



Annual General Meeting 2021

DFV Deutsche Familienversicherung AG
FRANKFURT/MAIN | 19 May 2021

**Welcome to the virtual
Annual General Meeting
of DFV Deutsche
Familienversicherung AG!**



Agenda (I)

Agenda Item 1

Presentation of the adopted annual financial statements of DFV Deutsche Familienversicherung AG and the approved consolidated financial statements, each as at 31 December 2020, and the management report of DFV Deutsche Familienversicherung AG and the Group as well as the report of the Supervisory Board, each for the 2020 financial year.

Agenda Item 2

Resolution on the formal exoneration of the members of the Executive Board

Agenda Item 3

Resolution on the formal exoneration of the members of the Supervisory Board

Agenda Item 4

Resolution on the approval of the remuneration system for the members of the Executive Board

Agenda Item 5

Resolution on the approval of the remuneration system for the members of the Supervisory Board

Agenda (II)

**Agenda
Item 6**

Resolution on the cancellation of the Authorised Capital 2018, the creation of an Authorised Capital 2021 against contributions in cash and/or in kind with the possibility to exclude the subscription right and corresponding amendment of the Articles of Association

**Agenda
Item 7**

Resolution on the granting of an authorisation to issue convertible bonds, bonds with warrants and/or profit participation rights and/or profit participation rights (or combinations of these instruments) with the possibility of excluding subscription rights, the creation of a Conditional Capital 2021 and corresponding amendments to the Articles of Association

**Agenda
Item 8**

Resolution on the authorisation of the Company to acquire own shares also under exclusion of a right to tender and to use them also under exclusion of the statutory subscription right of the shareholders as well as authorisation to redeem acquired own shares and capital reduction

Agenda Item 1

Presentation of the approved 2020 annual financial statements and the approved consolidated financial statements

1.1. Report of the Supervisory Board on the 2020 financial year

Dr Hans-Werner Rhein





1.2. Report of the CEO on the corporate result 2020

Dr Stefan M Knoll

What "hard targets" have we set ourselves?

€ 30m

new premiums

25%

increase of
gross written premiums

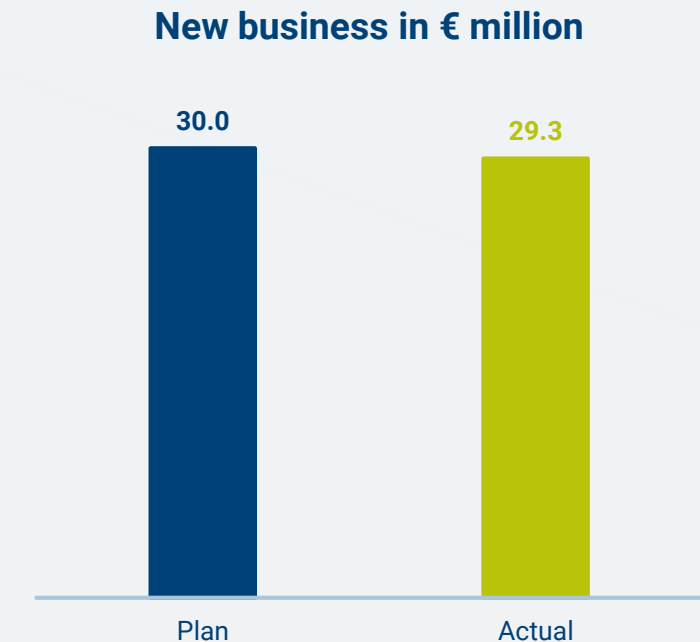
€ 9-11m

Pre-tax loss

What have we achieved?

New business in premiums:

- Plan 2020: € 30.0 million new business
- Actual 2020: € 29.3 million new business
- Achieving the sales target despite the Covid 19 pandemic



Gross written premiums increased by 26.2%

Loss on target

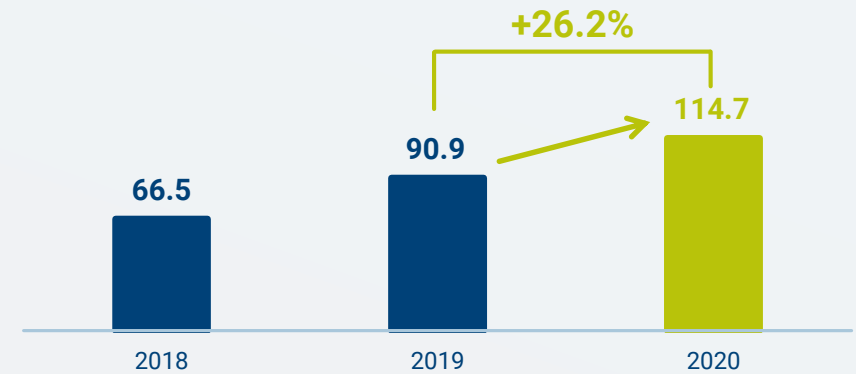
Steigerung der gebuchten Bruttobeiträge:

- Plan 2020: Increase by 25%
- Actual 2020: Increase by 26.2%
- Fulfilment of the target

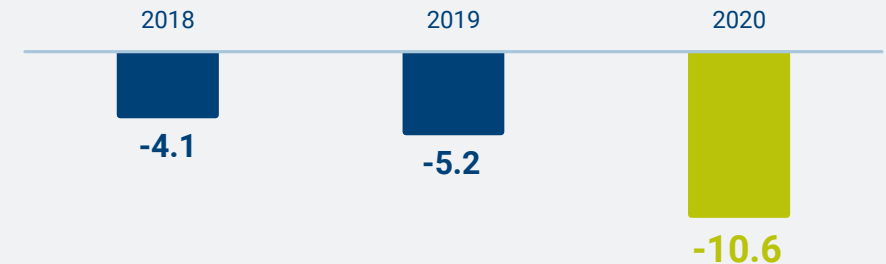
Planned pre-tax loss:

- Plan 2020: Loss between € -9 to -11 million
- Actual 2020: Loss in the amount of € -10.6 million
- Fulfilment of the target

Gross written premiums in € million



Pre-tax loss in € million



Modern technical equipment for all employees for mobile working

We were the first insurance company that was technically able to let **all employees** work from home on a mobile basis.



A big thank you to our employees

No downturn in business, despite a challenging time

- 90 - 95 % of our **employees** have been working from home offices since the start of the Covid 19 pandemic in March 2020.
- And this **despite the challenging situation** of having to do justice to both family and work at home.

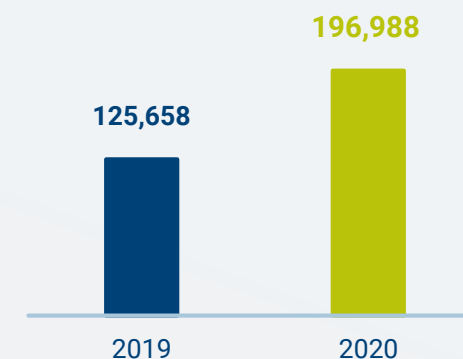


Steady productivity despite Covid 19 pandemic

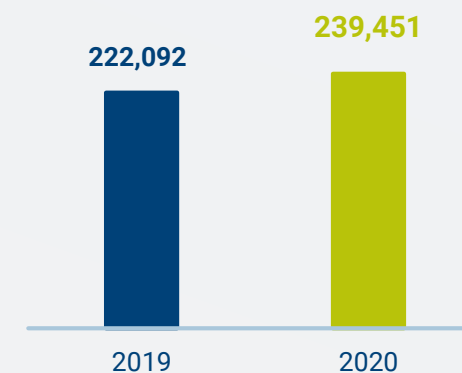
Consistently high level of customer contact and claims handling

- Production measurement in
 - sales,
 - claims and benefits management as well as
 - received calls.
- Continuation of the proven productivity also from the home office.

Claims and benefits processed



Received calls



Other annual results at a glance

- Capital investment
- Development of insurance benefits
- Operating expenses
- Personnel costs
- IT

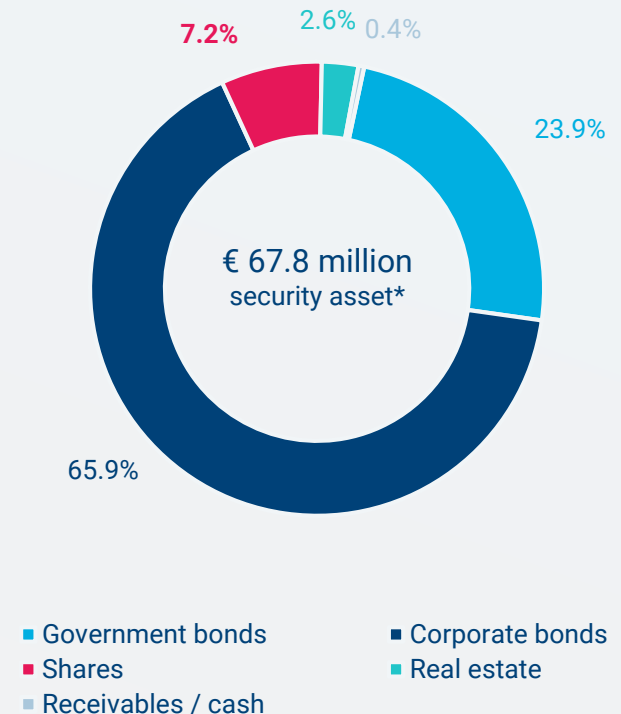


The basic structure of the capital investment

Forward-looking management for the future

- Deutsche Familienversicherung basically manages two types of assets: **free assets** and **security assets**.
- Deutsche Familienversicherung thus has a **responsibility to invest customer funds securely for the future**.

