

Admission to trading of the shares in Solid Försäkringsaktiebolag on Nasdaq Stockholm



THIS PROSPECTUS WAS APPROVED BY THE SWEDISH FINANCIAL SUPERVISORY AUTHORITY ON 22 NOVEMBER 2021.

THIS PROSPECTUS IS VALID FOR UP TO TWELVE MONTHS FROM THE DATE OF APPROVAL PROVIDED THAT SOLID FÖRSÄKRINGS-AKTIEBOLAG FULFILS ITS OBLIGATION TO PROVIDE SUPPLEMENTS TO THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL FACTUAL ERRORS OR OTHER MATERIAL INACCURACIES THAT MIGHT AFFECT THE ASSESSMENT OF THE COMPANY'S SECURITIES. THE OBLIGATION TO PREPARE A SUPPLEMENT TO THE PROSPECTUS APPLIES FROM THE TIME OF APPROVAL UNTIL THE DATE ON WHICH TRADING ON A REGULATED MARKET COMMENCES. THE COMPANY HAS NO OBLIGATION TO PREPARE A SUPPLEMENT TO THE PROSPECTUS AFTER THE DATE ON WHICH TRADING ON A REGULATED MARKET COMMENCES.

IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared due to the decision by an extraordinary general meeting of Resurs Holding AB (“**Resurs Holding**”) that was held on 2 November 2021 to distribute the shares in Solid Försäkringsaktiebolag, corporate reg. no 516401-8482, a Swedish public limited liability insurance company (the “**Company**” or “**Solid Försäkring**” depending on the context) to the shareholders of Resurs Holding and the application by the board of Solid Försäkring for a listing of these shares on Nasdaq Stockholm. ABG Sundal Collier AB (“**ABG Sundal Collier**”) is acting as financial advisor in connection with the admission to trading. For the meaning of defined terms used in the Prospectus, please refer to the section “**Definitions**”.

The Prospectus was prepared in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the “**Prospectus Regulation**”). The Prospectus has been approved by the Swedish Financial Supervisory Authority (the “**SFSA**”) in its capacity as the competent authority in accordance with the Prospectus Regulation. The SFSA has approved this Prospectus only insofar as it meets the standards of completeness, comprehensibility and consistency as stipulated in the Prospectus Regulation and the SFSA’s approval of the Prospectus does not mean that the SFSA guarantees that the factual information in the Prospectus is accurate or complete.

The Prospectus is available in electronic format on the Company’s website (www.solidab.se), ABG Sundal Collier’s website (www.abgsc.com) and will be available on the SFSA’s website (www.fi.se).

This Prospectus has been prepared due to Solid Försäkring’s application for admission to trading of the shares in Solid Försäkring on Nasdaq Stockholm and does not contain an offer to subscribe for or otherwise acquire shares or other financial instruments in the Company either in Sweden or in any other jurisdiction. The Prospectus and the associated material may not be distributed in or into the United States, Australia, Canada, Japan or any other jurisdiction where such distribution would require additional prospectuses, registration or measures beside those required by Swedish law or is otherwise in violation of the regulations of such a country or such a jurisdiction. Persons receiving copies of this Prospectus are required by the Company to inform themselves about and to observe all such restrictions. The Company does not accept any legal responsibility for any violation of any such restrictions, regardless of whether or not such a violation is made by a prospective investor. Measures in conflict with such restrictions may constitute a breach of applicable securities legislation.

An investment in the Company’s shares is associated with specific risks, please refer to the separate section “**Risk factors**”. When deciding whether to invest in the Company’s shares, an investor must rely on their own assessment of the Company, including benefits and risks, and in this context only rely on the information contained in the Prospectus (and any supplements to the Prospectus). Neither publication nor distribution of this Prospectus entail that the information in the Prospectus is correct at any time after the date of the Prospectus, or that the Company’s operations, results or financial position are unchanged after this date. If any changes are made to the information contained in this Prospectus during the period after the Prospectus has been approved by the SFSA but before the securities have been admitted to trading on Nasdaq Stockholm, such changes will be published to the extent required by applicable laws.

No person is or has been authorised by the Company to give any information or to make any representation or warranty in connection with the admission to trading other than contained in this Prospectus and, if given or made, such information, representation or warranty may not be relied upon as having been authorised by the Company and the Company accepts no liability with respect to any such infor-

mation, representation or warranty. Further, no representation or warranty, expressed or implied, is made by any member of the board of directors of the Company or anybody else, except for what follows from applicable law and regulations, as to the correctness and/or completeness of any of the information contained in this Prospectus.

The Prospectus is governed by Swedish law. Any dispute arising from this Prospectus or other legal matters related thereto shall be settled exclusively by a Swedish court of law and resolved in accordance with Swedish law without reference to any of its choice of law principles. The Prospectus has been prepared both in Swedish and in English language versions. In case of any discrepancy between the Swedish and English language versions of this Prospectus, the Swedish language version shall prevail.

Forward-looking statements and industry and market information

This Prospectus contains certain forward-looking statements that reflect the Company’s present view of future events as well as financial and operational results. Such forward-looking statements are associated both with known and with unknown risks and circumstances beyond the Company’s control. In light of the risks, uncertainties and assumptions associated with forward-looking statements, it is possible that the future events mentioned in the Prospectus may not occur. Forward-looking statements are all statements in the Prospectus that do not relate to historical or current facts or circumstances and such statements pertaining to the future. These forward-looking statements are based on current estimates and assumptions made according to the best of the Company’s knowledge. Forward-looking statements are made in several sections of the Prospectus and can be identified by the use of terms and expressions such as “believes”, “estimates”, “anticipates”, “expects”, “assumes”, “forecasts”, “intends”, “could”, “will”, “should”, “would”, “according to estimates”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, “to the knowledge of” or inflections of such expressions or similar expressions, which are intended to identify a statement as forward-looking.

The section “**Risk Factors**” contains a description of some, but not all, factors that may cause the Company’s future results and development to differ materially from what is expressed or implied in any forward-looking statement. Forward-looking statements only apply as of the date of this Prospectus and thereafter the Company has no responsibility to publish updated forward-looking statements or other information in the Prospectus based on new information, future events, etc., except what is required by the Prospectus Regulation.

The Prospectus includes industry and market data pertaining to the Company’s business and markets. Unless otherwise stated, such information is based on the Company’s analysis of several different sources. The Company has correctly reproduced such third-party information and, and as far as the Company’s board is aware and can ascertain from the information published by the third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. However, the Company has not independently verified the accuracy or completeness of any third-party information and the Company therefore cannot guarantee its accuracy or completeness.

Presentation of financial information

All financial amounts are presented in Swedish kronor (“**SEK**”), unless otherwise indicated. “**KSEK**” refers to thousands of kronor and “**SEK million**” to millions of kronor. “**EUR**” refers to euro and “**EUR million**” refers to millions of euro. Certain figures and percentages in this Prospectus have been rounded off and consequently the numbers do not necessarily sum up correctly. Except as expressly stated, no financial information in the Prospectus has been audited or reviewed by the Company’s auditor.

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Admission to trading

The shares in Solid Försäkring will be admitted to trading on Nasdaq Stockholm. The Prospectus does not contain an offer to subscribe for or otherwise acquire shares or other securities in the Company either in Sweden or in any other jurisdiction.

Other information

Trading facility:	Nasdaq Stockholm
Ticker:	SFAB
ISIN code:	SE0017082548
LEI code:	529900JIV2O9HEPWIN77

Financial calendar

Year-end Report for the financial year 2021	8 February 2022
Annual Report for the financial year 2021	22 March 2022
Interim Report January–March 2022 (Q1)	27 April 2022

Important dates

Final day of trading in Resurs Holding' shares including the right to distribution of the shares in Solid Försäkring	25 November 2021
The shares in Resurs Holding will trade excluding the right to distribution of the shares in Solid Försäkring	26 November 2021
Record date for receiving shares in Solid Försäkring	29 November 2021
Expected first day of trading in Solid Försäkring's shares on Nasdaq Stockholm	1 December 2021

Summary

Introduction and warnings

The securities	Admission to trading of the shares in Solid Försäkringsaktiebolag with ISIN code SE0017082548.
Identity and contact information of the issuer	Solid Försäkringsaktiebolag, corporate reg. no 516401-8482 LEI code: 529900JIV2O9HEPWIN77 Address: Box 22068, SE-250 22 Helsingborg, Sweden Telephone number: +46 42 38 21 00 www.solidab.se
Competent authority	The Swedish Financial Supervisory Authority Box 7821, SE-103 97 Stockholm, Sweden +46 (0)8 408 980 00 www.fi.se
Date of approval of the Prospectus	22 November 2021
Warnings	<p>This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus in its entirety by the investor.</p> <p>The investor may lose all or part of the invested capital.</p> <p>If a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national legislation, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>Liability under civil law covers only those individuals who have produced the summary, including translations thereof, but only if the summary is misleading, incorrect or inconsistent with the other parts of the Prospectus or if it does not, together with other parts of the Prospectus, provide key information to help investors when considering whether to invest in the securities.</p>

Key information on the issuer

Who is the issuer of the securities?	<p>The issuer's domicile, legal form and legislation</p> <p>The Company is a public limited liability company founded in Sweden with its registered office in Helsingborg, Sweden. The Company was founded in 1993 and registered with the Swedish Companies Registration Office in the same year. The Company conducts its operations under Swedish law and its legal form is regulated by the Swedish Companies Act (2005:551). The Company's LEI code is 529900JIV2O9HEPWIN77.</p> <p>The issuer's primary operations</p> <p>Solid Försäkring conducts non-life insurance operations in Sweden, Denmark, Norway and Finland and, to a minor extent, also in certain other countries in Europe. The Company offers speciality insurance with a main focus on niche insurance in the <i>Product</i>, <i>Personal Safety</i> and <i>Assistance</i> segments. The Company's insurance is primarily aimed at private individuals, and the Company cooperates with a large number of partners, within a number of industries, that consist of, inter alia, so-called excluded ancillary insurance intermediaries, including foreign equivalents ("Special Agents"). In addition, the Company also cooperates with tied insurance intermediaries and tied ancillary insurance intermediaries, including foreign equivalents ("Affiliated Agents") and independent insurance intermediaries. The Company's head office is in Helsingborg and it also has branches in Norway, Finland and Switzerland.</p>
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Who is the issuer of the securities?, cont.**The issuer's major shareholders**

As per the date of this Prospectus, the Company is a wholly owned subsidiary of Resurs Holding. The Company's five largest shareholders immediately at the time of distribution will initially be the same as that of Resurs Holding (taking into account the distribution ratio 10:1). The table below presents Resurs Holding's five largest shareholders as per the date of the Prospectus, according to data from Modular Finance AB as per 31 October 2021 and changes known to the Company thereafter up until the date of the Prospectus.

Name	Number of shares and votes	Percentages of share capital and votes
Waldakt AB	57,885,556	28.9%
Avanza Pension	8,929,590	4.5%
Swedbank Robur Fonder	6,000,000	3.0%
Vanguard	4,681,772	2.3%
Tredje AP-fonden	4,186,224	2.1%
Other shareholders	118,316,858	59.2%
Total:	200,000,000	100.0%

Board of directors, senior executives and auditor

The Company's board of directors comprises five members including the chairman of the board. The board members are Lars Nordstrand (chairman), Fredrik Carlsson, David Nilsson Sträng, Lisen Thulin and Marita Odélius Engström.

The Company's management team comprises Marcus Tillberg (CEO), Sofia Andersson (CFO), Johan Hähnel (Head of IR), Jonatan Heberlein (Head of Legal), Anneli Liljeros (CCO), Robert Olsson (Head of Operations) and Patrik Jönsson (CIO).

The Company's auditor since 2013 is Ernst & Young Aktiebolag, with Jesper Nilsson serving as auditor in charge. Jesper Nilsson is an authorised public accountant and a member of FAR.

Key financial information regarding the issuer

The financial information below has been derived from Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 that were prepared in accordance with the Swedish Annual Accounts Act for Insurance Companies (1995:1560), the SFSA's regulations and general guidelines regarding Annual Accounts at Insurance Undertakings and Institutions for Occupational Retirement Provision (FFFS 2019:23), including all applicable amendment regulations, and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. Selected financial information has also been derived from Solid Försäkring's reviewed financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020, which were prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

Selected income statement items

KSEK	Full-year January–December			January–September	
	Derived from audited information*			Derived from unaudited information**	
	Exempted IFRS***			IAS 34	
	2020	2019	2018	2021	2020
Premiums earned, net of reinsurance	912,654	898,481	828,678	722,805	681,101
Total claims incurred, net of reinsurance ¹⁾	–232,196	–222,941	–226,211	–175,256	–175,369
Profit before tax	60,604	63,435	18,873	120,423	79,633
Profit before appropriations and tax	120,604	125,435	83,873	120,423	79,633
Net profit for the period	43,372	49,455	14,335	94,651	61,497
Basic and diluted earnings per share, ²⁾ SEK	2.17	2.47	0.72	4.73	3.07

* Information derived from Solid Försäkring's reviewed but not audited financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020.

** Information derived from Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 presented in the section "Historical financial information" at the end of this Prospectus.

*** The Company's financial information is prepared in accordance with IFRS, on a statutory exemption basis ("Exempted IFRS"), which means applying International Financial Reporting Standards and IFRIC interpretations, as endorsed by the EU, to the extent possible within the framework of national laws and regulations, taking into account the relationship between accounting and taxation.

1) net of reinsurance

2) All periods have been calculated based on the current number of shares in Solid Försäkring, i.e. 20,000,000 shares. The number of shares increased from 30,000 to 20,000,000 due to a share split in August 2021.

Selected balance sheet items

KSEK	Full-year January–December 31 December			January–September 30 September
	Derived from audited information*			Derived from unaudited information**
	Exempted IFRS			IAS 34
	2020	2019	2018	2021
Investment assets	821,505	739,462	718,203	668,467
Other assets	1,481,709	1,391,271	1,294,211	1,563,752
Technical provisions, net of outward reinsurance	587,764	585,557	554,053	597,555
Financial liabilities	183,183	190,983	175,764	155,014
Total liabilities	787,860	790,103	742,173	775,131
Total equity	205,731	113,050	63,920	300,503
SCR ratio	148.4%	125.1%	142.9%	169.9%
Claims ratio	25.4%	24.8%	27.3%	24.2 %
Combined ratio	88.2%	89.6%	90.2%	88.7 %

* Information derived from Solid Försäkring's reviewed but not audited financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020.

** Information derived from Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 presented in the section "Historical financial information" at the end of this Prospectus.

Key risks that are specific to the issuer
Risks related to macroeconomic trends and general social conditions

Macroeconomic changes could affect the Company's earnings capacity, growth opportunities and operating profit. A decline in economic conditions could entail a decrease in general consumption and purchasing power, changes in consumer behaviour and preferences, and lead to lower demand for the Company's insurance products. General changes in society and deteriorated economic conditions could also affect the number of reported claims and the size of the claims. The scope of approved and submitted insurance claims could, for example, increase during a recession due to higher unemployment and higher sick leave figures, which in turn would lead to higher claim costs and lower earnings for the Company.

Risks related to competition

The Company faces competition from different competitors within each segment, primarily within the Nordic insurance market, and competes both with national and with international insurance companies. In addition, there may be other competitors on the date of this Prospectus which are unknown to the Company or new companies that start conducting business in the insurance market, offering products similar to those offered by the Company. There is a risk that the Company is unsuccessful in competing with other players in the insurance market, which could lead to a decreased demand for the Company's products forcing the Company to lower the price of its products or change its offering. A weakened market position in relation to competitors could also affect the Company's reputation and future earnings capacity, which could have a material negative impact on the Company's net sales and operating profit.

Risks related to the Company's IT system and IT infrastructure

The Company's IT system and its partners' IT systems may be vulnerable to criminal activity or disruptions, security breaches, unauthorised use, data viruses or other malicious codes that could result in disruptions to the operations, loss or theft of confidential information, including customer information. Any faults, interruptions or breaches in the Company's IT security, including possible errors in back-up systems or faults in handling the security of the Company's customer information, could harm the Company's reputation, customer relationships and trust, which may result in loss of customers, increased scrutiny by the supervisory authorities and a greater risk of legal action and financial liability. In addition, the Company is also subject to internal risks and system errors.

Risks related to the Company's partners

Part of the Company's growth strategy is to develop the partnerships with existing partners and enter agreements with more partners in selected markets. The Company is thereby reliant on highly functioning partnerships and its ability to retain existing partnerships and enter into new partnerships with partners on advantageous terms. Should the Company fail to enter new partnerships, or should any of the Company's existing partnerships end prematurely, it could have a material negative impact on the Company's offering, market position and earnings capacity as well as on the Company's ability to successfully implement its growth strategy.

Risks related to the Company's pricing models and reinsurance

The Company's profitability and earnings are largely dependent on whether actual claim outcomes are consistent with the assumptions the Company made when pricing its insurance products. There is a risk that extreme, unforeseeable events occur, which could be difficult for the Company to foresee in advance and protect itself against, and which could negatively impact the Company's results and its ability to pay compensation. There is furthermore a risk that the Company's reinsurance proves insufficient or fails to cover the claims that the Company could suffer in the future. The access and cost for reinsurance protection is determined and affected by market conditions outside the Company's control, and there is therefore a risk that the Company will incur higher costs or be unsuccessful in maintaining or securing sufficient reinsurance protection on advantageous terms for the Company.

Risks related to technical provisions and reserves for future insurance claims

There is a risk that the Company's technical provisions prove insufficient to cover the actual costs for future claims payments and related administrative expenses, particularly when adjustments of liability or claims payments cannot be made for a long time. Changes in some of the factors that the Company bases its calculations on could result in actual future claims costs and related expenses differing from the calculations reflected in the technical provisions in the Company's balance sheet.

Key risks that are specific to the issuer, cont.
Risks related to the Company's organisation and internal control

In its capacity as an insurance company, the Company is obliged to establish key functions that are to be independent, effective and free from undue influence. There is a risk that internal procedures are deficient or that the Company's systems, processes, governance documents and evaluation methods for internal control prove to be insufficient or unreliable, or cannot be complied with as desired, which could negatively impact the Company's operations and results. The Company is further subject to risks associated with the Company's ability to establish and maintain the systems and functions that were previously a part of the parent company Resurs Holding.

Risks related to the Company's claims adjustment

There is a risk that both the Company's internal and external claims adjustment functions incur disruptions or technical issues, which could negatively impact the Company's ability to satisfy customer needs in a quick and efficient manner. There is also a risk of delays in processing customer inquiries caused by a high workload in claims adjustment due, for example, to external circumstances that affect the frequency and size of the claim, which could damage the Company's reputation and its ability to successfully market and sell its products.

Risks related to false claims and fraud

There is the risk that customers present a misleading picture or fail to provide a complete picture of the relevant risks before taking out insurance or that the policyholder provides fraudulent or exaggerated claims. Furthermore, there is a risk that a customer files the same claim multiple times. The Company is also subject to a number of fraud-related exposures, such as fraudulent use of confidential information. There is a risk that the processes which the Company has initiated to protect itself from fraud fail to identify and counteract these risks or that such processes are not adhered to, which could harm the Company's reputation and brand as well as negatively impact the Company's operating profit.

Risks related to the authorisation required for conducting insurance operations

The Company is dependent on authorisations to conduct insurance operations both in Sweden as well as in the rest of the Nordic countries and in certain selected markets in Europe. There is a risk that supervisory authorities intervene by issuing a remark, warning or injunction to limit or reduce the risks in the operations, limit or completely forbid dividends or interest payments, limit or prohibit the Company's right of disposal over its assets, appoint a special representative to manage all or parts of the Company's operations or revoke the Company's authorisation.

Risks related to the Company's investment portfolio

The Company's investment portfolio is highly affected by general macroeconomic factors and developments in financial markets. A decline in economic conditions in any of the countries or any of the markets in which the Company operates, including but not limited to fluctuations in financial markets, inflation, market interest rates and exchange-rate differences could in part affect the demand for the Company's products and negatively impact the Company's investment portfolio, capital income and operating profit. In addition, the Company is also subject to risks related to its investment portfolio and deviations related to the investment portfolio's monthly or quarterly market value could negatively impact the Company's total operating profit in the short term.

Key information regarding the securities
The main features of the securities
Type, class and ISIN of the securities

The forthcoming admission to trading refers to the shares in Solid Försäkring with ISIN code SE0017082548. The Company has one class of shares.

Currency, nominal value and number of securities

The shares are denominated in Swedish kronor (SEK). On the date of the publication of this Prospectus, the Company's share capital amounted to SEK 30,000,000, divided between 20,000,000 shares with a quota value (nominal value) of SEK 1.50 per share. All shares are fully paid.

The main features of the securities, cont.**Rights associated with the securities**

Shareholders are entitled to vote for their total number of shares and each share entitles the holder to one vote at a general meeting. All shares in the Company give equal rights to dividends, share in the Company's profit and assets, and any surpluses in the event of liquidation. The Company's shares have been issued in accordance with Swedish legislation and the shareholders' rights may only be altered on the basis of an amendment to the articles of association in accordance with the Swedish Companies Act.

Existing shareholders normally have preferential rights to subscribe for new shares, warrants and convertibles in relation to their current holdings. However, the general meeting or the board, based on the authorisation from the general meeting, may decide to deviate from the shareholders' preferential rights in accordance with the Swedish Companies Act. The new shares carry the right to dividends for the first time on the record date for dividends that occur after the shares have been registered with the Swedish Companies Registration Office and entered into the share register maintained by Euroclear Sweden AB.

Transferability of the shares

There are no restrictions on the free transferability of the shares in the Company.

Dividend policy

According to the dividend policy adopted by the board of directors, the Company intends to pay an annual dividend corresponding to at least 50 per cent of net profit for the year as from and including the financial year 2022.

The board's future dividend proposals will in particular take into account Solid Försäkring's expected future income, financial position, cash flows, net requirements for working capital, capital investments and other factors. In addition, the Company is subject to capital and solvency requirements under the regulations applicable to insurance companies, which may affect Solid Försäkring's ability to pay dividends in the future. The Company's current dividend policy is based on current regulatory requirements and any future changes of regulatory requirements may affect Solid Försäkring's dividend policy.

Where will the securities be traded?

On 28 October 2021, the Nasdaq Stockholm Listing Committee decided that the Company meets Nasdaq Stockholm's listing requirements subject to customary conditions, including fulfilment of the distribution requirement for the Company's shares, being met no later than the listing date and that the Company applies for the Company's shares to be admitted to trading on Nasdaq Stockholm. Based on this, the Company's board of directors intends to apply for admission to trading of the Company's shares on Nasdaq Stockholm with the expected first day of trading on 1 December 2021. The ticker of the share will be SFAB.

Key risks that are specific to the securities**An active, liquid and functioning market for the Company's shares may not develop, the price of the shares may be volatile, and potential investors could lose part of or all of their investment**

The development of the share price depends on various factors, some of which are company specific, while others are linked to the stock market as a whole. After the listing, the difference between the buy and sell price could vary considerably from time to time, which makes it more difficult for shareholders to sell shares at a specific time and at a preferred price. This could negatively impact the share's liquidity and could result in low trading volumes. The liquidity of the securities could negatively impact the price at which an investor in the Company's share can sell the shares. Since an investment in shares may decrease in value, there is a risk that an investor will not recover the invested capital.

After the admission to trading, major shareholders will have a significant influence over the Company and could exercise this in a manner that is not in the interests of the other shareholders

After the distribution of the shares in Solid Försäkring and the completion of the listing, Waldakt AB will own approximately 29 per cent of the shares and votes in the Company. There is a risk that Waldakt or other major shareholders will continue to have a significant influence over the outcome in matters referred to the Company's shareholders for approval, and major shareholders will thus have a significant influence over the Company's corporate management and operations. Major shareholders' interests could differ considerably from, or compete with the interest of the Company or other shareholders, and major shareholders could exercise this influence in a manner that is not in the interests of the other shareholders.

Key risks that are specific to the securities, cont.
Future sales of shares by existing shareholders may negatively impact the price of the shares

Resurs Holding's major shareholder, Waldakt AB, has undertaken, in relation to ABG Sundal Collier, with certain exceptions and during a period of 180 days after the first day of trading of Solid Försäkring's shares on Nasdaq Stockholm, not to sell the shares in Solid Försäkring that Waldakt will receive through the distribution of the shares in Solid Försäkring. When the 180-day period has expired, the shares subject to the undertaking may be offered to be sold without limitations. Sales of substantial amounts of shares carried out by major shareholders, as well as a general market perception that sales could occur, could cause the price of the Company's share to decline. If the price of the Company's share declines, it could mean that an investor will not recover invested capital.

Key information regarding the admission to trading on Nasdaq Stockholm
Under which conditions and timetable can I invest in these securities?
Distribution of the shares in Solid Försäkring (no offering)

The Prospectus does not constitute an offering. The shares in Solid Försäkring are distributed to the shareholders of Resurs Holding in relation to each shareholder's current shareholding on the record date decided by the board of directors of Resurs Holding (29 November 2021). Ten (10) shares in Resurs Holding entitles to one (1) share in Solid Försäkring.

Admission to trading

On 28 October 2021, the Nasdaq Stockholm Listing Committee decided that the Company meets Nasdaq Stockholm's listing requirements subject to customary conditions, including fulfilment of the distribution requirement for the Company's shares, being met no later than the listing date and that the Company applies for the Company's shares to be admitted to trading on Nasdaq Stockholm. Based on this, the Company's board of directors intends to apply for admission to trading of the Company's shares on Nasdaq Stockholm with the expected first day of trading on 1 December 2021.

Why is this Prospectus being produced?
Background and reasons

On 4 October 2021, Resurs Holding announced the proposal to distribute all of the shares in Solid Försäkring to the shareholders of the parent company and a subsequent listing of Solid Försäkring on Nasdaq Stockholm. At an extraordinary general meeting on 2 November 2021, the shareholders of Resurs Holding resolved, in accordance with the board's proposal, to distribute all of the shares in the wholly owned subsidiary Solid Försäkring to the shareholders of Resurs Holding. The first day of trading in Solid Försäkring's shares on Nasdaq Stockholm is expected to be 1 December 2021.

Solid Försäkring's board believes that the separation of the Company from the parent company Resurs Holding as well as the listing of the Company on Nasdaq Stockholm will raise awareness of the Company's operations, strengthen Solid Försäkring's brand, both among partners and among customers, and improve the ability to attract and retain qualified personnel and key employees. Furthermore, the board of Solid Försäkring believes that the listing will entail an independent and more efficient capital allocation with direct access to the Swedish and international capital markets, including a broad and long-term ownership base, which is expected to support Solid Försäkring's continued growth and development.

Conflict of interests

ABG Sundal Collier AB is acting as financial advisor to the Company in connection with the admission to trading on Nasdaq Stockholm. Setterwalls Advokatbyrå AB is acting as legal advisor of the Company and Baker & McKenzie Advokatbyrå KB is acting as legal advisor of ABG Sundal Collier in connection with the admission to trading on Nasdaq Stockholm. These advisors (and their related companies) have provided, and may in the future provide, various banking, financial, investment, commercial and other services to the Company for which they have received, or may receive, remuneration.

Risk factors

An investment in securities is associated with risks. This section describes the risk factors and significant circumstances considered to be material to the Company's business and future development. In accordance with the Prospectus Regulation, risk factors contained in this section are limited to risks which are specific to the Company and/or the Company's shares and which are deemed material for an investor to make a well-informed investment decision. The Company has thus assessed the materiality of the risk factors on the basis of the probability of their occurrence and the expected extent of their negative effects on the Company's business, earnings and/or financial position. The risks have therefore, in cases where a risk could not be quantified, been graded on a qualitative scale as low, medium and high. The risk factors have been divided into the categories Market-related risks, Business-related risks, Regulatory risks, Legal risks, Financial risks and Risks related to the shares and the admission to trading. Those risk factors deemed most material on the date of this Prospectus are presented first in each category, followed by the subsequent risk factors which are not ranked in any particular order of importance. The presentation below is based on the Company's assessment and information available on the date of this Prospectus.

Market-related risks

Risks related to macroeconomic trends and general social conditions

Solid Försäkring conducts niche non-life insurance operations in the Nordic region¹⁾ and selected markets in Europe. The Company's offering is divided into three segments covering, among others, all-risk coverage insurance and elimination of deductibles for a broad spectrum of product categories including bicycles and consumer electronics, income insurance, payment protection insurance, travel insurance, roadside assistance and insurance associated with vehicle warranties. The Company's insurance products are primarily aimed at private individuals and the Company is thereby exposed to general market conditions and consumption trends in those markets within which it operates.

Macroeconomic changes could affect the Company's earnings capacity, growth opportunities and operating profit. A decline in economic conditions could entail a decrease in general consumption and purchasing power, changes in consumer behaviour and preferences, and lead to lower demand for the Company's insurance products. General changes in society and deteriorated

economic conditions could also affect the number of reported claims and the size of the claims. The scope of approved and submitted insurance claims could, for example, increase during a recession due to higher unemployment and higher sick leave figures, which in turn would lead to higher claim costs and lower earnings for the Company.

Also global events such as natural disasters, climate change and pandemics may affect the demand for the Company's products, for example, through lower demand for travel insurance following a decline in the amount of airline travel. The outbreak of the COVID-19 pandemic has had a major impact on the global economy and global commerce as well as on social behaviour and consumption which has, among other things, affected the Company in the form of a decline in demand for travel insurance and an increase in the number of reported claims under the *Personal Safety* segment involving, among other things, payment protection insurance (PPI) and income insurance due to furloughing and unemployment. It is currently difficult to assess the continued development of the COVID-19 pandemic, its effects and the scope of national protective measures

1) Unless otherwise stated, the Nordic region refers to Sweden, Finland, Denmark and Norway throughout the Prospectus.

and restrictions, and it is difficult to envision how long the effects may last and to what extent they may affect the Company in future.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as medium and that the risks, should they be realised, could have a high negative impact on the Company.

Risks related to competition

The insurance industry is characterised by intense competition from a number of different local and major international players. Insurance companies are able to market themselves and conduct cross-border insurance operations within the European Economic Area ("EEA"), which generates many opportunities for the Company but also increased competition. The Company faces competition from different competitors within each segment, primarily within the Nordic insurance market, and competes both with national and with international insurance companies. In addition, there may be other competitors on the date of this Prospectus which are unknown to the Company or new companies that start conducting business in the insurance market, offering products similar to those offered by the Company. The Company's competitiveness relies on a number of different factors, including the Company's ability to offer and provide an attractive offering, execute strategies in a profitable manner, recruit and retain talented and professional staff, develop and enter partnerships with partners, and offer an attractive pricing model. In addition, the Company's ability to retain and attract customers depends on the Company's ability to provide flexible solutions to counter any changes in customer preferences and customer needs.

There is a risk that the Company is unsuccessful in competing with other players in the insurance market. If the Company fails to provide attractive and innovative solutions, or if competitors prove to be better at responding to new trends, demand or regulatory expectations, there is a risk that the demand for the Company's products will decline and the Company may be forced to lower the price of its products or change its offering. In addition, competing companies may prove to have greater financial resources to invest in the development, sales and marketing of their products or enter agreements with key partners in the insurance industry. A weakened market position in relation to competitors could affect the Company's reputation and future earnings capacity, which could have a material negative impact on the Company's net sales and operating profit. Greater competition could also generate more pressure on prices, lower profit margins and higher sales and marketing costs. Furthermore, the Company's partners who distribute the Company's insurance products are exposed to competition in their specific markets and,

should the Company's partners' market position weaken due to competition, it could have a material negative impact also on the Company.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as medium and that the risks, should they be realised, could have a medium negative impact on the Company.

Business-related risks

Risks related to the Company's IT system and IT infrastructure

The Company relies on a well-functioning IT system and its ability to maintain and develop its IT platform as well as predict, manage or implement technical advances in a cost-effective manner. In connection with the separation from Resurs Group, the Company entered into new agreements with external suppliers for the delivery of IT infrastructure services, which have previously been provided to the Company by the same suppliers via the Resurs Group. Shortcomings in the suppliers' fulfilment of their commitments to the Company, or other interruptions, could furthermore have negative impacts on the Company's operations. In addition, the Company largely relies on its ability to process, store and transfer customer information and other confidential information in a reliable manner in the Company's data system and network (regarding customer information processing, please refer to the risk factor "*Risks related to the Company's processing of personal data*"). The Company's IT system and its partners' IT systems may be vulnerable to criminal activity or disruptions, security breaches, unauthorised use, data viruses or other malicious codes that could result in disruptions to the operations, loss or theft of confidential information, including customer information. Any faults, interruptions or breaches in the Company's IT security, including possible errors in back-up systems or faults in handling the security of the Company's customer information, could harm the Company's reputation, customer relationships and trust, which may result in loss of customers, increased scrutiny by the supervisory authorities and a greater risk of legal action and financial liability. Supervisory authorities could also impose fines on the Company or demand that measures be taken to increase the Company's IT security, which could result in extensive costs for the Company and negatively impact the Company's reputation. There is furthermore a risk that any costs due to shortcomings in the externally provided IT services cannot be passed on to the Company's suppliers due to limitations of liability on the Company's agreements.

Aside from the risk of external disruptions or breaches of the Company's IT infrastructure, the Company is also subject to internal risks and system errors. If the Company's customer and payment system proves unreliable or

has limited capacity, it may have a major impact on the Company's transactions, such as in the form of double payments made or received to or from customers, which could harm the confidence in the Company and its reputation. A certain degree of manual processing in the system also increases the risk of error. In addition, there is a risk that the partners with whom the Company shares customer information lack sufficient IT security or on-site security procedures to protect the information shared by the Company with them or that such partners misuse the shared information. If the Company suffers disruptions, interruptions or breaches of the above-mentioned type, it could cause considerable delays or interruptions to the Company's operations and entail higher costs to remedy and manage which could, in turn, have a material negative impact on the Company's operating profit.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as medium and that the risks, should they be realised, could have a medium to high negative impact on the Company.

Risks related to the Company's partners

A key component of the Company's is to enter strategic partnerships with different types of partners. The Company's insurances are distributed mainly by so-called excluded ancillary insurance intermediaries, including foreign equivalents ("**Special Agents**"), within a number of different sectors both in physical stores and online. Furthermore, the Company's insurances are distributed by a number of tied insurance intermediaries and tied ancillary insurance intermediaries, including foreign equivalents ("**Affiliated Agents**") as well as independent insurance intermediaries. The Company has partnerships in the retail sector and with, among others, credit institutions, banks, travel companies and car dealerships. One of the Company's largest partners is Resurs Bank Aktiebolag ("**Resurs Bank**") which offers its customers the Company's payment protection insurance for credits taken out via Resurs Bank. Part of the Company's growth strategy is to develop the partnerships with existing partners and enter into agreements with more partners in selected markets. The Company is thereby reliant on highly functioning partnerships and its ability to retain existing partnerships and enter new partnerships with partners on advantageous terms. How often the Company's partnership agreements are renegotiated varies depending on different types of partnerships and there is a risk that the Company is unsuccessful in such negotiations in securing material terms of significance for the Company. Should the Company fail to enter new partnerships, or should any of the Company's existing partnerships end prematurely, it could have a material negative impact on the Company's offering, market position and earnings capacity as well as on the Company's ability to successfully implement its growth strategy.

There is also a risk that the Company's partners are unable to discharge their commitments, find themselves in financial difficulties or be declared bankrupt due, for example, to the emergence of new market players who prove more successful than the Company's partners. In addition, there is a risk that partners report incorrectly to the Company or fail to follow the Company's procedures, processes or instructions, which may negatively impact the Company's business and reputation.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as medium and that the risks, should they be realised, could have a medium negative impact on the Company.

Risks related to the Company's pricing models and reinsurance

The Company's business consists of providing non-life insurance products primarily to private individuals and the Company's profitability and earnings are largely dependent on whether actual claim outcomes are consistent with the assumption the Company made when pricing its insurance products. The Company's ability to correctly quantify the risk exposure and, as a result of this, successfully price its insurance products, is subject to different risks and uncertainty factors, including exposure to claims inflation, changes in claims frequency, unforeseen regulatory amendments and unexpected or new types of claims. Furthermore, there is a risk that extreme, unforeseeable events occur, for example natural disasters or pandemics such as the global COVID-19 pandemic, which are outside the Company's control. Such events could be difficult for the Company to foresee in advance and protect itself against, and negatively impact the Company's results and its ability to pay compensation. If the Company's actual damages and costs or income from investments deviate from the underlying calculations and estimates that the Company uses to price its products, or if the Company's pricing deviates from market prices for similar insurance products, this could lead to extensive losses for the Company and negatively impact the Company's competitiveness.

There is furthermore a risk that the Company's reinsurance proves insufficient or fails to cover the claims that the Company could suffer in the future. The Company's reinsurance contracts are signed with the ambition to mitigate the effect of substantial claims and insurance events that the Company was unable to foresee, and the level of the reinsurance protection is based on a number of factors that may change over time. The access and cost for reinsurance protection is determined and affected by market conditions outside the Company's control, and there is therefore a risk that the Company will incur higher costs or be unsuccessful in maintaining or securing sufficient reinsurance protection on advantageous terms for the Company. Furthermore, there is a

risk that reinsurers fail to fulfil their commitments, which could negatively impact the Company's financial position and its ability to pay compensation.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as medium and that the risks, should they be realised, could have a low negative impact on the Company.

