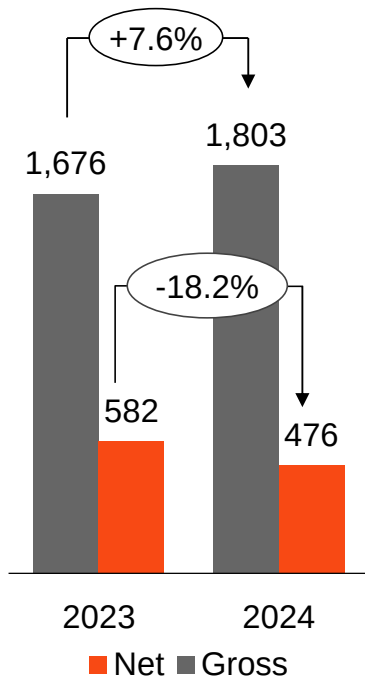
in thousands



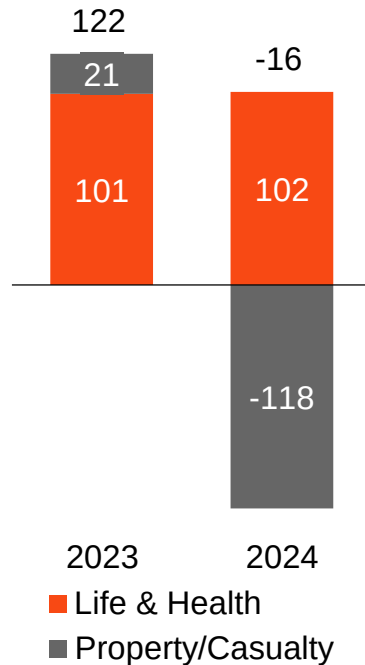
- The volume of new lending business increased to EUR 4,868 million. As expected, the record result of the previous year in the Housing segment was not achieved. The gross new home loan savings business normalized to a level prior to the rise in interest rates.
- New and replacement business in Property/Casualty insurance increased compared to the previous year. Life insurance recorded a moderate decline in the premium sum of new business.

Strong substance supports Group result - natural hazards have a negative impact

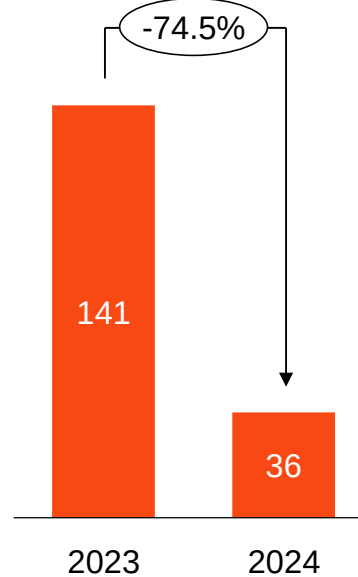
Financial income¹
in EUR millions



Technical result (net)¹
in EUR millions



Net profit¹
in EUR millions



- The financial result (gross) increased to EUR 1,803 million compared to the previous year.
- Life & Health insurance reported a stable technical result slightly above the previous year.
- The underwriting result for Property/Casualty insurance was negative due to high natural hazard losses and general claims inflation.