Security asset by asset class in % as at 29.02.2020



* Market value

Capital investment during the Covid 19 pandemic

Stock market collapse at the beginning of the pandemic

- Preventive sale of shares for reasons of prudence to avoid liquidity bottlenecks.
- The sale of shares explains why we have a significant decline in investment from € 3.4 million net income to € 0.9 million.
- Full recovery of the investment result in 2020.



Impact of the Covid 19 pandemic on DFV

- Discontinuation of business from foreign health insurance.
- Increase in pet health insurance.
- Less investment income from selling shares too early.
- Extremely robust online sales, even with contact restrictions.

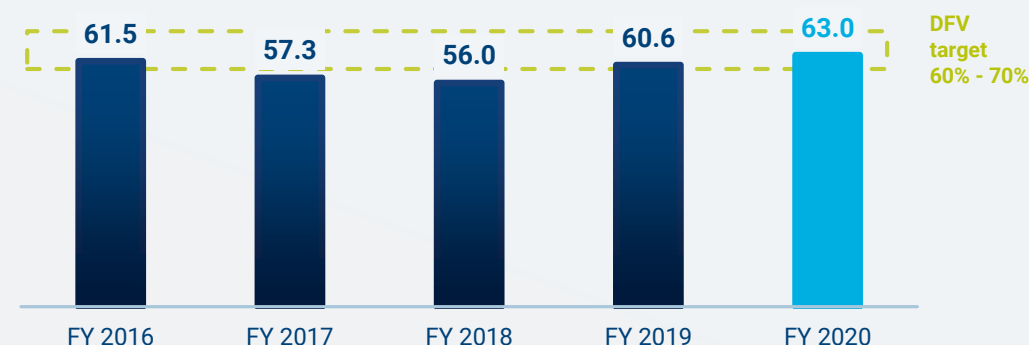


The development of insurance benefits

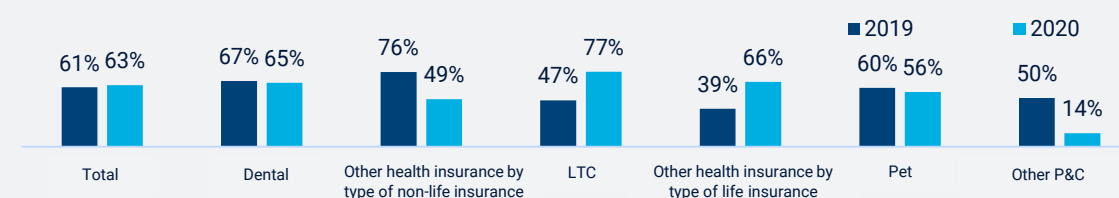
Stable development of loss ratios

- Expected increase in insurance benefits, given the increased business volume.
- Stable claims ratio, which can be rated as good in comparison to the industry.
- No outliers observed in individual lines of business.

Development of the loss ratio in %



Development of the loss ratio in 2020 by line of business



Loss ratio: net claims/benefits in relation to net premiums earned.

nAdS: by type of non-life insurance

nAdL: by type of life insurance

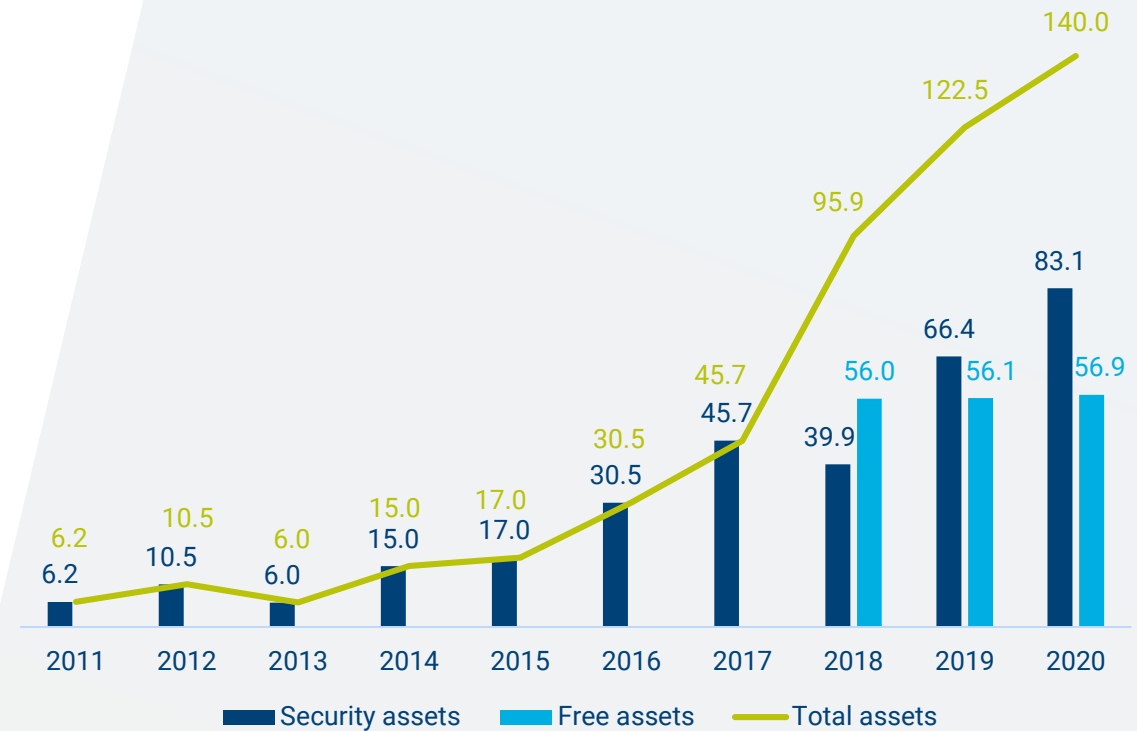
DeckR: actuarial reserve in the sense of the ageing provision according to § 341f para. 3 HGB

Development of the capital investment

Improving and professionalising capital investment management

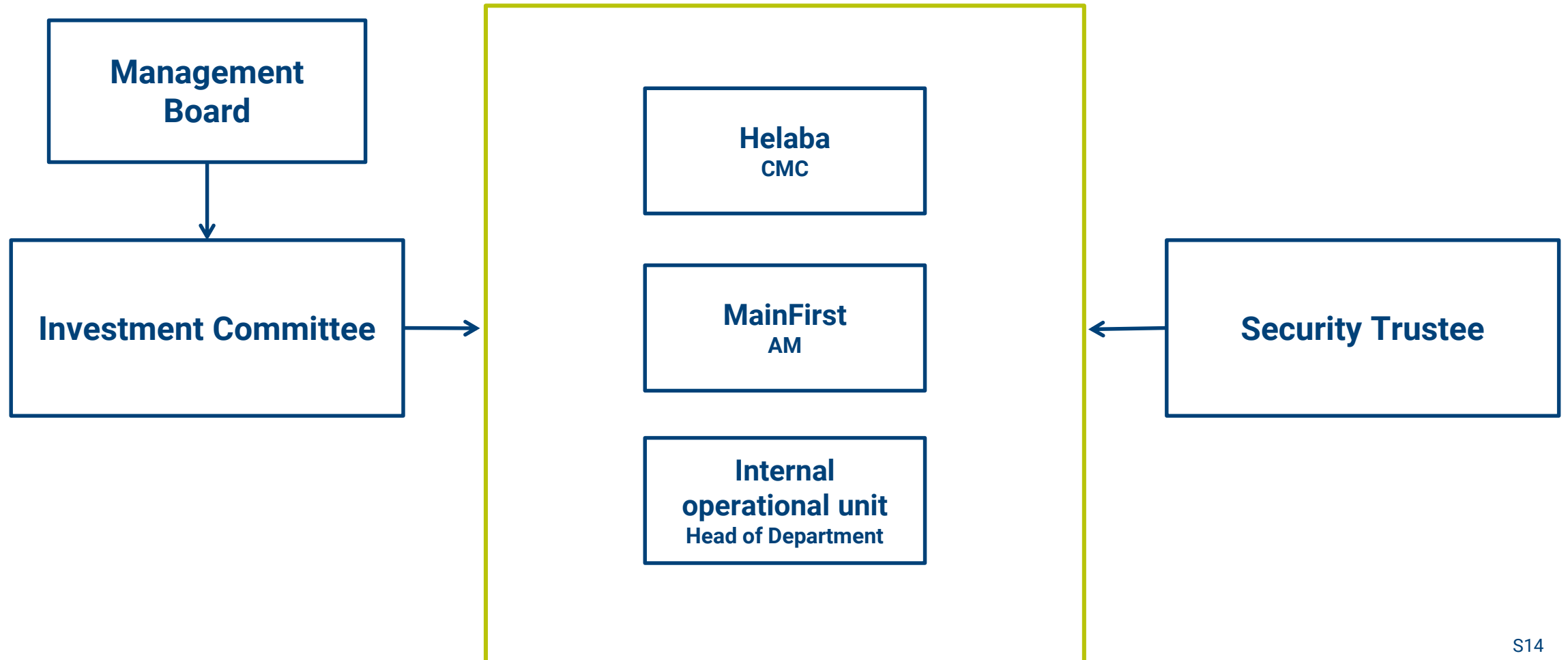
- Since 2011, investment of customer funds from insurance products calculated in the manner of life insurance.
- Since 01.10.2020 new investment company: Helaba Invest.
- Expansion of the know-how of internal capital investment management.

