

Preliminary figures 2020

Deutsche Familienversicherung achieves 2020 annual targets despite impact of pandemic and expects further dynamic growth in 2021

- Growth in existing premiums of 23.3% to around EUR 125 million due to consistently strong performance of new business
- Thanks to strong online sales, no impact of the pandemic except on foreign health insurance
- Increase in gross written premiums of 26.2% to EUR 114.7million
- Operating loss (EBIT) of EUR 9.95 million as expected (2019: EUR 5.2 million)
- Outlook 2021: Growth of existing premium volume to around EUR 190 million (incl. EUR 40 million reinsurance volume from 'CareFlex') and reduction of operating loss (EBIT) to approximately EUR 4 million
- Application to establish health, property and life insurer in 2021
- Expansion of product portfolio with combined product in 2021
- Roll-out in Europe: market entry in Austria announced for 2021

Frankfurt/ Main, 21 January 2021 – DFV Deutsche Familienversicherung AG ("DFV", "Deutsche Familienversicherung"), a fast-growing and leading InsurTech company in Europe, achieved its targets for the 2020 financial year and continued its dynamic growth – despite the impact of the COVID-19 pandemic. The company also announced the launch of its European expansion for the second quarter of 2021.

"We are very proud that we succeeded in achieving our ambitious growth targets, even against the backdrop of the COVID-19 pandemic. This is mainly thanks to our stable core business. As a result, we have been able to fulfil our promises since the IPO also in 2020. Our strong performance in the 2020 financial year once again illustrates the dynamism and resilience of our highly digitalised business model," comments Dr Stefan Knoll, CEO and founder of Deutsche Familienversicherung.

Strong new business despite impact of corona

The 2020 financial year was again characterised by the strong development of new business: DFV's new premiums reached a volume of EUR 29.3 million (2019: EUR 29.9 million). Due to the significant decline in foreign health insurance (approx. EUR 20 p.a. per contract) caused by the pandemic, the number of contracts acquired by the end of the year was lower than planned at 90,389. However, considering the strong positive impact on the 2019 financial year from the addition of over 8,500 'Henkel contracts' and the shortfall of almost 12,500 foreign health insurance contracts compared to the previous year, DFV's core performance was once again impressive. Despite the economic slump triggered by COVID-19, DFV's sales remained extremely robust. Online direct sales proved to be a clear competitive advantage for DFV.

Existing premiums reach planned EUR 125.0 million

As a result of DFV's successful new business, the total insurance portfolio increased to around 553 thousand contracts as at 31 December 2020 (31 December 2019: 514 thousand contracts). This figure includes around 35,988 electronics insurance contracts – a portfolio that is in run-off and no longer part of DFV's core business.

As planned at the beginning of the year, existing premiums increased by 23.3% to EUR 125.0 million as at 31 December 2020 (31 December 2019: EUR 101.2 million).

Gross premiums written also rose significantly by 26.2% to EUR 114.7 million (2019: EUR 90.9 million). This reflects in particular the strong growth in the property insurance business.

Loss of EUR 9.95 million within planned range

The consolidated operating result (EBIT) for the 2020 financial year amounts to EUR -9.95 million (2019: EUR -5.2 million). The loss is thus within the communicated target range of EUR -9 million to EUR -11 million. This decline in earnings essentially reflects the planned linear extrapolation of high sales expenses as well as the weaker investment result caused by COVID-19 and higher personnel costs as well as the increased IT costs due to 'CareFlex Chemie'.

Outlook for the 2021 financial year

DFV has modified its planning for the 2021 financial year following its departure from the 'CareFlex' consortium, as announced on 30 December 2020. Nevertheless, the outlook remains positive. With 170 employees at the end of the year, the company regards itself as well placed to continue its dynamic growth (2019: 122 employees). In the 2021 financial year, the existing premium volume of the core business is to be increased by a further EUR 25 million to around EUR 150 million. In addition, there will be a reinsurance volume from the 'CareFlex' agreement of around EUR 40 million. As a result, total existing premium volume

is expected to reach approximately EUR 190 million. DFV also plans a further increase in gross premiums written of around 25% and aims to reduce its operating loss (EBIT) for the year to around EUR 4 million.

Medium-term strategy for the further development of the business model

As part of its growth strategy, DFV will implement various measures in 2021. DFV will expand its product range and launch the new combined product on the market as early as the first half of 2021. In the course of the planned internationalisation, a selected DFV product will also be offered in Austria from the second quarter of 2021.

DFV also intends to complete the application for the establishment of a health, property and life insurer in 2021, which is necessary for further expansion.

"We have an exciting financial year ahead of us, which will be the best in our company history so far. Due to our economies of scale, the planned growth will have a significant impact on earnings. In addition, our new digital products and the expansion in Europe will provide further growth impetus," comments Dr Stefan Knoll, CEO and founder of Deutsche Familienversicherung.

On the whole, DFV plans to achieve positive results from the 2022 financial year onwards if it continues its current business policy.

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About DFV Deutsche Familienversicherung AG

DFV Deutsche Familienversicherung AG (ISIN DE000A0KPM74) is a fast-growing InsurTech company. As a digital insurance company, DFV covers the entire value chain with its own products. The company's goal is to offer insurance products that people really need and understand immediately ("Simple. Sensible."). DFV offers its customers multiple award-winning supplementary health insurance (dental, health, supplementary long-term care insurance) as well as accident and property insurance. Based on the state-of-the-art and scalable IT system developed in-house, the company is setting new standards in the insurance industry with digital product designs throughout as well as the option of taking out policies via digital voice assistants.

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