Segment overview

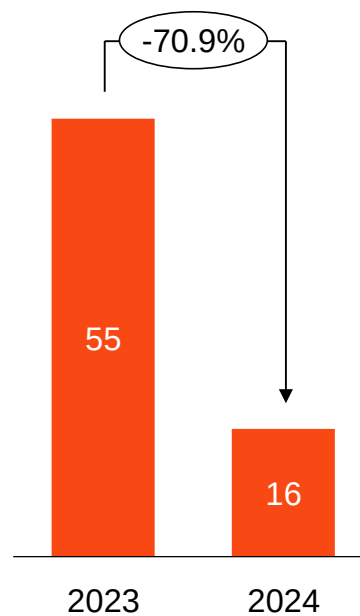
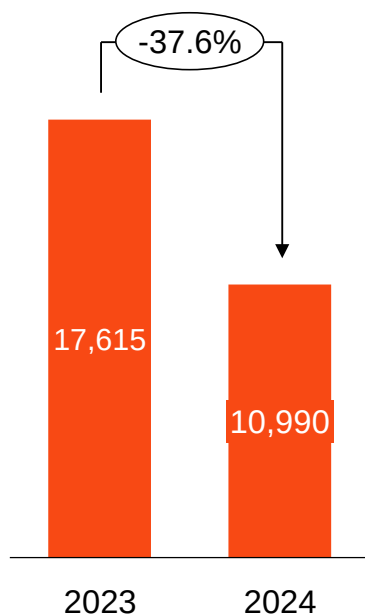
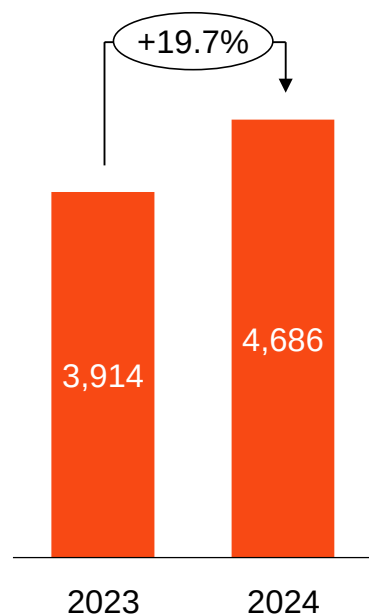
Reported segments ¹ (in EUR millions)	2024	2023	Delta
Housing segment	16	55	-39
Life and Health Insurance segment	44	41	3
Property/Casualty Insurance segment	-91	8	-99
All other segments/consolidation	67	37	30
Consolidated net income	36	141	-105
<i>Net income before taxes</i>	<i>27</i>	<i>202</i>	<i>-175</i>
<i>Taxes</i>	<i>9</i>	<i>-61</i>	<i>70</i>

Segment Housing – New lending business volume records strong growth

New lending business^{1,2}
in EUR millions

New home loan savings
business (gross)²
in EUR millions

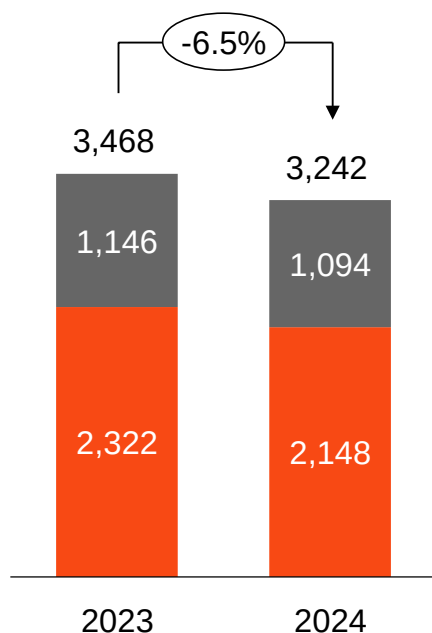
Segment net income²
in EUR millions



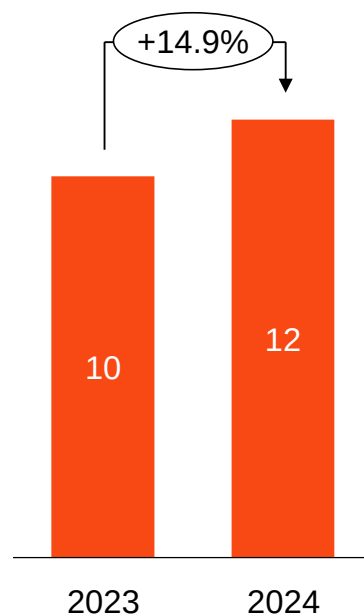
- The volume of new lending business increased despite the continuing difficult economic conditions.
- As expected, gross new home loan savings business was below the record result of the same period last year, which had benefited from the sharp rise in mortgage interest rates.