Development of capital investment in € million



Development of the capital investment

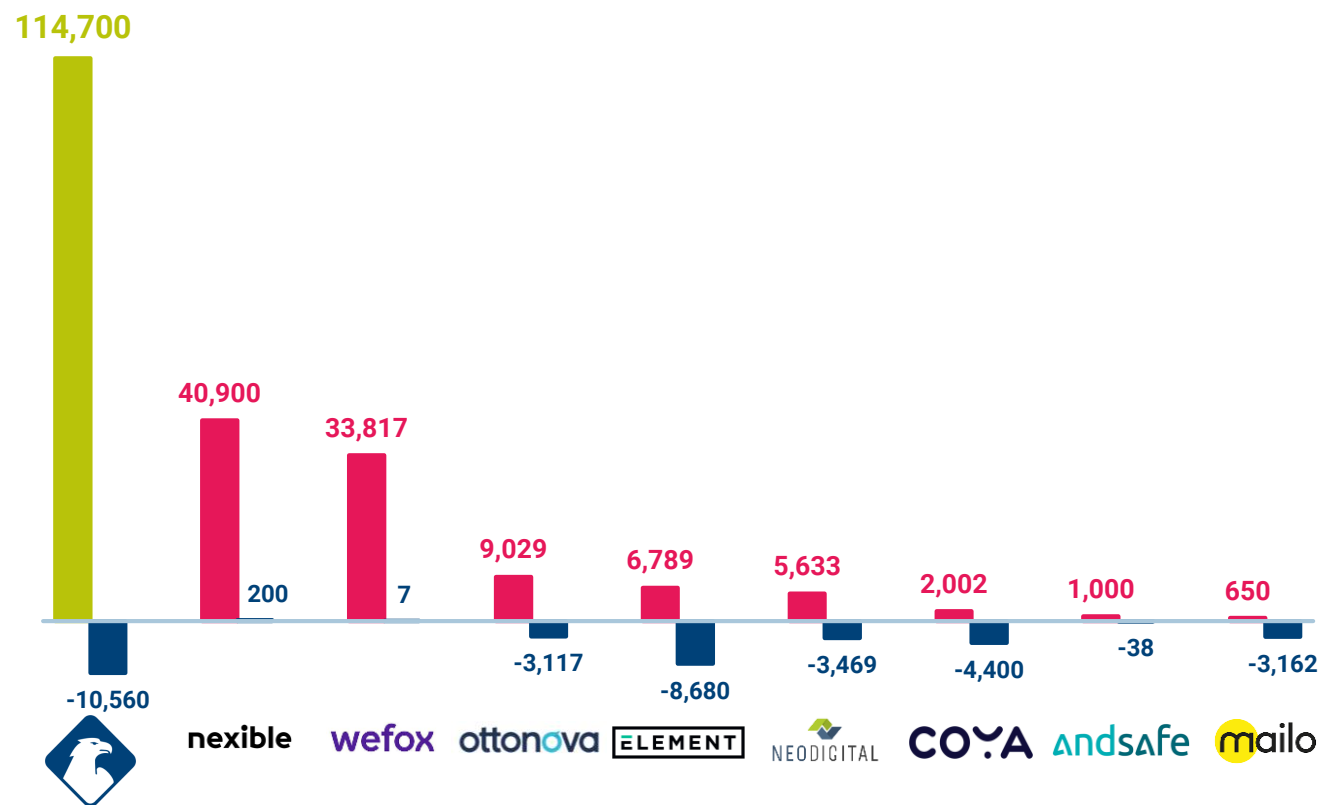
Restructuring of the investment management



German InsurTechs in comparison

Our calculated loss is balanced by exceptional income

Gross written premiums and result in € thousands FY 2020



- We have more premiums
- We offer property and health insurance
- We are listed on the stock exchange

Source:
<https://versicherungsmonitor.de/2021/05/07/so-steht-es-um-die-deutschen-insurtechs/>
Furthermore, the SFCR report of the respective company.

We are subject to more extensive reporting obligations than the competition

- Annual review of the triggering factors
 - Morality
 - Benefit occurrence probability
 - Benefit duration
- Notification of BaFin by 30.04.
- Calculation of premium adjustment
- Coordination with responsible actuary and premium trustee

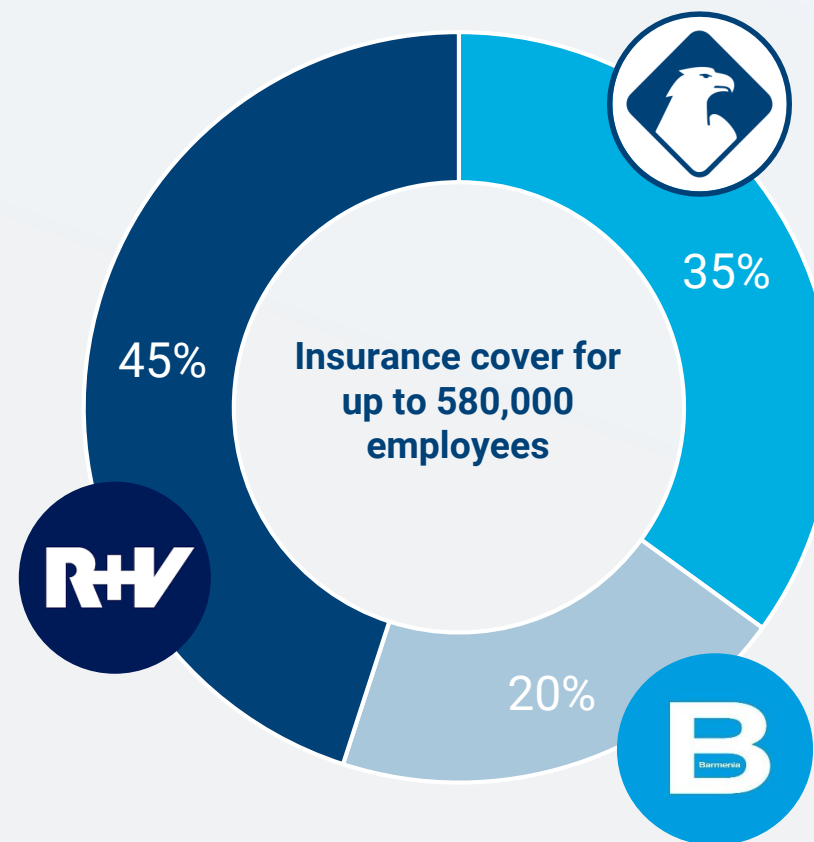


Leading role at CareFlex

We had the idea

We have:

- ✓ Provided the idea and structure.
- ✓ Designed and proposed the product.
- ✓ Invested 3.0 million euros.



CareFlex Chemie

The decision situation

- Together with the consortium, we have agreed on an actuarial interest rate of 2%.
- The proof of sufficient security has been provided from the company's point of view.
- The discussion on this could not be concluded with the BaFin until the start of the project and the first pilot company.



CareFlex
Chemie

The development of the DFV AG share price

Development since the IPO until 17.05.2021



Collapse of the share price at the beginning of the year.

The termination agreement between the underwriters was signed on 30 December 2020 after the close of trading.

Review of products by type ' of life insurance

- Request from BaFin on 06.01.2021.
- Coordination of expert with BaFin on 08.01.2021.
- Experts commissioned on 15.01.2021.
- 1st interim report on 30.04.2021.