Risks related to technical provisions and reserves for future insurance claims

The Company continuously makes technical provisions to cover the estimated costs for future claims payments and related administrative expenses. As per the 30 September 2021, the Company's technical provisions amounted to SEK 593,039.¹⁾ Due to the uncertainty surrounding the risks that the Company incurs, as well as the timing of these, when designing and taking out insurance products, the Company is unable to precisely determine the amounts that the Company will ultimately pay to cover the liabilities related to the insurance policies offered by the Company. The uncertainty of technical provisions is usually higher for new portfolios for which complete settlement statistics are not yet available and for portfolios in which final adjustment of claims takes place following a long period of time. There is a risk that the Company's technical provisions prove insufficient to cover the actual claims, particularly when adjustments of liability or payment of demands cannot be made for a long time. The Company calculates the technical provisions using a number of technical and statistical forecasts and assumptions based on different variables. The calculations depend on other variable factors that cannot be identified by technical and statistical methods, which rely solely on historical data, which could contribute to the uncertainty regarding the technical provisions calculations.

Changes in some of the factors that the Company bases its calculations on could result in actual future claims costs and related expenses differing from the calculations reflected in the technical provisions in the Company's balance sheet. To the extent that the Company's technical provisions are subsequently expected to be insufficient to cover future costs for receivables or administrative expenses, the Company may be forced to increase its technical provisions and incur an equivalent reduction in operating profit for the period in question. Furthermore, if the Company's technical provisions are overestimated due to overestimating a risk, the Company could possibly set premiums at levels which are too high, which could affect the Company's reputation and competitiveness. On the other hand, the Company could incur insurance losses if the insurance premiums the Company takes out are insufficient for the protection provided, which could lead to extensive costs and a negative impact on the Company's operating profit.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as medium and that the risks, should they be realised, could have a low negative impact on the Company.

Risks related to the Company's organisation and internal control

The Company is subject to operational risks associated with corporate governance and internal control. In accordance with Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (the "**Solvency II Directive**"), all insurance companies are required to have four key functions – a risk management function, a compliance function, an actuarial function and an internal audit function – which are to be independent, effective and free from undue influence. The Company is responsible for setting up these functions and ensuring that they act correctly. Since 1 July 2021, the European Insurance and Occupational Pensions Authority's ("**EIOPA**") Guidelines on Information and Communication Technology Security and Governance ("**ICT guidelines**") are in force. The ICT guidelines stipulate, among other matters, that insurance companies are to establish an information security function in charge of information security measures and procedures. In addition to the aforementioned functions, the Company has established various support functions responsible for specific parts of the Company's business, such as asset management, business development, IT and finance. There is a risk that internal procedures are deficient or that the Company's systems, processes, governance documents and evaluation methods for internal control prove to be insufficient or unreliable, or cannot be complied with as desired, which could negatively impact the Company's operations and involve high costs to rectify. Any handling errors, mistakes, lack of personnel resources or lack of training could have similar effects. Establishing and maintaining key functions and internal control is both time- and resource-intensive, and there is also a risk that the Company, due to amended regulations or audits by supervisory authorities, will need to devote further resources to internal control which could be time-consuming and costly for the Company. The Company is furthermore subject to risks associated with the Company's ability to establish and maintain the systems and functions that were previously part of the parent company Resurs Holding AB ("**Resurs Holding**"), such as a highly functioning IT infrastructure. Should the Company be unsuccessful in this, it could have a material negative impact on the Company's operations and earnings capacity.

1) The technical provisions consist of Technical provisions, net of outward reinsurance, less Reinsurer's share of technical provisions, both included in the Company's balance sheet, and also defined as a performance measure under the section "*Selected historical financial information*".

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as low to medium and that the risks, should they be realised, could have a low to medium negative impact on the Company.

Risks related to the Company's potential to retain and recruit key employees

The Company's performance and future growth depend on the work performed and the knowledge and competence possessed by the Company's employees, temporary staff and other service providers and insurance intermediaries. The company depends particularly on its management team which possesses extensive experience and expertise in the insurance industry and the key employees who are responsible for specific functions and systems within the Company. The Company's ability to compete effectively and achieve its strategic targets is dependent on the Company's ability to attract new employees, and to retain and motivate existing employees, senior executives and other key employees. The Company may in future need to recruit further senior executives and other key employees with relevant expertise and industry experience in order to successfully conduct and develop the business in accordance with the Company's long-term growth targets and strategy. There is a risk that the job market and potential to recruit in or around Helsingborg where the Company has its registered office is limited, which may lead to difficulties during future recruitments and a competitive disadvantage in relation to companies located in larger cities with a larger job market and access to specialist skills.

Loss of senior executives or other key employees who contribute to a high extent to the Company's business or sales, and difficulties in recruiting and retaining talented employees with similar education and experience in the future could lead to a gap in skills, which in turn could negatively impact the Company's operations in both the short and long term, and have a material negative impact on the Company's growth opportunities and results.

On the date of this Prospectus, the Company assesses the likelihood that the risk will be realised, in whole or in part, as low and that the risks, should they be realised, could have a low to medium negative impact on the Company.

Risks related to the Company's claims adjustment

The Company's customers rely on a highly functioning claims adjustment that can answer questions and handle insurance claims quickly and efficiently through all channels of communication and in every country where the Company operates. The Company provides claims adjustment both internally and through external partners, depending on the type of segment. There is a risk that both the Company's internal and external claims adjustment functions incur disruptions or technical issues,

which could negatively impact the Company's ability to satisfy customer needs in a quick and efficient manner. There is also a risk of delays in processing customer inquiries caused by a high workload in claims adjustment due, for example, to external circumstances that affect the frequency and size of the claim, which could damage the Company's reputation and its ability to successfully market and sell its products. Furthermore, there is a risk that the partners who the Company uses for external claims adjustment fail to manage the flow of customers and provide quick and efficient support.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as low to medium and that the risks, should they be realised, could have a low negative impact on the Company.

Risks related to false claims and fraud

The Company is exposed to risks related to fraud and false claims from customers and policyholders. The Company runs the risk that customers present a misleading picture or fail to provide a complete picture of the relevant risks before taking out insurance or that the policyholder provides fraudulent or exaggerated claims. Furthermore, there is a risk that a customer files the same claim multiple times. The Company is also subject to a number of fraud-related exposures, such as fraudulent use of confidential information. In addition, the Company is exposed to risks associated with employees being unable to follow, or circumventing, fraud-preventing procedures. There is a risk that the processes which the Company has initiated to protect itself from fraud fail to identify and counteract these risks or that such processes are not adhered to. The emergence of fraud in any aspect of the Company's operations could harm the Company's reputation and brand and, depending on which segment is affected, negatively impact the Company's operating profit.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as low and that the risks, should they be realised, could have a low negative impact on the Company.

Risks related to the separation and distribution of the shares in Solid Försäkring

In order to create more favourable conditions for Solid Försäkring's continued development and growth, the parent company Resurs Holding has resolved to distribute all of the shares in Solid Försäkring to the shareholders of Resurs Holding and, in connection with the distribution and to further broaden and diversify the Company's ownership base, has resolved to list the Company on Nasdaq Stockholm. The expected advantages of the separation of Solid Försäkring from the parent company Resurs Holding are raised awareness of the Company's operations, strengthening of Solid Försäkring's brand,

both among partners and among customers, and improved potential to attract and retain qualified personnel and key employees. Furthermore, the listing is expected to entail independent and more efficient capital allocation with direct access to the Swedish and international capital markets. However, there is a risk that the expected advantages of the distribution will not be achieved if the assumptions on which the decision to carry out the distribution are based prove to be incorrect or if the expected advantages or underlying drivers have been overestimated. For example, as an independent company, Solid Försäkring may not be able to secure external financing or other financial service at equally advantageous terms as those available to the Company prior to the separation. There is also a risk that the investors' will to invest directly in the Company is overrated, which may lead to an unfavourable trend in the Company's share price after the listing of the Company's share on Nasdaq Stockholm. To the extent the Company as an independent company incurs further costs or generates lower sales, its operations, financial position and results could be negatively impacted and the expected advantages from the distribution may not be realised.

After the separation from Resurs Holding, Solid Försäkring will no longer be able to use or benefit from shared functions and resources in the same way as before the separation. In preparation for the planned listing on Nasdaq Stockholm, Solid Försäkring has established a number of new functions and policies, and strengthened existing functions and internal resources in order to meet the requirements placed on companies listed on Nasdaq Stockholm. There are additional costs associated with being listed on a regulated market and operating in a stock market environment that Solid Försäkring has not previously incurred as a subsidiary to Resurs Holding. There is a risk that such increased costs are not covered by the expected advantages of the planned listing.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as low and that the risks, should they be realised, could have a low negative impact on the Company.

Regulatory risks

Risk related to the authorisation required for conducting insurance operations

In accordance with the Swedish Insurance Business Act (2010:2043) ("IBA"), Swedish insurance companies may only conduct business after securing authorisation from the SFSA and Swedish insurance companies are supervised by the SFSA. Authorisation issued by the SFSA can, after a process of notification, be passported in order to conduct business in other EEA countries, which the Company has received in order to conduct cross-border operations in selected European markets. Furthermore,

the Company is authorised by the SFSA for its branch offices in Norway, Finland and Switzerland. Even though authorisation to conduct insurance operations can be passported to other EEA countries, local laws and provisions may vary within the EEA countries where the Company conducts business and these may deviate from the laws and regulations within the applicable home state. For example, the Company's authorisation to conduct cross-country operations in the UK is subject to a so-called Temporary Permissions Regime (TPR), which means that the authorisation is, due to Brexit, valid for a limited period after which the Company must apply for a new authorisation in order to conduct cross-border operations in the UK.

The Company's other authorisations are indefinite but can be revoked by the SFSA. Furthermore, the SFSA can intervene by, for example, issuing a remark, warning or injunction to limit or reduce the risks in the operations, limit or completely forbid dividends or interest payments, limit or prohibit the Company's right of disposal over its assets, appoint a special representative to manage all or parts of the Company's operations or revoke the Company's authorisation. Should the Company be subject to significant sanctions, remarks or warnings and/or penalties, it could cause considerable damage to the Company's reputation and potential to enter into partnerships with Special Agents, Affiliated Agents and independent insurance intermediaries which could, in turn, affect the Company's operations, earnings capacity and operating profit. Permanent or temporary loss of the Company's authorisation to conduct insurance operations would also force the Company to cease its insurance operations and thus its entire business.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as low and that the risks, should they be realised, could have a high negative impact on the Company.

Risks related to compliance and regulatory developments in the insurance sector

The insurance business is to a great extent subject to compliance in the form of capital requirements, pricing, marketing and sales. The regulatory environment comprises, among other things, the Solvency II Directive, the Insurance Distribution Directive,¹⁾ Swedish insurance acts and binding regulations from the SFSA. In addition, the Company is subject to regulation and supervision in all jurisdictions in which the Company operates. For example, all insurance companies are subject to solvency requirements, which mainly regulate the amount of capital that the Company must have in order to discharge its commitments to the insured, and provisions that regulate how the Company may invest its assets. The uncertainty in solvency calculations increases as the strategic plan-

1) The Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution (recast).

ning horizon draws closer, and there is therefore a risk that the Company's solvency calculations prove to be misleading or incorrect. The laws, regulations and administrative provisions that the Company must adhere to are also subject to change over time and compliance could, from time to time, entail considerable costs. Furthermore, these local laws, regulations and administrative provisions may differ considerably from jurisdiction to jurisdiction and measures that have been taken to comply with laws in one jurisdiction may be insufficient in terms of compliance in another jurisdiction. In addition, the consequences of insufficient compliance may differ considerably between different countries and jurisdictions.

The regulatory environment for insurance business is often subject to evaluation, audit and change. The Company is subsequently exposed to risks that arise due to the regulatory uncertainty and the rapidly changing and growing regulatory environment, including the risk that the basic conditions for the Company's operations and business offer could change due to amendments or new interpretations of existing laws and regulations and due to the implementation of new laws. Furthermore, costs for compliance and control of compliance increase due to increasingly extensive regulation, which could negatively impact the Company's operating profit. If the Company is considered not to have sufficiently complied with the relevant statutory requirements, or applicable laws, regulators or administrative provisions, the Company risks being issued with a number of sanctions, fines and/or restrictions concerning its insurance permit, primarily from the SFSA, but also from supervisory authorities in other countries where the Company conducts operations. There is also a risk that local authorities will not interpret laws and regulations in the same way as the Company, and the courts and authorities may apply the regulations differently than the Company. Furthermore, there is a risk that the Company's partners fail to fulfil the laws applicable at any time concerning insurance distribution, consumer law and other applicable regulatory frameworks and thereby risk having their registrations or authorisation revoked, which may lead to higher costs and thereby a lower profit for the Company and damaged reputation.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as medium and that the risks, should they be realised, could have a medium negative impact on the Company.

Legal risks

Risks related to the Company's processing of personal data

In the framework of its operations, the Company collects and processes a large amount of customer and personal data related to, for example, customer information, payment and account details and personal data regarding the Company's employees. The Company is thus subject to the Regulation (EU) 2016/679 of the European Parliament and of the Council ("**GDPR**"). Personal data that the Company possesses could also include data related to health which, among other things, imposes a requirement that the Company must have an appointed data protection officer. The task of the data protection officer includes providing advice and support to the organisation regarding the processing of personal data, making recommendations when performing so-called impact assessments related to data protection and overseeing the Company's GDPR compliance. The Company has taken measures to ensure secure personal data processing and expects to continue to allocate resources for GDPR compliance and to evaluate the need for further compliance measures. Such measures could prove to be both costly and time consuming for the Company, which could negatively impact the Company's results.

There is a risk that the Company at present, or in the future, will be unable to fulfil the requirements imposed by the GDPR. In addition, there is a risk that an IT or systems disruption or breach could lead to a leak of personal data and other sensitive information. Incorrect or insufficient processing of personal data, shortcomings in the Company's obligations to those whose personal data are processed and other violations under the GDPR could entail extensive sanctions in the form of fines amounting to the higher of EUR 20 million or 4 per cent of the Company's annual sales, which could lead to considerable costs and have a material negative impact on the Company and its business, both in terms of reputation and financially. Decisions from relevant supervisory authorities in the jurisdictions in which the Company conducts business that the Company must modify its current personal data processing procedures may also result in additional costs and administration for the Company.

Furthermore, the Court of Justice of the European Union issued its judgement on 16 July 2020 in case C-311/18 (the so-called "**Schrems II case**") regarding the legitimacy of transfer of personal data from providers established within the EU to so-called "**third countries**" (countries outside the EU). The verdict means that the verification that companies previously could rely on during transfer of personal data to the US, the so-called "**Privacy Shield**", was invalidated with immediate effect. The verdict also limits the possibilities of using the EU's standard contract clauses for transfers to a third country, namely all

countries outside the EU including the US. The Company processes data in certain systems that may entail a transfer of data to a third country, and the Company has established internal procedures for transfer impact assessments in preparation for the use of systems that may involve third country transfers. The transfer impact assessments have also been performed in relation to the new IT agreements that have been signed following the separation from Resurs Group. Although the Company has established internal procedures for transfer impact assessments, it is somewhat uncertain to what extent different types of security measures and processes will be required to fulfil the GDPR after the verdict in the Schrems II case. There is therefore a risk that an outcome of the verdict will be that the Company is forced to renegotiate existing agreements, is limited in its choice of suppliers and partners, or fails to comply with the GDPR due to the prohibited transfer of personal data to third countries.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as low and that the risks, should they be realised, could have a high negative impact on the Company.

Risks related to insurance disputes and legal proceedings

From time to time, the Company may become involved in disputes within the framework of standard business activities, and is exposed to risks associated with customers, suppliers, partners or others taking legal action against the Company. Disagreements may arise, for example, in relation to the interpretation of insurance terms, incurred damage and the size of the insurance compensation. The Company has a highly efficient function and reporting procedures for handling customer complaints and, from a historic perspective, the number of customer complaints has been few. However, there is a risk that future disagreements cannot be resolved and that the customer pursues the matter at the National Board for Consumer Disputes or foreign equivalents, or alternatively, a court. These disputes, regardless of the outcome, may generate negative publicity which could negatively impact the Company's reputation. In addition, large-scale and complicated disputes with partners can be costly, time- and resource-consuming, which could disrupt the Company's standard business activities. Furthermore, the outcome of such disputes could have a material negative impact on the Company's financial position and results.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as low and that the risks, should they be realised, could have a medium negative impact on the Company.

Risks related to the Company's intellectual property rights

The Company owns or possesses a number of intellectual property rights, including but not limited to the trademarks, domains, logotypes and software used in the operations. Some of the Company's most used trademarks, SOLID FÖRSÄKRING, SOLID INSURANCE and GARANTIDIREKT, are registered and have protection in the countries where they are primarily used. In addition to registration of the above-mentioned trademarks and domains, the Company has limited protection for other aspects of these intellectual property rights, including company secrets not covered by intellectual property right protection, which may impair the Company's ability to protect itself against breaches or third-party use of, for example, concepts and ideas in the Company's software. The Company protects its intellectual property rights to the extent it is possible and deemed to be motivated from a business perspective. However, there is a risk that the Company will not be able to defend its intellectual property rights, or that employees and partners that have access to company-classified information despite rules of professional secrecy in relation to the Company, disclose or otherwise use this in a manner that harms the Company. There is also a risk that the Company is considered to be in breach of intellectual property rights owned by others, which may lead to the Company being involved in costly proceedings with uncertain outcomes. If the Company fails to protect and retain its intellectual property rights, maintain licences and authorisation, or should it be considered in breach of intellectual property rights owned by others, it could have a material negative direct or indirect impact on the Company's ability to use its products, as well as on its reputation and operating profit.

On the date of this Prospectus, the Company assesses the likelihood that the risk will be realised, in whole or in part, as low and that the risks, should they be realised, could have a low to medium negative impact on the Company.

Financial risks

Risks related to the Company's investment portfolio

The Company's investment portfolio is highly affected by general macroeconomic factors and developments in financial markets. A decline in economic conditions in any of the countries or any of the markets in which the Company operates, including but not limited to fluctuations in financial markets, changes in share prices, inflation, market interest rates and exchange-rate differences could in part affect the demand for the Company's products and negatively impact the Company's financial position and investment portfolio. Returns from investments

are a key component of the Company's profitability, and fluctuations and declines in the financial market could therefore affect the Company's ability to make payments and negatively impact the Company's capital income and operating profit. In addition, the Company is subject to risks associated with its investment strategy. The Company's investment portfolio is market valued monthly and there is a risk that major deviations related to the investment portfolio's monthly or quarterly market value could negatively impact the Company's total operating profit in the short term.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, in the medium or long term as low to medium and that the risks, should they be realised, could have a medium negative impact on the Company.

Risks related to the Company's ability to raise capital when needed

In its capacity as an insurance company, the Company is subject to extensive solvency and capital requirements. The Company's costs mainly comprise claims paid which, from time to time, may be considerable. The Company expects that considerable costs could arise also in future, including costs related to future acquisition activities and the Company's growth strategy. This, combined with expected operating expenses, could negatively impact the Company's operating profit for a foreseeable future and there is a risk that the Company will not generate sufficient income to maintain profitability or conduct business in accordance with the Company's strategy and targets. The Company may also experience uneven cash flows between periods, for example, due to external circumstances that affect the need for specific types of insurance and the number of reported insurance claims and their size. The Company may thus also in future need to raise more capital. There is a risk that the Company is unable to raise capital when the need arises or that capital cannot be raised on terms favourable for the Company, which could have a material negative impact on the Company's operations and financial position. If the Company is unable to secure sufficient financing, the Company may also be forced to revise its current business plan and growth strategy, and carry out a restructuring of the entire business or parts thereof, or conduct business at a lower rate than planned.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as low and that the risks, should they be realised, could have a medium negative impact on the Company.

Risks related to the Company's ability to discharge its financial obligations

The Company's operation is financed by, in addition to its own funds, investments in equities and bonds. The Company is dependent on being able to realise its investments and other assets when needed in order to discharge its financial obligations when they fall due. The Company continuously makes technical provisions based on the estimated costs for future claims payments and related administrative expenses. There is a risk that such provisions prove to be insufficient and that the Company thus lacks sufficient cash and cash equivalents to discharge both contracted and unforeseen payment commitments on time (refer also to the risk factor "*Risks related to technical provisions and reserves for future insurance claims*"). Examples of circumstances that affect the Company's ability to discharge its payment commitments is an increase in the number of and/or large claims, a decline in the number of renewed insurance premiums and a decrease in dividends from the Company's investment portfolio. Should the Company be unable to realise its current investments and other assets in order to discharge its financial obligations when they fall due, it could lead to loss of customers, legal proceedings, damaged reputation or that the Company is forced to declare bankruptcy.

On the date of this Prospectus, the Company assesses the likelihood that the risks will be realised, in whole or in part, as low and that the risks, should they be realised, could have a medium negative impact on the Company.

Counterparty and credit risks

Credit risk means the risk of a financial loss for the Company should a customer or counterparty related to a financial instrument fail to fulfil its contractual obligations. The Company's exposure to credit risk arises primarily as a result of changes in credit premiums or credit ratings made by the issuer in conjunction with the Company's investments. The Company's credit exposure includes also counterparty risks. Counterparty risk refers to the risk that a counterparty in a financial transaction is unable to fulfil its commitments or fails to pay its debts in full. In addition, there is the risk that reinsurers find themselves in financial difficulties and are therefore unable to fulfil their financial commitments.

Credit risks also occur in connection with accounts receivable. On 30 September, the Company's accounts receivable amounted to SEK 76,660. The Company's customer base is characterised by a mix of policyholders, partners and agents. Negative changes in credit ratings among the Company's customers could affect the ability to collect receivables and thereby the value of the Company's assets, which in turn could require reserves for doubtful debts or other reserves. If the Company fails

to collect accounts receivable from its customers, it could negatively impact the Company's liquidity, results and financial position.

Interest rate risks and currency risks

Interest rate risk refers to the income effect that a lasting interest rate change has on the Company's financial income and expenses. The Company's interest rate risk comprise primarily interest rate risks related to the Company's investments in interest-bearing securities that make up a large share of the Company's investment portfolio. Most of the Company's investment assets carry variable interest and the majority of the portfolio is listed in SEK. Unfavourable changes in the level or volatility of interest rates, equity prices and currencies, which to a considerable degree affect the Company's interest expenses and dividends from the Company's investment portfolio, could have a material negative impact on the Company's results and future cash flow.

Currency risk refers to the sensitivity of the value of assets, liabilities and financial instruments to unfavourable changes in the level of exchange rates or their volatility. The Company underwrites insurance primarily in the Scandinavian currencies, EUR and Swiss Franc (CHF). Changes in exchange rates between these currencies could thus negatively impact the Company's results and financial position. A 20 per cent change in the exchange rate SEK/EUR would have during the 2020 financial year resulted in a change in the Company's results of MSEK +/- 2.5. The Company is also exposed to translation risk. Translation risk refers to the currency risk arising on consolidation of the balance sheets of foreign operations that have a different functional currency from that of the parent company.

Tax risks

Solid Försäkring conducts operations in several different countries other than Sweden, for example through branches in Norway, Finland and Switzerland. The Company's business as an insurance company put it in scope of certain regulations regarding income tax and value-added tax, for example concerning the handling of security reserves and value-added tax exemptions concerning turnover of insurance premiums. The Company's business activities, including internal transactions, value-added tax etc., are conducted in accordance with the Company's understanding and interpretation of applicable tax laws, tax treaties and other provisions within the field of taxation and the requirements made by relevant tax authorities. There is a risk that the Company's understanding and/or interpretation of said laws and provisions is incorrect in all regards. In addition, tax authorities in the relevant countries may make assessments and decisions that differ from the Company's understanding or interpretation of said laws and provisions. Particularly in relation to internal transactions

involving multiple countries, the tax authority in one country may assume a position the differs from that of the Company or a position which tax authorities in other countries have assumed in relation to the interpretation of laws, treaties or other provisions. In case the Company's tax position would change due to decisions from relevant tax authorities or due to changes in laws, agreements or other regulations, possibly with retroactive effects, it could have a material negative impact on the Company's results.

Further, Solid Försäkring will in connection to the separation implement a new long-term warrant-based incentive program for senior management and key employees in the Company. The incentive program is based on estimates and assumptions regarding valuation and is therefore subject to uncertainties and tax risks for the Company. It cannot be excluded that a tax authority at some point would have another view than the Company regarding assumptions of valuations that have been made in connection with the establishment of the incentive program. If these estimates and assumptions would prove to be incorrect, it could result in an increased tax cost for the Company.

Risks related to the shares and the admission to trading

An active, liquid and functioning market for the Company's shares may not develop, the price of the shares may be volatile, and potential investors could lose part of or all of their investment

An investment in shares is associated with risks. The development of share price depends on various factors, some of which are company specific, while others are linked to the stock market as a whole. Examples of factors that can affect the share price's development is supply and demand, variations in actual or expected results, changes in profit forecasts, an inability to achieve financial and operating targets, and changes in the economic and regulatory circumstances. Furthermore, there is a risk that the market will not respond favourably to the distribution of shares in the Company and it is possible that investors will have a less favourable view of the independent companies as compared with before the distribution and separation from Resurs Holding.

After the listing, the difference between the buy and sell price could vary considerably from time to time, which makes it more difficult for shareholders to sell shares at a specific time and at a preferred price. This could negatively impact the share's liquidity and could result in low trading volumes. Liquidity in the securities could negatively impact the price at which an investor in the Company's share can sell the shares. Since an investment in shares may decrease in value, there is a risk that an investor will not recover the invested capital.

After the admission to trading, major shareholders will have a significant influence over the Company and could exercise this in a manner that is not in the interests of the other shareholders

After the distribution of the shares in Solid Försäkring and the completion of the listing, Waldakt AB will own approximately 29 per cent of the shares and votes in the Company. There is a risk that Waldakt AB or other major shareholders will continue to have a significant influence over the outcome in matters referred to the Company's shareholders for approval, such as election of board members, any mergers, amendments to the articles of association, issue of shares and dividends. Major shareholders will thus have a significant influence over the Company's corporate management and operations. Accordingly, the concentration of ownership could have a material negative impact on the price of the Company's shares by major shareholders delaying, deferring or preventing a change in control over the Company and influence mergers and discourage a potential acquirer from making a tender offer or otherwise taking control of the Company. Major shareholders' interests could differ considerably from, or compete with, the interest of the Company or other shareholders, and major shareholders could exercise this influence in a manner that is not in the interests of the other shareholders. For example, there could be a dispute between the interests of the major shareholders on the one hand and the interests of the Company or other shareholders on the other regarding a decision on dividends. Such disputes could have a material negative impact on the Company's operations, financial position and results.

Future sales of shares by existing shareholders may negatively impact the price of the shares

Resurs Holding's major shareholder, Waldakt AB, has undertaken, in relation to ABG Sundal Collier, with certain exceptions and during a period of 180 days after the first day of trading of Solid Försäkring's shares on Nasdaq Stockholm, not to sell the shares in Solid Försäkring that Waldakt will receive through the distribution of the shares in Solid Försäkring. The undertaking is subject to customary exceptions, for example, transfers to companies controlled by Waldakt, acceptance of a public takeover bid submitted to all shareholders of Solid Försäkring or transfers required by law of regulation. Thereto, AB Sundal Collier may grant exceptions from the commitment. When the 180-day period has expired, the shares subject to the undertaking may be offered to be sold without limitations.

Sales of substantial amounts of shares carried out by major shareholders, as well as a general market perception that sales could occur, could cause the price of the Company's share to decline. If the price of the Company's share declines, it could mean that an investor will not recover invested capital. In addition, any further new issues of shares or other instruments may entail a dilution of the shareholding for shareholders who are for whatever reason unable to participate in such a new issue or who choose not to utilise their right to subscribe for shares. The same applies if the issue is carried out without preferential rights for existing shareholders.

Shareholders outside Sweden are subject to specific share-related risks

The Company's share will only be listed in SEK and any dividend will be distributed in SEK. This means that shareholders outside Sweden can experience a negative effect on the value of their holdings and possible dividends when these are converted into other currencies should SEK decrease in value against the relevant currency.

If the Company issues new shares in the event of a cash issue, the shareholders generally have a preferential right to subscribe for new shares in relation to their shareholding before the issue. Shareholders in certain jurisdictions other than Sweden could, however, be subject to restrictions which mean that they cannot participate in such rights issues, or that participation is otherwise restricted, for example due to registration requirements for securities offerings in or to certain jurisdictions outside Sweden. The Company has no obligation to file a registration statement under the U.S. Securities Act or apply for similar approvals under the laws of any other jurisdiction outside Sweden in respect of any shares or subscription rights, and doing so in the future could be impractical and costly. To the extent that the Company's shareholders in jurisdictions outside Sweden are unable to exercise their rights to subscribe for new shares in any rights issues, their proportional interests in the Company will be reduced.



Background and reasons

Solid Försäkring is a non-life insurance company founded in 1993. Together with Resurs Bank, the Company is part of the Resurs Group with Resurs Holding as the parent company. Solid Försäkring focuses on niche insurance, with the Nordic region as its core market. The non-life insurance business is divided into three segments: *Product, Personal Safety and Assistance*. Solid Försäkring has a customer base of approximately 2.3 million private customers in the Nordic region which are primarily sourced through partnerships with leading retail chains within several different industries, banks, credit market companies and other financial institutions, travel agencies and car repair shops.

In recent years, Solid Försäkring has developed into a stable non-life insurance company with a diverse Nordic niche insurance portfolio and high solvency. The Company's operations have been streamlined to focus on its core business and Nordic presence, through measures including the sale of the Company's portfolio of home and car insurance to Gjensidige in 2014 and the divestment of an unprofitable UK travel insurance business in 2016. Furthermore, the Company's position in the Nordic region has been strengthened through the establishment of branches in Norway and Finland, positive development of the existing partner base, new partnerships and more effective aftermarket sales. In addition, Solid Försäkring has completed a number of strategic acquisitions that have further strengthened the Company's position, not least with regard to bicycle insurance. The results of this realignment are clear since premium income (gross) has recovered and increased by an average of 4 per cent since 2017, at the same time as profitability has improved considerably.

Solid Försäkring is currently a successful player in the Nordic niche insurance market with clear potential to further strengthen its growth. The board of the parent company Resurs Holding believes that Solid Försäkring, due to its relative size within the Resurs Group, does not get the attention and the focus that Solid Försäkring's position and continued potential deserve and that the Company's value is not fully reflected in the share price of the parent company's shares that are listed on Nasdaq Stockholm. Based on the above, and in order to create more favourable conditions for Solid Försäkring's continued development and growth, the board of the parent company Resurs Holding resolved on 4 October 2021 to propose the distribution all of the shares in Solid Försäkring to the shareholders of the parent company and for a subsequent listing of Solid Försäkring on Nasdaq Stockholm. At an extraordinary general meeting on 2 November 2021, the shareholders of Resurs Holding resolved, in accordance with the board's proposal, to distribute all of the shares in the wholly owned subsidiary Solid Försäkring to the shareholders of Resurs Holding. The first day of trading in Solid Försäkring's shares on Nasdaq Stockholm is expected to be 1 December 2021.

Solid Försäkring's board believes that the separation of the Company from the parent company Resurs Holding as well as the listing of the Company on Nasdaq Stockholm will raise awareness of the Company's operations, strengthen Solid Försäkring's brand, both among partners and among customers, and improve the ability to attract and retain qualified personnel and key employees. Furthermore, the board of Solid Försäkring believes that the listing will entail an independent and more efficient capital allocation with direct access to the Swedish and international capital markets, including a broad and long-term ownership base, which is expected to support Solid Försäkring's continued growth and development. Overall, the board of Solid Försäkring and the board of the parent company Resurs Holding consider that the separation of the Company from the parent company through the distribution of all of the shares in Solid Försäkring to the shareholders of Resurs Holding and the listing of Solid Försäkring on Nasdaq Stockholm will create the best preconditions for Solid Försäkring's continued development and growth and thus increased value for the shareholders.

For further information, please refer to the Prospectus in its entirety, which has been prepared by the board of directors of the Company in connection with the application for admission to trading of the Company's shares on Nasdaq Stockholm. The board of directors of Solid Försäkringsaktiebolag is responsible for the content of the Prospectus. To the best of the board of director's knowledge, the information provided in the Prospectus is in accordance with the factual circumstances and no information has been omitted from the Prospectus that could affect its content.

Helsingborg, 22 November 2021

Solid Försäkringsaktiebolag

The board of directors

Information on the distribution of the shares in Solid Försäkringsaktiebolag

Resolution on distribution

At an extraordinary general meeting of Resurs Holding on 2 November 2021, it was resolved, in accordance with the board's proposal, to distribute all of the shares in the wholly owned subsidiary Solid Försäkring to the shareholders of Resurs Holding. The shares in Solid Försäkring will be distributed to Resurs Holding's shareholders in proportion to each shareholder's holding in Resurs Holding on the record date of the distribution (29 November 2021), as determined by the board of Resurs Holding. Ten (10) shares in Resurs Holding entitles to one (1) share in Solid Försäkring. Aside from being registered as a shareholder on the record date for distribution (directly registered or nominee-registered) no further actions are required of existing shareholders of Resurs Holding in order to receive shares in Solid Försäkring. The distribution is expected to fulfil the requirements set out in the so-called "Lex Asea" rules regarding taxation and therefore not be immediately taxable for individuals and limited liability companies that are tax resident in Sweden. For further information, please also refer to the section "*Certain tax considerations in Sweden*".

Distribution ratio

All of the shares in Solid Försäkring will be distributed to the shareholders of Resurs Holding. Ten (10) shares in Resurs Holding entitles to one (1) share in Solid Försäkring. If the shareholding is not evenly divisible by ten (10), fractions of shares in Solid Försäkring will be received. All such fractions of shares in Solid Försäkring will be aggregated into whole shares, which will be sold following the listing of Solid Försäkring's shares on Nasdaq Stockholm. The sales proceeds will then be distributed in cash via Euroclear Sweden, without deduction of brokerage (directly registered shareholders) or in accordance with the procedures of the respective nominee (nominee-registered shareholders). Each share in Solid Försäkring carries one voting right at general meetings. For further information on rights associated with the shares, please refer to the section "*Share capital and ownership structure – Rights associated with the shares*".

Record date

The record date for the right to receive shares in Solid Försäkring is 29 November 2021. The final day of trading in Resurs Holding's shares including rights to the distribution of shares in Solid Försäkring, is 25 November 2021. The shares in Resurs Holding will trade excluding the right to distribution of the shares in Solid Försäkring from and including 26 November 2021.

Receipt of shares in Solid Försäkring

Those recorded in the share register, maintained by Euroclear Sweden, as shareholders of Resurs Holding on the record date for the distribution of the shares in Solid Försäkring will receive shares in Solid Försäkring without taking any further action. The shares in Solid Försäkring will be available in the securities account of those shareholders who are entitled to receive the distribution (or the securities account belonging to the party who is otherwise entitled to the distribution) no later than two banking days after the record date. Thereafter, Euroclear Sweden will send out a statement containing information on the number of shares registered in the securities account of the recipient.

Nominee-registered holdings

Shareholders whose holdings, as of the record date for the distribution of shares in Solid Försäkring, in Resurs Holding are registered in the name of a nominee (i.e. a bank or other nominee) will not receive a statement from Euroclear Sweden. Notification and the crediting of shares in Solid Försäkring to the accounts of nominee-registered shareholders will instead be carried out in accordance with the procedures of the respective nominee.

Listing of the shares in Solid Försäkring

The board of directors of Solid Försäkring has applied for the Company's shares to be admitted to trading on Nasdaq Stockholm. On 28 October 2021, Nasdaq Stockholm's Listing Committee decided to approve Solid Försäkring's application for admission to trading of the Company's shares on Nasdaq Stockholm provided that certain customary terms and conditions are met. The first day of trading is expected to be 1 December 2021. The Company's ticker on Nasdaq Stockholm will be SFAB. The ISIN code for Solid Försäkring's shares is SE0017082548.

Right to dividends

The shares in Solid Försäkring carry entitlement to dividends for the first time on the record date for dividends occurring closest after the distribution of the shares in Solid Försäkring has been completed. Any dividend will be distributed following a resolution by a general meeting. The distribution of any dividend will be administered by Euroclear Sweden or, should the shares be nominee-registered, in accordance with the procedures of the respective nominee. Entitlement to receive a dividend is limited to shareholders registered in the share register maintained by Euroclear Sweden on the record date set by the general meeting for the dividend. For further information about Solid Försäkring's dividend policy, please refer to *"Business overview – Dividend policy"*. For information on tax on dividends, see section *"Certain tax considerations in Sweden"*.



Market overview

The following section provides a description of the markets in which Solid Försäkring operates. The section contains information about the Company's geographic markets, market size, market shares, market position and other market information concerning Solid Försäkring's operations and market, which is partly based on third-party sources and partly, where no third-party source is specified, on the Company's own perceptions of the market.

The Company has correctly reproduced such third-party information and, and as far as the Company's board of directors is aware and can ascertain from the information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. The Company believes these external sources to be reliable, however, it has not independently verified the information and cannot guarantee the information's accuracy and completeness. Accordingly, the projections and forward-looking statements in this section do not comprise guarantees of future outcomes, and actual events and circumstances may differ materially from what is explicitly or implicitly stated herein.