Segment Life and Health Insurance – solid earnings performance (1/2)

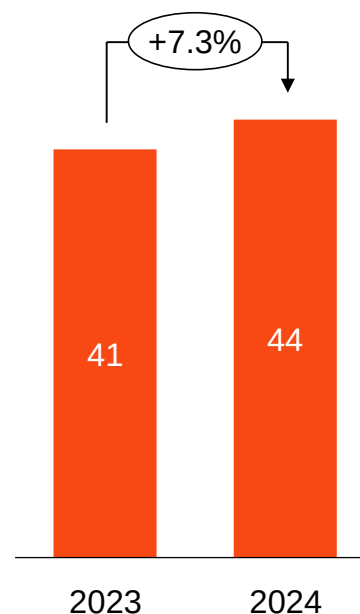
New business premiums¹
in EUR millions



Annual new health insurance premiums¹
in EUR million



Segment net income¹
in EUR million



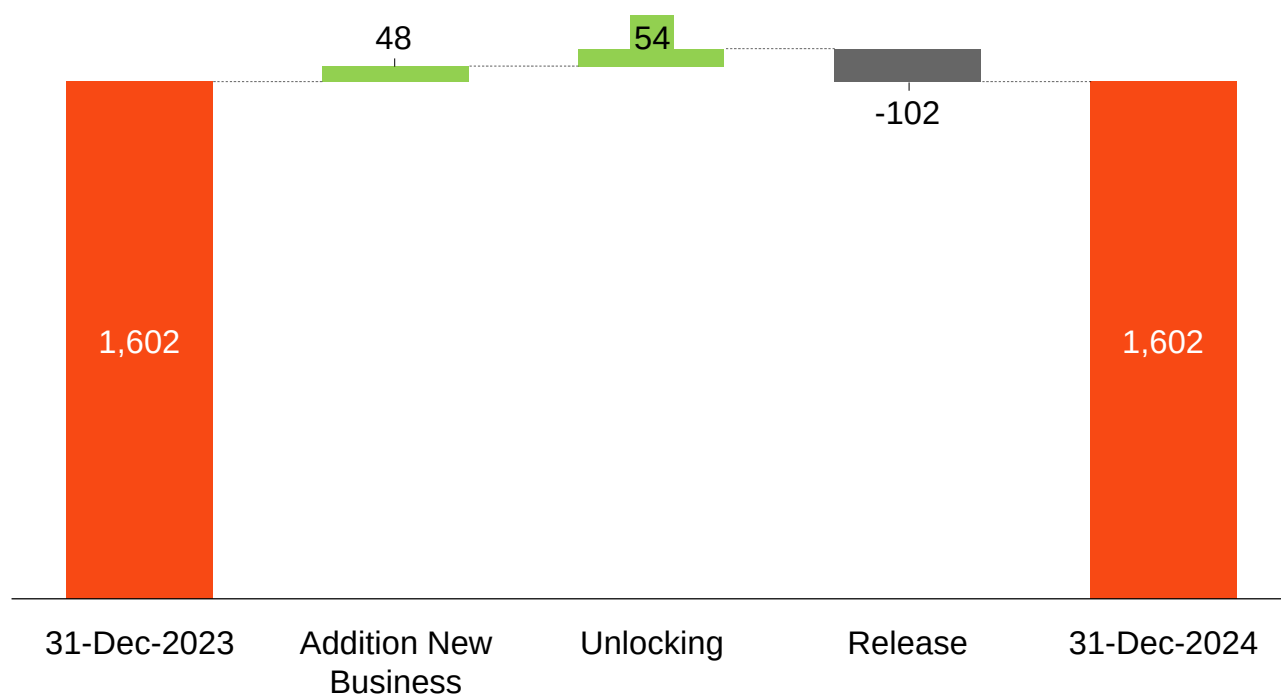
- New business in life insurance declined due to the interest rate trend (single premium business).
- In Health insurance, new annual premiums increased. New business grew particularly in company health insurance.