Bundesanstalt für
Finanzdienstleistungsaufsicht

→ Parken

Welcome Dr Karsten Paetzmann

New CFO of DFV Deutsche Familienversicherung AG since 01.02.2021

Career:

- 2001 – 2021: Management Consultant, until 2021 Chair Financial Services Germany and Head of Global FS Corporate Finance at BDO; prior to that Insurance Sector Leader Transactions & Restructuring at KPMG Germany
- 1997 – 2000: Associate Director, Gerling-Konzern Allgemeine Versicherung

Responsibility:

Actuarial, Controlling, Investment Management, Accounting

Education:

- Diplom Kaufmann
- Dr. & state doctorate in politics



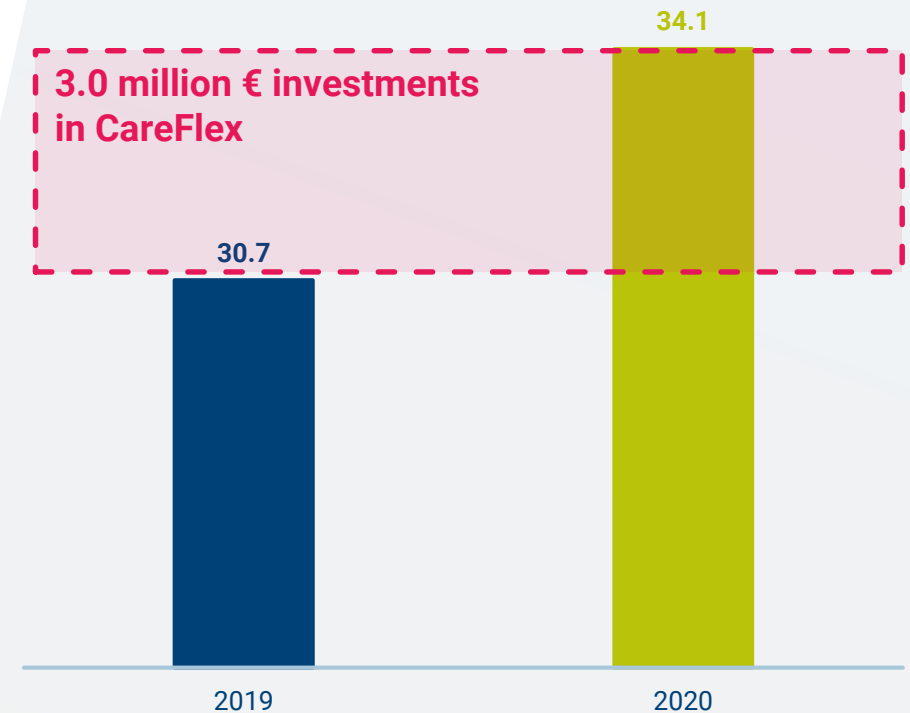
Expenditure for insurance operations

Increase due to planned investments

Investment composition:

- Consultant costs
- IT investments

Development of operating expenses in € million

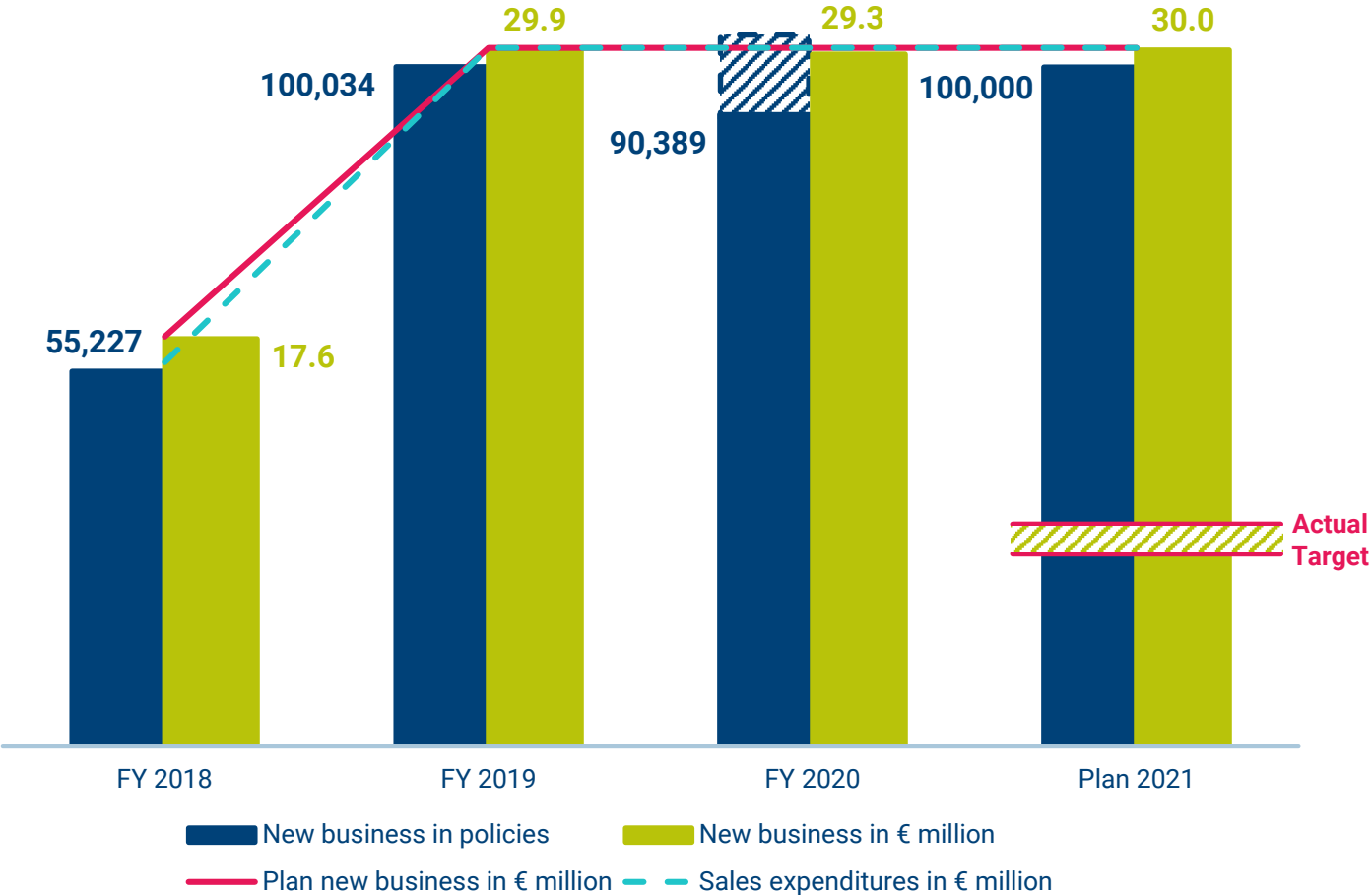


New business from 2018 until today

We keep our promises

Over
time
target!

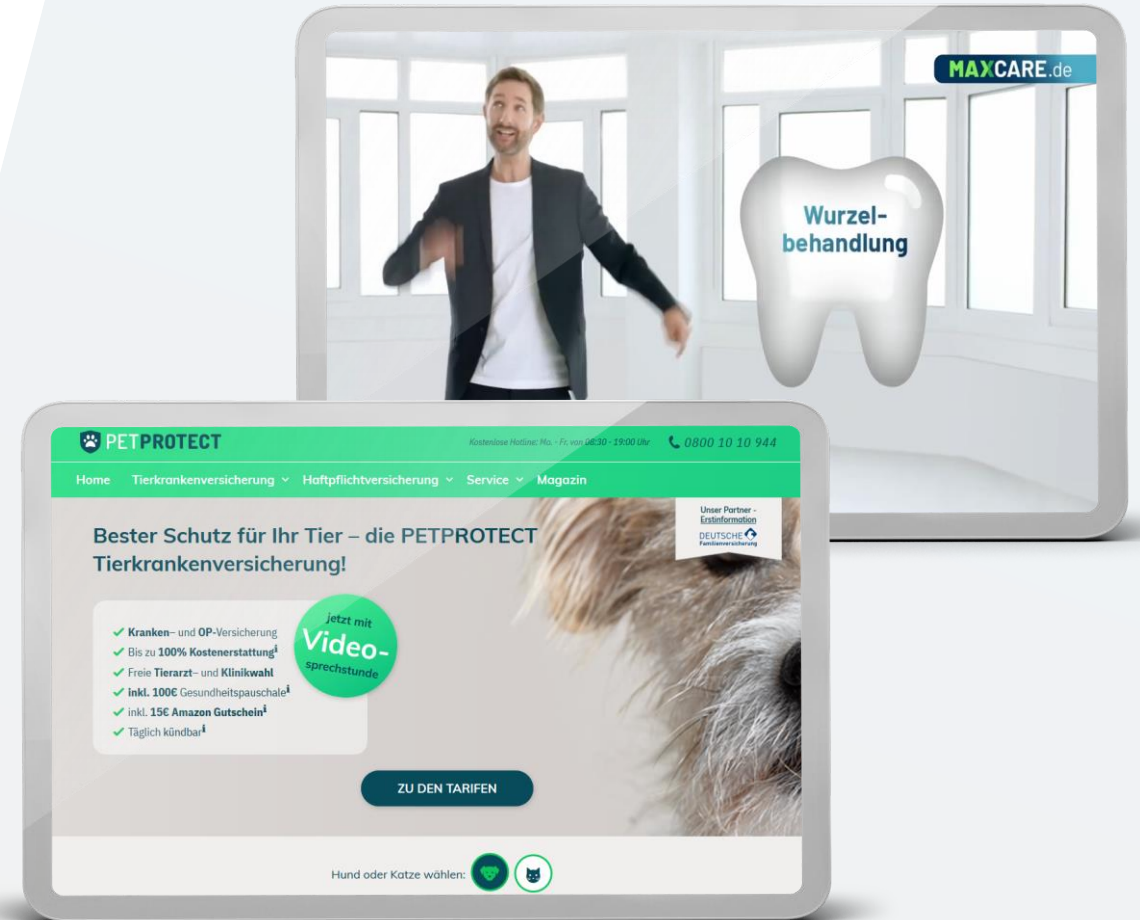
- In **2018**, we **announced** our intention to **double** our **sales success** by doubling our sales spend.
- In **2019** and **2020**, we **achieved** our **sales targets**.
- In **2021**, we will **also deliver** what we announced: **New business € 30 million**.