Introduction to the insurance market

Numerous different types of insurance are available in the insurance market, and normally fall into two major categories: life insurance and non-life insurance.¹⁾ Life insurance can provide compensation when the insured party falls ill, dies or retires. Non-life insurance covers damage to property, for example, a house or a vehicle.

At the end of 2020, the insurance market in Sweden comprised a total of 325 companies, of which 285 were Swedish companies and 40 were foreign-owned branches operating in Sweden. Of the Swedish companies, 38 were life insurance or occupational pension companies, 247 non-life insurance companies and 54 relief associations.²⁾



1) Insurance Sweden, *Så fungerar försäkringar – försäkringsbranschens roll i samhället* (Eng. *How insurance works – the role of the insurance industry in society*).

2) Insurance Sweden, *The Swedish Insurance market 1st Quarter, 2021*, 26 May 2021.

Solid Försäkring operates in the non-life insurance market, focusing on niche insurance in three different segments: *Product*, *Personal Safety* and *Assistance*. Non-life insurance is a collective name for various types of insurance that protect people and property against different types of accidents and damage. Common non-life insurance policies include car insurance, home insurance, boat insurance or holiday home insurance. Non-life insurance often protects various types of high-value items, but also includes some types of health and accident insurance. Solid Försäkring believes it holds a

particularly strong market position within product insurance in Sweden and Norway as well as within car warranty and roadside assistance insurance in Sweden, but also operates in the other Nordic markets and in certain selected markets in Europe. Outside the Nordic region, Solid Försäkring has a branch in Switzerland that provides travel insurance products and some product insurance cover.¹⁾ The following picture illustrates the segments and geographies within which Solid Försäkring operates.

Overview of Solid Försäkring's product offering in each market¹⁾

Product segment

Geography

					
Personal safety	PPI Income protection	PPI	PPI	PPI	No market presence in rest of Europe
Product	Consumer electronics Appliances Garden machines Mobiles Jewellery Watches Bicycles Optics	Consumer electronics Appliances Mobiles Jewellery Watches Bicycles Optics	Consumer electronics Mobiles Jewellery Watches Optics	Consumer electronics Appliances Mobiles Watches Bicycles Optics	Selected insurance products (Switzerland)
Assistance	Car warranty Roadside assistance Travel insurance	Roadside assistance Travel insurance	Travel insurance	Travel insurance	Travel insurance (Switzerland)

1) The overview includes Solid Försäkring's own insurance products and not such insurance products that are mediated for other insurers.

1) For further information about the Company's market position, see below under the headings "Market overview – Product – Competitive Landscape", "Market Overview – Assistance – Car Warranty Insurance – Competitive Landscape", and "Market overview – Assistance – Roadside Assistance – Competitive Landscape".

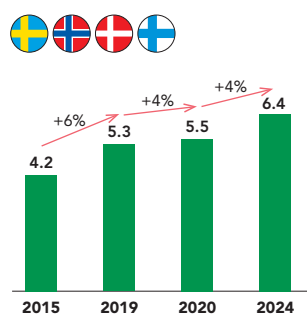
The Nordic non-life insurance market

According to the Company's assessment, the Nordic non-life insurance market differs in Sweden, Norway, Finland and Denmark from other markets in Europe. The Nordic non-life insurance market is relatively consolidated, with a few major players accounting for a substantial share of the total market. Many of the large Nordic insurance companies have established corporate structures that allow them to operate across the Nordic region. Moreover, the Nordic non-life insurance market is, in the Company's opinion, characterised by a generally high level of customer retention, degree of digitalisation and high insurance propensity among consumers.

The Nordic markets for the Company's respective segments are expected to show an average annual growth of 1–8 per cent until 2024, where the highest annual growth is expected in the travel insurance market, mainly driven by the post COVID-19 pandemic recovery in the travel market.¹⁾ The following diagram presents an overview of the markets for the Company's respective segments and their expected growth until 2024.

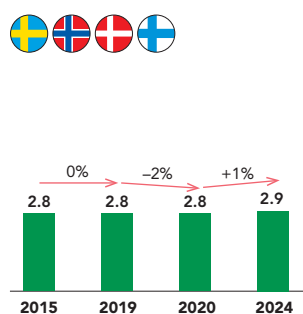
PPI

Total premiums (SEKbn)



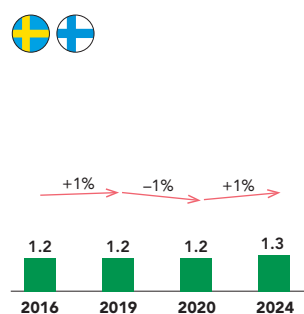
Product insurance

Total premiums (SEKbn)



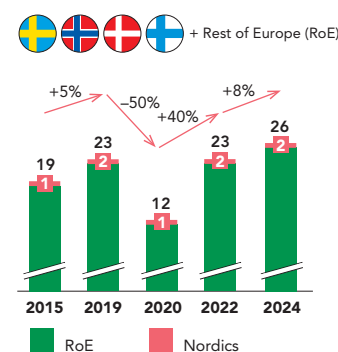
Assistance

Total premiums (SEKbn)
Roadside assistance & car warranties



Assistance

Total premiums (SEKbn)
Travel add-on insurances



1) Payment protection insurance (PPI): Total market size based on outstanding volumes for consumer credits, financial solutions and credit card loans per bank in relation to the degree of insurance penetration per category from a market survey performed by the Company during June 2021. See note below for the banks included in the data material. Product: Data concerning home electronics, jewelry and watches and optics (excluding lenses) has been retrieved from the database Euromonitor Retail for Sweden, Norway, Finland and Denmark. Data for bike sales has been retrieved from Bike Europe's market report "Bike Europe Sweden", "Bike Europe Norway", "Bike Europe Finland" and "Bike Europe Denmark" concerning the volume of sold bikes divided into traditional bikes and electric bikes. Information also retrieved from statistics published by Finnish Fashion and Sports Trade Association, Cykelbranschen, Syklistforeningen Danmark statistics regarding sales volume for traditional bikes and electric bikes. The Company has appreciated the total market size through the use of data regarding insurance penetration from a market survey performed by the Company in June 2021 in relation to the market size of the underlying markets. Assistance: The Company's assessment (car warranty market). The Company's assessment bases on data on the number of cars in circulation from the database Euromonitor Auto Statistics (Finland and Sweden). Future growth bases on the Company's own assessment (road side assistance market). The Company's assessment on total market size bases on information on how much money is spent on travel and travel volume per sales channel (in other words sales through airline companies directly or through intermediary) from the database Euromonitor Travel Industry Statistics. The Company has put this in relation to the average price point for travel insurance bases on the Company's own assessment. The Company's own assessment of future growth (travel insurance).

The markets for the Company's respective segments are presented in more detail below.

Market overview – Product

Insurance products in the *Product* segment are taken out for individual products and cover, for example, the cost of repair or provide the customer with a completely new product in the event of sudden and unforeseen events or accidents. Solid Försäkring's product for elimination of deductibles for bicycles covers the deductible for traditional bicycles as well as electric bicycles in the event of theft, for example. Solid Försäkring offers insurance for products such as bicycles, consumer electronics, appliances, garden machines, jewellery, watches and glasses. In the *Product* segment, Solid Försäkring has established partnerships with several retail chains, which offer the Company's insurance products in connection with consumer purchases of products from the partner.

In many cases, the *Product* segment includes automatic insurance cover from the Company when consumers purchase products from the Company's partners. Such insurance cover is provided for a number of months at no

extra cost, and thereafter, the customer has the option of extending the insurance or taking out new insurance with corresponding terms and conditions against payment of an insurance premium. Generally, the amount of the insurance premium paid by the customer is determined by the product's value.

Within the *Product* segment, the Company offers insurance products in all of the Nordic countries in which the Company operates, that is, Sweden, Norway, Denmark and Finland. Based on the Company's experience and knowledge, the product insurance market differs in Sweden compared with the other Nordic countries in which the Company operates. Product insurance is often sold in Sweden for a period of one year and then renewed, whereas a three-year term often applies in the other Nordic countries, and product insurance is not renewed to the same extent as in Sweden. This means that, with the exception of Sweden, product insurance in the Nordic countries generates higher premium income on the date of sale, while product insurance in Sweden generates lower premium income on initial subscription but is then often extended.

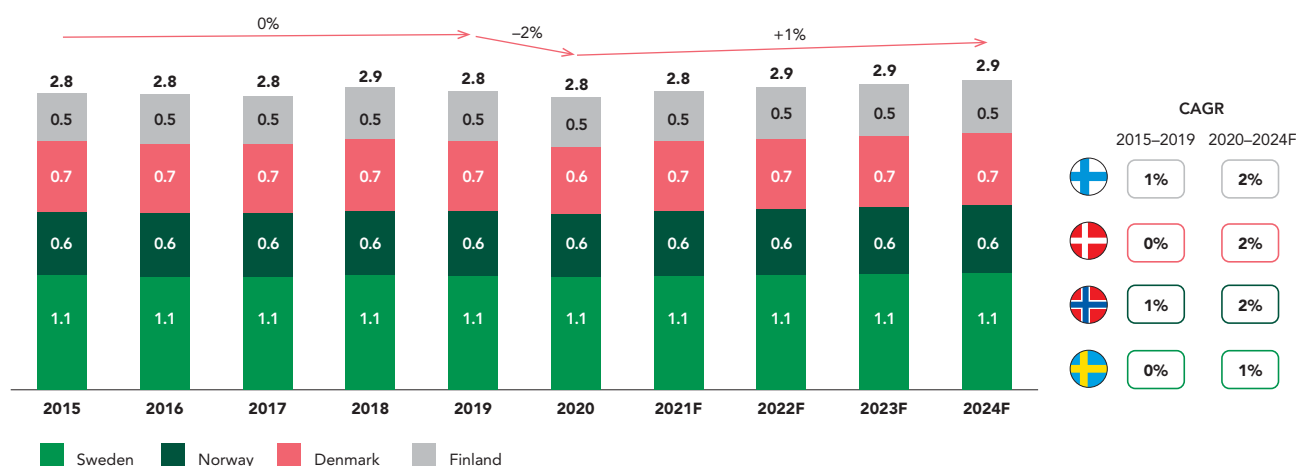


The main underlying product markets – bicycles, consumer electronics, jewellery, watches and glasses – are expected to show stable annual growth of 1–2 per cent until 2024.¹⁾ Moreover, the insurance market for these products is expected to grow in pace with the underlying markets, in other words, insurance penetration in the Company's various segments is expected to remain relatively stable.²⁾

Overall, the Nordic product insurance market was estimated at SEK 2.8 billion in 2020 and, moving forward, is expected to show annual growth of about 1 per cent from 2020 to 2024.³⁾ Growth in the other Nordic countries is expected to be slightly higher than in Sweden, probably primarily due to the recovery from a harder impact from the COVID-19 pandemic.⁴⁾ The following diagram illustrates historic and expected growth in the Nordic product insurance market.

Stable to positive outlook for product insurance across product areas

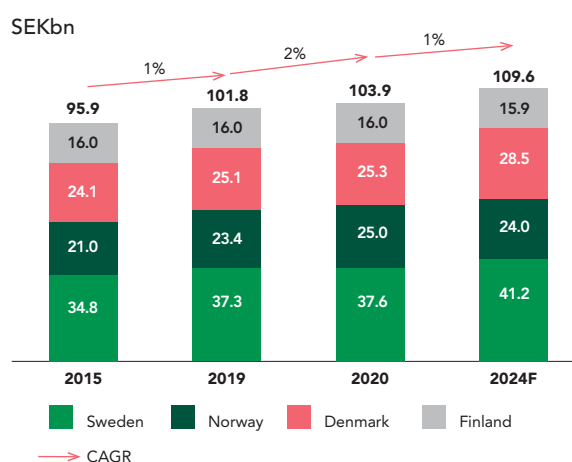
Market size (GWP) in the Nordics, Product insurance (SEKbn)



Trends and drivers

The underlying markets for the various categories within the *Product* segment – bicycles, consumer electronics, jewellery, watches and glasses – are driven by market trends and have, over the last two years, experienced varying impacts from the COVID-19 pandemic. The pandemic is assessed as having had negligible impact on the consumer electronics market (which also includes mobile phones), which is expected to continue to show an annual growth of around 1 per cent from 2020 to 2024, as illustrated in the diagram to the right.⁵⁾

Annual consumer electronics & appliances sales (incl. mobile)



1) Data regarding home electronics, jewelry, watches and optics (excluding lenses) has been retrieved from the database Euromonitor Retail for Sweden, Norway, Finland and Denmark. Data for bike sales has been retrieved from Bike Europe's market report "Bike Europe Sweden", "Bike Europe Norway", "Bike Europe Finland" and "Bike Europe Denmark" concerning the volume of sold bikes divided into traditional bikes and electric bikes. Information also retrieved from statistics published by Finnish Fashion and Sports Trade Association, Cykelbranschen, Syklistforeningen Danmark statistics, which has been used by the Company to triangulate the numbers from Bike Europe and complement the data regarding sales volume for traditional bikes and electric bikes.

2) Information regarding insurance penetration has been retrieved from a market survey performed by Solid Försäkring in June 2021.

3) The Company has appreciated the total market size through the use of data regarding insurance penetration from the market survey (see note above) in relation to the market size for the underlying markets (see note above).

4) The Company's assessment.

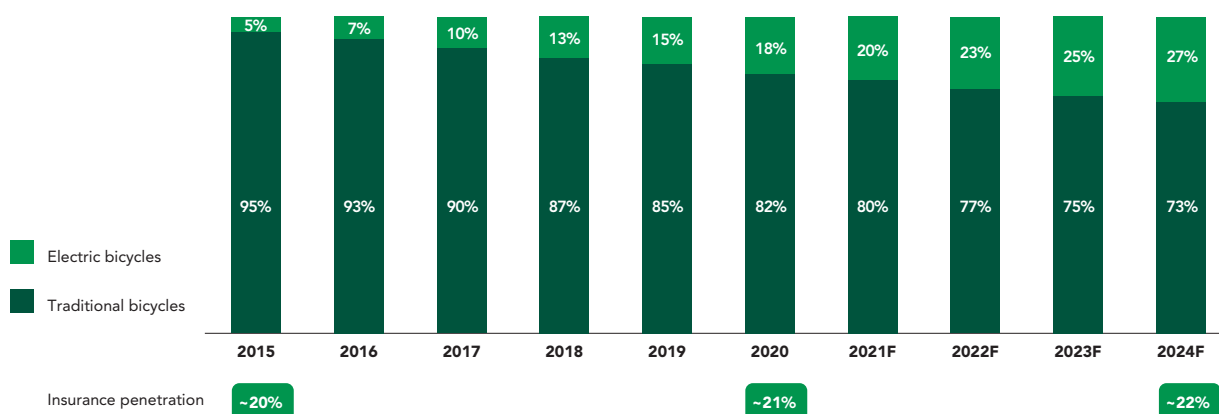
5) Data concerning home electronics has been retrieved from the database Euromonitor Retail for Sweden, Norway, Finland and Denmark.

The main underlying driver of growth in the consumer electronics market is considered to be e-commerce since it allows increased accessibility and a wider product range for customers. However, increased consumer electronics e-commerce is expected to have a slightly negative impact on insurance sales in the segment since, in the Company's assessment, the conversion rate¹⁾ is lower online due to the lack of any personal sales process. Accordingly, insurance penetration is slightly lower online than in physical stores in the Company's experience²⁾.

Other than the impact on consumer electronics, the Company believes that an increase in e-commerce will have a limited impact on other product areas within the *Product* segment since glasses, jewellery, watches and bicycles are mainly sold through physical stores.

The market for bicycles, both traditional bicycles and electric bicycles, showed robust growth of 7 per cent between 2019 and 2020 and is expected to continue growing at an annual rate of 2 per cent until 2024.³⁾ The primary drivers of market growth are expected to be environmental and health-related market trends as well as the increasing popularity of electric bicycles. The more expensive the product, the more willing consumers tend to be to insure it. This means that the propensity to take out insurance is higher for electric bicycles than traditional bicycles.⁴⁾ As a result, the bicycle insurance market is expected to grow in pace with the growth of the electric bicycle market. The following diagrams illustrate the historical and expected volume breakdown between electric and traditional bicycles as well as the number of bicycles sold.⁵⁾

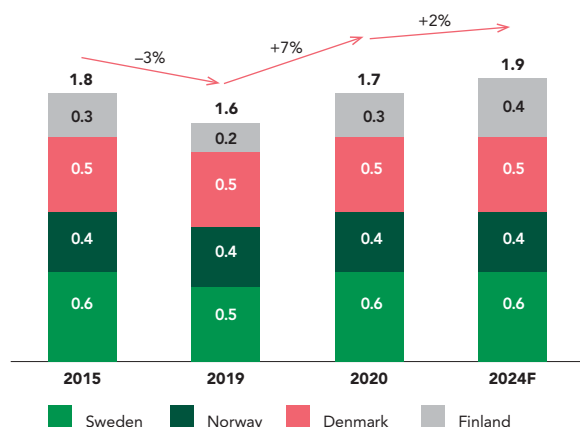
Volume split between Electric and Traditional bicycles 2015–2024F



- 1) The conversion rate pertains to the number of customers who, after a purchase from one of the Company's agents, choose to take out insurance with the Company.
- 2) Information based on the Company's assessment, information from the market survey performed by the Company in June 2021 and data from the data-base Euromonitor Retail for the allocation of sales online and in physical stores respectively.
- 3) Data on bike sales has been retrieved from Bike Europe's market reports "Bike Europe Sweden", "Bike Europe Norway", "Bike Europe Finland" and "Bike Europe Denmark" concerning bike sales volume divided in traditional bikes and electric bikes. Information also retrieved from statistics published by Finnish Fashion and Sports Trade Association, Cykelbranshen, Syklistforeningen, Danmark statistics, which has been used by the Company to triangulate the numbers from Bike Europe and complement data regarding sales volume for traditional bikes and electric bikes.
- 4) Data the marker survey performed by Solid Försäkring in June 2021 showed a higher will to insure electric bikes compared to traditional bikes.
- 5) Data on bike sales has been retrieved from Bike Europe's market reports "Bike Europe Sweden", "Bike Europe Norway", "Bike Europe Finland" and "Bike Europe Denmark" concerning bike sales volume divided in traditional bikes and electric bikes. Information also retrieved from statistics published by Finnish Fashion and Sports Trade Association, Cykelbranshen, Syklistforeningen, Danmark statistics, which has been used by the Company to triangulate the numbers from Bike Europe and complement data regarding sales volume for traditional bikes and electric bikes.

Annual number of sold electric and traditional bikes

(millions)



The COVID-19 pandemic has substantially impacted the market for jewellery and watches, just like other products in the luxury goods segment, with sales estimated to have declined about 19 per cent from 2019 to 2020. A full recovery to pre-pandemic levels is expected to take as long as five years, with an average annual growth of 5 per cent by 2024.¹⁾

The COVID-19 pandemic also impacted sales of glasses, which are estimated to have decreased around 6 per cent between 2019 and 2020 due to the relatively high proportion of glasses purchased in physical stores. An average annual growth of 2 per cent is expected until 2024 and it is estimated that it will take approximately two to three years before sales return to pre-pandemic levels.²⁾

Competitive landscape

Solid Försäkring believes that it has a particularly strong position in the Swedish market within the *Product* segment, where the Company estimates its market share to be around 20 to 25 per cent³⁾. Solid Försäkring's market shares in the Nordic markets are assessed by the Company as having remained relatively stable in recent years.

The Company considers the main competitors in this segment to be AmTrust, Moderna, Chubb, Starr Europé Insurance Limited and ERV, all of whom have established relationships with major retailers and telecom companies in the Nordic region and, combined, are estimated to have a market share of around 40 to 60 per cent in Sweden⁴⁾.



1) Data regarding jewelry and watches has been retrieved from the database Euromonitor Retail for Sweden, Norway, Finland and Denmark.

2) Data regarding optics (excluding lenses) has been retrieved from the database Euromonitor Retail for Sweden, Norway, Finland and Denmark.

3) Solid Försäkring's market share has been calculated as the Company's premium income from the segment *Product* in relation to the total appreciated market size for the segment *Product* in Sweden.

4) Solid Försäkring has made an estimate of the competition's market share through respective competitor's premium income (retrieved from respective company's annual report) in relation to the appreciated total market size.

Market overview – Personal Safety

Solid Försäkring's product offering in the *Personal Safety* segment primarily comprises payment protection insurance (PPI), which can be taken out when the policyholder has a loan or a credit and means that the policyholder receives compensation corresponding to the cost of the loan or the credit every month,¹⁾ i.e. the interest expense and capital repayment elements of the loan or the credit, for up to 12 months. The insurance applies if the policyholder becomes involuntarily unemployed, is on sick leave or is hospitalised.

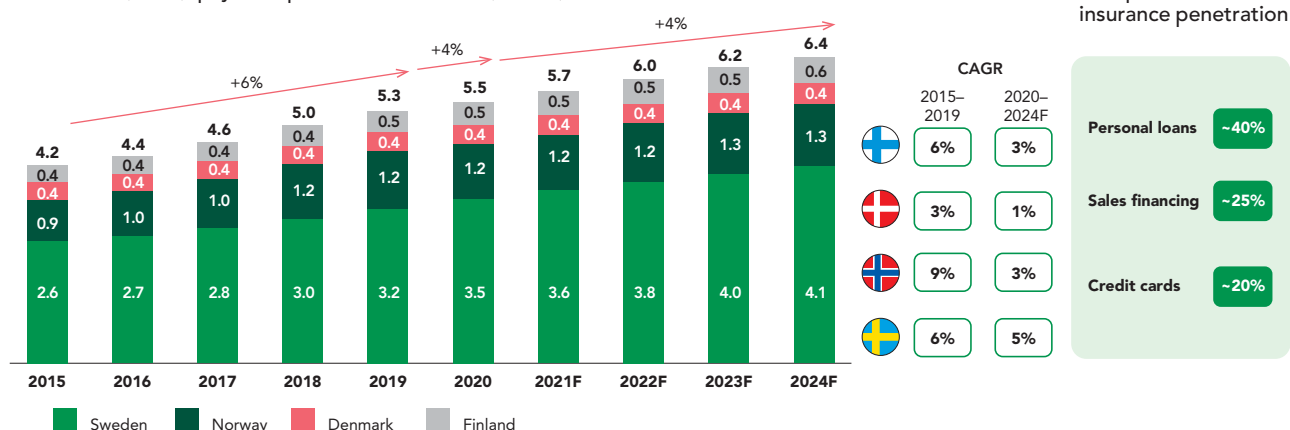
The Company believes that the underlying market for the sale of *Personal Safety* products is primarily driven by increased consumer lending of various types, such as consumer loans, financing of instalment contracts and lending in connection with credit card use. In the Nordic

region, the market for consumer lending and financing of instalment contracts is expected to show an average annual growth of 4 per cent from 2020 to 2024 and the market for credit card lending is expected to show an average annual growth of 2 per cent over the same period.²⁾ Solid Försäkring offers *Personal Safety* products in all of the Nordic countries.

The Nordic PPI market grew 3.7 per cent in 2020 and was estimated to total SEK 5.5 billion in the same year. The market is expected to continue to show an annual growth of 4 per cent until 2024.³⁾ Solid Försäkring expects insurance penetration levels in the Nordic PPI market to remain stable moving forward. The following diagram illustrates the historic and expected trends in the Nordic PPI market as well as the assessed insurance penetration.

Positive outlook for PPI market in all Nordic countries

Market size (GWP), payment protection insurance (SEKbn)



1) More specifically, the insurance compensation to cover outstanding debt is usually disbursed directly to the bank or credit institution that issued the credit for example.

2) Data based on analysis of outstanding volumes for consumer credits, financial solutions and credit card loans per bank from Statistiska centralbyrån (SCB), Statistiska sentralbyrå (SSB), Danmarks Statistik (DST), Suomen Pankkis database, Europeiska Centralbyrån (ECB) database and GlobalData-Financials database. See footnote below for the banks included in the underlying data.

3) Total market size based on outstanding volume for consumer credits, financial solutions and credit card loans per bank (see footnote above) in relation to the degree of insurance penetration per category from market survey performed by the Company in June 2021– See footnote below for banks included in the underlying data.

Trends and drivers

The main growth drivers in the PPI market are expected to be underlying lending market growth, an increasing number of niche players gaining larger market shares in the consumer lending market with higher prices for PPI and increased market penetration. Accordingly, the Nordic PPI market is expected to grow faster than the underlying market due to niche banks¹⁾ generally having higher insurance premiums for PPI equivalent to around 7–8 per cent of the monthly loan repayment (capital repayment and interest) compared with around 3–4 per cent for traditional banks.²⁾

Another underlying driver of the above described market trends is the expected increase in disposable household income of 2 to 4 per cent until 2024 and the increase in the consumer price index of 1 to 2 per cent over the same period. At the same time, interest rates are expected to remain relatively stable in the period from 2020 to 2024.³⁾ However, consumer credit market growth is expected to slow slightly due to increased regulation of consumer lending in the last few years in all Nordic countries with the aim of limiting consumer indebted-

ness. The forthcoming revision of the EU Consumer Credit Directive in autumn 2021 may further limit growth.⁴⁾

Competitive landscape

Solid Försäkring assesses that the Company's market share of PPI is approximately 6 to 8 per cent in Sweden. The Company considers its main competitors to be Amtrust, Axa, and BNP Paribas Cardif. Swedbank P&C and SEB Insurance are also two main actors on the market though they are not considered by the Company as direct competitors to Solid Försäkring since they mainly offer PPI to each respective bank's (Swedbank and SEB) customer base in consumer loans.⁵⁾ Solid Försäkring's assessment is that the banks tend to work closely with insurance partners where they have established relationships. This means that the insurance companies' market shares rise or fall in pace with changes in the banks' market shares. Solid Försäkring's market share in the *Personal Safety* segment remained relatively stable in all Nordic markets where the Company operates between 2019 and 2020.



- 1) Niche banks in Sweden include: Bigbank, Bluestep, Collector, Forex, Ikano, Marginalen, Nordax, Resurs, Santander, TF Bank, GE Money Bank, MedMera, Svea Ekonomi, OK Q8, Avida Finans, Bank Norwegian, Nordnet and Sevenday Finans; Niche banks in Norway include: Komplet Bank, Bank Norwegian, Santander, Nordax, Instabank, Easybank, Monobank, YA bank, BN Bank, Avida Finans, Collector, Svea Ekonomi and Ikano; projected for 2018 based on performance from 2017 to 2018 in Sweden for Santander, Collector and Bank Norwegian, and in Norway for Komplet, Bank Norwegian, Santander, BN Bank and Avida Finans.
- 2) Information on price points for PPI has been retrieved from each bank's website and annual report (see footnote above for banks included in the underlying data). Assumptions on niche banks' future growth and market share bases on the Company's own assessment.
- 3) The Company's analysis is based on historic data on disposable household income and interest rate levels from the statistics agencies of each country and data from International Monetary Fund, European Central Bank, OECD Economic Outlook and the database Eurostat.
- 4) European Commission, *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions*, Adjusted Commission Work Programme 2020.
- 5) The Company's assumption on Solid Försäkring's and competitors' market share has been calculated through the premium income in relation to total appreciated market size for the PPI market.

Market overview – Assistance

Solid Försäkring's product offering in the Assistance segment mainly comprises car warranty insurance, roadside assistance and supplementary travel insurance. These product areas and markets are described in more detail below.

Car warranty insurance

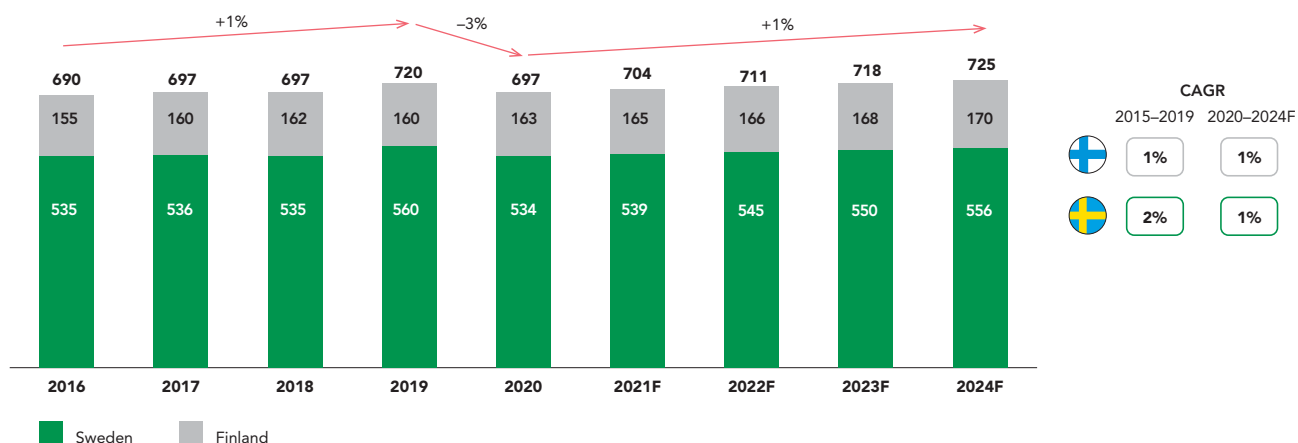
Car warranty insurance means that Solid Försäkring provides a concept for car dealerships under which they can offer customers buying a vehicle the opportunity to take out a warranty for that vehicle. At the same time, Solid Försäkring signs an insurance contract with the car dealership under which the dealership's risk for faults for which compensation can be paid under the issued warranty, according to the scope of the conditions of

each warranty, is insured with Solid Försäkring. A car warranty is mainly taken out in conjunction with the purchase of used vehicles older than three years. This is because the warranty for new cars is valid for at least three years. Solid Försäkring currently offers car warranty insurance in Sweden.

To some extent, the COVID-19 pandemic adversely impacted the car warranty markets in Sweden and Finland, but these are expected to continue to show stable annual growth of around 1 per cent after the recovery from the pandemic and until 2024.¹⁾ In 2020, the total value of the car warranty insurance market in Sweden and Finland combined was estimated at SEK 697 million.²⁾ An illustration is provided below of the historical and expected market trends for car warranties for used cars in Sweden and Finland between 2016 and 2024.³⁾

Steady growth outlook for used car warranties market in Sweden

Market size, used car warranties (SEKm)



1) The Company's assessment.

2) The Company's assessment.

3) The Company's assessment.

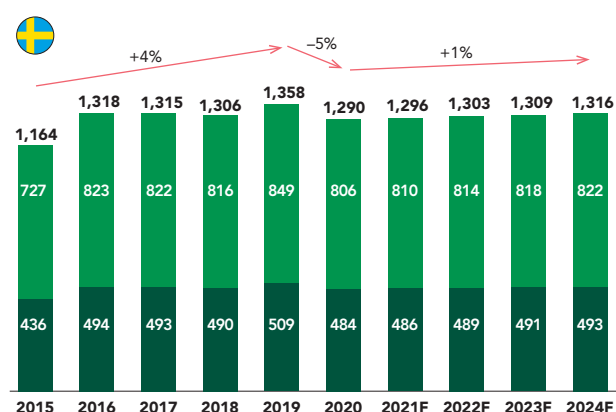
Trends and drivers

Rising sales of used cars comprises a key growth driver in the car warranty market. Prior to the COVID-19 pandemic, the used car market in Sweden posted annual growth of 4 per cent from 2015 to 2019. However, the pandemic hit the Swedish market relatively severely and sales of used cars fell 5 per cent from 2019 to 2020¹⁾. However, the impact on the market in Finland was limited. In Sweden and Finland, annual sales in the used car market are expected to show annual sales growth of 1 per cent from 2020 to 2024.²⁾ However, Solid Försäkring's target market only encompasses business-to-consumer (B2C) sales of used cars.

The following diagram illustrates the market trends for Swedish and Finnish used car sales since 2015 and the expected trends until 2024.³⁾ The green columns illustrate the Company's target market based on assumptions about the share of used car sales through car dealerships and not between consumers (C2C) (i.e. the share considered eligible for car warranties), an assumed conversion rate of 30 per cent and an average price per car of KSEK 3.6.

Sweden: Used car sales hit hard by pandemic but stable growth outlook going forward

Used car sales, 2015–2024F (thousands)

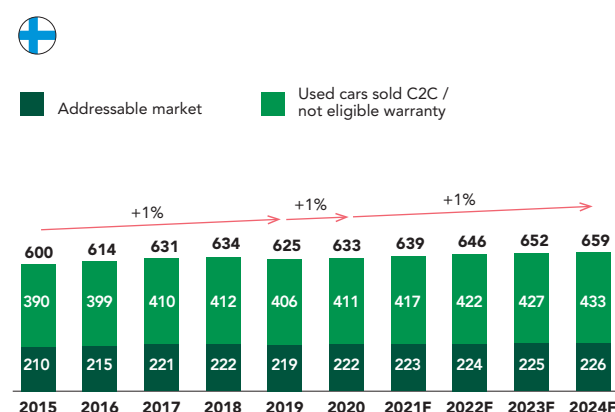


Underlying assumptions for warranty market sizing

- 50% of above used car sales C2C, not relevant for warranty market
- 25% removed for eligibility of warranty / having factory warranty
- 30% conversion rate
- 3.6 SEK avg. price

Finland: Used car sales with steady growth, limited impact of pandemic

Used car sales, 2015–2024F (thousands)



Underlying assumptions for warranty market sizing

- 50% of used car sales C2C, not relevant for warranty market
- 30% removed for eligibility of warranty
- 20% conversion rate
- 3.6 SEK avg. price

1) The Company's assessment bases on data concerning re-registered cars from the Statistics Sweden and Statistics Finland.

2) The Company's assessment.

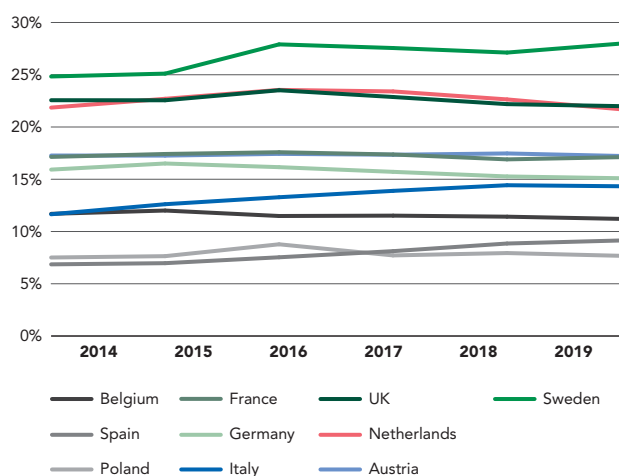
3) Historical data based on information on re-registered vehicles from Statistics Sweden and Statistics Finland. Appreciation regarding future expected growth bases on the Company's own assessment.

The used car market in Sweden is driven by the increasing general popularity of used cars as well as the frequency with which consumers choose to replace their cars. Sweden is the country in Europe where cars are replaced with the highest frequency, with a parc turn ratio of around 30 per cent in 2019,¹⁾ as illustrated in the following left diagram. The parc turn ratio is calculated as the sales of used cars in relation to the total number of

cars in circulation in society, and indicates how quickly consumers change cars. Together with Sweden having the highest proportion of used cars per capita in Europe, as illustrated in the right diagram below, this indicates that the market in Sweden is relatively well developed, which in turn drives market growth for car warranty insurance.²⁾

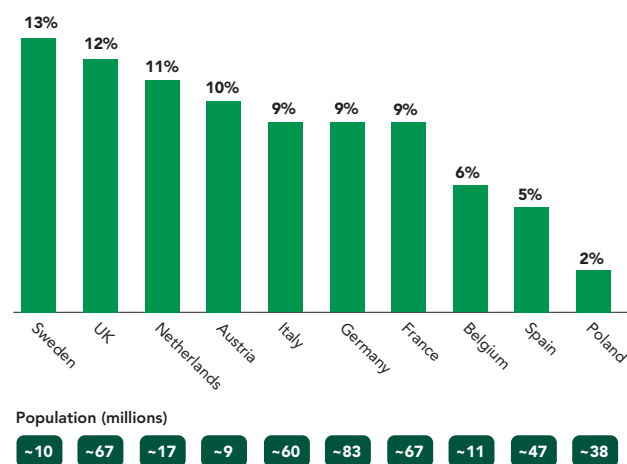
Swedish consumers fastest in swapping vehicles across Europe

Parc turn ratio, 2014–2019 (%)



Popularity of used car sales highest for Swedish population

Used car sales to population ratio, 2019 (%)



1) The Company's analysis is based on data regarding re-registered cars and total number of cars in circulation from Statistics Sweden and Statistics Finland.

2) Data on sale of used cars has been retrieved from the following databases for each country: UK: SMMT Vehicle Data; Germany: Federal Bureau of Motor Vehicles (KBA); Italy: Automobile Club d'Italia (ACI); France: Comité des Constructeurs Français d'Automobiles (CCFA); Spain: Arval; the Netherlands: Bovag; Sweden: BIL Sweden; Poland: polski Związek Przemysłu Motorzawodowego (PZPM); Austria: Austria Statistik; Belgium: Fédération Belge de l'Automobile & du Cycle (FEBIAC). Data on each country's population has been retrieved from the database Eurostat.