■ Total premiums in new business (not incl. Company pension schemes)

■ Total premiums in new business for company pension schemes

Segment Life and Health Insurance (2/2) – stable CSM development

Contractual Service Margin (CSM) 2024, net^{1,2,3}
in EUR millions



- New business: + EUR 48 million

New insurance contracts increase CSM

- Unlocking: : + EUR 54 million

WL decrease in CSM mainly due to capital market developments (interest rates, spreads).

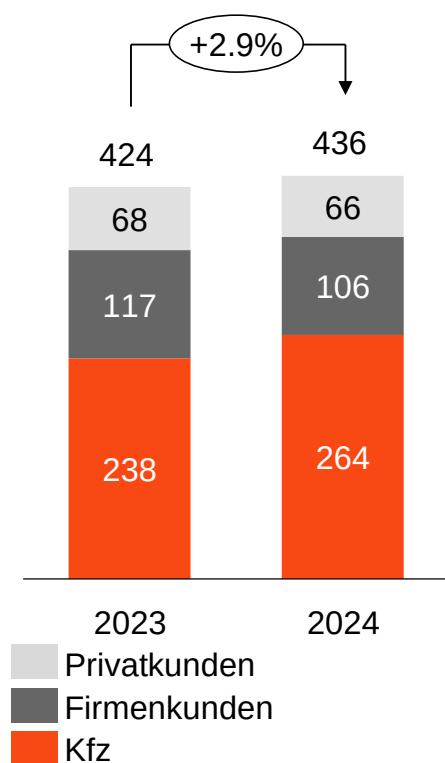
In the case of WK, increase in CSM due to interest rate trends in particular.

- Release: - 102 Mio. EUR

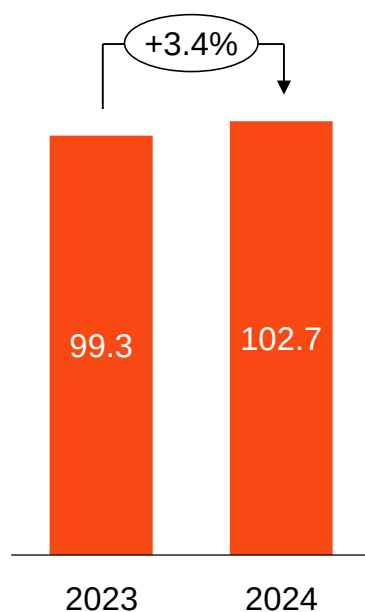
The CSM release represents the collection in the income statement

Segment Property/Casualty Insurance - continued growth burdened by loss events

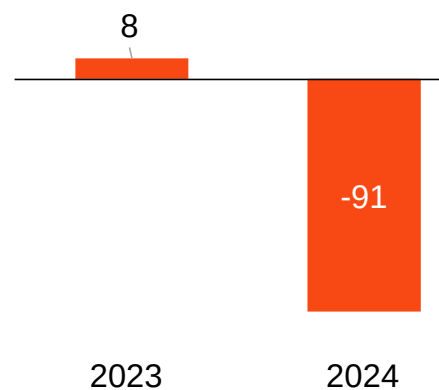
Annual Portfolio Contribution (NRB)²
in EUR millions



Combined Ratio^{1,2} (gross)
in %



Segment net income¹
in EUR million



- Slight increase in new and replacement business (NRB), measured in terms of the annual contribution to the portfolio. The automotive sector grew significantly, while the corporate and private clients sector was below the previous year's level, as expected.
- Following the significant storm damage in the current financial year, the combined ratio (gross) in accordance with IFRS 17 deteriorated over the course of the financial year.