Around 15,000 less policies due to the discontinuation of business from foreign travel insurance.

An efficient sales system thanks to stable acquisition costs

- Our acquisition costs are based on the 12 MB rule.
- We get 1 euro of new business for 1 euro we spend.



DFV-TierKrankenversicherung on the road to success

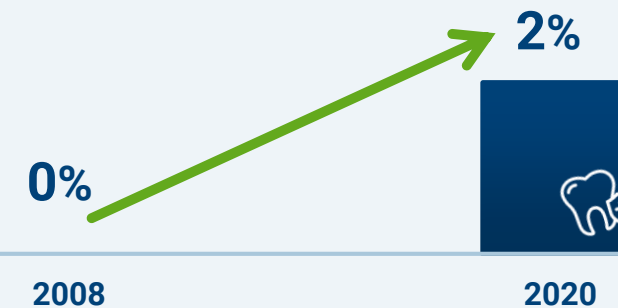
Deutsche Familienversicherung defies Corona

- **Market launch** of DFV-TierKrankenversicherung in **May 2019**.
- **At market launch**, there were **4 competitors** - today there are **14**.
- The "small" Deutsche Familienversicherung has a **market share of 2% in supplementary dental insurance** and **9% in pet health insurance in new business**.

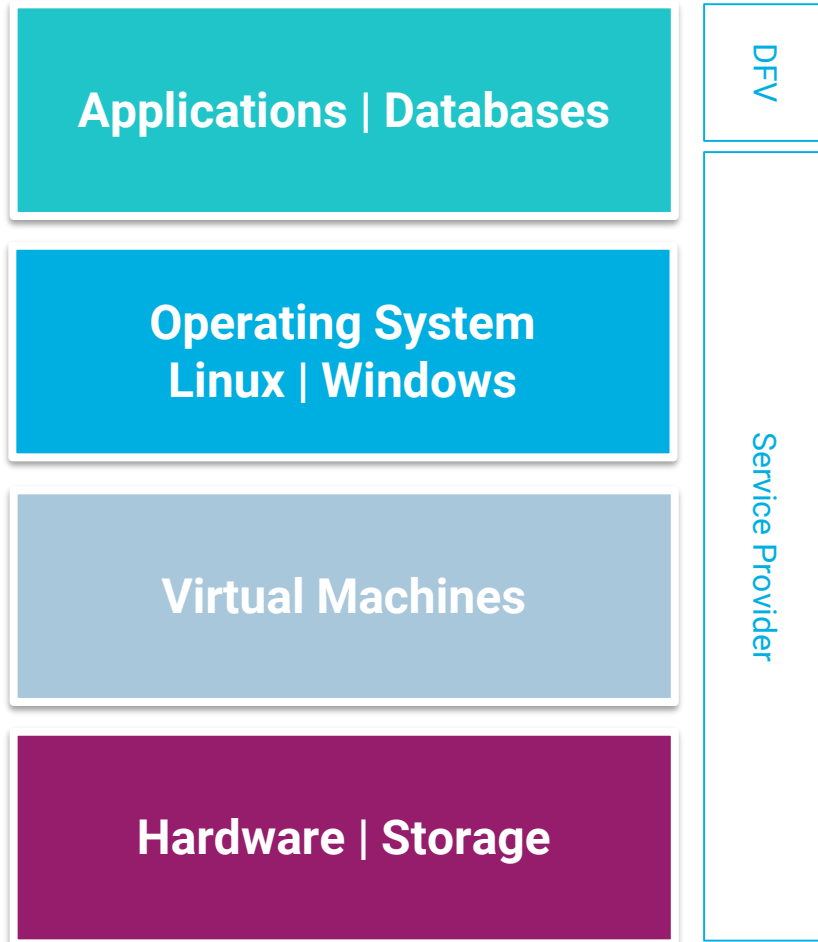
9% market share in pet new business in 2020:



2% market share in dental new business in 2020:



The requirements for IT security have increased



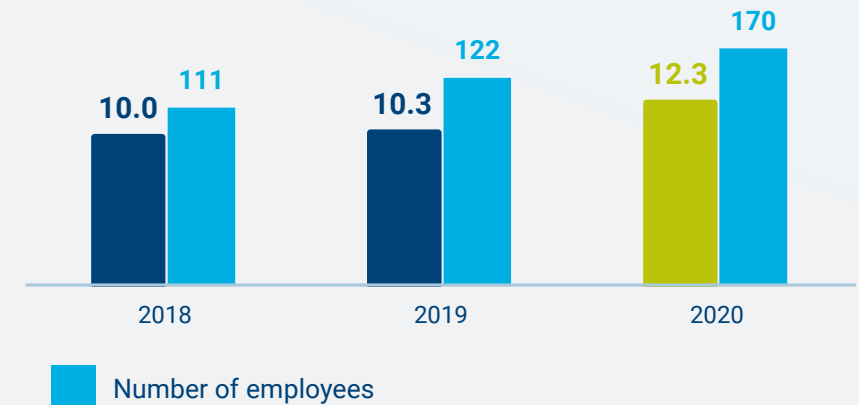
Outsourcing fundamentally changes the IT infrastructure from IaaS to SaaS.

- The **outsourcing** with our partner operational services is **largely completed** and will end in June 2021.
- **Advantages** of outsourcing:
 - Better and faster performance scaling and resilience of the infrastructure.
 - Flexibility in the further development / choice of future technology (cloud-based systems)
 - Independence in the event of a change of company headquarters
 - Scalability of the software development capacities in a highly competitive market

The development of personnel costs

- Growth needs manpower.
- Width needs staff.

Development of personnel costs in € million



Frankfurt no longer has an insurance cluster

We are therefore breaking new ground in recruitment with regional branding and nationwide resonance

COD in figures - period:
February - July 2020

Number of applications	4,176
Number of hires	30
Number of interviews	182
Initial interviews	146
Second interviews	36



Annual results 2020

Consolidated statement of comprehensive income

Consolidated statement of comprehensive income

€m	2019	2020	Delta	in %
Gross premiums written	90.9	114.7	+23.8	+26%
Net earned premiums	54.4	61.9	+7.5	14%
Investment income	3.4	0.9	-2.5	-75%
Other income	0.6	0.3	-0.3	-48%
Claim payments	-33.0	-39.5	-6.6	20%
Expenses for insurance operations	-25.4	-30.2	-4.8	19%
Other expenses	-5.3	-3.9	+1.3	-25%
Operating income	-5.2	-10.6	-5.4	103%
Financing expenses for leases	0.0	0.0	-0.0	2%
Annual profit before income taxes	-5.2	-10.6	-5.4	103%
Income taxes	3.1	3.1	+0.0	1%
Annual income	-2.1	-7.4	-5.3	254%
Unrealised gains and losses from capital investments	1.5	2.2	+0.8	53%
Total other comprehensive income	-0.6	-5.2	-4.6	721%
<i>Number of contracts at the end of the period</i>	514,104	553,447		
<i>Change in number of policies compared to previous period</i>	59,140	39,343		
<i>New business in policies</i>	100,034	90,389		
<i>Cancellation/attrition in policies</i>	-40,894	-51,046		
<i>Gross written premium per unit in €</i>	177	207		
<i>Average number of employees</i>	122	150		

Further key figures for the year 2020 at a glance



Relaxed smile and powerful bite:

Our premium income from supplementary dental insurance increased by 27% in 2020.

↑27%



DEUTSCHE
Familienversicherung



Focus on health:

Our premium income from daily sickness benefits insurance increased by 60% in 2020.

↑60%



DEUTSCHE
Familienversicherung



Well protected:

Our premium income from private liability insurance increased by 37% in 2020.

↑37%



DEUTSCHE
Familienversicherung



Animal well-being:

Our premium income from pet health insurance increased by 805% in 2020.