Competitive landscape

The Company's assessment is that Solid Försäkring holds a market share of 20 to 25 per cent of the total market, and the Company believes that AutoConcept and Fragus Group have a combined market share of about 40 to 50 per cent.¹⁾

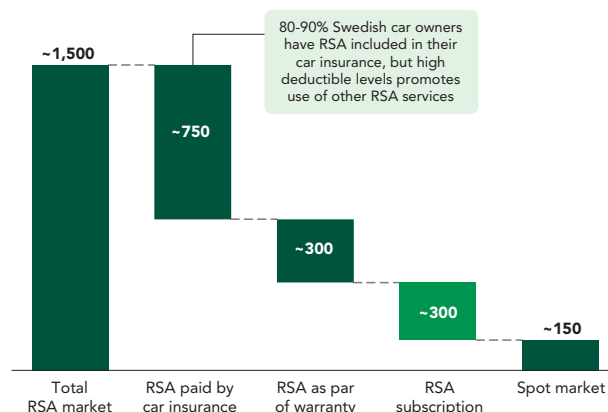
Roadside assistance

Roadside assistance ("RSA") means that the policyholder can receive assistance, for example, when they have a punctured tire or breakdown, and compensation for a hire car and hotel. The insurance is linked to the vehicle and applies irrespective of the driver of the vehicle. Solid Försäkring has a partnership with SOS International, which provides an easy contact channel via telephone. The insurance applies around the clock in Europe in the countries connected to the Green Card system.²⁾ Roadside assistance is distributed through partners, such as car dealerships, car mechanics and stores, but also directly to customers.

In the Company's assessment, there are a number of methods for car owners to obtain RSA. Around 80 to 90 per cent of Swedish car owners have RSA included in their normal car insurance, but high deductibles leave scope for other alternatives. Solid Försäkring's target market comprises customers of insurance companies that offer and distribute RSA services, car clubs and garages that collaborate with RSA distributors, and car owners who contract RSA directly with the RSA provider³⁾.

RSA market

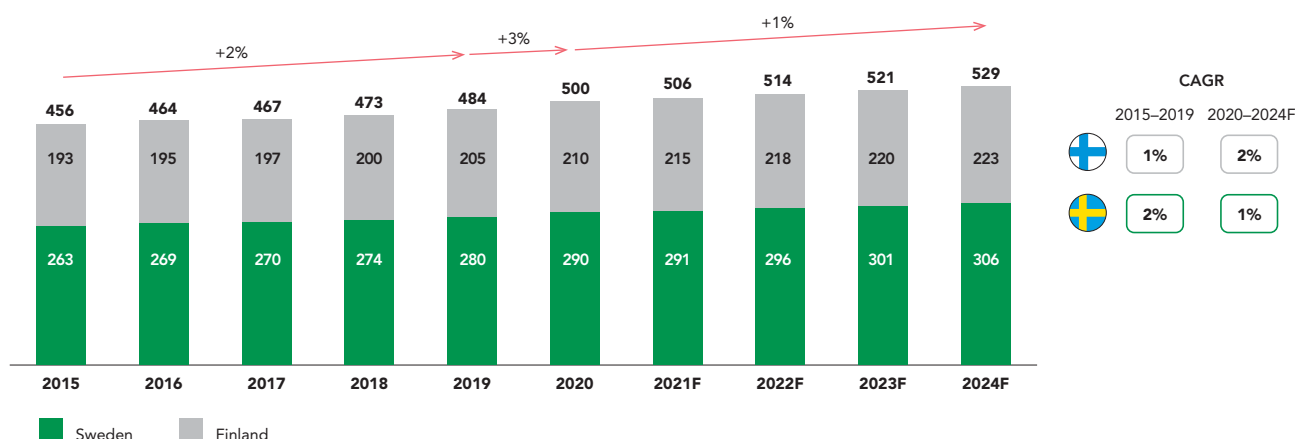
(SEKm)



The market for RSA service subscriptions outside of car insurance or car warranties is estimated at slightly more than SEK 500 million in Sweden and Finland and is expected to continue to show annual growth of 1 per cent until 2024.⁴⁾ An illustration is provided below of the historical and expected market growth for RSA service subscriptions in Sweden and Finland.

Gradual growth in RSA subscription market in Sweden and Finland

Market size, roadside assistance (SEKm)



1) Appreciation of Solid Försäkring's and competitors' market share has been made by the Company based on data on premium income in relation to total appreciated market share for car warranties. Information on Autoconcept's premium income has been retrieved from the database Retrivers. Fragus Group's premium income based on the Company's own appreciation.

2) The Green Card system is a collaboration between insurance companies in the majority of the European countries and a few countries bordering the Mediterranean Sea. This allows vehicles to be driven freely between the member countries under the minimum compulsory insurance cover from its country of origin, which guarantees the right to compensation for damage or injury caused by a foreign vehicle.

3) The Company's assumption on the Swedish RSA market has been made based on data regarding the number of cars in circulation from the database Euromonitor Auto Statistics and data from Statistic Sweden concerning the age of the cars in circulation.

4) The Company's appreciation based on date data concerning the number of cars in circulation from the database Euromonitor Auto Statistics (Finland and Sweden) and data from Statistics Sweden and Statistics Finland concerning the age of the cars in circulation.

Trends and drivers

The number of in-use cars owned by private individuals that are older than five years (and thus not covered by extended new car warranties, extending up to five years) comprises the main underlying driver controlling the size of the RSA services market. In Sweden, the number of in-use cars within Solid Försäkring's target market is projected to increase 1 per cent per year until 2024.¹⁾

The following diagram illustrates the Company's addressable RSA market in Sweden, which is based on the number of passenger cars in circulation less those with a new car warranty, therefore not requiring a separate RSA subscription, and passenger cars owned by companies. In summary, the Company estimates that the total addressable market in Sweden encompasses about 2.8 million cars.

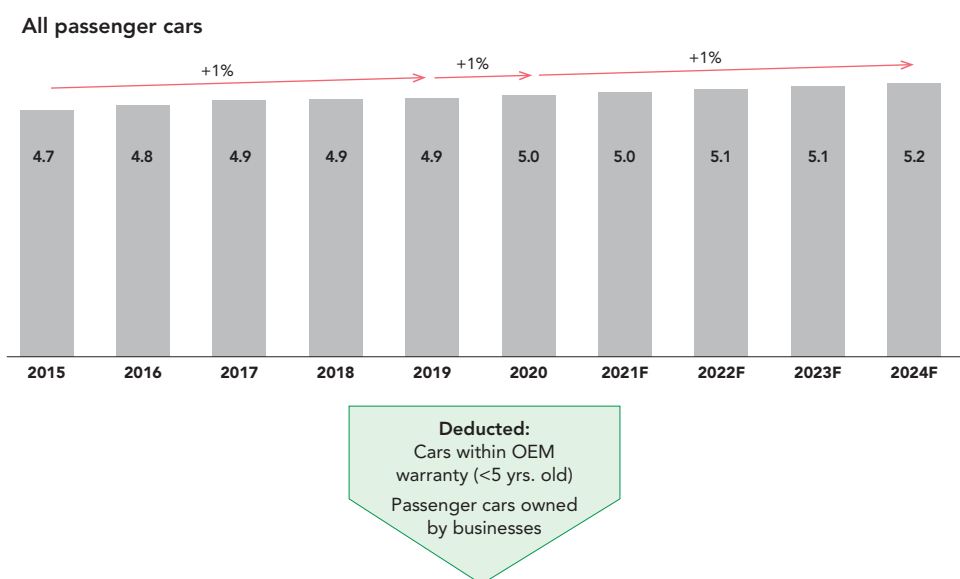
In addition to the increasing number of cars in circulation, the Company believes that other market growth drivers comprise the increasing trend of offering RSA together with other services such as car warranties (bundling) and mobility trends such as car pools, self-driving cars and electrification in the automotive industry, which are expected to impact the RSA market in the long term.²⁾

Competitive landscape

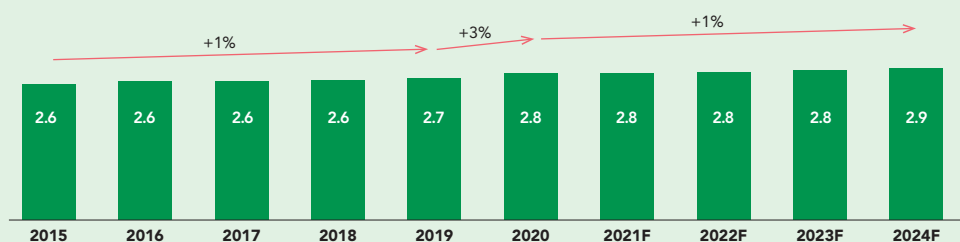
Solid Försäkring believes that the Company has the second largest market share in the Swedish market for the distribution of RSA services, corresponding to around 20 per cent³⁾. In the Company's view, its main competitors in the market for distributing RSA services comprise AssistansBolaget, SBM Försäkring and Falck Försäkringsaktiebolag ("Falck"), which are estimated to have a combined market share of 55–70 per cent.^{4), 5)}

Sweden: Passenger cars in use

Number of passenger cars in use, 2015–2024F (millions)



Solid Försäkring's target market



1) The Company's appreciation based on date data concerning the number of cars in circulation from the database Euromonitor Auto Statistics (Finland and Sweden). Future growth is based on the Company's own appreciation.

2) The Company's own assessment.

3) The Company's own appreciation concerning Solid Försäkring's market share based on premium income from sales of RSA in relation to total appreciated market size.

4) Unlike the Company, both AssistansBolaget and SBM Försäkring are insurance intermediaries.

5) The Company's assessment of competitors' market shares are based on information on each competitors' income from sales of RSA from the database Retrivel, in relation to the total appreciated market share.

Travel insurance

The Assistance segment also includes a portfolio of niche insurance targeted at the travel market. This insurance includes travel insurance and cancellation insurance. The travel insurance products are distributed via travel agents (both online and in physical stores) and directly to consumers.

Consumers have different ways to obtain travel insurance. Swedish home insurance which includes basic travel insurance for up to 45 days. In addition are credit cards commonly used in Sweden and many card providers offer travel insurance when travel has been paid with the card in question. Moreover, supplementary insurances exist for separate purposes (cancellation insurance, travel insurance, luggage insurance, etc.), which top up the protection provided by home insurance, and comprises Solid Försäkring's main target market in travel insurance. Solid Försäkring offers supplementary travel insurance in all of the Nordic countries as well as in certain other selected markets in Europe.

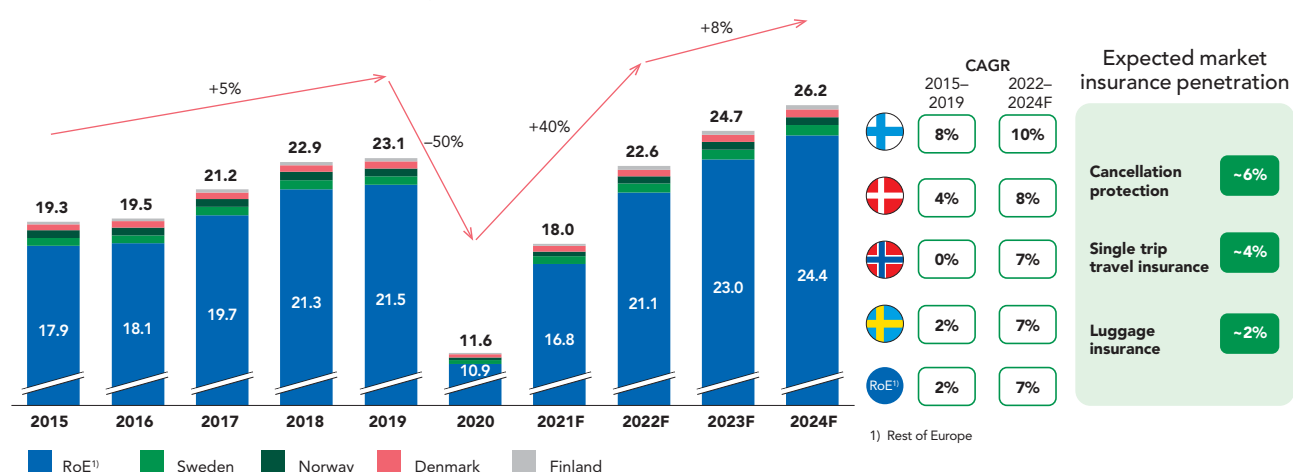
In addition to supplementary travel insurance taken out for each individual trip, annual travel insurance is available which provides more comprehensive protection than home insurance and covers all trips taken during the year, which the Company believes to be more popular in other Nordic countries than Sweden. Solid Försäkring's market presence in the annual travel insurance market is limited.

The COVID-19 pandemic heavily impacted the Nordic travel insurance market, which fell from an average annual growth of 5 per cent to halving in size between 2019 and 2020. In 2020, the Nordic travel insurance market was estimated at SEK 11.6 billion and is expected to recover strongly following the pandemic with an annual growth of 40 per cent between 2020 and 2022¹⁾. Thereafter, the travel insurance market is expected to continue growing with an annual growth of 8 per cent from 2022 to 2024.²⁾ The market trend for Nordic travel insurance is illustrated in the following diagram.

The Company believes that, prior to the COVID-19 pandemic, around 6 per cent of customers purchased cancellation insurance when booking a trip, about 4 per cent purchased top-up travel insurance to cover medical expenses, for example, and approximately 2 per cent purchased additional luggage insurance. Insurance penetration is expected to remain stable at these levels even following the COVID-19 pandemic.³⁾

Travel add-on insurances hit hard by pandemic, expected to bounce back

Market size (GWP), add-on travel insurance products (SEKbn)



1) The Company's appreciation of total market share based on information on how much money is spent in travel and travel volume per sales channel (i.e. sales through airline companies directly or through intermediaries) from the database Euromonitor Travel Industry Statistics. The Company has put this in relation to an average price point for travel insurances based on the Company's own assessment to appreciate the total market size for travel insurances.

2) The Company's appreciation of future growth.

3) Based on the Company's assessment.

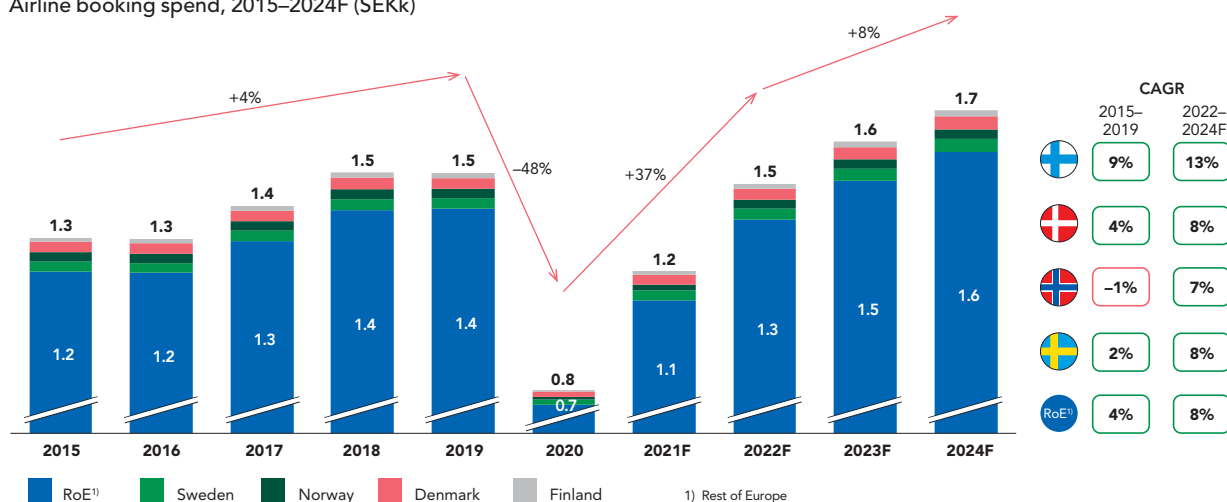
Trends and drivers

The money spent on travel and the number of trips taken comprise the main underlying drivers for the travel insurance market¹⁾. The COVID-19 pandemic impacted heavily on the travel market with a dramatic decline in travel, but

as with travel insurance, the travel market is projected to recover to pre-pandemic levels in 2022.²⁾ The following diagrams illustrates the historic and expected trends in the European travel insurance market.

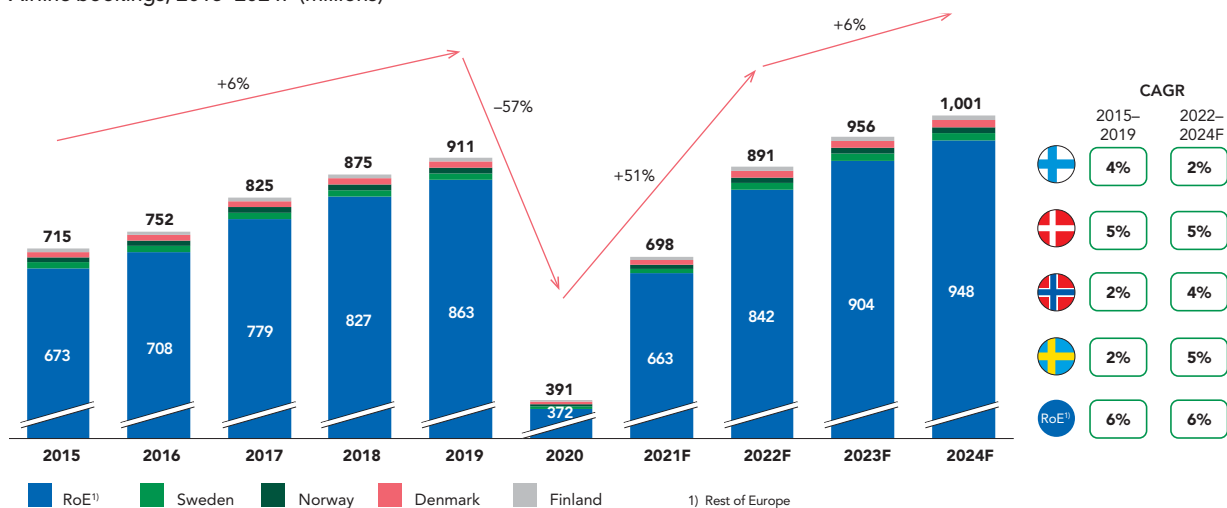
Travel Value: Spend on airline bookings

Airline booking spend, 2015–2024F (SEKk)



Travel Volumes: Number of airline bookings

Airline bookings, 2015–2024F (millions)



1) Based on information on how much money is spent on travel and travel volume per sales channel (i.e. sales through airline companies directly or through intermediaries) from the database Euromonitor Travel Industry Statistics.

2) The Company's own assessment.

The Nordic travel market is highly digitalised, particularly in Sweden, Norway and Denmark where some 90 per cent of all trips are booked online. Digital channels are slightly less popular for travel-booking in Finland. In 2019, 72 per cent of all trips in Finland were booked via digital channels, which is expected to increase to 80 per cent in 2024. In 2019, slightly more than 70 per cent of all trips were booked online in the rest of the EU. Most of the Company's partners in this segment are online-only operators.¹⁾

Trips can be booked in different ways online. Either directly via the airline's website or via an aggregator, which collects and combines trips from different airlines. The aggregator acts only as an intermediary, and then directs the customer to an online travel agency (herein after "OTA").

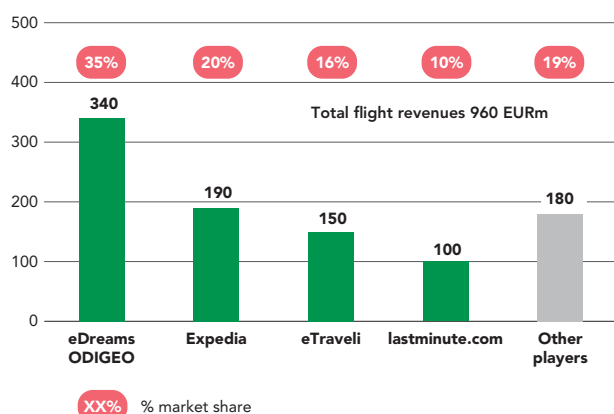
Europe has four major OTAs, which combined account for an estimated 80 per cent of the total OTA market, as illustrated in the diagram below.²⁾ The Company believes that the OTA market share will remain stable or grow slightly going forward.

Competitive landscape

In the Company's assessment, three main types of competitors exist in the travel insurance market: large global insurers such as Allianz and Axa; and niche global insurers such as Chubb and Europeiska ERV. The third type comprises Nordic niche insurers, such as Gouda, which is a subsidiary of Gjensidige, one of the largest insurance companies in the Nordic region. Solid Försäkring estimates the Company's market share of the Nordic travel insurance market to be approximately 1 per cent.³⁾

Leading OTA flight market players

European OTA net flight revenue, EURm (2018)



1) Data concerning sales per channel based on data from the database Euromonitor Travel Industry Statistics.

2) The Company's assessment based on data from annual reports regarding income for the 2018 financial year for the respective travel agencies (eDreams ODIGEO; Expedia; eTraveli; lastminute.com).

3) Solid Försäkring's market share has been appreciated by the Company by comparing the total premium income from sales of travel insurances in relation to total appreciated market size.



Business overview

Introduction to Solid Försäkring

Solid Försäkring conducts non-life insurance operations in Sweden, Denmark, Norway and Finland and, to a minor extent, also in certain other countries in Europe. The Company offers speciality insurance with a main focus on niche insurance in the *Product, Personal Safety* and *Assistance* segments.

Solid Försäkring's insurance is primarily directed to private individuals. The Company cooperates with a large number of partners, within various industries, that mainly consist of so-called excluded ancillary insurance intermediaries, including foreign equivalents ("**Special Agents**"). The Special Agents provide insurance which complements a product or a service up to certain premium levels. As the name suggests, Special Agents are largely exempt from the provisions of the Swedish Insurance Distribution Act (2018:1219) (Sw. *försäkringsdistributionslagen*, "**IDA**"). However, this type of broker must, inter alia, comply with the provisions on information to customers and remuneration of employees who distribute insurance. In addition, the Company cooperates with so-called tied insurance intermediaries and tied ancillary insurance intermediaries, including foreign equivalents ("**Affiliated Agents**"). Tied insurance intermediaries have as their main activity to distribute insurance from one or more insurance companies, while tied ancillary insurance intermediaries do not distribute insurance as their main activity and thus may only distribute insurance products that complement a product or a service. Unlike tied ancillary insurance intermediaries, tied insurance intermediaries may not distribute competing insurance products. The Affiliated Agents have been registered by Solid Försäkring with the Swedish Companies Registration Office and are largely encompassed by the provisions of the IDA. Solid Försäkring's products are also distributed via independent insurance intermediaries who have their own authorisation from the SFSA. Most of Solid Försäkring's insurance products are distributed to customers through these categories of partners, while a certain portion is distributed by the Company directly to customers. The insurance portfolio consists of many insurance contracts with low individual insurance values. Asset management is a separate function and is responsible for all of the Company's investment assets.

Solid Försäkring was founded in 1993 as part of the Resurs Group and is subject to the supervision of the SFSA. The Company's head office is located in Helsingborg, Sweden, and on 30 September 2021 the number of employees (FTEs¹⁾) was 68.

Vision

Solid Försäkring's vision is to be the leading provider of niche insurances in the Nordics.

History and development

1993–1994	Solid Försäkring is founded in 1993 with its head office in Helsingborg, Sweden, as part of the Resurs Group. In 1994, Solid Försäkring is granted authorisation from the SFSA to conduct non-life insurance business.
1998–2001	Solid Försäkring expands its operations to Denmark, Norway, Switzerland and Finland.
2005–2007	Solid Försäkring acquires Global Reseskydd and Nord Reseskydd.
2008	Solid Försäkring launches roadside assistance services in Sweden.
2012	Nordic Capital acquires the majority of Resurs Holding.
2014	Solid Försäkring divests its home and car insurance portfolio to Gjensidige.
2015	Solid Försäkring acquires a customer register over bicycle insurances in Sweden from Falck.
2016	Resurs Holding is listed on Nasdaq Stockholm. Solid Försäkring terminates a partnership regarding travel insurance in the UK.
2017	Solid Försäkring establishes branches in Finland and Norway.
2019	Solid Försäkring carries out an asset acquisition of the car warranty provider 1228 Management.
2020	Solid Försäkring completes an asset acquisition of Sykkel Holding's register of bicycle registrations in Norway.

1) A full-time employee (FTE) is equivalent to 2,080 hours per year and is based on the hours both for full and for part-time employees.

Strengths and competitive advantages

Solid Försäkring operates in the attractive Nordic insurance market

Solid Försäkring mainly operates in the Nordic non-life insurance market which, according to the Company, is characterised by a generally high propensity to take out insurance, high customer loyalty, generally low loss ratios and a high degree of digitalisation compared with other insurance markets. The Nordic non-life insurance markets have generally performed positively with relatively stable growth in premium income over time, with Sweden and Norway showing the highest rate of growth.¹⁾

The travel market is expected to report robust growth of 40 per cent between 2020 and 2022, mainly driven by a recovery after the COVID-19 pandemic.²⁾ In the longer term, the travel market is expected to grow by approximately 8 per cent per year and online travel agencies are expected to capture an increasingly large share of the travel sales market.³⁾ Online travel insurance agencies are Solid Försäkring's main partners for sales of travel insurance products.

The PPI market is expected to grow 4 per cent per year, mainly driven by underlying growth in the Nordic credit market due to such factors as economic recovery and a higher number of niche players in consumer loans. Other markets related to product insurance and vehicle insurance and warranties are expected to show stable growth of about 1–2 per cent per year. This is primarily expected to be driven by a slight recovery in sales in physical stores following the COVID-19 pandemic, higher demand for insurance for more expensive electric bicycles and relatively frequent and high proportion of sales of used cars in Sweden compared with the rest of Europe.⁴⁾

Overall, Solid Försäkring has identified many opportunities to continue to consolidate its market position in the Nordic niche insurance market.

Solid Försäkring has a leading market position in the niche insurance segment

Solid Försäkring has a diversified range of insurance products with attractive positions in several carefully selected niches. The Company has a particularly strong position in the *Product* segment with a market-leading position both in Sweden and in Norway in bicycle insurance and consumer electronics.⁵⁾ Solid Försäkring is capturing market shares by creating and offering customised solutions for partners to enable them to offer attractive and simple products to policyholders. Solid Försäkring mainly focuses on offering products that are easy for the end customer to understand, that enable partners to strengthen their relationships with end customers by offering Solid Försäkring's products, that Solid Försäkring should offer first-class support in terms of availability and competence and that Solid Försäkring should be seen as a market player that helps its partners to sell more insurance linked to the products or services offered to the end customer. Overall, Solid Försäkring's tailored solutions are deemed to create a strong market position in the niche insurance segment.

Solid Försäkring has a business model with relatively low risk

Solid Försäkring targets carefully selected niche insurance segments with stable underlying markets and relatively low claims ratios. The Company develops its business by increasing volumes, through broadening its product offering and entering into new partnerships, among other things, and at the same time maintaining low individual risks for each segment. In addition, Solid Försäkring's pricing models are applied based on a data-driven process with well-founded data on, among other things, historical claims ratios for each insurance product and segment.

1) For further information, please see section "Market overview".

2) The Company's analysis of total market share is based on information on how much money is spent on travel and travel volumes per sales channel (that is, sales directly via airlines or via an intermediary) from the database Euromonitor Travel Industry Statistics. The Company has reviewed this in relation to an average price point for travel insurance based on the Company's own analysis in order to assess the total market share for travel insurance. Future growth is based on the Company's assessment.

3) The Company's analysis of total market share is based on information on how much money is spent on travel and travel volumes per sales channel (that is, sales directly via airlines or via an intermediary) from the database Euromonitor Travel Industry Statistics. The Company has reviewed this in relation to an average price point for travel insurance based on the Company's own analysis in order to assess the total market share for travel insurance. Future growth is based on the Company's assessment.

4) The Company's analysis of market share and future recovery.

5) The Company's analysis based on Solid Försäkring's, and its competitors', premium income in relation to total estimated market size for each market.

Proven financial development creates an attractive position for continued growth

Solid Försäkring's financial development in the past few years has been characterised by stable underlying growth in volumes and a lower cost base that has contributed to a significantly strengthened technical result¹⁾ since 2015. Solid Försäkring's technical result increased from SEK 62 million²⁾ to SEK 117 million between 2015 and 2020. In 2014, Solid Försäkring divested its home and car insurance portfolio to Gjensidige and in 2015 a partnership regarding travel insurance in the UK was terminated.

By divesting and terminating unprofitable business units in combination with volume growth and cost control, Solid Försäkring has been able to demonstrate profitable growth, which in turn creates momentum in the operations as well as an interesting and attractive position for continued growth. Solid Försäkring's profitable position for continued growth is partly supported by diversification both in terms of numbers and in terms of type of partners, and partly by the industries to which the Company's insurance products are offered. Solid Försäkring has a broad partner base that represents a broad product offering across different industries, which means that Solid Försäkring considers itself resistant to a general decline in a specific industry.

In addition, growth is supported by the Company's continuous work with streamlining and digitalisation, both internally and externally in the product offering, in order to streamline customer acquisition and customer interaction in order to further increase the volume in a cost-effective manner. This is made, for example, by developing effective ways for partners to report customer and insurance data and information.

Solid Försäkring has also identified an opportunity for recovery, and thereby increased demand for the Company's insurance products, in certain markets, such as the travel market, as restrictions related to the COVID-19 pandemic are lifted and the vaccination rate increases. Overall, the Company believes that the profitable financial trend in the past few years creates an attractive position for continued growth in the future.

Several attractive growth opportunities

Solid Försäkring has identified several opportunities for future organic growth. The growth strategy is mainly directed at the markets and niche segments that are each supported by stable underlying growth. An important part of the growth strategy entails the opportunity to enter into partnerships and increase the customer

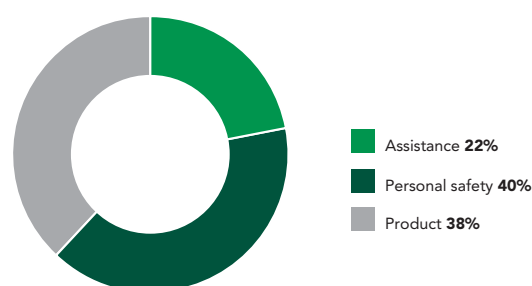
conversion rate. Furthermore, the Company has identified opportunities in certain markets to introduce insurance products which are already offered in other markets, such as the Swedish, and thus broaden the product offering in these markets.

Solid Försäkring has also identified potential to expand the insurance operations both geographically and with more products by identifying and pursuing attractive acquisition opportunities in selected markets. Acquisitions are evaluated through a selective process that considers such factors as market potential, value proposition, customer focus, cultural match and potential synergies by combining the potential acquisition target with the rest of Solid Försäkring. Moving forward, Solid Försäkring intends to continue to focus on identifying and carrying out attractive acquisitions to broaden the product offering and expand geographically, thereby creating shareholder value.

Very experienced management team in the insurance industry

Solid Försäkring's management team comprises seven persons with solid experience and expertise in the insurance industry. Solid Försäkring's management and other key personnel have a long-term commitment with a comprehensive understanding of the Company's business model and the character and dynamics of the niche insurance market (for further information about the Company's management, see section "*Board of directors, senior executives and auditors*"). The management team and other key personnel in Solid Försäkring have a successful and proven ability to drive profitable growth with increasing margins over time. Furthermore, Solid Försäkring has a dedicated and experienced board with good insight into the Company's operations and key markets.

GWP per segment, 2020



1) The Company's technical result pertains to operating profit from the insurance operations. For a more detailed description of the Company's technical result, please refer to the section "*Selected historical financial information – Income statement in summary*" below.

2) Refers to internal figures from the Company's previous financial years and consequently cannot be derived from the selected financial information below.

Product offering

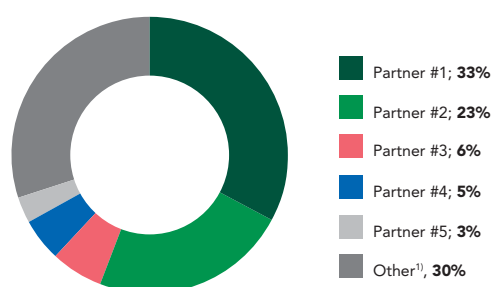
The insurance portfolio consists of many insurance contracts with low individual insurance values. Solid Försäkring offers supplementary insurance with a focus on increasing growth in its existing segments in the Nordic market with a clear and coherent partner and consumer offering. The Company works together with leading players in a wide range of different industries and continuously works on improvements in its existing partner base to make the entire process as simple and efficient as possible both for partners and for consumers. The Company's overall product strategy is that the Company's products are to be easy to take out, understand and use. The insurance operations are divided into three segments: *Product*, *Personal Safety* and *Assistance*. See also section "Selected historical financial information – Selected financial information by segment" for the Company's gross written premium and gross profit divided by segment for the financial years 2018–2020 as well as the nine-month period ending 30 September 2021 and the nine-month period ending 30 September 2020, respectively.

Product

Within the *Product* segment, the Company offers all-risk coverage insurance for a wide range of product categories both in the form of individual insurance and in the form of group insurance (mainly mandatory group insurance) as well as elimination of deductibles for bicycles. Solid Försäkring has a particularly strong position in bicycles and consumer electronics in Sweden and Norway, based on strong and far-reaching relationships with large retail chains. In addition to bicycles and consumer electronics, Solid Försäkring also offers all-risk coverage insurance for products such as appliances, garden tools, glasses, watches and jewellery. Solid Försäkring's partner concentration within the *Product* segment is presented below. In 2020, the *Product* segment accounted for approximately 38 per cent of Solid Försäkring's total premium income.

Product, Partner Base

Partner split (share of GWP 2020,%)



1) Includes bicycle insurance that consists of several partners.

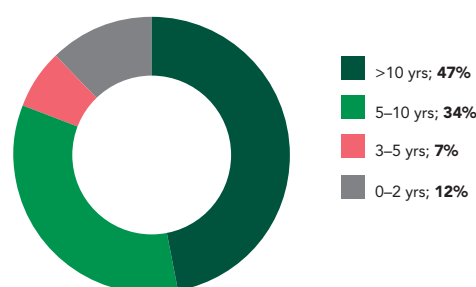
Personal safety

The *Personal Safety* segment includes income insurance, payment protection insurance (PPI), ID theft insurance and accident insurance. Through Solid Försäkring's income insurance, policyholders are guaranteed to receive up to 80 per cent of their salary even if the person earns more than the limit under the national unemployment benefit level.

PPI is offered to customers in Sweden in the form of compulsory and voluntary group insurance. Individual insurance is distributed in the other Nordic countries where the Company operates. PPI can in many cases be taken out when the policyholder has a loan or a credit and means that the policyholder receives compensation corresponding to the cost of the loan or the credit every month for up to 12 months. Compulsory group insurance means that customers taking out a loan or a credit, with a creditor who distributes Solid Försäkring's PPI products, and who meet the conditions to be encompassed by the PPI product are automatically encompassed by compulsory group insurance without any extra cost for three months, for example, after taking out the loan or the credit. After a three-month period, the insurance intermediary can then offer the customer the option of paying a premium and joining Solid Försäkring's voluntary PPI group insurance. Customers are sometimes offered the opportunity to take out voluntary PPI group insurance directly when they take out a credit or loan. The structure of the voluntary group insurance also provides the option of automatic affiliation, which means that the insurance customer is committed to a group insurance through passivity, for example, by not declining the insurance. However, this is currently not applied.

Solid Försäkring's *ID-Protection Plus* is a form of ID protection that helps policyholders to prevent and detect identity theft and limit any financial loss arising from identity theft.

Years of partnership

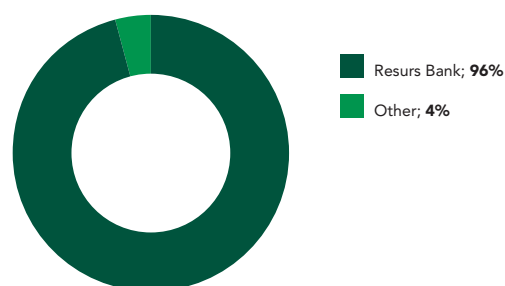


The Company's accident insurance is distributed via Chubb European Group SE, which is the insurance provider. Accident insurance means that the policyholder can receive compensation for costs in connection with an accidental injury.

Most of the sales in *Personal Safety* come from PPI, which is largely attributable to the partnership with Resurs Bank. Resurs Bank is one of the Company's largest partners and offers its customers Solid Försäkring's PPI for credits taken out via Resurs Bank. During 2020,

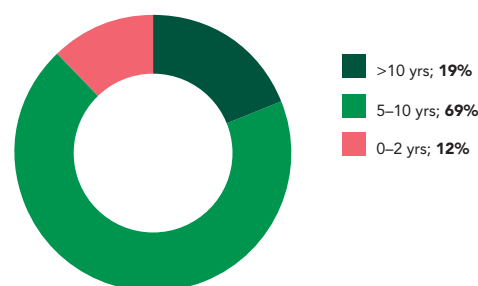
Personal Safety, Partner Base

Partner split (share of GWP 2020,%)



Resurs Bank accounted for 96 per cent of the Company's total premium income within the *Personal Safety* segment. The *Personal Safety* insurance policies are essentially distributed exclusively through partners such as banks and credit institutions. Solid Försäkring's partner concentration within the *Personal Safety* segment is presented below. In 2020, the *Personal Safety* segment accounted for approximately 40 per cent of Solid Försäkring's total premium income.

