

Half-year results 2022

Deutsche Familienversicherung is profitable and growing at an above-average rate

- Premium income increases by 36%
- Positive Group result before taxes: EUR 1.9 million (H1 2021: EUR -1.0 million)
- Cost management initiatives and stable investment show clear effects
- Hyrance AG has a positive impact on efficiency development
- Confirmation of the outlook for the full year: slightly positive consolidated pre-tax profit of up to EUR 1 million

Frankfurt am Main, 07 September 2022 – DFV Deutsche Familienversicherung AG ("DFV", "Deutsche Familienversicherung"), the digital insurance company and a leading InsurTech in Europe, achieved a pre-tax consolidated result of EUR 1.9 million in H1 2022 (H1 2021: EUR -1.0 million). Premium income, including the reinsurance share, grew by 36% overall. The company is thus continuing to achieve significantly above-average growth while at the same time reaching profitability in 2022.

"Deutsche Familienversicherung is and remains the leading InsurTech in Europe. As a digital insurance company, we have become a force to be reckoned with in the German insurance industry on the basis of our IT-based superiority and our scalable business model. The fact that we are profitable despite a growth of 36% in the first half of 2022 shows the robust financial position of the company. Thus, we will make a profit this year, for the first time since the IPO, and continue this trend." comments Dr Stefan Knoll, Chairman of the Board and founder of Deutsche Familienversicherung.

Gross premiums written increase by 36%

DFV continues to grow significantly faster than the market. Gross premiums written increased by 36% to EUR 90.8 million in the first half of 2022 (H1 2021: EUR 66.7 million). In primary insurance, gross premiums increased by 9% to EUR 72.9 million and net premiums by 19%.

Premiums per policy increased by 8% from EUR 237 in H1 2021 to EUR 252 in H1 2022, thus continuing the trend of recent years and further increasing the value added per policy. The company's growth successes are not least due to the continued focus on the core business,

supplementary health insurance, strong new business via established online sales channels, premium adjustments and successful cross- and up-selling initiatives. Animal health insurance for dogs and cats in Germany and Austria remains a continuous growth driver, supported by a resurgence in cooperation business. The entry into the reinsurance business is also progressing successfully according to plan and is supporting the incipient economies of scale.

Positive Group result

The company achieved a pre-tax consolidated result of EUR 1.9 million in the first half of 2022 (2021: EUR -1.0 million). The main drivers for the positive development are the continued successful implementation of measures to reduce operating expenses (opex) and a stable investment result. The use of economies of scale also enables increasing efficiency in the company, which has a positive effect on the result.

Stable capital investment and consistent cost management

Despite a very challenging market environment, the investment division generated a result of EUR 3.4 million in the first half of the year, EUR 0.6 million less than in the same period of the previous year. Unrealised market value losses of EUR 14.9 million, mainly resulting from the rise in interest rates, were recognised directly in equity. Current income from investments rose from EUR 1.1 million in the first half of the previous year to EUR 2.7 million in H1 2022, an increase of over 130%. The background to this success is the balanced asset allocations in the DFV master funds, which pay particular attention to current income. Cost management also had a positive impact on operating expenses, which were reduced by 9% despite one-off restructuring costs in sales. The significantly more efficient and even more powerful set-up of the sales organisation in particular since Q1 2022 is also reflected in the significant reduction in acquisition costs from an average of 14.2 monthly premiums per contract in 2021 to 12.6 monthly premiums in the first six months of 2022.

Hyrance AG has a positive impact on efficiency development

Deutsche Familienversicherung's IT subsidiary, Hyrance AG, has a positive effect on InsurTech's efficiency development and strengthens economies of scale. This is demonstrated not least by the fact that the number of employees at Deutsche Familienversicherung remains constant while growth is high in a highly regulated industry. Hyrance AG was founded jointly by STTech GmbH and Deutsche Familienversicherung and develops the latest technologies for software-based automation in claims and benefits settlement.

The company is pursuing the goal of increasing the degree of automation, especially in claims and benefits processing at Deutsche Familienversicherung, which will lead to a disproportionately low need for personnel there in the coming years. Another important aspect remains the development of new digital business areas, such as blockchain-based insurance products. The two founding companies bring top expertise from the fields of insurance, artificial intelligence, software and IT architecture design, automation and deep learning to Hyrance AG.

Confirmation of the annual targets

Despite multiple market impairments, especially the still highly volatile capital markets with rising interest rates and inflation, the Russian war of aggression against Ukraine and the intensifying energy crisis as well as the ongoing COVID 19 pandemic, the Executive Board confirms its forecast for the full year 2022 and assumes a continuation of the growth course. Including the active reinsurance business, around EUR 35 million in new business volume is to be realised. Accordingly, DFV continues to expect a slightly positive consolidated pre-tax result of up to EUR 1 million.

You can download the complete 2022 half-year report at the following address [link](#).

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About DFV Deutsche Familienversicherung AG

DFV Deutsche Familienversicherung AG (ISIN DE000A2NBVD5) 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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