↑805%

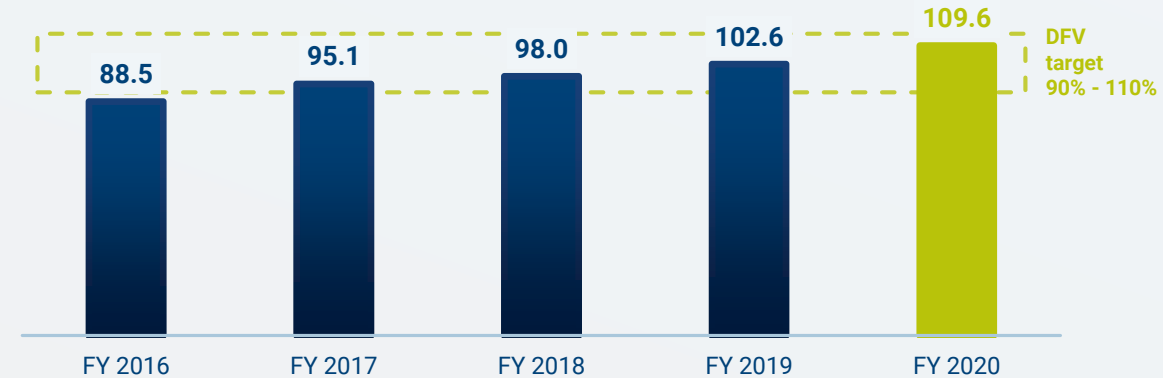


DEUTSCHE
Familienversicherung

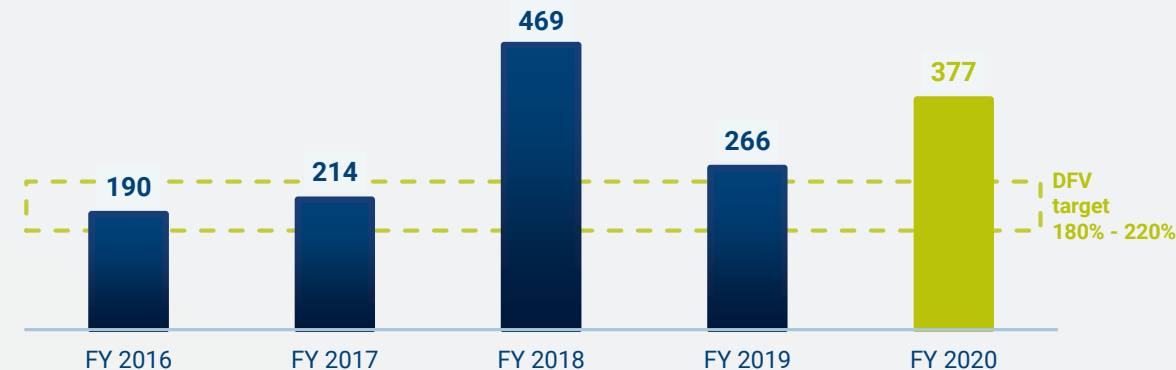
Development of the combined ratio and solvency ratio

- The combined ratio and solvency ratio are developing within DFV's target corridors.
- The combined ratio deteriorated in 2020, but will improve significantly in 2021.
- The reason for the increase in the solvency ratio in 2020 was the capital increase carried out in July 2020.

Development of the combined ratio in %



Entwicklung der Solvenzquote in %



Strong demand for capital increase

- **Friday, 03.07.2020:** Information to the Chairman of the Supervisory Board with request to convene a meeting of the Supervisory Board
- **Monday, 06.07.2020, 15:30:** Resolution of the Executive Board to implement a capital increase
- **4:45 p.m.:** Resolution of the Supervisory Board to implement a capital increase
- **06:00 p.m.:** Announcement of the capital increase in the form of an ad hoc announcement
- **08:00 p.m.:** Threefold oversubscription of the book
- Demand brought the share price to € 26.50

Development of the share price between
01.06.2020 - 06.07.2020



A personal remark

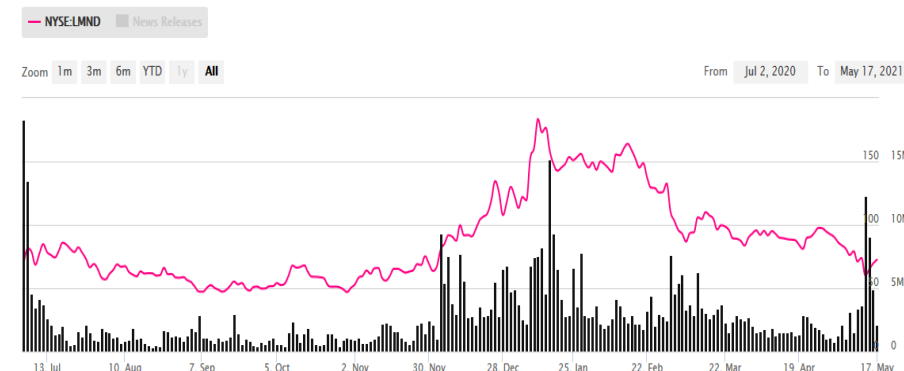
- I am extremely sorry that some are having to observe a bitter loss in the share price.
- We are continuing our successful innovative business model.
- Deutsche Familienversicherung is an extraordinary company - with a lot of potential.

DFV is undervalued



Share price since IPO

Deadline 18.05.2021



Market capitalisation in € million	175.35	3,702.83
Existing premiums in € million FY 2020	124.8	173.4
Gross premiums written in € million FY 2020	114.7	174.5
Profit in € million FY 2020	-10.6	-99.6

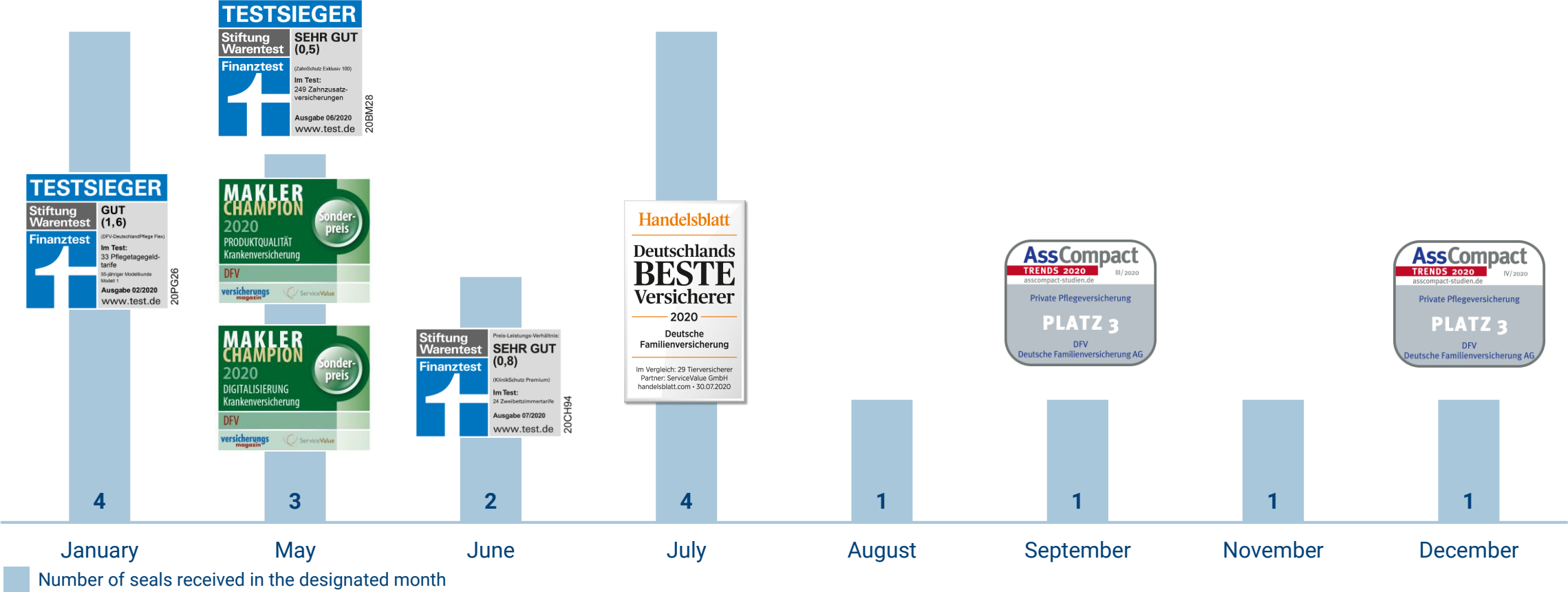
German Financial Reporting Enforcement Panel (FREP)



- The FREP has been commissioned by BaFin to conduct a sample examination of DFV's 2018 balance sheet.
- In addition to minor comments, a disagreement arose on the allocation of IPO costs.
- In order to avoid a protracted legal dispute, DFV agreed to the FREP's finding.