Years of partnership



Assistance

In the *Assistance* segment, Solid Försäkring offers roadside assistance, insurance associated with vehicle warranties, the recently launched *Självriskhjälpen* ("Deductible help" for tax deductible expenses) and various insurance products for the travel industry.

Roadside assistance means that the policyholder can receive assistance, for example, when they have a punctured tire or breakdown, and compensation for a hire car and hotel. Solid Försäkring has a partnership with SOS International, which provides an easy contact channel for policyholders via telephone. Roadside assistance is distributed through partners, such as car dealerships, car mechanics and stores, as well as directly to customers.

Insurance associated with vehicle warranties means that Solid Försäkring provides a concept for car dealerships under which they can offer customers buying a vehicle the opportunity to take out a warranty for that vehicle. At the same time, Solid Försäkring signs an insurance

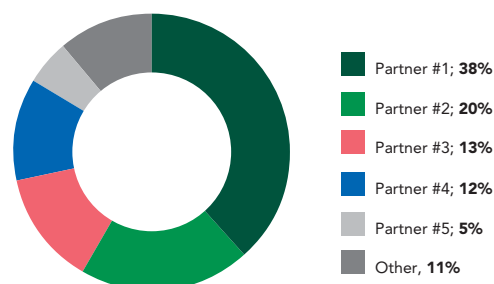
contract with the car dealership under which the dealership's risk for faults for which compensation can be paid under the issued warranty, according to the scope of the conditions of each warranty, is insured with Solid Försäkring. Car warranty insurance is currently distributed to car dealerships by tied insurance intermediaries.

Självriskhjälpen is a supplement to standard vehicle insurance and involves reducing or eliminating the deductible in the event of, for example, theft, accident or break-in. *Självriskhjälpen* is distributed through partners, such as car dealerships, car mechanics and stores, as well as directly to customers.

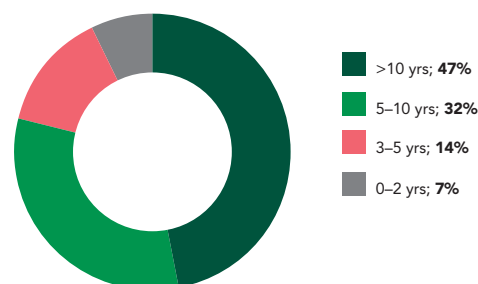
Solid Försäkring's travel insurance includes travel insurance and cancellation insurance distributed via travel agents and directly to consumers. Solid Försäkring's partner concentration within the *Assistance* segment is presented below. In 2020, *Assistance* accounted for 22 per cent of Solid Försäkring's total premium income.

Assistance, Partner Base

Partner split (share of GWP 2020,%)



Years of partnership





Geographic markets

Currently, Solid Försäkring primarily operates in Sweden, which in 2020 accounted for approximately 65 per cent of premium income. In the same year, other parts of the Nordics where the Company operates, meaning Norway, Denmark and Finland, accounted for approximately 31 per cent of total premium income and other selected countries in Europe for approximately 4 per cent. In Sweden, Solid Försäkring offers a wide range of all insurance products, while in Norway, Denmark and Finland the Company offers products in *Product* and *Personal Safety*, but only has a limited range of insurance products in *Assistance*. Solid Försäkring's premium income per geography is illustrated in the diagram below. See also section "*Selected historical financial information – Selected financial information by country*" for the Company's gross written premiums divided by

country during the financial years 2018–2020 as well as the nine-month period ending 30 September 2021 and the nine-month period ending 30 September 2020, respectively.

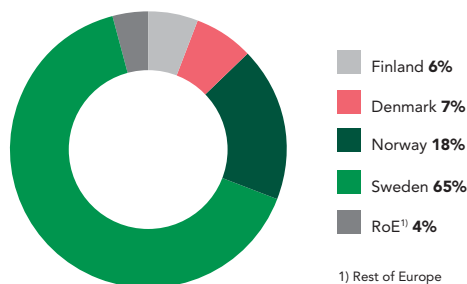
Business model

Solid Försäkring's business model consists of the sale of different types of non-life insurance. Insurance providers such as Solid Försäkring have a responsibility to pay compensation for actual and expected insurance claims that policyholders could incur. Thus, premium income must be balanced to cover the Company's claim costs and the Company's other operating expenses as well as allow for an acceptable profit margin for the Company.

Customers

Solid Försäkring's insurance is primarily aimed at private individuals in the Nordic markets where the Company operates, meaning Sweden, Norway, Denmark and Finland, and in selected markets in Europe. Insurance is primarily distributed by a large number of partners, such as Affiliated Agents including their foreign equivalents and independent insurance brokers. The Company's insurance portfolio consists of many insurance contracts with low individual insurance value and various maturities. Approximately 70 per cent of Solid Försäkring's current end customers are between the ages of 26 and 65, of which the largest customer base, corresponding to 21 per cent, is between the ages of 46 and 55.

GWP per geography, 2020



Distribution model

Approximately 85 per cent of Solid Försäkring's product offering is brokered through partners to customers and around 15 per cent is brokered by Solid Försäkring directly to customers.

Since the majority of Solid Försäkring's product offering is distributed to customers via partners, i.e. Special Agents, Affiliated Agents and independent insurance intermediaries, sales via partners are Solid Försäkring's most important distribution channel. Solid Försäkring's partners include credit institutions, banks, travel agents, retail chains and car dealerships. The Company has collaborated with over 75 per cent of Solid Försäkring's 25 largest partners for more than five years. Most of Solid Försäkring's partners are Special Agents and conduct insurance brokerage as ancillary operations to their ordinary operations. Special Agents offer insurance that covers the risk of loss of goods or malfunctions or damage to goods, that a service cannot be used, or damage or loss of baggage and other risks in conjunction with travel. This category of insurance intermediary is exempt from most of the provisions in the IDA on the condition that the annual premium of a distributed insurance policy does not exceed a value corresponding to EUR 600, calculated on a proportional annual basis, or that the premium of a distributed insurance policy does not exceed a value of EUR 200 per person, in cases where the policy supplements a service and the duration of the service is not longer than three months. The Affiliated Agents that Solid Försäkring partners with do not have their own authorisation to sell insurance, but operate instead under Solid Försäkring's licence and distribute the Company's insurance as a supplement to a good or service connected to the operations that the inter-

mediary conducts as its primary business operations.

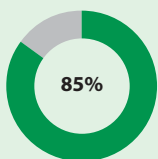
Products in the *Personal Safety* segment and the Company's travel insurance products are essentially sold exclusively through partners while insurance products in *Product* and *Assistance* (apart from the Company's travel insurance products) are partly sold directly to customers.

Solid Försäkring's distribution model and commercialisation process are primarily based on establishing partnerships in relevant segments and signing contracts with partners. In most cases, the agreement is procured with the partner in competition with other insurance providers in which, if the agreement is signed with the Company, the partner commits to not distribute similar insurance products for other insurance providers. This entails exclusivity in most cases, which means that the partner only offers Solid Försäkring's products to its consumers.

Once the consumer has purchased or received an insurance policy via one of the Company's partners, the Company works on the aftermarket potential, wherever possible, which means that the customer extends the insurance or purchases additional insurance. The part of Solid Försäkring's insurance that consists of sales directly to the customer mainly comprises aftermarket sales, which involves a direct offer to the customer to extend an insurance policy or an offer to the customer, for example, to sign an individual insurance policy with the same protection that the customer previously received through a compulsory group insurance previously provided by partners. Insurance policies are usually extended by the customer receiving an offer via post, e-mail or another digital mailbox, for which the customer must actively approve the continuation of the insurance for a fee.

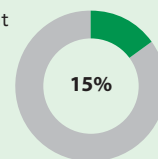
Partner sales (B2B)

- 85% of Solid's GWP represent insurance products sold through partners at the retail point of sale, both online and offline
- Over 75% of Solid's largest partners are such partners with whom the Company has collaborated with for over 5 years



Direct sales (B2C)

- 15% of Solid Försäkring's GWP represent insurance products sold directly to consumers



B2B – Share of GWP per product segment (2020)

Personal safety	Product	Assistance – Motor	Assistance – Travel
99%	73%	75%	100%
MoneyGo Wästgöta Finans Resurs Bank MyMoney	CDON XXL Power Elon	Autoexpertern Riddermark Bil AB	Ticket Sembo

B2C – Share of GWP per product segment (2020)

Personal safety	Product	Assistance – Motor	Assistance – Travel
1%	27%	25%	0%

Value offer

Solid Försäkring's objective is to offer competitive insurance products that are attractive both for partners, so that they can strengthen their customer offering, and for customers who ultimately take out or are covered by the insurance policy.

Solid Försäkring's offering to partners comprises tailor-made package offerings, customer information and the administration and management of claims under the insurance policy. After a partnership agreement has been signed, Solid Försäkring plans the integration phase together with the partner to ensure, among other things, that personnel receive the right training, that necessary special adjustments of systems are made and that Solid Försäkring's offering is optimally integrated with the partner's other business offering. The length of the sales and integration process varies depending on the type of partner and the specific circumstances.

Regarding the fee model, the partner receives a brokerage commission in certain cases. The brokerage commission may also be supplemented with a quality commission for which additional compensation could be received depending on the claim outcome in specific portfolios. With some of the Company's larger partners, Solid Försäkring applies a profit-sharing model where the profit-sharing is calculated on the premium income after deduction for partner commission, Solid Försäkring's share as well as after claims costs related to the insurance sold.

In certain cases, the partner offers its customers an insurance policy with Solid Försäkring without receiving compensation from the Company. In these cases, this is often because the partner believes that it is necessary to offer the end customer an insurance policy on the product or service in order to maintain a competitive offering.

Pricing

Solid Försäkring has a data-driven pricing strategy in which risk-based calculations play a central role. The pricing of insurance products is based on four components that, among other things, comprise historical data and forward-looking forecasts over claims and claims payments as well as administrative and other expenses for the specific product (OPEX). Following this, Solid Försäkring adds an acceptable margin and, depending on the payment model, a partner commission if applicable. These four components then comprise the final pricing of the product. Solid Försäkring also applies a structured process for following up on the insurance portfolio's outcomes.

Asset management

Part of the Company's business model consists of engaging in asset management in order to generate capital gains on the Company's investment assets that are otherwise intended to cover the Company's commitments regarding insurance claims attributable to the insurance products that have been sold. Insurance premiums are paid in advance, which means that there is a certain time interval between receiving premium payments and making claims payments. This allows Solid Försäkring to safely invest the insurance premiums to enable insurance undertakings and claims payments to be discharged at the same time as the insurance premium costs are kept low in the event of high returns.

The Company has adopted guidelines for handling assets aimed at describing the Company's asset management and capital plan. The Company's finance function is responsible for asset management, and its duties include ensuring that suitable calculations and adjustments are made for determining solvency capital requirements and own funds as well as identifying and documenting different cases of the distribution of own-fund items. The Company must also follow a medium-term capital plan that includes taking into account planned capital issues, the maturity of own-fund items and the results of the forecasts that were made using the company's own risk and solvency assessment ("ORSA"). The capital is to be controlled by the Company's board of directors. The Company's risk management function is to ensure that the follow-up and control of guidelines for asset management take place to the extent required, and ensuring compliance with the guidelines.

A large part of the Company's investment portfolio comprises interest-bearing securities and the majority of the investment assets bear variable interest. A minor part of the Company's portfolio comprises equities in which the majority of the investment portfolio is listed in SEK. The asset management function can also make use of derivatives to reduce market and currency risk.

For the 2020 financial year, the direct yield on the investment portfolio was KSEK 16,802,¹⁾ corresponding to a direct yield for asset management of 1.5 per cent. The total return was 1.3 per cent. The market value of the Company's investment assets, including cash and cash equivalents in cash and bank balances, was KSEK 1,149,710 on 31 December 2020.²⁾

Claims adjustment

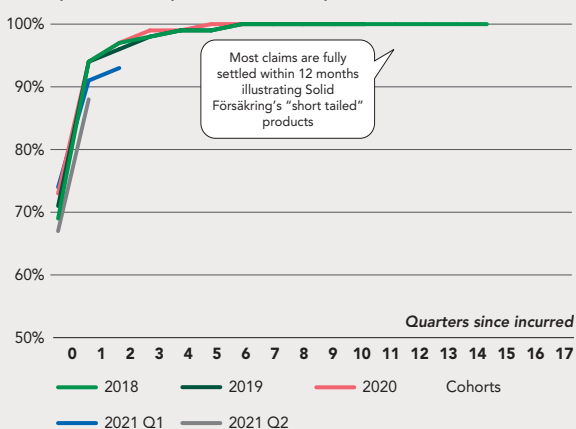
The Company primarily adjusts claims itself, but for certain insurance products all or parts of the claims adjustment process are outsourced to agents, for example, the valuation of damage to certain products and for managing roadside assistance services and travel claims.

1) Refers to return on capital less the year's capital gains.

2) See section "Selected historical financial information".

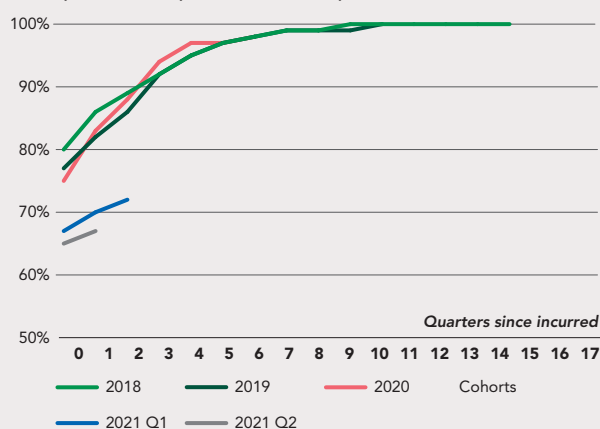
Claims triangle – Solid Försäkring

Claims paid as % of expected ultimate cost per claim



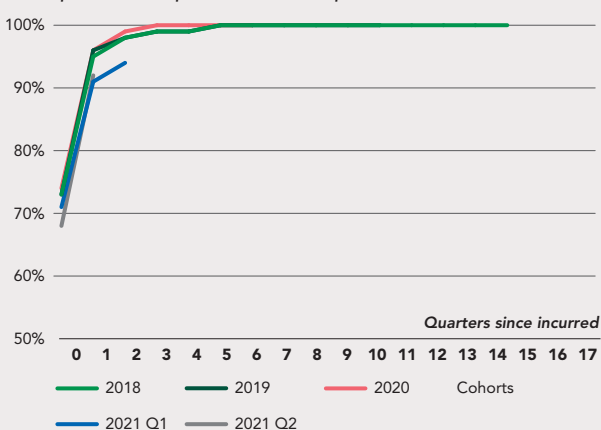
Claims triangle – Personal safety

Claims paid as % of expected ultimate cost per claim



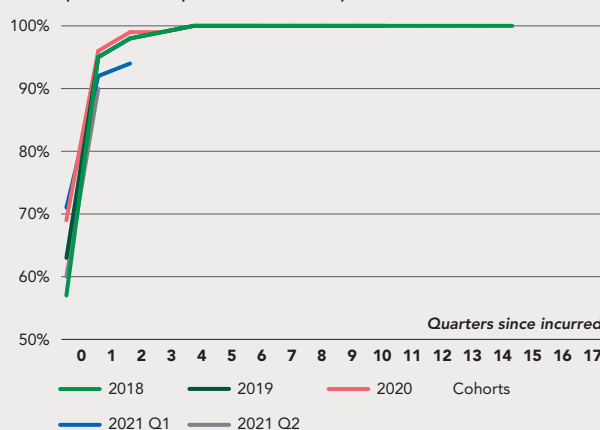
Claims triangle – Product

Claims paid as % of expected ultimate cost per claim



Claims triangle – Assistance

Claims paid as % of expected ultimate cost per claim



Solid Försäkring's insurance products are relatively short-tailed, which means that the time from the occurrence of the damage up until the completion of the claims adjustment and payment of the compensation is relatively short. The Company's insurance agreements normally apply for a term of one year, with the exception of a three-year car warranty as well as certain insurance within the *Product* segment. Also within the *Assistance* segment, certain insurance contracts have a longer term due to the claims adjustment process being more comprehensive for the policyholder.

The overall, expected duration of Solid Försäkring's insurance agreements, based on the total technical provisions, is as follows: 66.6 per cent of the technical provisions shall cover shorter insurance claims within one year (year 0–1) while 23.4 per cent shall cover insurance claims that occur during year 1–2. This means that only 10 per cent of the technical provisions shall be used for insurance agreements with a longer duration than 2 years. Of the remaining 10 per cent, 7.4 per cent is used for year 2–3, 2 per cent for year 3–4, 0.4 per cent for year 4–5 and 0.2 per cent for year 5–6. This shows that Solid Försäkring's products are relatively short-tailed.

The graphs above present the so-called claims triangles, both for the Company as a whole and for each segment. The graphs illustrate the development of paid insurance compensation in relation to total costs per claim.

The Company has prepared a claims adjustment policy for insurance claims with the aim of ensuring that claims adjustment is conducted in a highly functional and appropriate manner and in accordance with applicable regulations. Having a highly functional claims adjustment is an element in maintaining the confidence of the Company's customers and the public.

When a claim is incurred by one of the Company's customers, established procedures for the claims adjustment process are applied. The policyholder must make a claim to the Company or their agent in order to receive compensation. When a claim is adjusted, checks are made that the customer has a valid policy, that all customers are treated fairly and that all claims submitted to the Company are processed in due order. Notification about an insurance case is to be provided without delay and claims are to be adjusted promptly. The claims adjuster is responsible for managing claims incurred in

a customer-friendly and cost-efficient manner for the Company. Further investigation may be made if there are suspicions of fraud in a claims case.

For outsourced claims adjustment, the agent must always follow the Company's claims adjustment policy. The obligations incumbent on the Company under the claims adjustment policy and its underlying guidelines and procedures apply correspondingly to the Company's agent in accordance with applicable agreements and the framework of the assignment for the outsourced operations.

Following good practice in the insurance market, a customer who has had an insurance claim rejected is provided with written appeal instructions that describe how the customer can request a reassessment of an insurance decision. In this context, Solid Försäkring applies a system whereby dissatisfied customers are encouraged to firstly contact the Company's complaint manager to make a complaint against an insurance decision. If the customer is still dissatisfied after this, the customer is offered the opportunity to submit a written appeal to the Company's insurance board ("**Insurance Board**"), which is made up of various representatives from the Company. If, following a decision by the Insurance Board, the customer is still dissatisfied, the customer is encouraged to pursue the matter further at an independent dispute settlement body, such as the National Board for Consumer Disputes or a court. The Company's policy is to follow a decision against the Company issued by the National Board for Consumer Disputes.

Reinsurance

The Company examines and assesses all new products and business affairs in its insurance operations from a risk perspective. As part of this process, an assessment of the Company's risk exposure and the need for reducing risks through reinsurance is made. The Company also continuously evaluates its existing insurance portfolio to determine the need for any changes or improvements to its strategy for risk reduction through reinsurance.

The Company's reinsurance programme can be divided into three types of reinsurance contracts:

- (i) reinsurance for reducing risk;
- (ii) reinsurance for business purposes; and
- (iii) reinsurance for which the Company serves as the reinsurer for another insurance company.

The Company does not currently serve as a reinsurer for any other insurance company but has signed two reinsurance contracts for its own operations. Under one of these reinsurance contracts, the Company's entire travel operations are protected from large insurance claims and events that give rise to large insurance claims. This

reinsurance contract was renewed in February 2021 and is valid until January 2022. In addition, the Company has another reinsurance contract for protecting its business affairs, which covers a specific insurance portfolio that was distributed by Iduna AB between 1 July 2009 and 19 November 2012. This portfolio is fully reinsured.

Growth strategy

Solid Försäkring's primary growth strategy is to strengthen its Nordic footprint by entering into partnerships with new strategic partners, developing partnerships with existing partners, offering a clear and cohesive partner and consumer offering, and realising aftermarket potential by enhancing focus on policy renewals and more effective additional sales. The Company's growth strategy is based on the following four pillars.

Strengthened presence in the Nordics in the current product offering through new partnerships

Solid Försäkring intends to strengthen its Nordic presence and expand its customer base in existing segments by entering into contracts with additional partners in selected markets. Solid Försäkring also intends to continue to develop and complement the product offering to make it as attractive as possible both for partners and for consumers.

The Company has prepared a process for identifying new partners based on Solid Försäkring's compiled information about potential partners, including information about each partner's current insurance provider and the remaining contract length. The partner is subsequently evaluated based on a number of different factors, including attractiveness (market presence), size (income level and historical conversion rate) and future potential (ability to deliver profitable growth). The Company then draws up a list of prospective partners and evaluates the best timing for establishing contact.

Increase the conversion rate among current partner base

A higher conversion rate means a higher share of customers who, after a purchase from one of the Company's agents, choose to take out insurance with the Company. Solid Försäkring's conversion rate differs depending on the partner, type of insurance product and sales channel. In general, the conversion rate is lower for online purchases compared with purchases in physical stores for the consumer electronics product category. This is because it is currently deemed to be more difficult to convince customers to take out insurance for these product categories without personal contact with a sales person who can analyse their needs and tailor the sale of the insurance to the specific customer. The Company also believes that this could be due to customers buying such products being more price conscious than customers

who are interested in other product categories. Maintaining and increasing the conversion rate even for online purchases constitutes a challenge for the Company in the future, which the Company continuously works with.

The Company works continuously to increase the conversion rate by identifying and implementing improvements in existing business to make the process of signing and

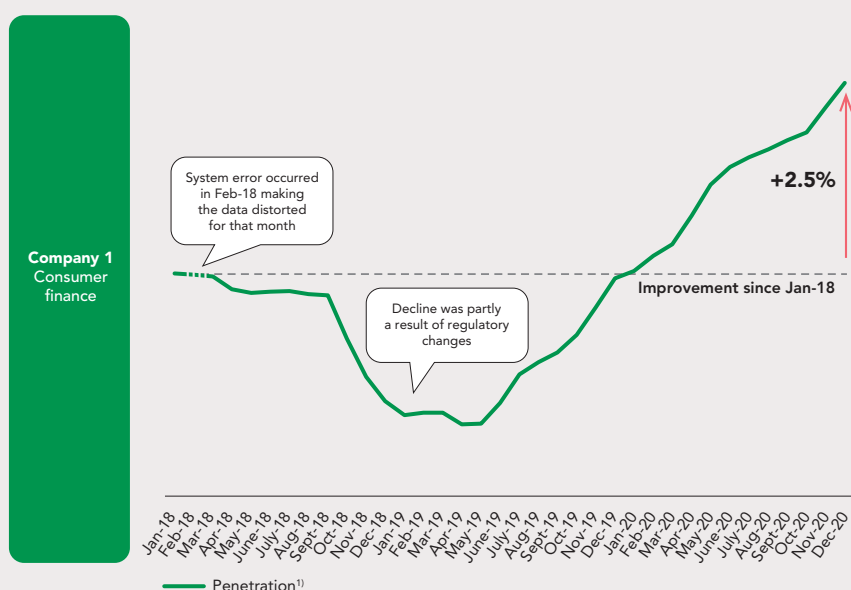
managing insurance policies as simple and efficient as possible both for partners and for customers. Solid Försäkring also works regularly on simplifying the process for the policyholder to pay for and extend a policy. Three examples of how Solid Försäkring has worked with partners in order to increase the conversion rate are presented below.

Partner case – Personal safety

Activities enhancing penetration

- 1 Simplified process when applying through a insurance intermediary
- 2 Sales force receiving continuous digital education of the products as well as the terms and conditions
- 3 Well developed sales methodology
- 4 Both KPIs and goals addressing conversion
- 5 Customers can subscribe through a self-service option on the website

Development of loan portfolio penetration (% share of number of outstanding loans)



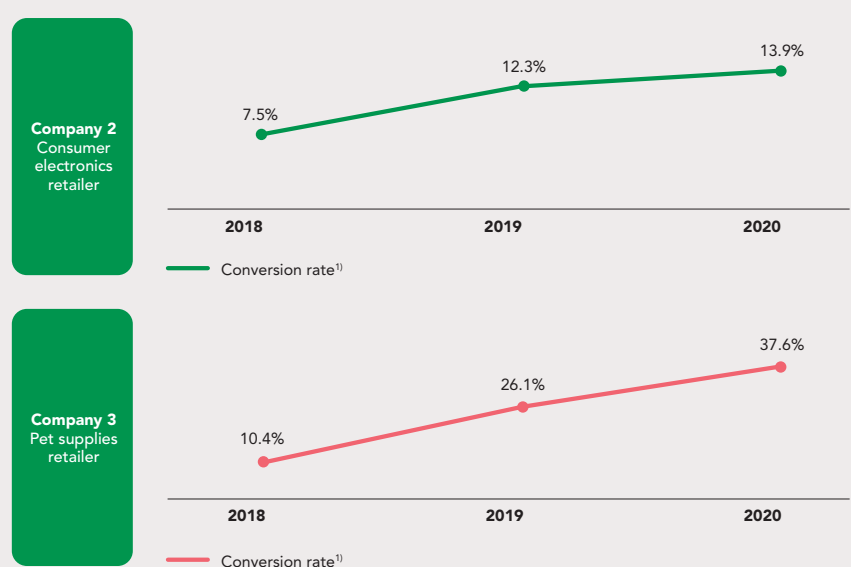
1) Defined as the share of number of outstanding loans that has been insured through Solid Försäkring

Partner case – Product

Activities enhancing conversion rate

- 1 Sales coach continuously working with educating personnel, focusing on specific products
- 2 Optimisation of premiums generating an increase of sales without a negative impact on the risk premium
- 3 System integration that further improves tracking of data from the Partner
- 4 Participation in various fairs throughout the year

Development of conversion rate



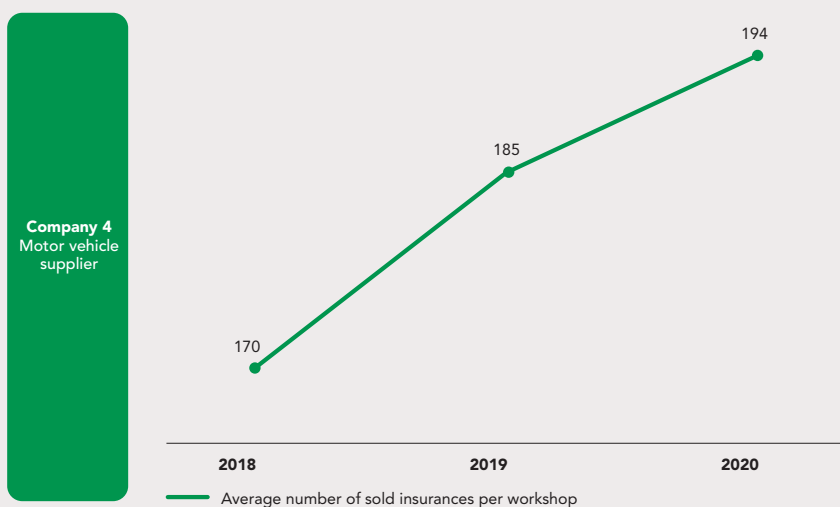
1) Defined as share of sold products that are insured through Solid Försäkring

Partner case – Assistance

Activities enhancing conversion rate

- 1 Regional managers receiving education
- 2 Strong relations with the Partner across the entire organisation
- 3 Development of new products and services

Change in the number of mediated RSA insurances per workshop



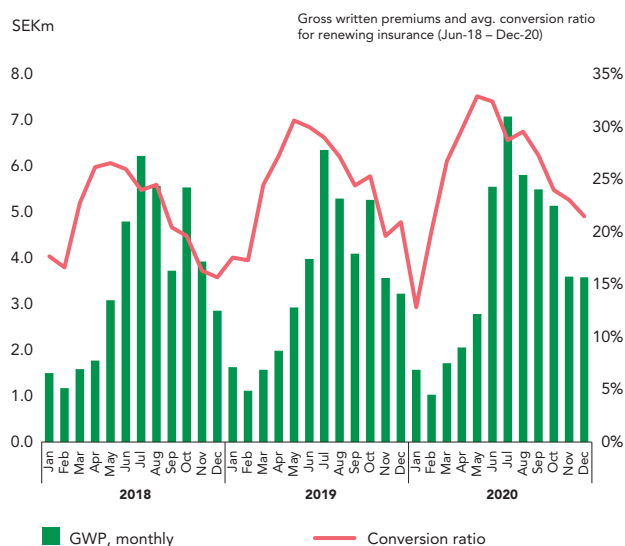
Increase aftermarket potential through focused value offer

Aftermarket potential presents the possibility of convincing customers to continue to extend their existing insurance cover or to take out additional cover. This takes place partly by optimising the product offering by working on content, design and customer notifications, and by adapting communication based on the target group and product. Solid Försäkring also works with tools to analyse completed campaigns or targeted offers to customers.

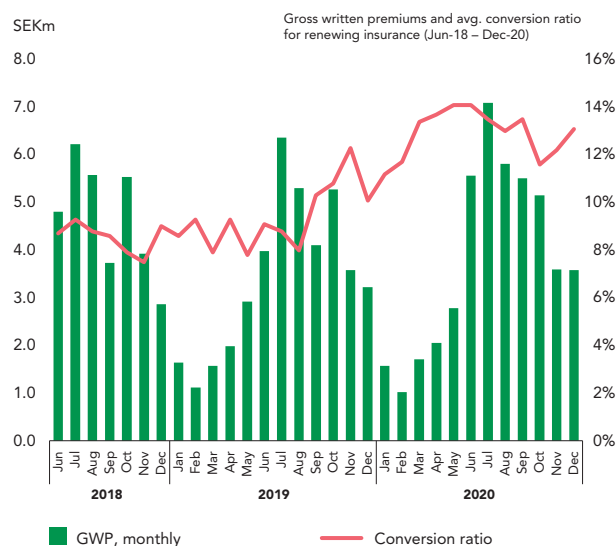
Furthermore, the Company intends to increase the aftermarket potential by continuing to focus on conversion-raising initiatives, such as extending the number of payment methods, increased digitalisation and continuing to clarify the offering. Two examples of how Solid Försäkring has increased the aftermarket potential through conversion-raising initiatives, such as optimising the process for renewal of insurance by focusing on content, design, message, differentiated communication depending on target group etc. are presented below.

Example on how Solid Försäkring's aftersales efforts have materialised

Bicycle product in Sweden



Consumer electronics retailer



Complete identified acquisition opportunities to increase upscaling of operations

Solid Försäkring intends to evaluate attractive acquisition opportunities to accelerate growth. The identification of attractive acquisition opportunities constitutes a challenge but also a significant growth opportunity for the Company in the future. Such acquisition opportunities could aim to complement and improve the product offering, accelerate geographical expansion or increase the conversion rate. Since 2015, Solid Försäkring has completed three strategically important acquisitions. In 2015, the Company acquired Falck's bicycle insurance register in Sweden. In 2019, Solid Försäkring completed an asset acquisition of 1228 Management, a car warranty broker. In 2020, the acquisition of Sykkel Holding's register of bicycle registrations in Norway was completed which, in practice, means that Solid Försäkring obtained the right to extend bicycle registers for Sykkel Holding's existing customers. All completed acquisitions have enabled further business development, geographical expansion and an increased partner and customer base.

Financial targets

The Company's financial targets, which are presented below, are subject to uncertainties and cannot be regarded as a guarantee of future financial performance. The financial targets are based on a number of assumptions about industry trends and the macroeconomic and regulatory environment in which Solid Försäkring operates, which are outside Solid Försäkring's control and could differ materially from what is expressed or implied in these statements depending on a number of factors, including but not limited to those described in the section "*Risk factors*". All financial targets that are discussed below are simply targets and are not to be considered as forecasts, predictions or estimates of Solid Försäkring's future results.

The Company's financial targets also constitute forward-looking statements. Such forward-looking statements do not guarantee future results or development. For further information on forward-looking statements, please refer to "*Important information – Forward-looking statements and industry and market information*".

Solid Försäkring's medium-term financial targets:

Solid Försäkring has the following financial targets in the medium term:

- Annual growth in net earned premiums of 4–7 per cent. In addition, Solid Försäkring intends to grow through selective acquisitions.
- Maintain a combined ratio below 90 per cent.
- Achieve a return on RoNAV (2)¹⁾ of more than 14 per cent.
- Maintain a Solvency Capital Requirement coverage ratio (SCR coverage ratio) of at least 150 per cent.

Dividend policy

According to the dividend policy adopted by the board of directors of Solid Försäkring, the Company intends to pay an annual dividend corresponding to at least 50 per cent of net profit for the year as from and including the financial year 2022. The dividend policy is conditional upon the SCR coverage ratio target and that no potential major acquisitions are carried out.

Solid Försäkring's board of director's future dividend proposals will in particular take into account Solid Försäkring's expected future income, financial position, cash flows, net requirements for working capital, capital investments and other factors. In addition, the Company is subject to capital and solvency requirements under the regulations applicable to insurance companies, see section "*Regulatory overview*", which may affect Solid Försäkring's ability to pay dividends in the future. Solid Försäkring's current dividend policy is based on current regulatory requirements and any future changes of regulatory requirements may affect Solid Försäkring's dividend policy, refer also to "*Risk factors – Risk related to the authorisation required for conducting insurance operations*".

Dividend history

For the financial year ending 31 December 2018, KSEK 129,999 was paid as a dividend to the parent company Resurs Holding. The dividend amount per share was SEK 4,333.3 (SEK 6.5 per share calculated according to the Company's current number of shares). No dividend was paid for the financial year ending 31 December 2019 or the financial year ending 31 December 2020.

1) Net profit for the period (annualised) excluding amortisation of intangible assets adjusted for tax as a percentage of adjusted equity excluding intangible assets. Adjusted equity includes the contingency reserve adjusted for tax.



Sustainability

The negative environmental impact created by the Company's business is primarily caused by business travel and the use of company cars, as well as purchased energy from fossil sources. Making more active choices enables Solid Försäkring to contribute to a gradual reduction in CO₂ emissions.

The advance of the COVID-19 pandemic resulted in less travel in the Company, which also helped reduce CO₂ emissions. At the same time as the pandemic, several initiatives to raise awareness that everyone's travel choices do make a difference were taken. These included Solid Försäkring introducing an online travel reservation system that clearly showed the climate impact of the chosen means of travel and hotel chain, as well as a new travel policy under which train travel is the recommended means, and the booking of airline flights require approval from an immediate supervisor. Approval was also provided for purchasing electric cars as company cars. The business's environmental impact also includes electricity consumption by its office premises. As a guideline, it is appropriate to use of the energy mix that is available and, to the greatest extent possible, choose renewable electricity.

The materiality analysis, which is the basis of the priorities Solid Försäkring has set for its sustainability agenda, identified that the business's primary impact relates to sustainability topics concerning social and business ethics, while it has less of an impact related to environmental issues such as climate impact, energy consumption, procurement and material use. At the same time, it is Solid Försäkring's responsibility to learn more about the indirect effects of climate change that might arise in the future and thus have an impact on the business, along with the environmental impact caused by the business.

Therefore, a process began during the year involving an in-depth analysis of these issues along with defining the scope of the impact of the EU sustainable finance regulations on the Company's business. For more information about sustainable financing, please refer to the section "*Regulatory overview – Other regulations – Sustainable financing*".

It is a priority for the Company to make conscious environmental choices when purchasing, for example, for the shared staff spaces in order to reduce food waste and the amount of packaging. The Company's e-learning portal offers a mandatory environmental course in order to increase general awareness of the importance of every action – large or small.

Organisation and employees

For Solid Försäkring, it is a matter of course to offer an equal, healthy workplace characterised by many opportunities for individual professional development. Having sustainable and committed leadership is always crucial in times of uncertainty and remote working. For all managers at the Company this involves working on efforts to boost motivation in the form of regular status update meetings and paying keen attention to the general state of health. The Company is focusing on a number of targeted digital training sessions, focusing on remote leadership given the COVID-19 pandemic and leading in times of change. Solid Försäkring regularly conducts employee surveys so that employees have the opportunity to report their experiences of their work situation, leadership and commitment, meaning that signs of day-to-day ill health and stress can quickly be identified. Previously completed surveys show that average employee satisfaction with working at Solid Försäkring is 7.9 on a scale of 1 to 10, and satisfaction with the management team is 8.1.

The Company's target for attendance rate is at least 96 per cent. The figure for attendance in the Company was 95 per cent in 2020 (95). There is a rehabilitation programme for cases of reduced fitness for work or a return to work after a long sickness absence. Employees must receive assistance and support through early, coordinated rehabilitation measures in order to regain their fitness for work with the aim of being able to return fully or partially to work.

Continual training through digital channels

The Company's e-learning tool includes everything from courses on the code of conduct, anti-corruption, insider rules and GDPR to compulsory training in insurance regulations. The portal also provides managers, HR and course owners with a statistical basis to ensure that employees take part in the training courses during the year.

Diversity and equality

Employees with diverse backgrounds, genders and experiences enrich the business in many ways, making Solid Försäkring a more creative, profitable and efficient organisation. In the Company's view, if the diversity of society is reflected in the make-up of the workforce, additional valuable customer benefit can be created.

The Company aims to have an even gender balance in its operations. In 2020, the share of female employees totalled 51 per cent (57).