IFRS consolidated income statement¹

in EUR millions	2024	2023	Delta
Net financial income	476	582	-106
<i>Current net income</i>	1,396	1,320	76
<i>Net expense from risk provision</i>	-27	-25	-2
<i>Net measurement gain/loss</i>	472	283	189
<i>Net income from disposals</i>	-38	98	-136
<i>Financial income (brutto)</i>	1,803	1,676	127
<i>Insurance finance result</i>	-1,327	-1,094	-233
Technical result (net)	-16	122	-138
<i>Property/Casualty Insurance segment</i>	102	101	1
<i>Life and Health insurance segment</i>	-118	21	-139
Net commission expense	-12	-43	31
General administrative expenses (net)	-506	-519	13
<i>General administrative expenses (gross)</i>	-1,163	-1,149	-14
<i>General administrative expenses attributable to the technical result</i>	657	630	27
Net other operating income/expense	85	60	25
Consolidated net income before income taxes	27	202	-175
Income taxes	9	-61	70
IFRS consolidated net profit	36	141	-105

Consolidated balance sheet¹

in EUR million	2024	2023	Delta
Financial assets at fair value <u>through profit or loss</u>	11,538	10,630	908
Financial assets at fair value <u>through other comprehensive income</u>	23,809	23,687	122
Financial assets at amortised cost	31,362	28,461	2,901
Investment property	2,466	2,569	-103
Assets from insurance business	330	357	-27
Insurance contracts issued that are assets	41	37	4
Reinsurance contracts held that are assets	289	320	-31
Other assets	1,702	1,683	19
Liabilities	32,225	28,576	3,649
<i>thereof deposits</i>	28,739	25,698	3,041
Technical provisions	32,253	31,900	353
Property/Casualty Insurance segment	2,552	2,295	257
Life and Health Insurance segment	29,701	29,605	96
Other provisions	1,721	1,871	-150
Other liabilities	493	578	-85
Equity	4,930	4,961	-31
Total equity and liabilities	72,266	68,552	3,714

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Forecast for the 2025 financial year

Based on our estimates, we expect consolidated net income in the 2025 financial year to be significantly higher than in the previous year, particularly if the claims experience improves.

In the 2025 financial year, we expect administrative expenses (gross) in the Group to be slightly above the level of the reporting year. The rising personnel costs should be largely offset by the targeted increase in productivity.

We plan to acquire at least 450 thousand new customers in 2025.

Dividend for the 2024 financial year:

The Executive Board and Supervisory Board will propose to the Annual General Meeting a dividend of EUR 0.65 per share, unchanged from the previous year.

Outlook for Q1 2025: W&W Group with extremely strong start to the year

After a very difficult 2024 with severe storms, high losses and much more, the new year got off to a very strong start. By the end of February, we had achieved significant growth in all segments, in some cases even double-digit percentage growth.

In the mortgage lending business alone, we were able to record a 22.6% increase in acceptances. In the home loan and savings business, which boomed in the coronavirus years and then declined as a result of the steep rise in interest rates, we were also able to grow our portfolio by 3.6%.

In Life & Health insurance, we were able to increase new regular premiums by 12.6%. Health insurance also increased by over 6%. In Property/Casualty insurance, we achieved an increase of 8.3% in new and replacement business.

Against this backdrop, we are confident that we will be able to achieve good results for the year as a whole - provided that claims do not become as exorbitant as in the exceptional claims year 2024.

Outlook

We were, are and will remain THE provider of relevant pension products from a single source

		ASSESSMENT OF MARKET TRENDS	
		2025	Outlook 2030
Home Loan Savings	Financial security and building up equity in times of volatile interest rates combined with a strong desire for home ownership.	+3%	
Construction Financing	Increasing demand for energy-efficient refurbishment and modernization.	+11%	
Composite	Increasing need for protection, especially from natural hazards. Inflation-related premium increases are understood and accepted by customers.	+6 to +8%	
Health	Private health insurance with a better benefits catalog. Growth potential, particularly in supplementary insurance and company health insurance.	+6 to +8%	
Life	Falling state pension levels and an ageing society lead to a need for products to close the pension gap. Additional protection against longevity risk.	+0 to +2.5%	