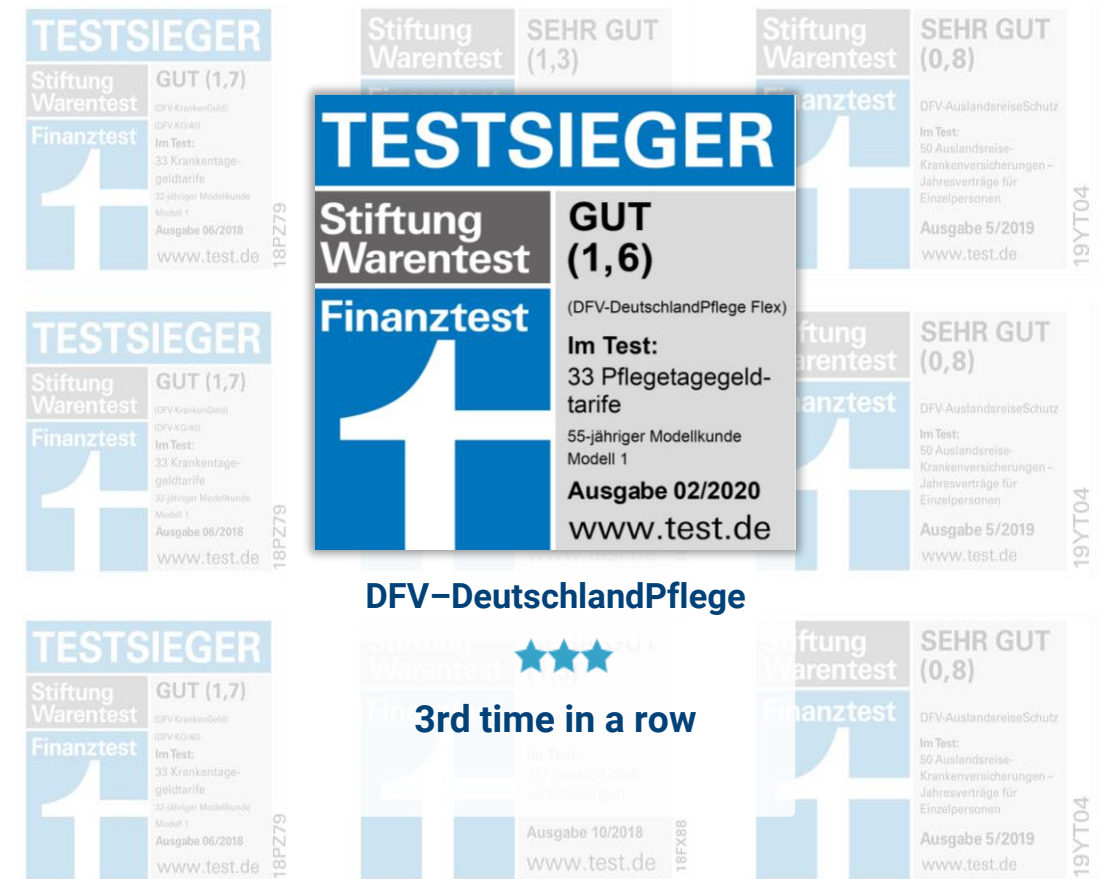
DFV was awarded 17 seals in 2020

In 2020, DFV has acquired 8 seals that indicate a clear added value for the customer



We set new standards with the best of both worlds

- We set new standards for supplementary long-term care insurance.
- We set new market standards with our supplementary long-term care insurance.
- We were the first insurance company to succeed in complete digitalisation.
- That's why we claim to be not just an insurer, but an InsurTech.



We are leading markets

Whoever chooses us, chooses the original
and not the copy

- In 2021, we became the test winner in supplementary dental insurance for the 6th time in a row.
- Our award-winning product was copied, so that in 2021 there are a total of 13 test winners in supplementary dental insurance.
- In animal health insurance, there are competitors who have been proven to copy our conditions almost verbatim.



What else we have achieved in 2020

We are extremely successful in the cooperation business and have laid the foundations for further growth.

- ✓ September: Product launch of the new DFV-HundhaftpflichtSchutz.
- ✓ December: Revised DFV UnfallSchutz available.
- ✓ Technical foundations laid for the new combined product.







First of all you need an understandable insurance product

The customer must get immediately a feeling what the product is about and why it is important for him to buy it

Therefore we invented the
16 square matrix:

- ✓ Everything is included.
- ✓ The customer can decide the cover in respect of his personal financial situation.

	 DFV–DentalCare	 DFV–OutpatientCare	 DFV–InpatientCare	 DFV–LTC
★ Basis	50% Refund on all dental treatment	Refund of vaccinations and social co-payment	100% reimbursement and chief physician treatment Diseases due to external influences (eg. accident)	25% of the governments monthly care allowance
★★ Comfort	70% Refund on all dental treatment	Refund of up to € 3,000 for particular illnesses	100% reimbursement and chief physician treatment Diseases due to external influences <u>and</u> serious illnesses	50% of the governments monthly care allowance
★★★ Premium	90% Refund on all dental treatment	Refund of up to € 6,000 for particular illnesses	100% reimbursement and chief physician treatment Health issues <u>regardless</u> of the cause	75% of the governments monthly care allowance
★★★★ Exclusive	100% Refund on all dental treatment	Refund of up to € 12,000 for particular illnesses	100% reimbursement and chief physician treatment, health issues <u>regardless</u> of the cause and exclusive assistance services	100% of the governments monthly care allowance

A very short closing process helps to become a happy

Understandable message



- ✓ Everything included
- ✓ Best insurance product
- ✓ Daily termination

Less data



- ✓ Only age
- ✓ Login with Amazon

No payment restriction



- ✓ All payment systems
- ✓ Amazon Pay and Pay Pal

= Policy in 50 seconds

Our messages



DFV-AmbulantSchutz			
Versorgeunterstützungen Erfüllung für Impfungen und gewässliche Zusatzleistungen	Versorgeunterstützungen Erfüllung für 8.000€ Leistungen bei besonders schweren Erkrankungen	Versorgeunterstützungen Erfüllung für 8.000€ Leistungen bei besonders schweren Erkrankungen	Versorgeunterstützungen Erfüllung für 12.000€ Leistungen bei besonders schweren Erkrankungen
7,53 €	13,00 €	18,47 €	29,41 €
Jetzt abschließen	Jetzt abschließen	Jetzt abschließen	Jetzt abschließen
Mehr Informationen	Mehr Informationen	Mehr Informationen	Mehr Informationen

DFV-KlinikSchutz			
Erkrankungen durch äußere Einwirkungen (z.B. Unfall)	Erkrankungen durch äußere Einwirkungen und schwere Erkrankungen	Alle Erkrankungen unabhängig von ihrer Ursache	Alle Erkrankungen sowie exklusive Assistenten- / Pflegeleistungen
100% Erfüllung für Chirurgen- behandlung und Einzelkassen	100% Erfüllung für Chirurgen- behandlung und Einzelkassen	100% Erfüllung für Chirurgen- behandlung und Einzelkassen	100% Erfüllung für Chirurgen- behandlung und Einzelkassen
3,99 €	12,24 €	29,95 €	44,27 €
Jetzt abschließen	Jetzt abschließen	Jetzt abschließen	Jetzt abschließen
Mehr Informationen	Mehr Informationen	Mehr Informationen	Mehr Informationen

✓ Everything included



✓ Best product



✓ Termination on daily bases

This is presented by using DRTV or Google and other digital channels.

**Digitalisation starts
with the insurance product!**

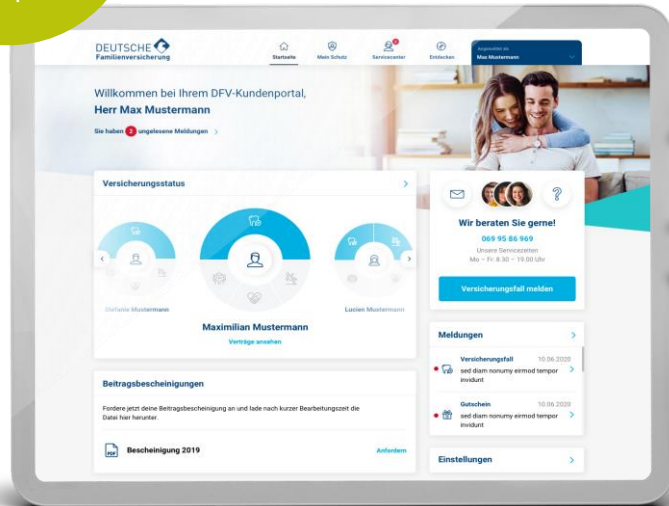


Best customer portal – best Chatbot*

Customer-centricity at its best

98%

of our new
customers using
the portal

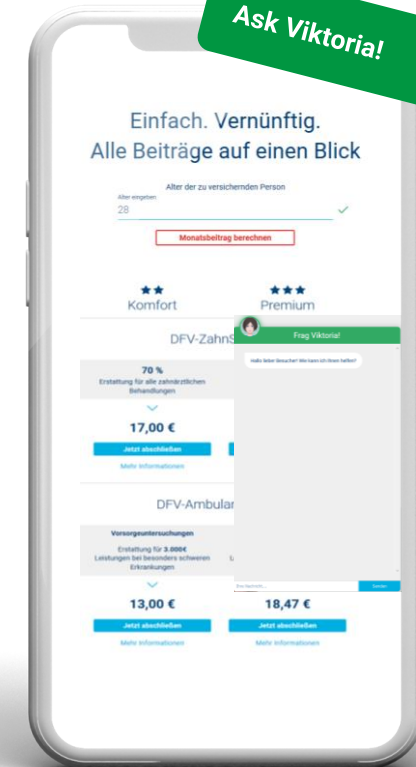


yvonne pietsch
★★★★★
Fast, uncomplicated, reliable. I am 100% satisfied. Never had any problems.