The Company has zero tolerance for discrimination and sexual harassment. Counteracting them and supporting an inclusive workplace in every way must be a matter of course. The annual salary survey is intended to identify and establish that salaries are determined on objective grounds. The survey did not show any non-objective salary differences between men and women for comparable professional groups in 2020.

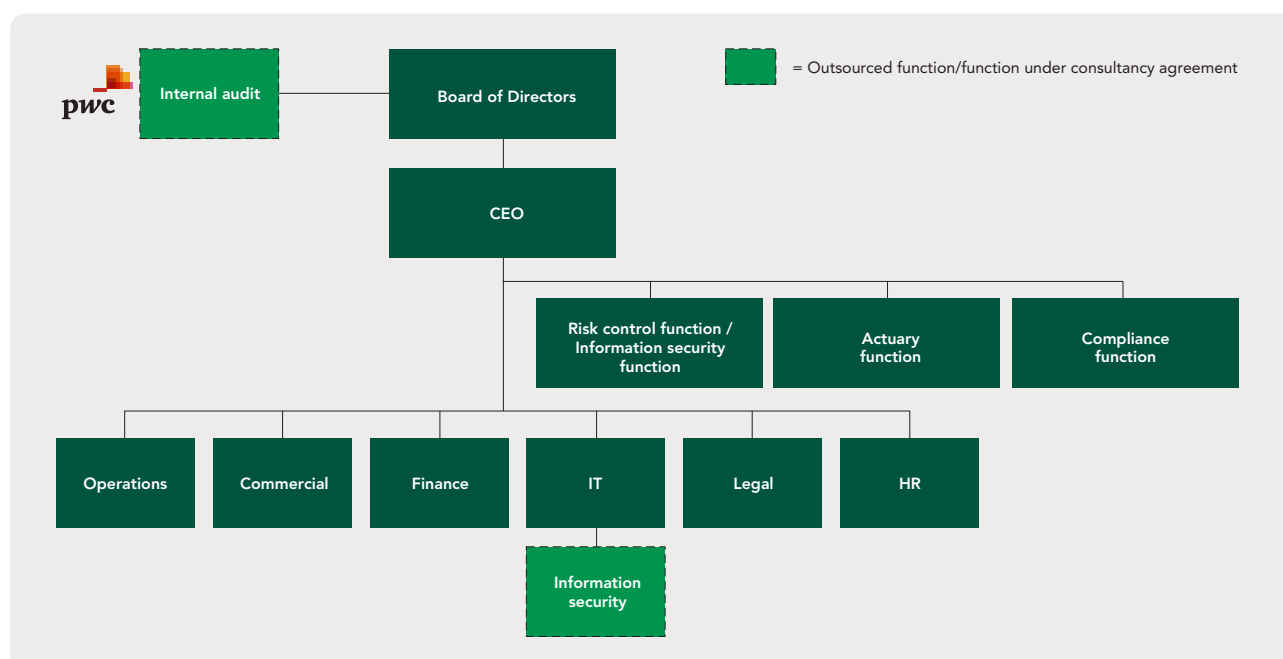
Organisational structure

The number of employees at the end of 2020 was 69 (71). The average number of employees during the year, regardless of degree of employment, was 69 (72), 51 per cent (57) of whom were women. On the date of this Prospectus, the Company has 68 employees. The table below presents the number of employees in the Company at the end of the period and the average number of employees in the Company for the past three financial years as well as the nine-month period ending 30 September 2021.

	31 Dec 2018	31 Dec 2019	31 Dec 2020	30 Sep 2021
Number of employees at end of financial year	71	71	69	68
	2018	2019	2020	1 Jan 2021– 30 Sep 2021
Average number of employees during the financial year*	74	72	69	67

* Refers to the average number of employees during the year, regardless of degree of employment.

Solid Försäkring's organisational structure is illustrated below.



Intellectual property rights

The Company has a portfolio of own trademarks that primarily comprise trademarks, commercial descriptions, domain names, logotypes and software used in the operations. On the date of the Prospectus, the Company had registered several trademarks and in its operations actively uses the following trademarks: SOLID FÖRSÄKRING, SOLID INSURANCE and GARANTIDIREKT. These trademarks are registered with the competent authorities and are protected in the jurisdictions in which the Company is active. SOLID FÖRSÄKRING is a protected figurative mark in the EU and Norway, SOLID INSURANCE is a protected figurative mark in the EU and Switzerland, and GARANTIDIREKT is a protected figurative mark in Sweden. The Company also has the rights to a number of domain names, including globalassistans.se, reseskydd.se, solidab.se and solidab.com.

IT environment

It is highly important for Solid Försäkring that the Company has a well-functioning IT system in which customer information and other confidential information can be processed, stored and transferred securely and that is compatible with the GDPR in the Company's computer systems and networks. Solid Försäkring's IT infrastructure and systems environment are scalable and designed to manage continued growth.

Solid Försäkring has a portal for the Company's partners where they can perform their services, for example, creating new insurance policies, customer searches, claims reporting, statistics and invoice management. The partner portal allows partners to easily transfer data if they do not have adequate IT infrastructure themselves. For partners wanting a fully integrated solution that supports both insurance sales and claims management, Solid Försäkring offers both API solutions¹⁾ and automated file management via an online interface or secure file sharing.

The Company's IT infrastructure for consumers is mainly related to the Company's website that is used for sales of insurance products, general information and claims reporting. Solid Försäkring's employees use a wide range of different IT tools to perform their work duties, including CRM systems²⁾ for controlling, organising and administering partners, customers and customer relationships.

Systems for administering insurance policies and claims are continuously developed by Solid's R&D department to create flexibility and competitiveness in the market.

For server and infrastructure operations, Solid has partnership agreements with carefully selected partners to ensure reliability. The data centres have ISO 9001, 14001, 20000, 27001 certification and PCI DSS and meet the strict requirements set by the banking and finance sectors. Redundancy between systems and locations are regularly tested. Solid Försäkring makes IT-related investments as required to improve operational efficiency and reduce IT-related costs.

Personal data processing

The Company processes and stores various types of information and data, and processes, for example, personal data related to customers and employees. When processing personal data, the Company applies the GDPR and other internal and external regulations on personal data processing. The Company conducts its operations with respect for the privacy of the people whose data is processed by the Company and values the fact that everyone should feel secure in how the Company processes personal data. Confidentiality is an integrated part of the Company's operations and culture. As part of this work, the Company has adapted a data protection policy and guidelines on personal data processing, and carries out annual risk analyses. The Company has also established internal procedures for conducting impact assessments before using systems that could entail transfers to third countries due to the Schrems II ruling (please refer to the risk factor "*Risks related to the Company's processing of personal data*" under the section "*Risk factors*" above). It is the Company's board of directors that has the ultimate responsibility for risk management and to ensure that internal policies effectively manage the risks of the operations. The Company's CEO has overall responsibility for ensuring appropriate handling of data protection matters. All employees should have general awareness of and comply with the Company's personal data processing. Special systems and process owners³⁾ are responsible for updating processes and procedures for ensuring that the Company complies with the data protection policy. An externally appointed data protection officer is responsible for coordinating data protection activities and ensuring that the Company works on GDPR compliance. The data protection officer is also to provide information about, examine and monitor compliance with internal and external regulations in personal data processing. In addition, the data protection officer is to submit an annual report to the Company's CEO about the activities that were carried out during the year when applying and monitoring action plans.

1) API is an abbreviation of *Application Programming Interface* and is a tool that enables programs to communicate with each other and exchange information.

2) CRM is an abbreviation of *Customer Relationship Management* and involves managing and improving customer relationships.

3) A *process owner* is the person responsible for one or more processes within the Company, such as product development, claims adjustment and processing of personal data, and is responsible for ensuring that the respective processes are fit for purpose, flexible and established. In addition, all systems and applications within the Company have a *systems owner* who is responsible for the functionality of the system and the operations that the system supports.

Risk management

Introduction

Risk management forms an integral part of the Company's operations and encompasses all activities that involve risk taking as well as the identification, measurement, reporting, monitoring and management of risks within the operations. Effective risk management is critical for the Company's strategy, financial performance and long-term value creation for shareholders. The Company's objective is for its business to be conducted in a risk-aware manner with a responsible level of risk assumption that ensures at all times that the Company has adequate solvency in relation to the risks to which the Company is exposed.

The Company's risk management framework includes, in addition to applicable laws and regulations, a number of governance documents such as policies and guidelines, as well as procedures, processes and internal rules. These governance documents are developed based on the requirements of external regulations and adapted to the Company's business strategy and operations as well as the risk appetite, risk tolerance, limits, indicators and risk mandates as set by the board of directors.

The risk appetite is defined as the level of risk acceptable to the board of directors in order to achieve the Company's objectives and strategy. The risk tolerance is defined as the limit of permitted risk exposure to different types of risks. Limits are used to define levels within various risk types to restrict risk and maintain a defined level of risk tolerance or risk appetite. Indicators for operational risks provide an early warning to the Company of any increase in risk. Risk mandates dictate the limits within which an employee has authority to make decisions.

The Company has standardised the risk identification, assessment and reporting processes. These have been implemented throughout the business as part of efforts to create risk awareness and improve the effectiveness of risk management.

Risks types and risk management

An overview of the risk types that the Company considers relevant to its operations and the risk management follows below. See also section "Risk factors" above which describes certain risks associated with an investment in the Company's share.

- **Insurance risk:** the primary risks in insurance operations comprise underwriting risk, reserve level risk and reinsurance risk. Underwriting risk comprises the risk that premiums earned will prove inadequate to cover claim and operating expenses for claims not yet incurred. Reserve level risk comprises the risk that the provision for claims outstanding prove inadequate to settle claims incurred. Unforeseen reinsurance risks may arise due to insufficient, incorrect or inadequate reinsurance cover.

Insurance risks are managed by taking out reinsurance during the year in those programmes deemed to be at higher risk. The board of directors determines the maximum retention for different types of insurance risks and which categories of reinsurers that may be used for outward reinsurance. Reinsurers are selected based on factors including expertise and financial position.

- **Market risk:** the risk that the value of the Company's investment assets will fluctuate due to changes in the market prices of the assets. These risks include currency risk, interest rate risk, equity price risk and spread risk.

Currency risk arises when the values of assets and liabilities in foreign currency translated to SEK are subject to unfavourable changes due to fluctuations in exchange rates. The Company may buy/sell currencies or enter derivative contracts in the money and currency markets for the purpose of balancing any currency risks arising from its activities.

Interest rate risk pertains to the risk of a fall in the market value of investments in fixed-income securities should market interest rates rise. Investments in interest-bearing securities entail an exposure for the Company to the risk of changes in market interest rates and thereby the Company's future cash flows. Interest rate risk is managed by investing in liquid investment assets, that is, assets that are traded, thus enabling the matching of investment assets with technical provisions.

Equity price risk pertains to the risk of a decline in value due to stock market price changes. Equity price risk is continuously monitored through, inter alia, stress testing changes in share prices and their impact on the value of the Company's equity investments.

Spread risk is the risk of loss resulting from changes in credit spreads for fixed-income securities issued by banks or companies and fixed-income securities issued by governments. The Company invests predominantly in Swedish government, municipal and corporate bonds.

The Company's board of directors has delegated the management of the Company's investment portfolio to an investment committee (see section "*Board committees and committees*" below), which determines investment strategies, the purchase/sale of securities and financial instruments, and the opening of new bank deposits.

- **Counterparty and credit risk:** credit risk is the risk of a loss or adverse value change in financial positions resulting from changes in the credit margins and ratings of security issuers, counterparties or other debtors to whom the Company is exposed. Counterparty risk is the risk of a counterparty to the Company being unable to meet its liabilities in full. This may include, inter alia, lending and accounts receivable, but also the failure of reinsurers to meet their undertakings.

The Company's general credit management approach is to assess the counterparty's capacity to meet its undertakings and to ensure the risk exposure is in relation to the Company's solvency ratio. Reinsurers are selected by taking into account the reinsurer's solvency and payment capacity.

The Company's counterparty risk is managed and restricted by policies issued by the board of directors that set out the framework for assessing the counterparty's ability to discharge its obligations.

- **Concentration risk:** consists of a single risk exposure to one counterparty, market, geography, demographic, etc. that could entail material damage to the Company's solvency. Concentration risk can arise both on the asset and on the liability side of the balance sheet, but also on off-balance-sheet items.

The Company minimises concentration risk through attracting different demographic groups with a diversified product portfolio. To avoid concentration risk pertaining to its business partners, the Company seeks to ensure that the product composition in its distributed portfolio is not overly weighted towards any single product group. The Company strives to ensure that each product in the portfolio shows a positive performance and that products with a negative performance do not benefit from the other products in the portfolio.

- **Operational risk:** pertains to the risk of losses due to incorrect or non-appropriate internal processes and procedures, human error, faulty systems or external events, including legal risks that could lead to financial losses or loss of trust. Operational risks in the Company are primarily countered through internal control that encompasses the Company's internal structure, systems, processes and procedures for risk management.

Operational risks are divided into personnel risk, process risk, IT and systemic risk as well as external risk.

Personnel risk includes, inter alia, lack of competence, staffing risk, inadequate human resources, handling risk, dependence on key individuals, and shortcomings in communication and management. To manage personnel risk, the Company has, inter alia, a defined employee training plan, systematic health and safety management, and annual reviews of key employees with skills that are difficult to replace at short notice.

Process risk encompasses, inter alia, inadequate procedures in relation to governance documents and external requirements, shortcomings in the documentation of controls, incorrect or inappropriate business processes and products, lack of coordination between existing and new processes, legal risks, and inappropriate or lack of allocation of tasks, responsibilities and authorities. The Company manages process risks by, inter alia, limiting, as far as possible, employees working in multiple functions, ensuring that no employee handles a transaction alone through the entire processing chain, and through specific guidelines for new products, services and markets. Furthermore, the Company's Head of Legal is responsible for legal risks in the operations and is tasked, together with the compliance function, with ensuring that the operations comply with applicable laws and regulations. Liability risks are managed by ensuring that each relevant position or group has a written description that specifies the responsibilities and duties incumbent on said position.

Among other things, IT and systemic risk pertains to the lack of availability of critical systems, inadequate maintenance of systems, shortcomings in service agreements, inadequate protection and erroneous handling of confidential information, shortcomings in system security, shortcomings in the development and integration of IT systems, and lack of system support and capacity. The Company has an IT policy in place which establishes the overall framework for the Company's IT activities, including the division of responsibilities and risk analysis as well as processes and procedures for the procurement, management, development and maintenance of systems and hardware.

External risks encompasses areas such as external crime and fraud, shortcomings at suppliers and partners, political and regulatory risks, changes in laws and

regulations, and crisis situations such as fire, personal injury and fatalities. The Company manages external risk through, inter alia, governance documents for external and internal compliance as well as action plans in the event of non-compliance. The Company's continuity plan, which identifies various risks and crises, is used to manage crisis risk. The continuity plan also includes contingency and recovery plans.

- **Strategic risk:** is defined as the exposure to institutional changes and changes in fundamental market conditions that could arise, for example political decisions leading to changes in consumer and insurance regulatory legislation that could impact the Company. Strategic risk is managed through continuously taking account of changes in external factors that affect the markets in which the Company operates in order to thereby minimise strategic risks.
- **Reputational risk:** is defined as the risk of harm to the Company's reputation in the market or in the media resulting from, for example, serious rumours about the Company's stability. To manage reputational risk, the Company is tasked with having a highly functional organisation and policies in place for managing media questions as well as clear policies and reporting procedures for handling customer complaints.
- **Liquidity risk:** is defined as the risk of the Company being unable to realise investments and other assets in order to discharge its financial obligations when they fall due for payment. To limit liquidity risk, investments in bonds, bills, commercial paper and equities are to be made in securities that are listed in a market-place where there are conditions for daily trading and high volumes in relation to the investment made. Total liquidity risk is governed by limits for each type of investment by a counterparty. Short and long-term liquidity are monitored on a monthly basis via the Company's investment committee.
- **Other risks:** encompass sustainability risk and emerging risks. Sustainability risks encompass risks in the sub-categories diversity and equality, social commitment, sustainable insurance, customer privacy and anti-corruption. The Company has identified that the business's primary impact relates to sustainability topics concerning social and business ethics, while it has less of an impact related to environmental issues such as climate impact, energy consumption, procurement and material use. At the same time, it is the Company's responsibility to learn more about the indirect effects of climate change that might arise in the future and thus have an impact on the business, along with the environmental impact caused by the business. A process was started in 2020 involving an in-depth analysis of these issues along with defining the scope of the impact of the EU sustainable finance regulations on the Company's business (for further information, see section "*Regulatory overview – Sustainable financing*").

Emerging risks are defined as future, potential risks that the Company could be exposed to moving forward. The Company works continuously to identify emerging risks and, when they appear, categorises them in the above sub-categories.

The identification and measurement of risks in the Company's operations takes place, inter alia, in connection with the process for own risk and solvency assessment (ORSA), mapping of the key processes in operations and reporting of risks and incidents to the risk management function. Furthermore, the CEO presents an updated risk analysis each year to be reviewed by the board's corporate governance committee before being completed and approved by the board of directors. The risks of inaccuracies in the financial reporting are prepared in the audit committee before being approved by the board of directors.

A more detailed risk assessment is to be carried out or updated at least once per year. The Company is to establish a number of control activities that counteract the most material risks in the risk assessment with the aim of ensuring a minimum level of control. These control activities serve as a basis for the minimum level of control that must be established and function in the Company's overall processes.

A self-assessment of minimum requirements of defined controls is to be conducted and reported each year. The CFO is responsible for the self-assessment process concerning the financial risks that are reported to the audit committee and thereafter to the board of directors. The CEO is responsible for the self-assessment process for the remaining components, which are reported to the corporate governance committee and thereafter to the board. Head of Risk is responsible for the practical implementation of the self-assessment process and follows up that all of the sub-sections are tested and reported internally.

Risk organisation

The Company's risk management organisation applies a three lines of defence approach allocated across the management and operations, control functions and internal audit function.

The first line comprises the business-driven and operational activities. This encompasses all employees not covered by the second or third line, for example, marketing and sales functions as well as administrative functions. This part of the operations entails risk-taking and is responsible for compliance with internal and external regulations in daily operations. Each area of operations has regular internal controls in place with individuals designated to manage and conduct. The Company's internal controls are monitored in conjunction with the control functions' audits and in part through an annual follow-up of the control functions for risk management and compliance.

The second line comprises the control functions, namely, the functions for risk management, compliance, actuarial and information security. These control functions are independent of management and operations, as they do not participate in operational business activities, and are responsible for the verification of first-line compliance with internal and external regulations. Furthermore, the control functions support management and operations both in proactive and in ongoing internal governance and control for the purpose of creating an effective control environment. This also includes responsibility for analysing, monitoring and reporting to the board of directors, CEO and other stakeholders.

The third line of defence, the internal audit function, continuously reviews the Company's operations as well as the activities of the first and second line of defence to ensure that the administrative, management and supervisory bodies discharge their undertakings pursuant to external and internal regulations and possess an appropriate level of competence. The internal audit is independent of the Company's operations and reports directly to the Company's board of directors. Recommendations from the third line of defence trigger prioritised activities in the first and second lines.

Key functions

The Company has four independent key functions – the risk management function, the compliance function, the actuarial function and the internal audit function. These key functions are responsible for reviewing, auditing and supporting operations as well as for reporting to the Company's board to ensure the Company's internal control. These functions operate independent of the Company's operations and report regularly and continuously to the board regarding any identified risks and material weaknesses. Furthermore, the Company has had an information security function in place since July 2021, which is not a key function under the Solvency II framework, but which the Company classifies among other control functions as it is part of the second line of defence.

The risk management function is tasked with the independent and autonomous monitoring and review of the Company's risks. The review is to include, inter alia, analysis of the development of risks as well as how the Company manages existing and expected risk factors in its operating activities. The function's responsibilities, duties and reporting procedures encompass risk reporting, monitoring the risk management system and supporting the board, CEO and other functions for the purpose of ensuring the effective operation of the risk management system. The risk management function comprises an independent key function that is directly subordinate to the CEO and bears ultimate accountability and reports directly to the Company's CEO and board. Completed reviews are reported on a quarterly basis together with any observations. When necessary, the risk

management function works together with the Company's other functions for the purpose of executing its tasks and is required to inform the other key functions of any circumstances relevant to their respective tasks. The Company must ensure that the organisational units concerned inform the risk management function of any circumstances relevant to its tasks.

The compliance function is responsible for monitoring and assessing the adequacy and effectiveness of the measures implemented by the Company to meet its obligations under applicable external regulatory frameworks pertaining to the licenced operations. The responsibilities, tasks and reporting procedures of the function are governed by the board-adopted policy for the compliance function. Among other duties, the compliance function is tasked with establishing a strategy and a detailed programme for work with compliance. The strategy describes the function's responsibilities, authorities and reporting obligations. The work programme describes the function's planned activities, taking into consideration all relevant areas of operation for insurance and reinsurance entities as well as their exposure to non-compliance risks. The Company's board establishes the scope and frequency of internal audits of the corporate governance system, taking into account the nature, scope and complexity of the Company's operations. The compliance function comprises an independent key function that is directly subordinate to the CEO and bears ultimate accountability and reports directly to the Company's CEO and board. Completed reviews are reported on a quarterly basis together with any observations. When necessary, the compliance function works together with the Company's other functions for the purpose of executing its tasks and is required to inform the other key functions of any circumstances relevant to their respective tasks. The Company must ensure that the organisational units concerned inform the compliance function of any circumstances relevant to its tasks.

The primary role of the actuarial function is to review and coordinate. This responsibility encompasses the coordination and validation of technical calculations as well as the data quality on which they are based. It also includes the evaluation of the appropriateness of the methods, models and assumptions used. The actuarial function also has responsibility for checking and validating the calculations of the legal solvency capital requirements pursuant to the Solvency II Directive and the valuation principles used for the technical provisions. Validation follows the framework established by the board in the policy for technical guidelines and the policy for reserve levels. The function also participates in the Company's risk management and supports the effective implementation of the Company's crisis management system. The actuarial function comprises an independent key function that is directly subordinate to the CEO and bears ultimate accountability and reports directly to the CEO and board.

The internal audit function is tasked with reviewing and evaluating the internal control. The responsibilities, tasks and reporting procedures of the function are governed by the board-adopted policies for internal audit and the internal audit function. The internal audit work is conducted pursuant to the board-adopted annual audit plan. The audit plan aims to describe the internal audit's direction and actions linked to specified risk areas based on the conducted risk analysis. The internal audit function is outsourced to PwC.

Board committees and other committees

The Company's board of directors has established three board committees: the corporate governance committee, the audit committee and the remuneration committee. Furthermore, the board has appointed a risk committee and an investment committee that is composed of the management team and key functions. See also section "*Corporate governance*".

The corporate governance committee's tasks include evaluating the Company's internal control and policies pertaining to compliance, risk management and internal audit, insofar as these do not influence financial reporting, which is handled by the audit committee. Among other matters, the corporate governance committee is to evaluate observations and proposals for improvement measures based on reports submitted by the compliance function, risk management function and internal audit function, and review the Company's own risk and solvency assessment. The committee advises the Company's board of directors on issues concerning internal control and corporate governance. The corporate governance committee has rules of procedure established by the board that regulate the committee's work.

The primary tasks of *the audit committee* are to ensure that the board carries out monitoring concerning internal control, audits, internal audits and risk management connected to accounting and financial reporting. Furthermore, the audit committee's tasks include, following consultation with the corporate governance committee, ensuring that the Company complies with the applicable laws and regulations for the Company's auditing, capital requirements and other financial requirements. In addition, the audit committee is to prepare issues about the procurement of audits and other services from the auditor and prepare certain accounting and audit matters that are to be handled by the board. The committee is also to examine and monitor the auditor's impartiality and independence and, in so far as that the nomination committee is not assigned this task, the committee is to assist in the preparation of proposals to the general meeting's election of auditors. The audit committee is subject to rules of procedure established by the board of directors that regulate the committee's work.

The primary tasks of *the remuneration committee* are to prepare the board's resolutions on remuneration principles, remuneration and other terms of employment for Company management, to follow and evaluate ongoing programmes and programmes completed during the year for variable remuneration for Company management, as well as to follow and evaluate the application of any guidelines for remuneration for senior executives established by the general meeting of shareholders as well as the applicable remuneration structures and levels. The remuneration committee is also to monitor the completed control functions' audits concerning remuneration and assess if the remuneration system takes into account all of the risks based on the Company's risk profile and, if necessary, submit proposals for an action plan to the board. The remuneration committee is subject to rules of procedure established by the board of directors that regulate the committee's work.

The risk committee continuously processes identified risks and related information that are established by the board of directors. The risk committee's tasks include continuously providing the board with proposals on areas that should be examined and to evaluate the ORSA report before presenting these findings to the board. The risk committee comprises the CEO, CFO, the actuarial function, compliance function and the risk management function.

The primary task of *the investment committee* is to work with the management of the Company's investment portfolio within the framework of the board's established governance documents. The investment committee meets on a monthly basis. The tasks and responsibility of the investment committee include the right to make decisions on investments and investment strategies and to analyse the financial markets and associated risks. The investment committee manages the risks that are associated with investments and follows up on liquidity risk every month. The investment committee comprises the CEO, CFO and a member of the board of directors (currently Fredrik Carlsson). In addition, the investment committee is authorised to engage external expert advisors and to appoint an advisor as a member of the committee.

Own risk and solvency assessment

As an insurance company, the Company conducts its own risk and solvency assessment (ORSA) pursuant to the Solvency II requirements. This comprises a continuous process that evaluates the Company's capital requirements to cover the Company's risks. Stress tests and monthly follow-ups with risk owners within the organisation are among the various methods used to assess different risks and the capital requirement.

The aim of the ORSA is to ensure that risks are adequately managed and to evaluate how well the company-specific risks correspond to the capital requirements for the various risk types. The risk and solvency assessment also aims to carry out a forward-looking assessment of the development of the operations, risk profile and capital requirements, and the relationship with the Company's established risk appetite and available capital over a period of not less than three years.

Mapping of the key processes in operations

The Company regularly identifies and determines which processes in its operations are of material importance. Each material process is documented and has a designated process owner. Together with the other functions involved in the process, the process owner analyses whether the process contains activities for which a risk of significant losses exists due to, for example, errors, manipulation of information, and opportunities to conceal misjudgements and losses.

On the identification of any such activities, the necessary controls are implemented in the processes. The risks and controls are to be documented. Risks that do not include controls are brought to the attention of the risk committee for a decision on action. Any risk that the risk committee considers to be particularly material is reported to the board of directors.

Ongoing risk and incident reporting in operations

The Company's employees report risks and incidents to the Company's risk management function, which documents and analyses reported incidents. Any losses arising in connection with incidents are also documented. The Company has procedures in place to ensure the accuracy of this information. A risk owner is appointed for all identified risks and incidents, who in turn appoints an individual as responsible for implementing an action plan. All actions are marked with the implementation date and degree of severity. The severity of the risks and incidents reported to the risk management function is assessed by the risk committee. The assessment is graded based on the likelihood and consequences. The risk committee also assesses the adequacy of any proposed controls and actions, and whether the risk should be mitigated or accepted.

Regulatory overview

Introduction

Solid Försäkring conducts insurance operations which means that, in addition to the Swedish Companies Act, the Company is subject to applicable national and EU insurance laws and regulations as well as local government regulations in the jurisdictions in which the Company operates. In addition, the Company is subject to extensive regulations in other areas, including but not limited to, consumer protection and processing of personal data. An outline of the main rules that the Company is subject to from a Swedish perspective is presented below.

Regulatory rules regarding insurance operations

Solid Försäkring is a Swedish public insurance company that has authorisation from the SFSA to conduct non-life insurance in accordance with the Swedish Insurance Business Act (2010:2043) (Sw. försäkringsrörelselagen, "IBA") in Sweden. The Company is also authorised to conduct cross-border operations in selected markets within the EEA and has authorisation from the SFSA for its branches in Norway, Finland and Switzerland. The Company's Swiss branch was established based on the 1989 agreement between the EEA and Switzerland about other direct insurance than life assurance ("**1989 Swiss Agreement**"). The 1989 Swiss Agreement gives insurance companies domiciled in the EEA the right to establish and conduct non-life insurance operations in Switzerland and vice versa.

The regulatory rules that govern the Company's insurance operations are primarily stipulated in the IBA through which the Solvency II Directive was implemented in Sweden and that includes rules on corporate governance, solvency requirements, financial reporting and outsourcing requirements. Under the IBA, insurance companies are subject to a large number of qualitative and quantitative regulatory rules. For example, in its capacity as an insurance company, the Company is obliged to conduct insurance operations in accordance with the stability principle. This means that the operations must be conducted with satisfactory solvency, liquidity and control of the insurance risks, investment

risks and operational risks, given the scope and nature of the operations, such that the Company is able to fulfil its undertakings to policyholders and others entitled to compensation due to insurance. The IBA stipulates the requirements for internal control and the establishment of key functions. The Company is also subject to solvency requirements, mainly regarding the amount of capital that the Company must hold in order to meet its undertakings to the insured, and provisions regulating how the Company may invest its assets. The fundamental principle is that an insurance company is to invest all of its assets in accordance with the prudent person principle. A more detailed description of the solvency requirements and the solvency regulations that the Company must follow are presented below under "*Solvency regulations*". Additional requirements include that as an insurance company, the Company is also responsible for observing generally accepted insurance standards, for example. Generally accepted insurance standards means that the operations must conform with a qualitative satisfactory standard of a representative circle of insurance providers. The SFSA's general guidelines can provide guidance on what constitutes generally accepted insurance standards. The SFSA's general guidelines are described in more detail below under "*Supervision by the Swedish Financial Supervisory Authority*".

In addition to the IBA, the Company is also covered by the Solvency II Regulation¹⁾ which contains rules supplementing those in the IBA and the Swedish Insurance Distribution Act (2018:1219) ("**IDA**"), through which the Insurance Distribution Directive ("**IDD**") has been implemented in Sweden. The IDA encompasses the Company's own distribution as an insurance broker via insurance intermediaries and contains rules on, inter alia, how insurance may be distributed and specific operating rules. The IDD came into effect in 2016 and replaced the former Insurance Mediation Directive, which expanded the area of application for the EU regulation from only applying to insurance intermediaries to also encompassing insurance distribution performed by insurance companies. As part of the implementation of IDD, the IDA was introduced in 2018, replacing the former Swedish act on insurance mediation.

1) Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II).

Under the IDA, a Swedish insurance intermediary may, with certain exceptions for ancillary insurance intermediaries for example, only conduct insurance distribution if authorisation from the SFSA has been granted. This authorisation may pertain to either all types of insurance, only life assurance or only non-life insurance. As stated above, the IDA does, however, provide scope for an insurance intermediary that only distributes insurance for one or more insurance companies as ancillary operations to its primary operations – and that only distributes certain insurance products that supplement a product or a service – to either be affiliated to an insurance company as a tied ancillary insurance intermediary, or, if the premiums do not exceed certain levels and all conditions have otherwise been met, to conduct insurance distribution in its capacity as an excluded ancillary insurance intermediary (“**Special Agents**”). However, a credit institution or securities company may not be registered as a tied ancillary insurance intermediary. After registering with the Swedish Companies Registration Office, the insurance company in question is responsible for pure economic loss caused by policyholders and thus a tied ancillary insurance intermediary does not need to apply for authorisation from the SFSA. Similarly, an insurance company can also register a tied insurance intermediary. A tied insurance intermediary is an insurance intermediary, such as a bank, that has an agreement with an insurance company to sell one of more of the intermediary’s insurance policies with exclusive rights and for which the insurance company is responsible for pure economic loss caused by the policyholder.

Insurance companies and tied and independent insurance intermediaries are all subject to a number of obligations under the IDA, including an obligation to observe generally accepted insurance standards, which includes an obligation to safeguard customers’ interests and, in the event of consumer customers, advice against the customer taking action that could be deemed to be unsuitable for the customer. An insurance distributor must also fulfil a number of other obligations, such as information requirements, documentation requirements, requirements for training individual employees and transparency requirements to the customer as regards accrued compensation or commission. In addition, an insurance company, such as the Company, has an independent regulatory obligation to ensure that it does not make use of insurance intermediaries who are not duly authorised to distribute/broker the Company’s insurance products.

Besides the IDA regulations, the Company must also follow the SFSA’s regulations regarding insurance distribution (FFFS:2018:10) that supplement the IDA and contain detailed rules regarding, inter alia, requirements for good repute, knowledge and competence for the personnel distributing the insurance and information and documentation requirements. Furthermore, there is a

special regulation (EU Regulation on insurance product information documents (2017/1469) that regulates the content and design of Insurance Product Information Documents (IPID). The Company is also subject to the EU Regulation on product oversight and governance requirements (2017/2358), which contains detailed requirements on how insurance products are to be developed in accordance with the product approval process.

Additionally, the Company is subject to EIOPA’s guidelines on outsourcing to cloud service providers, which include detailed requirements for signing cloud outsourcing agreements that came into effect on 1 January 2021, and EIOPA’s Guidelines on Information and Communication Technology Security and Governance (“**ICT guidelines**”) that came into effect on 1 July 2021. These ICT guidelines supplement, inter alia, the requirements of the Solvency II Directive and the Solvency II Regulation regarding corporate governance and risk management.

Owner and management suitability assessments

There are certain provisions of the IBA for potential shareholders of the Company to note, such as the rules on owner and management suitability assessments, which include that authorisation must be granted by the SFSA before a shareholder’s direct or indirect holdings amount to or exceed certain thresholds (10 per cent, 20 per cent, 30 per cent or 50 per cent of the share capital or the votes in the Company or results in the Company becoming a subsidiary of the acquirer) or if the shareholder otherwise obtains significant influence over the management of the Company. This includes, when acquisitions of a company take place, a suitability assessment of the management in the acquiring company and an assessment of the financial soundness of the acquisition. Also, the appointment of board members and deputy board members as well as the CEO and deputy CEO of the Company must be approved by the SFSA in accordance with its management suitability assessment rules. The same applies to the appointment of persons who are responsible for key functions of the Company.

Solvency regulations

The aim of the Solvency II Directive is to introduce harmonised, sound and robust solvency regulations for insurance companies in the EU with greater protection for policyholders. The regulations came into effect in 2016 and included the introduction of new valuation rules for solvency balance sheets and risk-based capital requirements. As opposed to the previous regulations, the Solvency II Directive’s risk-based requirements are focused on the risk profile of each individual insurance company so as to promote comparability, transparency and competitiveness. The new rules led to important changes in the IBA and also resulted in material consequences for the insurance operations of all insurance companies, for example, in the form of expanded reporting requirements.

The Solvency II Directive is based on three pillars:

- Requirements regarding the valuation of assets and liabilities and how much capital a company must have;
- Requirements regarding corporate governance, risk management and internal control; and
- Requirements regarding information to supervisory authorities and the market.

For solvency purposes, all insurance companies must prepare a separate solvency balance sheet in addition to their standard balance sheet. The solvency balance is, to a certain extent, based on the financial statements but is primarily independent in relation to these statements, which means that changed accounting policies may not necessarily affect the solvency balance sheet. In the solvency balance sheet, the Company's assets and liabilities are valued according to a certain superior valuation principle that follows from the Solvency II Directive and which is described below:

- The assets shall be valued at the amount for which they could be exchanged in a transaction between knowledgeable parties who are independent of each other and have an interest in the transaction being carried out.
- The liabilities shall be valued at the amount for which they could be transferred or settled in a transaction between knowledgeable parties who are independent of each other and have an interest in the transaction being carried out.

The valuation of assets and liabilities is based on the valuation in the Company's financial statements that follows from IFRS, on a statutory exemption basis, and may, if necessary, be revalued in cases where the Solvency II regulations prescribe other valuation rules than those applied in the Company's financial statements. In the solvency balance sheet, assets and liabilities must be valued at fair value and the assets must cover the liabilities, including technical provisions, to ensure that the insurance company has assets that amount to at least the regulatory Solvency Capital Requirement (SCR) and which are never less than the Minimum Capital Requirement (MCR).

According to the IBA, the solvency capital requirement is the minimum size of the eligible capital required for the insurance company to have assets over the next twelve months that with a 99.5 per cent probability cover the value of the undertakings to the policyholders and other beneficiaries due to insurance. The solvency capital requirement is risk-based and calculated either by using EIOPA's standard formula or an internal model approved by the SFSA. The Company uses EIOPA's standard formula to calculate its solvency capital requirement. The Company's capital base must always amount to at least the solvency capital requirement calculated according to the standard formula.

Under the IBA, the minimum capital requirement is the smallest amount of the eligible Tier 1 capital required for the Company, with a probability of 85 per cent, to have assets for the next 12 months that cover the value of its undertakings with the policyholders and others entitled to compensation due to insurance. The minimum capital requirement shall be calculated taking into account, in whole or in part, technical provisions, premium income, positive risk amount, deferred taxes, administrative expenses and reinsurance. The items used to cover the solvency capital requirement and the minimum capital requirements must fulfil certain criteria stipulated in the IBA. However, certain ancillary own funds may be used to cover the solvency capital requirement provided that this is approved by the SFSA.

The requirement regarding corporate governance, risk management and internal control includes the requirement to establish special functions within the Company to ensure effective internal control. The requirement for reporting and publishing information also includes the requirement that an insurance company must publish a solvency and financial condition report on its website every year.