Stable, long-term business models with a clear customer benefit

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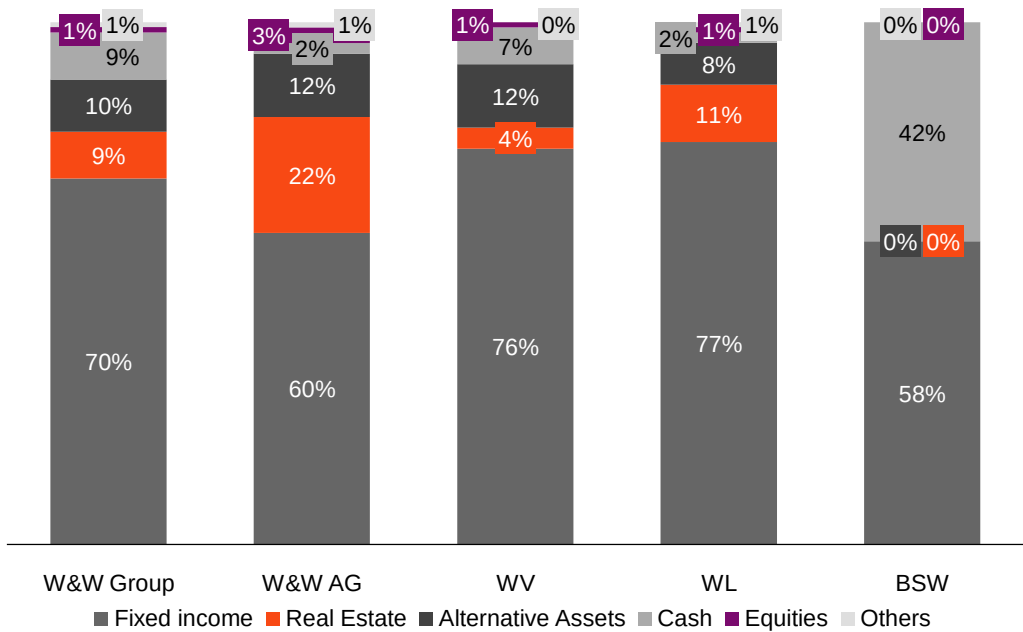
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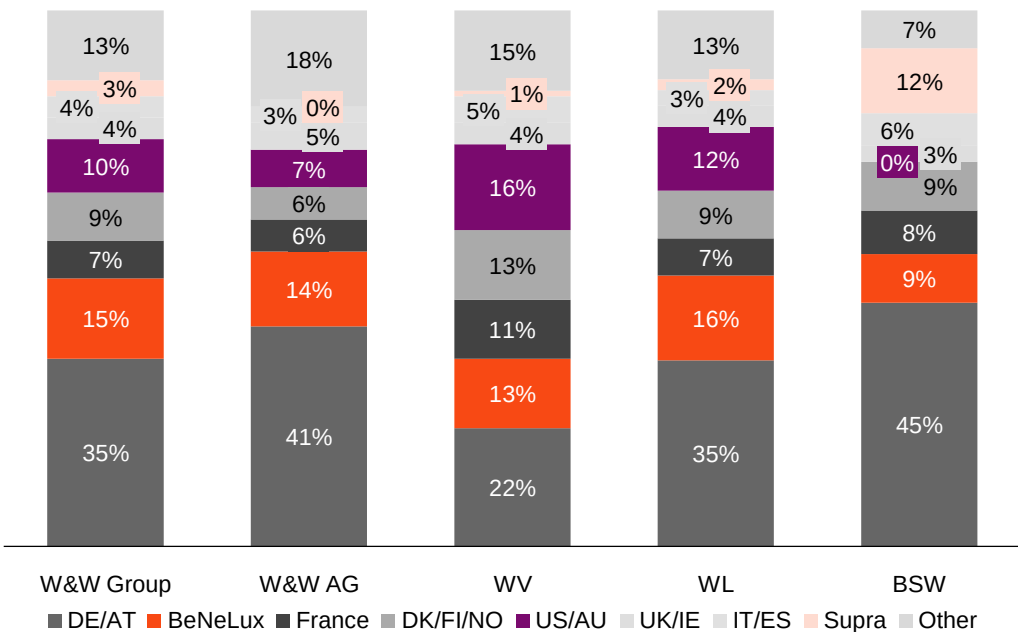
Appendix