Stefan Bubel
★★★★★
Very simple and understandable for everyone. All his insurance policies under control.

Robert Schroeter
★★★★★
Fast submission of the invoice, very good service, very good communication.

Ask Viktoria!



The DFV app becomes a media platform

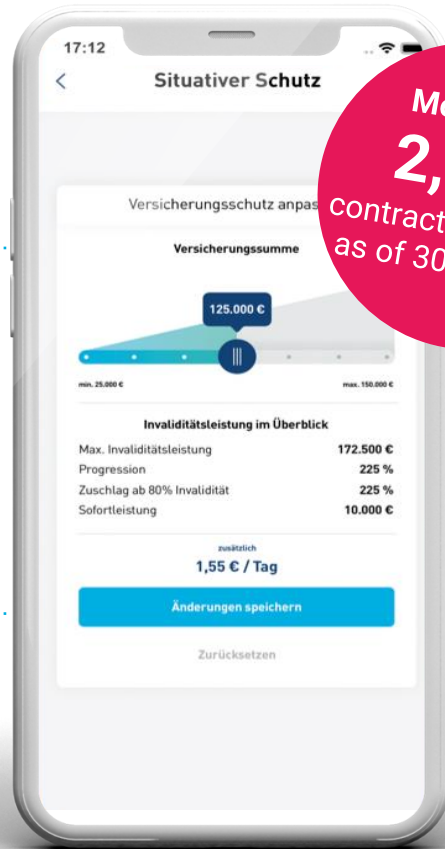
Discover more with the DFV App

Over 71,000
user

IOS: 40,000
Android: 31,000
As at 30.04.2021

Over 130,000
invoices

IOS: 66,000
Android: 64,000
As at 30.04.2021



More than
2,870
contracts taken out
as of 30.04.2021*

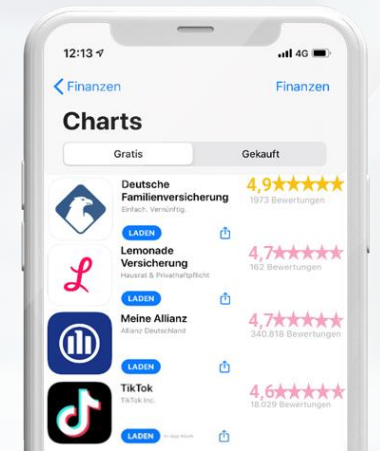
Highly rated app

App Store: 4.9 stars
Google Play Store: 4.8 stars

Over 550,000 contracts promise huge potential for cross-selling at low sales costs.

- That is why a sales call centre is being set up.
- That is why a marketing strategy for the DFV app is being developed.

Our App:
Top rated by our
customers



Continuous automation

Expansion and optimisation of automated processes

What we have achieved in 2020:

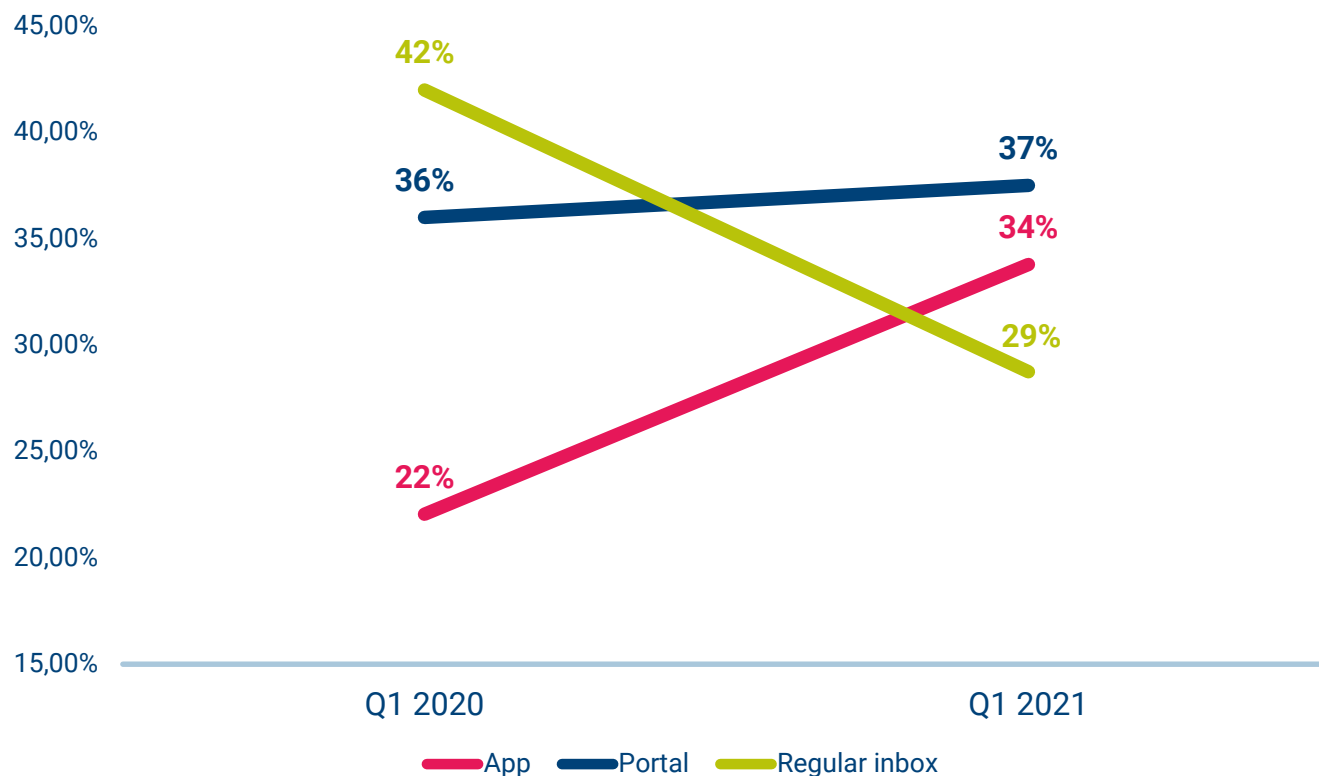
- ✓ Successful automation of new service types (fillings/root treatment).
- ✓ Improvement of classification / optical recognition
- ✓ Reduction of the rework rate
- ✓ Connection of e-mail claims to Abbyy
- ✓ Inclusion of new GOZ (including Corona hygiene flat rate)



Digitalisation works

... on the process side

Documentation input by channel



The figures show it: our app is gaining in importance and is replacing the regular inbox.

In Q1 2020, 42% of documents were still submitted by post. In Q1 2021, it was 13 percentage points less.

At the same time, the share of documents submitted via app increased by 12 percentage points to 34% in Q1 2021.

A successful 2020 business year

- ✓ **Continuation of our core insurance business, despite:**
 - CareFlex Chemie
 - COVID-19 Pandemic
 - Two lockdowns
- ✓ **Achievement of our targets with stable sales costs of 12 monthly premiums:**
 - ~ € 30 million new business



Before I finish my presentation...

Today, I would like to thank my team, my employees and my colleagues on the Executive Board for a far above-average commitment to the company and you for your loyalty!



What we want to achieve in 2021:

- ✓ **Continuation of the growth course**
- ✓ **Market entry in Austria** as of 30.06.2021
- ✓ **New combined product** as of 30.06.2021
- ✓ **Contract negotiations started with Barmenia for the conclusion of a reinsurance contract**

Thank you very much for your attention!

Agenda Item 2

**Resolution on the formal exoneration
of the members of the Executive Board**

Agenda Item 3

**Resolution on the formal exoneration
of the members of the Supervisory Board**

Agenda Item 4

BResolution on the approval of the remuneration system for the members of the Executive Board

Agenda Item 5

Resolution on the approval of the remuneration system for the members of the Supervisory Board

Agenda Item 6

Resolution on the cancellation of the Authorised Capital 2018, the creation of an Authorised Capital 2021 against contributions in cash and/or in kind with the possibility to exclude the subscription right and corresponding amendment of the Articles of Association

Agenda Item 7

Resolution on the granting of an authorisation to issue convertible bonds, bonds with warrants and/or profit participation rights and/or profit participation rights (or combinations of these instruments) with the possibility of excluding subscription rights, the creation of a Conditional Capital 2021 and corresponding amendments to the Articles of Association

Agenda Item 8

Resolution on the authorisation of the Company to acquire own shares also under exclusion of a right to tender and to use them also under exclusion of the statutory subscription right of the shareholders as well as authorisation to redeem acquired own shares and capital reduction

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