The Company believes that the requirements of the IBA are met through the internal rules and processes that have been established and believes that the uncertainty in the solvency calculations as a whole is low. The uncertainty in the solvency calculations increase as the strategic investment horizon is approached, but despite this is deemed to be low since the Company only signs short-term policies and has relatively simple and standardised assets with short durations.

Supervision by the Swedish Financial Supervisory Authority

The SFSA is the supervisory authority for Swedish insurance companies and tied insurance intermediaries. The SFSA's supervision also encompasses foreign branches and cross-border operations of Swedish insurance companies and tied insurance intermediaries, and the SFSA is thus responsible for the supervision of the Company, including its cross-border operations and branch operations. The SFSA exercises its supervision by analysing reports on, inter alia, solvency (including Solvency II, which is described in greater detail above), major exposures and financial results, and by making on-site visits to ensure that the operations of each insurance company follow applicable Swedish laws and regulations. If the operations of an insurance company are not sound or if the company otherwise contravenes laws and other ordinances, the SFSA may intervene. In such cases of intervention, the SFSA can decide to impose administrative sanctions, such as a remark, warning or administrative fine, and revoke authorisation and/or registration to conduct operations. In addition, the SFSA can collabo-

rate with, and act on behalf of, EIOPA by assisting in the collection of information about Swedish insurance companies for analyses at EU/EEA level. One example is the ongoing analysis of mortgage insurance and payment protection insurance sold or distributed via banks, for which Solid Försäkring has been selected as one of 12 insurance companies in Sweden to respond to a questionnaire.

In addition to its supervisory function, the SFSA issues binding regulations and general guidelines, such as the SFSA's general guidelines regarding insurance business (FFFS 2015:8), which apply to companies conducting insurance operations in Sweden. Furthermore, the SFSA has announced that certain guidelines issued by EIOPA are to be considered as corresponding to the general guidelines issued by the SFSA as soon as such guidelines have been translated into Swedish and the SFSA has decided to observe the guidelines, such as the ICT guidelines, which apply to insurance and reinsurance companies. National authorities and companies are also to follow, by all available means, such guidelines that are issued. The SFSA's regulations are binding, while the general guidelines are not binding per se, but can be considered as *soft law* indicating generally accepted practice for a company (good practice) in a given situation. However, companies are permitted to select adequate alternatives themselves to the extent that similarly objective results can be obtained through such an alternative (according to a "comply or explain" principle). If an insurance company does not comply with the general advice and fails to present an adequate alternative for achieving similarly objective results, the SFSA can issue sanctions on the basis that the company is contravening generally accepted insurance standards, which are required under the IBA.

Other regulations

Contract and consumer law regulations

In addition to the regulatory rules set out above, there are contract law regulations that Solid Försäkring must follow under the framework of its insurance operations. For example, the Swedish Insurance Contracts Act (2005:104) ("**ICA**") sets out specific disclosure requirements before and after an insurance contract is signed, rules on the design of insurance terms and conditions, rules on premium payments and terminating insurance policies as well as provisions on regulating insurance cases. Many of the provisions regarding consumer insurance are binding for the benefit of the consumer. In addition to the special legislation of the ICA, the Swedish Contract Act (1915:218) applies to, for example, the invalidity of an agreement and the rules on powers of attorney and signing contracts. Furthermore, the Company must comply with the provisions of the Swedish Consumer Contracts Act (1994:1512) regarding

contractual terms and conditions between consumers and companies. It can be said in this context that when entering into contracts, the Company must comply with the provisions of the Swedish Parental Code (1949:381) when signing contracts with minors.

When entering into contracts via, for example, telephone or the Internet, the Company is subject to the provisions of the Distance and Off-Premises Contracts Act (SFS 2005:59) regarding, for example, right of withdrawal, information requirements and requirements for offer confirmation for outgoing calls.

Other insurance-related regulations

The Swedish Act on Alternative Dispute Resolution (2015:671) regulates the type of information that a consumer is to receive regarding dispute regulation with the National Board for Consumer Disputes. It can also be said in this context that the provisions of the Swedish Tort Liability Act (1972:207), among others, can be used to calculate the amount of damages to which a policyholder is entitled. The Company must also follow the rules of the Swedish Marketing Act (2008:486) for the design of, for example, marketing material and for sending post and e-mail.

Regulations regarding processing of personal data

The EU General Data Protection Regulation (GDPR) came into effect in spring 2018, and regulates how companies are to process personal data in their operations. One of the aims of the GDPR is to protect the fundamental rights and freedoms of the individuals, particularly their right to protection of their personal data. The Company is subject to the GDPR since in the framework of its operations the Company collects and processes a large amount of customer and personal data related to, for example, customer information, payment and account details and personal data regarding the Company's employees. For information regarding the Company's procedures for processing personal data, refer to the section "*Business overview – Personal data processing*".

The GDPR requires that an operation must always have a legal basis for processing personal data. A legal basis can consist of a consent for the processing of personal data or can be based on the personal data being required in a contract. Another requirement for an operation to be permitted to process personal data is that a controller protects the privacy of the person by taking the organisational and technical measures necessary for protecting the personal data from unauthorised or unlawful processing and against accidental loss, destruction or damage. The GDPR also provides certain rights to persons whose personal data is processed, for example, the right to erasure of personal data. The operation must take special safeguards when personal data is transferred to countries outside the EU or EEA. Incorrect or insufficient process-

ing of personal data, shortcomings in the Company's obligations to those whose personal data is processed and other violations under the GDPR could entail extensive sanctions in the form of fines amounting to the higher of EUR 20 million or 4 per cent of the Company's annual sales.

Sustainable financing

In March 2018, the European Commission presented an action plan¹⁾ on sustainable financing that is to steer the financial market towards the sustainable development goals. The European Commission's action plan contains ten key actions that can be divided into three categories:

1. Reorienting capital flows towards a more sustainable economy;
2. Integration of sustainability into risk management;
3. Promotion of transparency and a long-term perspective in the financial market and the economy as a whole.

The European Commission's Action Plan on Financing Sustainable Growth endeavours to ensure progressive development of an EU taxonomy for climate change and the inclusion of environmental, social and governance (ESG) aspects in investment decisions, investment advice and governance. It also involves better defined regulation of sustainability benchmarks in comparative indexes. The aim of the EU-wide regulation is to enable the identification and comparison of investments necessary to achieve a sustainable economy and the objective is that this will form the basis of future standards and labelling of sustainable financial products.

On 6 July 2021, the European Commission also published a strategy for financing the transition to a sustainable economy, based on the 2018 action plan among other things. The aim of the strategy for sustainable financing is to facilitate the transition to a more sustainable economy and includes six sets of actions:

1. Extend the existing sustainable finance toolbox to facilitate access to transition finance;
2. Improve the inclusiveness of small and medium-sized enterprises (SMEs), and consumers, by giving them the right tools and incentives to access transition finance;
3. Enhance the resilience of the economic and financial system to sustainability risks;
4. Increase the contribution of the financial sector to sustainability;
5. Ensure the integrity of the EU financial system and monitor its orderly transition to sustainability; and
6. Develop international sustainable finance initiatives and standards, and support EU partner countries.

On 6 July 2021 the European Commission also adopted a delegated act specifying the information to be disclosed by financial and non-financial undertakings concerning the proportion of their business that is based on Article 8 of the EU Taxonomy.²⁾ Solid Försäkring is currently only indirectly subject to the European Commission's action plan since the Company will need to update its investment strategy based on ESG aspects. However, the Company's operations are not of the nature that is directly impacted by the strategies prepared by the European Commission.

1) Communication from the Commission to the European Parliament, the European Council, the Council, the European Central Bank, the European Economic And Social Committee and the Committee of the Regions – Action Plan: Financing Sustainable Growth, Brussels, 8.3.2018, COM/2018/097 final.

2) Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.



Selected historical financial information

Introduction

The following information should be read together with *"Operating and financial review"*, *"Capitalisation, net indebtedness and other financial information"* and the Company's historical financial information in the section *"Historical financial information"*.

This section contains selected financial information derived from Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 that were prepared in accordance with the Swedish Annual Accounts Act for Insurance Companies (1995:1560), the SFSA's regulations and general guidelines regarding Annual Accounts at Insurance Undertakings and Institutions for Occupational Retirement Provision (FFFS 2019:23), including all applicable amendment regulations, and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The financial information was prepared in accordance with IFRS, on a statutory exemption basis (hereinafter, **"Exempted IFRS"**), which means applying International Financial Reporting Standards and IFRIC interpretations, as endorsed by the EU, to the extent possible within the framework of national laws and regulations, taking into account the relationship between accounting and taxation. This section also contains selected financial information derived from Solid Försäkring's reviewed financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020, which were prepared in accordance with IAS 34 Interim Financial Reporting as endorsed by the EU. The interim report as per and for the nine-month period ending 30 September 2021 has not been audited but has instead been reviewed by the Company's auditor.

This Prospectus contains certain financial measures not defined by IFRS (refer also to *"Definitions of alternative performance measures and other measures"* for a description of these). These alternative performance measures that are not defined by IFRS are used by the management team to monitor the Company's operations. Solid Försäkring believes that these performance measures provide valuable supplementary information that enables the management team, investors and other stakeholders to assess the Company's performance and results.

Alternative performance measures that are not defined by IFRS are performance measures that measure historical financial results, financial position, cash flows, or returns, excluding or including amounts not adjusted in the same manner as the most directly comparable measure defined under IFRS. Such non-IFRS-based performance measures are not to be assessed in isolation or as a substitute for performance measures prepared in accordance with IFRS. Furthermore, such performance measures, as defined by the Company, may not necessarily be directly comparable with other performance measures of similar names used by other companies.

For a description of the calculation of non-IFRS-based performance measures, refer also to *"Reconciliation of alternative performance measures not defined by IFRS"* and *"Definitions of alternative performance measures and other measures"*.

The amounts presented in this section have sometimes been rounded up or down, which means that the totals in the tables may not necessarily be exact.

Income statement in summary

(KSEK)	For the nine-month period ending 30 Sep		For the financial year ending 31 Dec		
	2021	2020	2020	2019	2018
	Derived from unaudited information*		Derived from audited information**		
	IAS 34		Exempted IFRS		
Technical account of non-life insurance operations					
Premiums earned, net of reinsurance	722,805	681,101	912,654	898,481	828,678
Allocated investment return transferred from the non-technical account	4,500	4,500	9,014	10,678	7,594
Claims incurred, net of reinsurance	-175,256	-175,369	-232,196	-222,941	-226,211
Operating expenses	-465,544	-429,026	-572,552	-582,542	-521,586
Technical result for non-life insurance operations	86,505	81,206	116,920	103,676	88,475
Non-technical account					
Investment income	20,507	15,792	20,515	20,815	18,108
Unrealised gains on investment assets	16,242	0	0	13,415	0
Investment charges	-1,583	-1,417	-1,937	-2,079	-1,893
Unrealised losses on investment assets	0	-11,317	-6,529	0	-13,223
Result of asset management	35,166	3,058	12,049	32,151	2,992
Allocated investment return transferred to technical account	-4,500	-4,500	-9,014	-10,678	-7,594
Other non-technical income	5,358	370	3,655	570	0
Other non-technical expenses	-2,106	-501	-3,006	-284	0
Profit before appropriations and tax	120,423	79,633	120,604	125,435	83,873
Appropriations	0	0	-60,000	-62,000	-65,000
Profit before tax	120,423	79,633	60,604	63,435	18,873
Tax on profit for the period	-25,772	-18,136	-17,232	-13,980	-4,538
Net profit for the period	94,651	61,497	43,372	49,455	14,335
Comprehensive income					
Net profit for the period	94,651	61,497	43,372	49,455	14,335
Translation differences for the period, foreign operations	121	-282	-691	-325	-91
Comprehensive income for the period	94,772	61,215	42,681	49,130	14,244
Basic and diluted earnings per share, ¹⁾ SEK	4.73	3.07	2.17	2.47	0.72

1) All periods have been calculated based on the current number of shares in Solid Försäkring, i.e. 20,000,000 shares. The number of shares increased from 30,000 to 20,000,000 due to a share split in August 2021.

* Information derived from Solid Försäkring's reviewed but not audited financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020.

** Information derived from Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 presented in the section "Historical financial information" at the end of this Prospectus.

Balance sheet in summary

(KSEK)	On 30 Sep		On 31 Dec		
	2021	2020	2020	2019	2018
	Derived from unaudited information*		Derived from audited information**		
	IAS 34		Exempted IFRS		
ASSETS					
Intangible assets	24,577	33,037	30,839	27,702	14,221
Investment assets	668,467	802,892	821,505	739,462	718,203
Reinsurer's share of technical provisions	4,516	3,863	3,667	3,876	4,267
Receivables	84,574	89,109	94,839	105,697	132,446
Property, plant & equipment	2,160	3,157	2,908	4,301	4,902
Cash and bank balances	577,256	310,465	328,205	305,305	221,633
Other assets ¹⁾	4,080	939	2,085	1,159	2,040
Prepaid expenses and accrued income	198,122	199,942	197,661	203,769	196,499
Total assets	1,563,752	1,443,404	1,481,709	1,391,271	1,294,211
Equity and liabilities					
Equity					
Share capital	30,000	30,000	30,000	30,000	30,000
Fair value reserve	-1,357	-1,069	-1,478	-787	-462
Retained earnings	177,209	133,837	133,837	34,382	20,047
Net profit for the period	94,651	61,497	43,372	49,455	14,335
Total equity	300,503	224,265	205,731	113,050	63,920
Untaxed reserves					
Contingency reserve	488,118	488,118	488,118	488,118	488,118
Total untaxed reserves	488,118	488,118	488,118	488,118	488,118
Liabilities					
Technical provisions, net of outward reinsurance	597,555	579,387	587,764	585,557	554,053
Other liabilities	155,014	129,337	183,183	190,983	175,764
Accrued expenses and deferred income	22,562	22,297	16,913	13,563	12,356
Total liabilities	775,131	731,021	787,860	790,103	742,173
Total equity and liabilities	1,563,752	1,443,404	1,481,709	1,391,271	1,294,211

1) Also includes client funds, see section "Historical financial information" at the end of this Prospectus.

* Information derived from Solid Försäkring's reviewed but not audited financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020.

** Information derived from Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 presented in the section "Historical financial information" at the end of this Prospectus.

Statement of cash flows in summary (indirect method)

(KSEK)	For the nine-month period ending 30 Sep		For the financial year ending 31 Dec		
	2021	2020	2020	2019	2018
	Derived from unaudited information*		Derived from audited information**		
	IAS 34		Exempted IFRS		
Operating activities					
Profit before tax	120,423	79,633	60,604	63,435	18,873
Adjustment for non-cash items	-29,737	50,119	122,069	71,233	164,943
Income taxes paid	-16,167	-21,799	-20,219	-2,684	-10,568
Cash flow from operating activities before changes in working capital	74,519	107,953	162,454	131,984	173,248
Change in operating receivables	13,995	-5,724	-14,976	18,151	-51,870
Change in operating liabilities	34,605	13,911	2,580	18,214	14,070
Cash flow from operating activities	123,119	116,140	150,058	168,349	135,448
Cash flow from investing activities	180,934	-90,394	-105,296	-22,621	-11,331
Cash flow from financing activities	-60,000	-12,000	-12,000	-65,000	-185,999
Cash flow for the period	244,053	13,746	32,762	80,728	- 61,882
Cash and cash equivalents at the beginning of the year	328,205	305,305	305,305	221,633	281,498
Cash flow for the period	244,053	13,746	32,762	80,728	- 61,882
Exchange differences in cash and cash equivalents ¹⁾	4,998	-8,586	-9,862	2,944	2,017
Cash and cash equivalents at end of period	577,256	310,465	328,205	305,305	221,633

1) The item Exchange-rate differences in cash and cash equivalents has been calculated incorrectly for the years 2019 and 2018. The figures have been corrected in the cash flow statement above, and the correction has no effect on the Company's result and position or key performance measures.

* Information derived from Solid Försäkring's reviewed but not audited financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020.

** Information derived from Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 presented in the section "Historical financial information" at the end of this Prospectus.

Selected financial information by segment

Personal safety

(KSEK)	For the nine-month period ending 30 Sep		For the financial year ending 31 Dec		
	Derived from unaudited information*		Derived from audited information**		
	2021	2020	2020	2019	2018
Gross written premiums	275,546	286,468	378,459	382,878	372,004
Premiums earned, net of reinsurance*	282,507	299,611	396,645	376,944	328,687
Claims incurred, net of reinsurance*	-30,647	-36,351	-50,459	-32,525	-29,610
Acquisition costs	-177,557	-187,526	-248,121	-245,357	-211,105
Gross profit	74,303	75,734	98,065	99,062	87,972

Product

(KSEK)	For the nine-month period ending 30 Sep		For the financial year ending 31 Dec		
	Derived from unaudited information*		Derived from audited information**		
	2021	2020	2020	2019	2018
Gross written premiums	255,669	261,296	361,733	351,153	361,273
Premiums earned, net of reinsurance*	255,398	241,448	324,720	340,000	334,630
Claims incurred, net of reinsurance*	-77,787	-85,046	-108,720	-114,108	-121,246
Acquisition costs	-132,092	-112,440	-153,058	-168,980	-156,225
Gross profit	45,519	43,962	62,942	56,912	57,159

Assistance

(KSEK)	For the nine-month period ending 30 Sep		For the financial year ending 31 Dec		
	Derived from unaudited information*		Derived from audited information**		
	2021	2020	2020	2019	2018
Gross written premiums	201,194	156,014	211,288	205,104	182,054
Premiums earned, net of reinsurance*	184,900	140,042	191,289	181,537	165,361
Claims incurred, net of reinsurance*	-66,822	-53,972	-73,017	-76,308	-75,355
Acquisition costs	-80,134	-56,717	-77,399	-69,837	-61,006
Gross profit	37,944	29,353	40,873	35,392	29,000

* net of reinsurance

* Information derived from Solid Försäkring's reviewed but not audited financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020. Refer to Note 2 Segment information.

** Information derived from Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 presented in the section "Historical financial information" at the end of this Prospectus. Refer to Note 3 Segment information.

Selected financial information by country

Gross written premiums by country

(KSEK)	For the nine-month period ending 30 Sep		For the financial year ending 31 Dec		
	Derived from unaudited information*		Derived from audited information**		
	2021	2020	2020	2019	2018
Sweden	478,451	457,439	615,509	561,764	533,052
Norway	121,557	129,642	176,392	209,446	223,838
Finland	47,223	49,491	58,909	58,494	58,734
Denmark	36,565	44,413	65,365	66,064	59,539
Rest of Europe	48,613	22,793	35,305	43,367	40,168
Total gross written premiums	732,409	703,778	951,480	939,135	915,331

* Information derived from Solid Försäkring's reviewed but not audited financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020. Refer to Note 3 Premiums earned, net of reinsurance.

** Information derived from Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 presented in the section "Historical financial information" at the end of this Prospectus. Refer to Note 4 Premium income, geographical specification.

Selected performance measures

Some of the performance measures presented below are what are known as non-IFRS-based performance measures, which means that these are not necessarily comparable with performance measures of similar names used in other companies' financial statements. The management team uses these performance measures together with certain other performance measures according to separate statutory requirements for insurance companies to evaluate the Company's operational and financial results. Refer to "Definitions of alternative performance measures and other measures according to separate statutory requirements for insurance companies" below for definitions and reasons for the use of non-IFRS-based performance measures and other performance measures according to separate statutory requirements for insurance companies and the reconciliation tables below for derivation of non-IFRS-based performance measures and other performance measures according to separate statutory requirements for insurance companies.

(KSEK)	For the nine-month period ending 30 Sep		For the financial year ending 31 Dec		
	2021	2020	2020	2019	2018
Non-life insurance operations					
Gross written premiums	732,409 ¹⁾	703,778 ¹⁾	951,480 ²⁾	939,135 ²⁾	915,331 ²⁾
Claims ratio*	24.2% ¹⁾	25.7% ¹⁾	25.4% ³⁾	24.8% ³⁾	27.3% ³⁾
Expense ratio*	64.4% ¹⁾	63.0% ¹⁾	62.7% ³⁾	64.8% ³⁾	62.9% ³⁾
Combined ratio*	88.7% ¹⁾	88.7% ¹⁾	88.2% ³⁾	89.6% ³⁾	90.2% ³⁾
Asset management					
Direct yield (from beginning of year)*	1.0% ¹⁾	1.2% ¹⁾	1.5% ³⁾	1.9% ³⁾	1.8% ³⁾
Total return (from beginning of year)*	3.1% ¹⁾	0.4% ¹⁾	1.3% ³⁾	3.4% ³⁾	0.5% ³⁾
Financial position					
Technical provisions, net of reinsurance*	593,039 ¹⁾	575,524 ¹⁾	584,097 ²⁾	581,681 ²⁾	549,786 ²⁾
Adjusted equity (2)**	688,069 ¹⁾	607,926 ¹⁾	589,392 ¹⁾	496,711 ⁶⁾	444,652 ⁶⁾
Adjusted equity excl. intangible assets (2) (NAV(2))**	663,492 ¹⁾	574,889 ¹⁾	558,553 ¹⁾	469,009 ⁶⁾	430,431 ⁶⁾
Adjusted equity (3)**	640,909 ⁶⁾	559,194 ⁶⁾	587,820 ⁶⁾	494,743 ⁶⁾	451,672 ⁶⁾
Adjusted equity excl. intangible assets (3) (NAV (3))**	616,332 ⁶⁾	526,157 ⁶⁾	556,981 ⁶⁾	467,041 ⁶⁾	437,451 ⁶⁾
Net asset value*	788,621 ¹⁾	712,383 ¹⁾	693,849 ³⁾	601,168 ³⁾	552,038 ³⁾
Solvency ratio (from beginning of year, annualised)*	82.8% ¹⁾	77.6% ¹⁾	74.5% ¹⁾	65.7% ³⁾	62.0% ³⁾

(KSEK)	For the nine-month period ending 30 Sep		For the financial year ending 31 Dec		
	2021	2020	2020	2019	2018
Solvency II					
Eligible capital base to meet solvency capital requirement*	756,985 ¹⁾	660,864 ¹⁾	661,968 ⁴⁾	569,635 ⁴⁾	538,760 ⁴⁾
Eligible capital base to meet minimum capital requirement*	748,062 ¹⁾	646,333 ¹⁾	652,976 ⁴⁾	560,741 ⁴⁾	535,017 ⁴⁾
Solvency Capital Requirement (SCR)*	445,598 ¹⁾	437,410 ¹⁾	446,189 ⁴⁾	455,303 ⁴⁾	376,926 ⁴⁾
Minimum Capital Requirement (MCR)*	127,045 ¹⁾	124,428 ¹⁾	123,744 ⁴⁾	121,519 ⁴⁾	116,868 ⁴⁾
SCR ratio*	169.9% ¹⁾	151.1% ¹⁾	148.4% ⁴⁾	125.1% ⁴⁾	142.9% ⁴⁾
MCR ratio*	588.8% ¹⁾	519.4% ¹⁾	527.7% ⁴⁾	461.4% ⁴⁾	457.8% ⁴⁾
Profitability					
Return on average adjusted equity (2) (RoE (2)) (from beginning of year, annualised)**	19.8% ¹⁾	14.8% ¹⁾	8.0% ¹⁾	10.5% ⁶⁾	2.9% ⁶⁾
Return on average adjusted equity excl. intangible assets (RoNAV (2)) (from beginning of year, annualised)**	21.8% ¹⁾	17.0% ¹⁾	9.8% ¹⁾	12.1% ⁶⁾	3.7% ⁶⁾
Adjusted return on average adjusted equity (RoE (3)) (from beginning of year, annualised)**	20.5% ⁶⁾	15.6% ⁶⁾	16.7% ⁶⁾	20.7% ⁶⁾	12.6% ⁶⁾
Adjusted return on average adjusted equity excl. intangible assets (RoNAV (3)) (from beginning of year, annualised)**	22.7% ⁶⁾	17.9% ⁶⁾	19.0% ⁶⁾	22.8% ⁶⁾	13.7% ⁶⁾
Other operating performance measures					
Number of employees at end of period	68 ¹⁾	68 ¹⁾	69 ¹⁾	71 ⁵⁾	71 ⁵⁾
Average number of FTEs	67 ¹⁾	67 ¹⁾	64 ¹⁾	69 ²⁾	67 ²⁾

* Performance measure according to separate statutory requirements for insurance companies

** Alternative performance measures

1) Information derived from Solid Försäkring's reviewed but not audited financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020.

2) Information derived from Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 presented in the section "Historical financial information" at the end of this Prospectus.

3) Information derived from Solid Försäkring's audited annual reports as per and for the financial years ending 31 December 2020, 2019 and 2018.

4) Information derived from Solid Försäkring's solvency and financial condition reports as per and for the financial years ending 31 December 2020, 2019 and 2018.

5) Information derived from the Company's internal systems.

6) Estimated for this Prospectus to increase comparability using information derived from Solid Försäkring's reviewed but not audited financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020, and information derived from Solid Försäkring's reviewed historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 and that are presented in the section "Historical financial information" at the end of this Prospectus.

Definitions of alternative performance measures and other measures according to separate statutory requirements for insurance companies

Performance measure	Definition	Purpose
Claims ratio	Claims incurred, net of reinsurance including claims adjustment costs as a percentage of premiums earned, net of reinsurance.	The ratio shows the Company's expenses for claims incurred in relation to premiums earned, net of reinsurance.
Expense ratio	Operating expenses in the insurance operations as a percentage of premiums earned, net of reinsurance.	The ratio shows cost efficiency in relation to premiums earned, net of reinsurance.
Combined ratio	The total of claims incurred and operating expenses, net of reinsurance in the insurance operations as a percentage of premiums earned, net of reinsurance.	The ratio shows the Company's total expenses for claims incurred and operations in relation to premiums earned, net of reinsurance.
Direct yield (from beginning of year)	Investment income of the period minus realised gains/losses on disposal of investment assets in relation to the average fair value of the opening balance and closing balance of investment assets and cash and bank balances for the current period.	Evaluates the Company's ability to generate direct yield (interest income and dividends) on its financial investment assets.
Total return (from beginning of year)	Investment income of the period minus unrealised gains/losses on disposal of investment assets in relation to the average fair value of the opening balance and closing balance of investment assets and cash and bank balances for the current period.	Evaluates the Company's ability to generate returns on its financial investment assets.
Technical provisions, net of reinsurance	Calculated as technical provisions (net of outward reinsurance) less reinsurer's share of technical provisions.	Illustrates how much of the total technical provisions that are attributable only to Solid Försäkring, with deduction of reinsurers' liability.
Adjusted equity (2)	The total of equity and contingency reserves with deduction of assessed real deferred tax on contingency reserve. The assessed real deferred tax is calculated using the corporate tax rate for the relevant period.	Shows the Company's existing venture capital.
Adjusted equity excl. intangible assets (2) (NAV (2))	Adjusted equity (2) with deduction of intangible assets.	Shows the Company's existing venture capital excluding intangible assets.
Adjusted equity (3)	Adjusted equity (2) plus appropriations, net of tax, of the relevant period with deduction of appropriations attributable to the previous period but paid in the relevant period.	Shows the Company's existing venture capital adjusted for historical appropriations affecting comparability.
Adjusted equity excl. intangible assets (3) (NAV (3))	Adjusted equity (3) with deduction of intangible assets.	Shows the Company's existing venture capital excluding intangible assets and adjusted for historical appropriations affecting comparability.
Net asset value	Net asset value comprises recognised equity, untaxed reserves and any surplus and deficits in investment assets not recognised in the balance sheet at the end of the period.	Net asset value illustrates the Company's capital strength, taking into account untaxed reserves.
Solvency ratio (from beginning of year, annualised)	The net asset value at the end of the period in relation to annualised premium income, net of reinsurance, of the period. The period's annualised premium income, net of reinsurance, is calculated by dividing the premium income of the period, net of reinsurance, by the ratio of the number of quarters in the period and the number of quarters per year.	Evaluates the Company's capital strength in relation to the premium income, net of reinsurance.

Performance measure	Definition	Purpose
SCR ratio	The eligible capital base of the period to satisfy the Solvency Capital Requirement (SCR) in relation to the solvency capital requirement over the same period.	Evaluates the Company's capital situation in relation to the regulatory capital requirements.
MCR ratio	The eligible capital base of the period to satisfy the Minimum Capital Requirement (MRC) in relation to the solvency capital requirement over the same period.	Evaluates the Company's capital situation in relation to the regulatory minimum capital requirements.
Return on average adjusted equity (2) (RoE (2)) (from beginning of year, annualised)	The period's annualised net profit after tax in relation to the average of the opening balance and closing balance of adjusted equity (2) for the relevant period. The period's annualised net profit after tax is calculated by dividing the period's net profit after tax by the ratio of the number of quarters in the period and the number of quarters per year.	Evaluates the Company's profitability in relation to its existing venture capital in terms of adjusted equity (2).
Return on average adjusted equity excl. intangible assets (RoNAV (2)) (from beginning of year, annualised)	The period's annualised net profit after tax with the addition of the period's amortisation of intangible assets after tax in relation to the average of the opening balance and closing balance of adjusted equity excluding intangible assets (2) for the relevant period. The period's annualised net profit after tax with the addition of the period's amortisation of intangible assets after tax is calculated by dividing the period's net profit after tax with the addition of the period's amortisation of intangible assets after tax by the ratio of the number of quarters in the period and the number of quarters per year.	Evaluates the Company's profitability in relation to its existing venture capital in terms of adjusted equity excluding intangible assets (2).
Adjusted return on average adjusted equity (RoE (3)) (from beginning of year, annualised)	The period's annualised net profit after tax with the addition of the period's appropriations after tax in relation to the average of the opening balance and closing balance of average adjusted equity (3) for the relevant period. The period's annualised net profit after tax with the addition of the period's appropriations after tax is calculated by dividing the period's net profit after tax with the addition of the period's appropriations after tax by the ratio of the number of quarters in the period and the number of quarters per year.	Evaluates the Company's profitability in relation to its existing venture capital in terms of adjusted equity (3). Adjustments on appropriations are made to increase comparability in relation to the Company's financial targets and dividend policy.
Adjusted return on average adjusted equity excl. intangible assets (RoNAV (3)) (from beginning of year, annualised)	The period's annualised net profit after tax with the addition of the period's amortisations of intangible assets and appropriations after tax in relation to the average of the opening balance and closing balance of adjusted equity excluding intangible assets (3) for the relevant period. The period's annualised net profit after tax with the addition of the period's amortisations of intangible assets and appropriations after tax is calculated by dividing period's net profit after tax with the addition of the period's amortisations of intangible assets and appropriations after tax by the ratio of the number of quarters in the period and the number of quarters per year.	Evaluates the Company's profitability in relation to its existing venture capital in terms of adjusted equity excluding intangible assets (3). Adjustments on appropriations are made to increase comparability in relation to the Company's financial targets and dividend policy.

Reconciliation of alternative performance measures

The information below is derived from Solid Försäkring's reviewed but not audited financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020. The information for the financial years ending 31 December 2020, 2019 and 2018 has been derived from Solid Försäkring's audited historical financial information that is presented in the section "Historical financial information" at the end of this Prospectus.

Adjusted equity (2)

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Total equity	300,503	224,265	205,731	113,050	63,920
Contingency reserve	488,118	488,118	488,118	488,118	488,118
Estimated actual deferred tax, contingency reserve	-100,552	-104,457	-104,457	-104,457	-107,386
Adjusted equity (2)	688,069	607,926	589,392	496,711	444,652

Adjusted equity excl. intangible assets (2) (NAV (2))

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Total equity	300,503	224,265	205,731	113,050	63,920
Contingency reserve	488,118	488,118	488,118	488,118	488,118
Estimated actual deferred tax, contingency reserve	-100,552	-104,457	-104,457	-104,457	-107,386
Intangible assets	-24,577	-33,037	-30,839	-27,702	-14,221
Adjusted equity excl. intangible assets (2) (NAV (2))	663,492	574,889	558,553	469,009	430,431

Adjusted equity (3)

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Total equity	300,503	224,265	205,731	113,050	63,920
Contingency reserve	488,118	488,118	488,118	488,118	488,118
Estimated actual deferred tax, contingency reserve	-100,552	-104,457	-104,457	-104,457	-107,386
Adjustments for appropriations for the period after tax	0	0	47,160	48,732	50,700
Adjustments for appropriations for the preceding period after tax treated as a dividend in the current period	-47,160	-48,732	-48,732	-50,700	-43,680
Adjusted equity (3)	640,909	559,194	587,820	494,743	451,672

Adjusted equity excl. intangible assets (3) (NAV (3))

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Total equity	300,503	224,265	205,731	113,050	63,920
Contingency reserve	488,118	488,118	488,118	488,118	488,118
Estimated actual deferred tax, contingency reserve	-100,552	-104,457	-104,457	-104,457	-107,386
Intangible assets	-24,577	-33,037	-30,839	-27,702	-14,221
Adjustments for appropriations for the period after tax	0	0	47,160	48,732	50,700
Adjustments for appropriations for the preceding period after tax treated as a dividend in the current period	-47,160	-48,732	-48,732	-50,700	-43,680
Adjusted equity excl. intangible assets (3) (NAV (3))	616,332	526,157	556,981	467,041	437,451

Return on average adjusted equity (2), RoE (2) (from beginning of year, annualised)

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Net profit for the period	94,651	61,497	43,372	49,455	14,335
Adjusted equity (2) – opening balance	589,392	496,711	496,711	444,652	560,407
Adjusted equity (2) – closing balance	688,069	607,926	589,392	496,711	444,652
Average adjusted equity (2)	638,730	552,318	543,051	470,681	502,530
Return on average adjusted equity (2), RoE (2) (from beginning of year, annualised)	19.8%	14.8%	8.0%	10.5%	2.9%

Return on average adjusted equity excl. intangible assets, RoNAV (2) (from beginning of year, annualised)

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Net profit for the period	94,651	61,497	43,372	49,455	14,335
Adjustment for amortisation of intangible assets after tax	5,359	5,183	6,936	5,124	3,413
Adjusted profit	100,010	66,680	50,308	54,579	17,748
Adjusted equity excl. intangible assets (2) – opening balance	558,553	469,009	469,009	430,431	541,810
Adjusted equity excl. intangible assets (2) – closing balance	663,492	574,889	558,553	469,009	430,431
Average adjusted equity excl. intangible assets (2)	611,022	521,949	513,781	449,720	486,121
Return on average adjusted equity excl. intangible assets, RoNAV (2) (from beginning of year, annualised)	21.8%	17.0%	9.8%	12.1%	3.7%

Adjusted return on average adjusted equity, Adjusted RoE (3) (from beginning of year, annualised)

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Net profit for the period	94,651	61,497	43,372	49,455	14,335
Adjustments for appropriations after tax	0	0	47,160	48,732	50,700
Adjusted profit	94,651	61,497	90,532	98,187	65,035
Adjusted equity (3) – opening balance	587,820	494,743	494,743	451,672	582,670
Adjusted equity (3) – closing balance	640,909	559,194	587,820	494,743	451,672
Average adjusted equity (3)	614,364	526,968	541,281	473,207	517,171
Adjusted return on average adjusted equity, Adjusted RoE (3) (from beginning of year, annualised)	20.5%	15.6%	16.7%	20.7%	12.6%

Adjusted return on average adjusted equity excl. intangible assets, Adjusted RoNAV (3) (from beginning of year, annualised)

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Net profit for the period	94,651	61,497	43,372	49,455	14,335
Adjustment for amortisation of intangible assets after tax	5,359	5,183	6,936	5,124	3,413
Adjustments for appropriations after tax	0	0	47,160	48,732	50,700
Adjusted profit	100,010	66,680	97,468	103,311	68,448
Adjusted equity excl. intangible assets (3) – opening balance	556,981	467,041	467,041	437,451	564,073
Adjusted equity excl. intangible assets (3) – closing balance	616,332	526,157	556,981	467,041	437,451
Average adjusted equity excl. intangible assets (3)	586,656	496,599	512,011	452,246	500,762
Adjusted return on average adjusted equity excl. intangible assets, Adjusted RoNAV (3) (from beginning of year, annualised)	22.7%	17.9%	19.0%	22.8%	13.7%

Definitions of alternative performance measures and measures according to separate statutory requirements for insurance companies

The information below is derived from Solid Försäkring's reviewed but not audited financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020. The information for the financial years ending 31 December 2020, 2019 and 2018 has been derived from Solid Försäkring's audited historical financial information presented in the section "Historical financial information" at the end of this Prospectus. Other information regarding performance measures in accordance with the Solvency II rules has been derived from Solid Försäkring's solvency and financial condition report for the financial years ending 31 December 2020, 2019 and 2018 and the Company's internal systems regarding corresponding information for the nine-month periods ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020. The solvency and financial condition report is adopted by the Company's board.