Investment of the W&W Group and the individual companies as of 31 Dec 2024

Investment by asset class

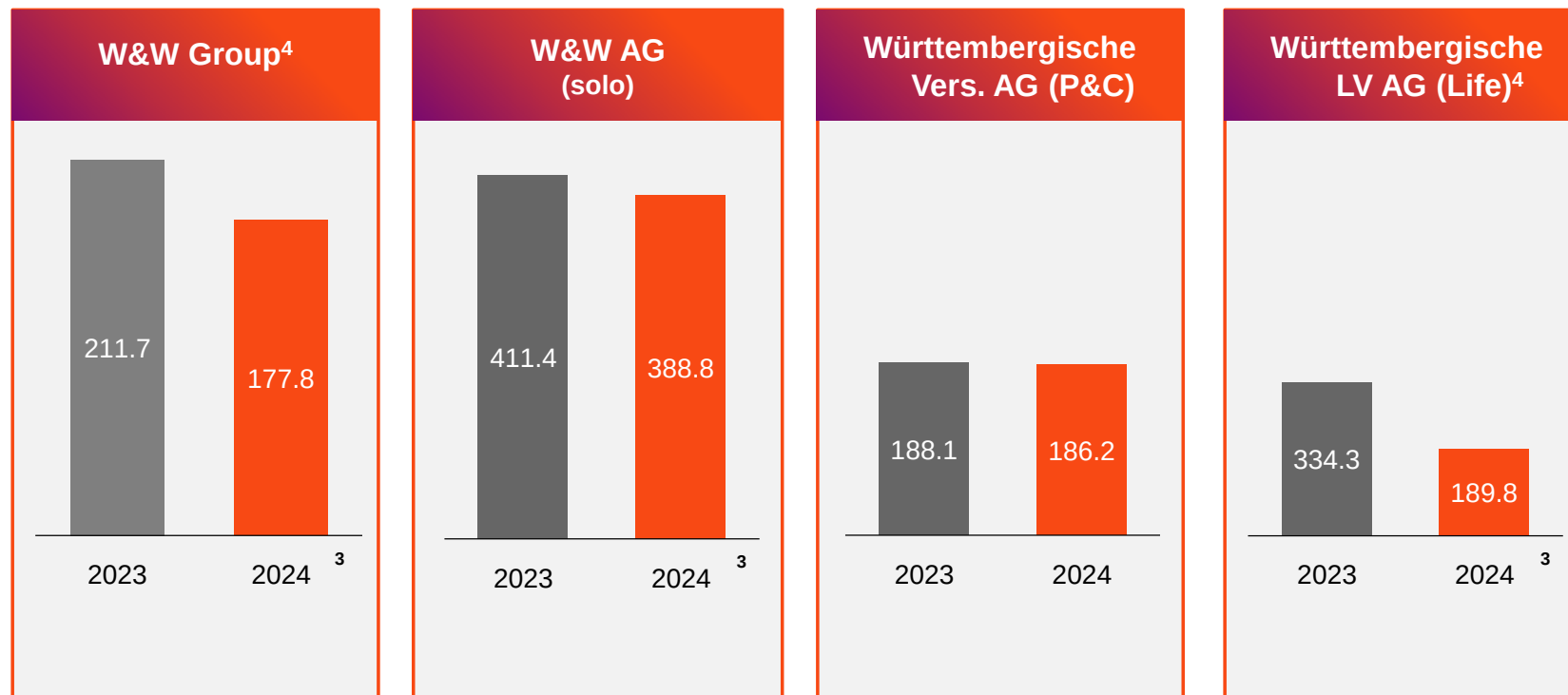


Investment by geography

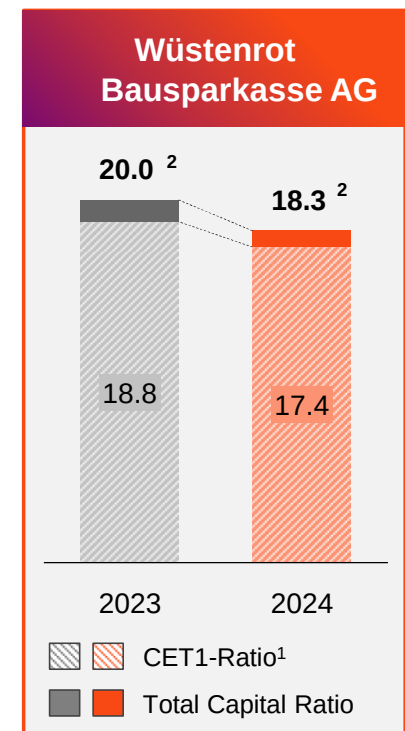


Overview regulatory capital of group key entities

Regulatory capital of group key entities in % (Solvency II ratios for insurance entities)



Capital ratios Bausparkasse in %



Be sure to keep in touch with us

15 May 2025

Quarterly Statement W&W AG
31 March 2025

22 May 2025

Virtual Annual General Meeting W&W AG

14 Aug 2025

Interim Report W&W AG
30 June 2025

14 Nov 2025

Quarterly Statement W&W AG
30 September 2025

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This presentation contains certain forward-looking statements and forecasts that reflect the current views of W&W management with respect to certain future events. These forward-looking statements consist of, but are not limited to, all statements that do not represent historical facts and circumstances, including but not limited to statements about W&W's future financial position and financial performance and its strategies, plans, objectives, and targets, as well as future developments on the markets in which W&W operates or seeks to operate. The ability of the W&W Group to achieve the projected results depends on many factors that are outside the control of management. Actual results may differ substantially from (and be more negative than) those projected or implied in the forward-looking statements. Such forward-looking information is associated with risks and uncertainties that could have a substantial impact on expected results, and it is based on certain key assumptions. The following important factors could cause the Group's actual results to differ considerably from those projected or implied in the forward-looking statements:

- the impact of regulatory decisions and changes in the regulatory environment;
- the impact of political and economic developments in Germany and other countries in which the Group operates;
- the impact of fluctuations in exchange rates and interest rates; and
- the ability of the Group to generate the expected income from the investments and capital expenditures that it has made in Germany and abroad.

The foregoing factors should not be considered exhaustive. As a result of such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements as a prediction of actual results. All forward-looking statements contained herein are based on information that was available to W&W at the time of publication of this document. W&W assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or other reasons, other than where it is required to do so by applicable law. All subsequent written or verbal forward-looking statements attributable to W&W or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. The Material is provided to you for information purposes only, and W&W is not soliciting you to act on the basis of it. The Material is not intended as an offer or solicitation to buy or sell any security or other financial instrument or any financial service of W&W or any other entity, nor may it be construed as such, and it does not represent an offer or solicitation to buy or sell. Any offer of securities or other financial instruments or financial services would be made on the basis of offering materials to which potential investors would be referred. The information contained in the Material does not purport to be complete and is subject to the same qualifications and assumptions. It should be considered by investors only in light of the same warnings, lack of assurances and other precautionary measures as are disclosed in the definitive offerings materials. The information contained herein supersedes all prior versions of this document and will be deemed superseded by any subsequent versions, including any offering documents. W&W is not obligated to update the Material or to periodically review it. All information in the Material is expressed as at the date indicated in the Material and may be changed at any time without the need for prior notice or other publication of such changes. The Material is intended solely for the information of W&W's institutional customers. The information contained in the Material should be not be viewed by any person as reliable.

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