Claims ratio

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Claims incurred, net of reinsurance	-175,256	-175,369	-232,196	-222,941	-226,211
Premiums earned, net of reinsurance	722,805	681,101	912,654	898,481	828,678
Claims ratio	24.2%	25.7%	25.4%	24.8%	27.3%

Expense ratio

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Operating expenses	-465,544	-429,026	-572,552	-582,542	-521,586
Premiums earned, net of reinsurance	722,805	681,101	912,654	898,481	828,678
Expense ratio	64.4%	63.0%	62.7%	64.8%	62.9%

Combined ratio

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Claims incurred, net of reinsurance	-175,256	-175,369	-232,196	-222,941	-226,211
Operating expenses	-465,544	-429,026	-572,552	-582,542	-521,586
Combined ratio	-640,800	-604,395	-804,748	-805,483	-747,797
Premiums earned, net of reinsurance	722,805	681,101	912,654	898,481	828,678
Combined ratio	88.7%	88.7%	88.2%	89.6%	90.2%

Direct yield (beginning of year)

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Investment income	20,507	15,792	20,515	20,815	18,108
Realised gains/losses on investment assets	-8,244	-2,304	-3,713	-1,625	-1,115
Profit for calculating direct yield	12,263	13,488	16,802	19,190	16,993
Investment assets – opening balance	821,505	739,462	739,462	718,203	720,110
Investment assets – closing balance	668,467	802,892	821,505	739,462	718,203
Average value of investment assets	744,986	771,177	780,484	728,833	719,157
Cash and bank balances – opening balance	328,205	305,305	305,305	221,633	281,498
Cash and bank balances – closing balance	577,256	310,465	328,205	305,305	221,633
Average value of cash and bank balances	452,731	307,885	316,755	263,469	251,566
Average investable assets for calculating direct yield	1,197,717	1,079,062	1,097,239	992,302	970,722
Direct yield (beginning of year)	1.0%	1.2%	1.5%	1.9%	1.8%

Total return (beginning of year)

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Investment income	20,507	15,792	20,515	20,815	18,108
Unrealised gains/losses on investment assets	16,242	-11,317	-6,529	13,415	-13,223
Profit for calculating total return	36,749	4,475	13,986	34,230	4,885
Investment assets – opening balance	821,505	739,462	739,462	718,203	720,110
Investment assets – closing balance	668,467	802,892	821,505	739,462	718,203
Average value of investment assets	744,986	771,177	780,484	728,833	719,157
Cash and bank balances – opening balance	328,205	305,305	305,305	221,633	281,498
Cash and bank balances – closing balance	577,256	310,465	328,205	305,305	221,633
Average value of cash and bank balances	452,731	307,885	316,755	263,469	251,566
Average investable assets for calculating total return	1,197,717	1,079,062	1,097,239	992,302	970,722
Total return (beginning of year)	3.1%	0.4%	1.3%	3.4%	0.5%

Technical provisions, net of reinsurance

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Technical provisions (net of outward reinsurance)	597,555	579,387	587,764	585,557	554,053
Reinsurer's share of technical provisions	-4,516	-3,863	-3,667	-3,876	-4,267
Technical provisions, net of reinsurance	593,039	575,524	584,097	581,681	549,786

Net asset value

(KSEK)	On 30 Sep 2021	On 30 Sep 2020	On 31 Dec 2020	On 31 Dec 2019	On 31 Dec 2018
Total equity	300,503	224,265	205,731	113,050	63,920
Contingency reserve	488,118	488,118	488,118	488,118	488,118
Surpluses and deficits	0	0	0	0	0
Net asset value	788,621	712,383	693,849	601,168	552,038

Solvency ratio (from beginning of year, annualised)

(KSEK)	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Net asset value	788,621	712,383	693,849	601,168	552,038
Gross written premiums	732,409	703,778	951,480	939,135	915,331
Outward reinsurance premiums	-18,412	-15,097	-19,922	-24,207	-25,075
Premium income, net of reinsurance	713,997	688,681	931,558	914,928	890,256
Solvency ratio (from beginning of year, annualised)	82.8%	77.6%	74.5%	65.7%	62.0%

Eligible capital base to meet solvency capital requirement

(KSEK)	On 30 Sep 2021	On 30 Sep 2020	On 31 Dec 2020	On 31 Dec 2019	On 31 Dec 2018
Total equity	300,503	224,265	205,731	113,050	63,920
Untaxed reserves	488,118	488,118	488,118	488,118	488,118
Total equity and untaxed reserves	788,621	712,383	693,849	601,168	552,038
Revaluations of Solvency II balance sheet	-31,636	-51,519	-31,881	-31,533	-13,278
Eligible capital base to meet solvency capital requirement	756,985	660,864	661,968	569,635	538,760

Eligible capital base to meet minimum capital requirement

(KSEK)	On 30 Sep 2021	On 30 Sep 2020	On 31 Dec 2020	On 31 Dec 2019	On 31 Dec 2018
Total equity	300,503	224,265	205,731	113,050	63,920
Untaxed reserves	488,118	488,118	488,118	488,118	488,118
Total equity and untaxed reserves	788,621	712,383	693,849	601,168	552,038
Revaluations of Solvency II balance sheet	-40,559	-66,050	-40,873	-40,427	-17,021
Eligible capital base to meet minimum capital requirement	748,062	646,333	652,976	560,741	535,017

Solvency Capital Requirement (SCR)

(KSEK)	On 30 Sep 2021	On 30 Sep 2020	On 31 Dec 2020	On 31 Dec 2019	On 31 Dec 2018
Market risk	71,723	81,382	88,930	85,603	135,289
Counterparty risk	40,546	20,050	20,351	42,680	49,007
Insurance risk	369,864	370,498	375,910	374,046	262,299
Intangible assets risk	0	0	0	0	0
Diversification	-65,837	-62,523	-66,980	-74,707	-95,286
Basic Solvency Capital Requirement (BSCR)	416,295	409,407	418,211	427,622	351,309
Operational risk	29,303	28,003	27,978	27,681	25,616
Solvency Capital Requirement (SCR)	445,598	437,410	446,189	455,303	376,926

The Solvency Capital Requirement (SCR) has been calculated in accordance with EIOPA's standard formula. Since the operations conducted are non-life insurance activities, the Company is exposed to insurance risk for non-life insurance, market risks, counterparty risks and operational risks.

Minimum Capital Requirement (MCR)

(KSEK)	On 30 Sep 2021	On 30 Sep 2020	On 31 Dec 2020	On 31 Dec 2019	On 31 Dec 2018
Linear MCR	127,045	124,428	123,744	121,519	116,868
MCR ceiling (SCR x 0.45)	200,519	196,834	200,785	204,886	169,617
MCR floor (SCR x 0.25)	111,400	109,352	111,547	113,826	94,231
Combined MCR	127,045	124,428	123,744	121,519	116,868
MCR threshold value	25,913	26,875	25,913	26,875	26,004
Minimum Capital Requirement (MCR)	127,045	124,428	123,744	121,519	116,868

Linear MCR is calculated separately for non-life and life insurance and is then added together to obtain the total linear MCR. Since the Company only underwrites non-life insurance, only this portion impacts linear MCR. It is calculated based on set parameters, best estimate of net FTA and net premium income for the various business lines. Combined MCR is calculated by first taking the largest of linear MCR and the MCR floor and then subtracting the smaller of this value and the MCR ceiling. The Company's MCR is above the MCR threshold value and between the values of 25 per cent and 45 per cent of SCR.

SCR ratio

(KSEK)	On 30 Sep 2021	On 30 Sep 2020	On 31 Dec 2020	On 31 Dec 2019	On 31 Dec 2018
Eligible capital base to meet solvency capital requirement	756,985	660,864	661,968	569,635	538,760
Solvency Capital Requirement (SCR)	445,598	437,410	446,189	455,303	376,926
SCR ratio	169.9%	151.1%	148.4%	125.1%	142.9%

MCR ratio

(KSEK)	On 30 Sep 2021	On 30 Sep 2020	On 31 Dec 2020	On 31 Dec 2019	On 31 Dec 2018
Eligible capital base to meet minimum capital requirement	748,062	646,333	652,976	560,741	535,017
Minimum Capital Requirement (MCR)	127,045	124,428	123,744	121,519	116,868
MCR ratio	588.8%	519.4%	527.7%	461.4%	457.8%

Operational and financial review

Introduction

The following information should be read together with "Selected historical financial information", Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 as well as Solid Försäkring's reviewed financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020, and the associated notes which are included in this Prospectus.

This section may contain forward-looking statements. Such statements are associated with risks, uncertainty and other factors, including those stated in the section "Risk factors", which may lead to the Company's future results, financial position or cash flows that could differ materially from the results, financial position or cash flows as expressed, explicitly or implied, in the forward-looking statements.

Overview

The Company offers traditional non-life insurance, primarily focusing on niche insurance in Sweden, Denmark, Norway and Finland and, to a minor extent, also in certain other countries in Europe. The insurance portfolio mainly consists of many insurance contracts with low individual insurance values. The insurance operations are organised into different segments: *Product*, *Personal Safety* and *Assistance*. Asset management is a separate function and is responsible for all the Company's investment assets (for further information about the Company's asset management, refer to the section "Business overview – Business model – Asset management" above). On 30 September 2021, the number of employees of the Company was 68, of whom 67 people work at Solid Försäkring's office in Helsingborg, Sweden and one person from Norway.

Key factors affecting Solid Försäkring's operating profit

Solid Försäkring believes that, to varying extents, the following factors have a material impact on the results of the operations:

- General economic situation and market conditions
- Sales volume, product mix and pricing
- Claims ratio, acquisition costs and other operating expenses
- Result of asset management and market interest rates
- Currency fluctuations

Refer to the section "Risk factors" for a more detailed description of the risks attributable to the Company's operations. Refer also to the section "Risk management" regarding the Company's risk management organisation.

General economic situation and market conditions

Solid Försäkring's results and cash flow are affected by demand for the Company's products, which comprise non-life insurance, focusing on niche insurance in three different segments: *Product*, *Personal Safety* and *Assistance*. The Company's addressable market for non-life insurance in 2020 was estimated to have a market value of approximately SEK 2.8 billion for the Nordic product insurance market, SEK 5.5 billion for the Nordic market for payment protection insurance and SEK 11.6 billion for the Nordic travel insurance market.¹⁾

Solid Försäkring mainly operates in the Nordic non-life insurance market, which, in the Company's opinion, is characterised by a generally high level of customer retention, degree of digitalisation and high insurance propensity among consumers. The Nordic non-life insurance markets have generally performed positively with relatively stable growth in premium income over time, with Sweden and Norway showing the highest rate of growth.²⁾ The general economic climate and market conditions for Solid Försäkring's product offering were stable between 2018 and 2020. A buoyant general economic climate with rising wages, disposable income and lower interest rates benefits consumption, and thus also Solid Försäkring since all of Solid Försäkring's segments are driven by consumption.

1) See section "Market overview" for a more detailed description of the Company's markets.

2) See section "Business overview."

The COVID-19 pandemic and the political climate in Sweden and around the world dominated 2020 and 2021. Demand for products for the Company's smallest segment, *Assistance*, was negatively affected by a sharp decline in travel in Europe. However, in 2021, the Company noted higher sales both of travel and of cancellation insurance as countries started to reopen and the level of vaccination increased. The underlying economic climate in the other segments continued to trend positively with stable premiums earned. The financial impact of the pandemic on Solid Försäkring can primarily be seen in the market values of the Company's equities and bond portfolios that experienced an extended period of high volatility in the full-year 2020. Following a sharp decline in prices in March 2020, the portfolio has now recovered and the capital market has performed positively up until the third quarter of 2021, which has resulted in higher market values in the Company's investment portfolio. There was a slight increase in the number of claims reported in 2020, attributable to the *Personal Safety* segment that experienced a higher number of furloughs and unemployment. During the COVID-19 pandemic, the Company noted a general increase in the claims ratio related to payment protection and unemployment in the *Personal Safety* segment, but in 2021 the trend turned and the number of new claims has since decreased. The claims ratio in the *Product* and *Assistance* segments was stable during the pandemic.

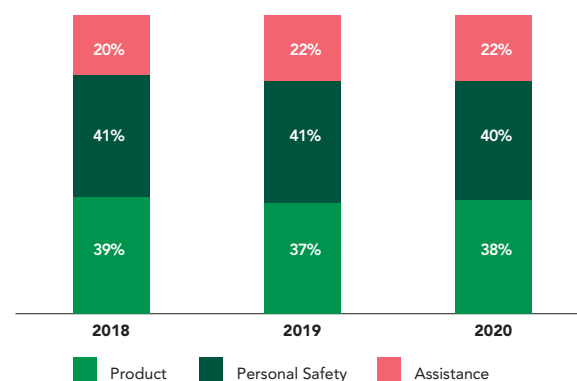
For more information about the underlying growth in the non-life insurance market in which Solid Försäkring operates, refer to the section "*Market overview*".

Sales volume, product mix and pricing

Solid Försäkring's sales and profitability are highly dependent on the Company's ability to attract new and retain existing partners and agents. Solid Försäkring's offering to partners comprises tailor-made package offerings, customer information and the administration and management of claims under the insurance policy. Solid Försäkring plans the integration phase together with the partner, inter alia, to ensure that personnel receive the right training, that necessary special adjustments of systems are made and that Solid Försäkring's offering is optimally integrated with the partner's other business offering. The length of the sales and integration process varies depending on the type of partner and in certain cases it can take years from the first contract until the partner is fully operational and offering Solid Försäkring's products. The product mix comprises sales in the three segments of the insurance operations, which are divided into: *Product*, *Personal Safety* and *Assistance*.

GWP % split per segment

SEKm



Product

Within the *Product* segment, the Company offers all-risk coverage insurance and elimination of deductibles for a wide range of product categories both in the form of individual insurance and in the form of group insurance. In 2020, the *Product* segment accounted for about 38 per cent of Solid Försäkring's total premium income, which was a reduction from 2018 when the corresponding share was 39 per cent.

Personal Safety

The *Personal Safety* segment includes income insurance, payment protection insurance (PPI), ID theft insurance and accident insurance. Through Solid Försäkring's income insurance, policyholders are guaranteed to receive up to 80 per cent of their salary even if the person earns more than the limit under the national unemployment benefit level. In 2020, the *Personal Safety* segment accounted for about 40 per cent of Solid Försäkring's total premium income, which was a reduction from 2018 when the corresponding share was 41 per cent.

Assistance

In the *Assistance* segment, Solid Försäkring offers roadside assistance, insurance associated with vehicle warranties, the recently launched *Självriskhjälpen* ("Deductible help" for tax deductible expenses) and various insurance products for the travel industry. In 2020, *Assistance* accounted for about 22 per cent of Solid Försäkring's total premium income, which is an increase on the corresponding figure in 2018 that was 20 per cent.

Pricing

A significant factor affecting a non-life insurance company's profitability and risk is the ability to estimate future claims and administrative expenses as precisely as possible, thereby achieving correct pricing of insurance premiums. The single key factor for correct pricing is historical data and thus knowledge of the market to which the product belongs. The Company has extensive experience and data of the markets in the niche insurance segments that the Company serves.

Sensitivity analysis

(KSEK)	Level 2020	Change	Impact on profit before tax 2020	Impact on profit before tax 2019	Impact on profit before tax 2018
Premiums	912,654	+/-1%	+/-9,127	+/-8,985	+/-8,287

Solid Försäkring's primary growth strategy is to strengthen its Nordic footprint through new strategic partners, developing collaborations with existing partners, offering a clear and cohesive partner and consumer offering, and realising aftermarket potential by enhancing focus on policy renewals and more effective additional sales.

Claims ratio, acquisition costs and other operating expenses

Solid Försäkring targets carefully selected niche insurance segments with stable underlying markets and relatively low claims ratios. The Company develops its business by increasing volumes, through broadening its product offering and entering into new partnerships, among other things, and at the same time maintaining low individual risks for each segment. In certain cases, the distributing partner directly receives either a predefined share of the insurance premium or a profit-sharing model is applied whereby Solid Försäkring and the partner share the profit from the sale of the insurance product. Solid Försäkring's

pricing models are applied based on a data-driven process with well-founded data on, among other things, historical claims ratios for each insurance product and segment. In the past, the Company has seen only a small share of terminations and repurchases of insurance in the niche insurance segments in which the Company operates.

Solid Försäkring's total operating expenses are divided by the following types of costs: direct and indirect personnel expenses, premises costs, depreciation/amortisation, direct acquisition costs, changes in deferred acquisition costs, commission and profit-sharing in outward reinsurance and other costs. The Company believes that personnel expenses will not be materially impacted after the separation since the newly recruited employees previously received consultancy positions with the Company and thus already comprised a portion both of direct and of indirect personnel expenses. Refer also to "Factors affecting comparability of financial information" for detailed information on the impact of the separation on operating expenses.

Sensitivity analysis

(KSEK)	Level 2020	Change	Impact on profit before tax 2020	Impact on profit before tax 2019	Impact on profit before tax 2018
Claims level	-232,196	+/-1%	+/-2,322	+/-2,229	+/-2,262
Combined ratio	88.2%	+1 percentage point	+/-9,127	+/-90	+/-83

Result of asset management and market interest rates

Asset management is a separate function and is responsible for all of the Company's investment assets. Asset management is an important function for covering insurance risks both in terms of actual and in terms of expected undertakings under insurance contracts in respect of claims. Elevated insurance risk contributes to higher provisions and thus increased solvency capital for covering the elevated insurance risk. Greater market risk in the investment portfolio leads to higher expected returns but also results in a higher solvency capital requirement.

Solid Försäkring holds interest-bearing securities that represent a large share of the Company's total investment portfolio. The majority of the investment portfolio is listed in SEK. The percentage of equities comprises a limited share of the total portfolio. Most of the Company's investment assets carry variable interest. Derivatives can be used to reduce market and currency risk. The direct yield in 2020, 2019 and 2018 amounted to 1.5 per cent, 1.9 per cent and 1.8 per cent, respectively. The total return for the same periods amounted to 1.3 per cent, 3.4 per cent and 0.5 per cent, respectively. The market value of the Company's investment assets, including cash and cash equivalents in cash and bank balances at the end of the 2020 financial year, was KSEK 1,149,710 and on 30 September 2021 the value of the investment assets including cash and cash equivalents in cash and bank balances was KSEK 1,245,723.

Sensitivity analysis

(KSEK)	Level 2020	Change	Impact on profit before tax 2020	Impact on profit before tax 2019	Impact on profit before tax 2018
Equity price risk	98,207	-10%	-9,821	-7,840	-6,755
Interest rate risk	493,616	-1%	-4,936	-4,328	-4,233

Currency fluctuations

Solid Försäkring underwrites insurance primarily in the Scandinavian currencies, EUR and CHF. All assets and liabilities below are presented in their respective currency. Currency risk is reduced by matching the technical provisions with investment assets in the corresponding currencies. Currency risk in the insurance operations is hedged by matching assets and liabilities. Currency exposure of investment assets is hedged in terms of both the nominal value and the interest return on individual investments.

Currency exposure 2020

(KSEK)	CHF	DKK	EUR	GBP	NOK	Other	Total
Assets	57,905	7,998	51,291	3,241	271,309	56	391,800
Liabilities	-39,093	-5,891	-51,960	-1,836	-271,993	-23	-370,796
Net exposure before financial hedging with derivatives	18,812	2,107	-669	1,405	-684	33	21,004
Derivatives, nominal value							0
Difference between assets and liabilities incl. nominal amount of currency hedges	18,812	2,107	-669	1,405	-684	33	21,004
Sensitivity to exchange-rate differences							
Change in exchange rate +/- 20%	+/-3,762	+/-421	+/-134	+/-281	+/-137	+/-7	+/-4,742

Factors affecting comparability of financial information

Solid Försäkring believes that the following factors impact the comparability of the financial information:

- Business acquisitions;
- Restructuring due to separation; and
- Non-recurring expenses and income.

Business acquisitions

The two asset acquisitions that Solid Försäkring carried out during the period are described in the historical financial information. The acquisitions of the car warranty provider 1228 Management AB in 2019 and the acquisition of Sykkel Holding AS's bicycle register in Norway in 2020 were important acquisitions for the Company and are not deemed to have any material effect on the Company's financial statements and thus do not materially impact comparability between the years.

Restructuring due to separation

Following the separation, Solid Försäkring will be an independent company in relation to Resurs, which means that Solid Försäkring will have its own key functions for managing the Company's operations. Prior to the separation, Solid Försäkring used some of Resurs' central services for which the Company paid arm's length market-based remuneration. As part of the separation process, Solid Försäkring has taken over certain functions from Resurs and recruited new employees so that the Company has all key functions internally. The separation is not deemed to lead to any material increase in the Company's administrative expenses that will impact comparability between the years presented in the historical financial information since before the separation Solid Försäkring paid for the services used via Resurs on an arm's length basis.

The functions previously used via Resurs were primarily the treasury function, the legal affairs function, IT and HR, for which the number of employees at Solid Försäkring is expected to increase by one FTE per function after the separation, meaning a total increase of four FTEs. Of these, Solid Försäkring has to date recruited one FTE for the legal affairs function and the recruitment process for HR is under way. Solid Försäkring has yet to initiate recruitment for the IT and treasury functions and instead has secured its need for resources by engaging consultancy services for a temporary period. Solid Försäkring has also appointed a Data Protection Officer (DPO) on the basis of a consultancy agreement. This function was used via Resurs before the separation. The HR function will be supplied by Resurs for a transitional period of three months with the option to extend for an additional three months, which is regulated in a separate agreement between the two companies. For more information, refer also to the section "*Legal considerations and supplementary information – Separation from Resurs Group*".

Solid Försäkring has also established administrative functions so that as an independent company it is able to meet stock market expectations for information (investors relations) and the formal legal requirements that a listing on the stock exchange entails, for example, the publication of financial statements, arranging annual general meetings and similar.

Overall, administrative expenses related to new recruitments due to the separation are expected to be at about the same level as for when Solid Försäkring was part of Resurs and used Resurs' central services. The additional administrative expenses related to the forthcoming listing and to meet the requirements associated with being a listed company are expected to result in an increase in administrative expenses of approximately SEK 5 million in 2022 compared with 2021.

As part of the separation, Solid Försäkring signed an agreement with Resurs Bank regarding brokering the Company's PPI products. This new agreement was signed since the parties will no longer be part of the same group and replaces the previous PPI agreement. The aim is that the new agreement will contain essentially the same commercial terms as those in the previous PPI agreement and the agreement is thus not deemed to have any material impact on the Company's operations. For more information, refer also to the section "*Legal considerations and supplementary information – Material agreements*".

Non-recurring expenses and income

No material non-recurring expenses and income arose in the financial years ending 31 December 2020, 2019 and 2018 or the nine-month period ending 30 September 2021.

The present Lex Asea distribution of shares in Solid Försäkring to Resurs' shareholders has entailed non-recurring expenses of SEK 1.9 million up until 30 September 2021. Additional non-recurring expenses of approximately SEK 8 million related to the separation are expected to be charged to Solid Försäkring in the fourth quarter of 2021.

Explanation of key items in the income statement

Premium income

Premium income is recognised as the total gross premium for direct insurance deposited or that can be credited to the Company for insurance contracts for which the insurance period commenced prior to the end of the financial year or interim period. If the contracted premium for the insurance period is divided into several partial payments, the entire premium is recognised from the start of the period. Cancellations reduce premium income as soon as the amount is known. Premium income is recognised excluding tax and other public fees charged to the insurance premium.

Premiums earned, net of reinsurance

The portion of premium income that is attributable to the current accounting period is recognised as premiums earned. The portion of income from insurance contracts that pertains to a period after the closing date is reserved in the premium reserve in the balance sheet and is calculated taking into account the term of the insurance contract.

Outward reinsurance premiums

Outward reinsurance premiums comprise amounts paid during the financial year or interim period or amounts recognised as a liability to insurance companies that assumed reinsurance according to signed reinsurance contracts, including portfolio premiums. The premiums are allocated so that the cost is distributed to the period to which the insurance cover pertains.

Claims incurred

Total claims incurred include claims paid during the period, changes in the provision for claims outstanding and claims-adjustment expenses. Claims paid includes payments to policyholders during the financial year based on incurred insurance claims, regardless of when the claim occurred.

Operating expenses

All operating expenses are allocated in the income statement according to their function: acquisitions, administration, commission and profit-sharing in outward reinsurance, claims adjustment and investment charges. Administrative expenses include lease payments for the Company's premises, vehicles and equipment, which are recognised straight-line as expenses in profit or loss based on contracted lease terms.

Operating expenses associated with claims adjustment are recognised as a portion of claims incurred in profit or loss. Operating expenses associated with the investment returns are recognised under non-technical account.

Technical result for non-life insurance business

The income statement is divided into results for the insurance operations (technical account) and the non-technical account, which is primarily attributable to asset management. Items included in the technical account exclusively pertain to the Company's operations as an insurance provider, meaning the transfer of insurance risk.

Result of asset management

The non-technical account includes the result of asset management, which comprises the difference between income and unrealised gains, and expenses and unrealised losses attributable to the investment assets.

Allocated investment return transferred from non-technical account

The allocated investment return is transferred from the non-technical account to the technical account and is calculated on the basis of average technical provisions, net of reinsurance. The transferred investment return is calculated as the average interest rate on the Company's holdings of government, municipal and corporate bonds on the closing date.

Investment income

Investment income relates to the return on investment assets and includes dividends on shares and participating interests, interest income, exchange-rate gains, reversed impairment and capital gains.

Investment charges

Investment charges are expenses associated with investment assets. The item includes asset management expenses, interest expense, exchange-rate losses, depreciation, amortisation, impairment and capital losses.

Realised and unrealised fair value changes

Capital gains on investment assets measured at fair value represent the positive difference between the selling price and cost. For interest-bearing securities, cost corresponds to amortised cost, while for other investment assets it corresponds to historical cost.

On disposal of an investment asset, previously unrealised fair value changes are recognised as adjustment items under unrealised gains on investment assets and unrealised losses on investment assets. Capital gains on assets other than investment assets are recognised under other income.

Unrealised gains and losses are recognised on a net basis by asset class. Fair value changes arising from exchange-rate differences are recognised as exchange-rate gains or exchange-rate losses under the item investment return.

Appropriations

This item refers to the Group contributions paid for the period where the amount corresponds to the transfer of wealth between Solid Försäkring and Resurs Holding, which previously reduced Solid Försäkring's taxable earnings. As a result of the separation, this item will no longer appear and no appropriations are expected to be recognised in the future.

Comparison between the nine-month periods ending 30 September 2021 and 30 September 2020

(KSEK)	For the nine-month period ending 30 Sep			
	2021	2020	+/-	+/- %
Technical account of non-life insurance operations				
Premiums earned, net of reinsurance	722,805	681,101	41,704	6.1%
Allocated investment return transferred from the non-technical account	4,500	4,500	0	0.0%
Claims incurred, net of reinsurance	-175,256	-175,369	113	-0.1%
Operating expenses	-465,544	-429,026	-36,518	8.5%
Technical result for non-life insurance operations	86,505	81,206	5,299	6.5%
Non-technical account				
Investment income	20,507	15,792	4,715	29.9%
Unrealised gains on investment assets	16,242	0	16,242	n.m.
Investment charges	-1,583	-1,417	-166	11.7%
Unrealised losses on investment assets	0	-11,317	11,317	n.m.
Result of asset management	35,166	3,058	32,108	1,050.0%
Allocated investment return transferred to technical account	-4,500	-4,500	0	0.0%
Other non-technical income	5,358	370	4,988	1,348.1%
Other non-technical expenses	-2,106	-501	-1,605	320.4%
Profit before appropriations and tax	120,423	79,633	40,790	51.2%
Appropriations	0	0	0	n.m.
Profit before tax	120,423	79,633	40,790	51.2%
Tax on profit for the period	-25,772	-18,136	-7,636	42.1%
Net profit for the period	94,651	61,497	33,154	53.9%

Premium income

Gross written premiums, amounted to KSEK 732,409 (703,778) for the nine-month period ending 30 September 2021. The increase of 4 per cent was attributable to higher sales of insurance linked to car warranties and travel insurance products in the *Assistance* segment. Adjusted for currency effects, the increase was 4.8 per cent.

Premiums earned, net of reinsurance

Premiums earned, net of reinsurance, increased KSEK 41,704 to KSEK 722,805 (681,101) for the nine-month period ending 30 September 2021, compared with the year-earlier period. The main reason for the increase was the *Assistance* segment in which premiums earned performed strongly for the period (+32 per cent), in relation to the corresponding period the previous year, driven by sales linked to car warranties, at the same time as the travel industry recovered. The increase is also

attributable to the *Product* segment, where premium income increased by 8 per cent, mainly driven by the positive development within the product category consumer electronics and bicycles. Adjusted for currency effects, the increase for the period was 7 per cent.

Claims incurred and operating expenses

Claims incurred, net of reinsurance, declined during the nine-month period ending 30 September 2021, with KSEK 113 to KSEK 174,256 (175,369) compared with the corresponding period the previous year. Adjusted for exchange rate effects, claims incurred, net of reinsurance, decreased by 3.3 per cent.

Within the segment *Personal Safety*, claims incurred, net of reinsurance, and the number of reported claims decreased by 16 per cent compared with the corresponding period the previous year. A decrease in claims incurred, net of reinsurance, could also be observed in the *Product* segment, mainly due to the positive development in the bicycle product category. In the *Assistance* segment, claims incurred, net of reinsurance, increased due to the recovery within the travel business as well as the growth related to car warranties.

The claims ratio declined to 24.2 per cent (25.7) in the nine-month period ending 30 September 2021. The decline was primarily due to the performance in the *Product* and *Personal Safety* segments and partly also the *Assistance* segment.

Operating expenses in the insurance operations increased KSEK 36,518 to KSEK 465,544 (429,026). Adjusted for currency effects, operating expenses increased 9.4 per cent during the period compared with the corresponding period the preceding year, mainly driven by higher sales volumes in the *Assistance* segment and the positive trend in the claims ratio in the *Product* and *Personal Safety* segments, which resulted in higher expenses for profit-sharing/quality commission. Administrative expenses amounted during the period to KSEK 75,751 (72,343), mainly due to non-recurring expenses related to the separation process and other costs in order to fulfil the requirements applicable to companies on a regulated market. The combined ratio remained unchanged and amounted to 88.7 per cent (88.7). Adjusted for non-recurring expenses related to the ongoing separation process of KSEK 1,862, the combined ratio improved and amounted to 88.4 per cent during the nine-month period ending 30 September 2021.

Asset management and result of asset management

Result of asset management amounted to KSEK 35,166 (3,058), an increase of KSEK 32,108 compared with the preceding year. The outbreak of the COVID-19 pandemic in March last year caused a sharp decline in the market value of the investment portfolio. The performance of the capital market during the year had a positive impact on market values.

The direct yield for the nine-month period ending 30 September 2021 was KSEK 12,263 (13,488), corresponding to a direct yield for asset management of 1.0 per cent (1.2). The total return was 3.1 per cent (0.4).

The market value of the Company's investment assets, including cash and cash equivalents in cash and bank balances, was KSEK 1,245,723 (1,113,357) at the end of the financial year.

Net profit and tax expense

Net profit amounted to KSEK 94,651 (61,497) for the nine-month period ending 30 September 2021. The effective tax expense for the period was 21.4 per cent (22.8). The lower tax expense as a share of profit before tax was primarily attributable to the correction of an incorrectly treated goodwill item of KSEK 459, which was corrected in May 2021, and a reduction in corporate tax from 21.4 per cent in 2020 to 20.6 in 2021.

Cash flow between the nine-month periods ending 30 September 2021 and 30 September 2020

Cash flow from operating activities for the nine-month period ending 30 September 2021 amounted to KSEK 123,119 (116,140). Cash flow from investing activities amounted to KSEK 180,934 (–90,394) and the cash flow from financing activities amounted to KSEK –60,000 (–12,000). The subordinated loan of KSEK 200,000 to Resurs Bank fell due for payment and most of the funds have not yet been re-invested in alternative investments, and a Group contribution of KSEK 60,000 was paid to the parent company. Cash and cash equivalents increased to KSEK 577,256 (310,465).

Comparison between 2020 and (2019) financial years

(KSEK)	For the financial year ending 31 Dec			
	2020	2019	+/-	+/- %
Technical account of non-life insurance operations				
Premiums earned, net of reinsurance	912,654	898,481	14,173	1.6%
Allocated investment return transferred from the non-technical account	9,014	10,678	-1,664	-15.6%
Claims incurred, net of reinsurance	-232,196	-222,941	-9,255	4.2%
Operating expenses	-572,552	-582,542	9,990	-1.7%
Technical result for non-life insurance operations	116,920	103,676	13,244	12.8%
Non-technical account				
Investment income	20,515	20,815	-300	-1.4%
Unrealised gains on investment assets	0	13,415	-13,415	-100.0%
Investment charges	-1,937	-2,079	142	-6.8%
Unrealised losses on investment assets	-6,529	0	-6,529	n.m.
Result of asset management	12,049	32,151	-20,102	-62.5%
Allocated investment return transferred to technical account	-9,014	-10,678	1,664	-15.6%
Other non-technical income	3,655	570	3,085	541.2%
Other non-technical expenses	-3,006	-284	-2,722	958.5%
Profit before appropriations and tax	120,604	125,435	-4,831	-3.9%
Appropriations	-60,000	-62,000	2,000	-3.2%
Profit before tax	60,604	63,435	-2,831	-4.5%
Tax on profit for the period	-17,232	-13,980	-3,252	23.3%
Net profit for the period	43,372	49,455	-6,083	-12.3%

Premium income

Gross written premiums for 2020 amounted to KSEK 951,480 (939,135). This increase was primarily due to higher sales in the *Assistance* segment and insurance related to car warranties and the *Product* segment. Sales in the *Personal Safety* segment declined 1.2 per cent compared with the preceding year and were attributable to sales of payment protection insurance in Norway. Adjusted for currency effects, an underlying volume increase of 3.4 per cent was reported.

Premiums earned, net of reinsurance

Premiums earned, net of reinsurance, increased KSEK 14,173 to KSEK 912,654 (898,481) in 2020. This increase was primarily attributable to the *Assistance* and *Personal Safety* segments. Premiums earned in the *Assistance* segment increased 37.5 per cent for insurance related to car warranties, while premiums earned for the Company's travel insurance fell 19.9 per cent as a result of the ongoing pandemic, which had a negative impact on the travel industry and thus on premiums earned from the Company's travel insurance. Adjusted for currency effects, the increase was 3.5 per cent.

Claims incurred and operating expenses

Claims incurred, net of reinsurance increased to KSEK 232,196 (222,941) in 2020. The claims ratio rose during the year to 25.4 per cent (24.8). The increase was mainly due to the performance of the *Personal Safety* segment in which the ongoing pandemic had a negative impact on claim costs for the year due to furloughing and higher unemployment.

Operating expenses in the insurance operations fell KSEK 9,990 to KSEK 572,552 (582,542). Adjusted for currency effects, operating expenses were at the same level as in the preceding year. Acquisition costs fell KSEK 5,596, which was mainly attributable to the *Product* segment. Administrative expenses declined KSEK 4,394 and were mainly due to lower costs for personnel, external consultants and IT operations. Costs for depreciation/amortisation increased compared with the preceding year due to the acquisitions in 2019 and 2020. The combined ratio declined to 88.2 per cent (89.6).

Asset management and result of asset management

2020 was dominated by the COVID-19 pandemic which led to a complete halt in the global economy. Turbulence engulfed the financial markets, particularly in March. Some recovery was made based on financial aid provided by governments and central banks, although this was characterised by uncertainty. The impact of the pandemic also varied greatly between different sectors.

According to the Company, interest rates are expected to remain low due to this new situation. Low market rates meant that interest income for the year was limited. The company holds interest-bearing securities that represent a large share of the Company's total investment portfolio.

The direct yield in 2020 was KSEK 20,515 (20,815), corresponding to a direct yield for asset management of 1.5 per cent (1.9). The total return was 1.3 per cent (3.4).

The market value of the Company's investment assets, including cash and cash equivalents in cash and bank balances, was KSEK 1,149,710 (1,044,767) at the end of the financial year.

Net profit and tax expense

Net profit amounted to KSEK 43,372 (49,455). The effective tax expense for the year was 28.5 per cent (22.1). The higher tax expense as a share of profit before tax was primarily attributable to the translation of assets and liabilities in the foreign branch offices, which affected the tax amount.

Cash flow between the 2020 and (2019) financial years

Cash flow from operating activities amounted to KSEK 150,058 (168,349). The decline in cash flow was mainly due to operating receivables increasing KSEK 14,976 in 2020 compared with 2019 when they declined KSEK 18,151. Cash flow from investing activities amounted to KSEK -105,296 (-22,621) mainly due to increased acquisitions of investment assets. Net investments in investment assets amounted to KSEK 94,188 (2,225). Cash flow from financing activities amounted to KSEK -12,000 (-65,000). In the 2020 financial year, Group contributions of KSEK 62,000 were paid to the parent company and the Company received a capital contribution of KSEK 50,000 in April. Cash and cash equivalents increased to KSEK 328,205 (305,305).

Comparison between 2019 and (2018) financial years

(KSEK)	For the financial year ending 31 Dec			
	2019	2018	+/-	+/- %
Technical account of non-life insurance operations				
Premiums earned, net of reinsurance	898,481	828,678	69,803	8.4%
Allocated investment return transferred from the non-technical account	10,678	7,594	3,084	40.6%
Claims incurred, net of reinsurance	-222,941	-226,211	3,270	-1.4%
Operating expenses	-582,542	-521,586	-60,956	11.7%
Technical result for non-life insurance operations	103,676	88,475	15,201	17.2%
Non-technical account				
Investment income	20,815	18,108	2,707	14.9%
Unrealised gains on investment assets	13,415	0	13,415	n.m.
Investment charges	-2,079	-1,893	-186	9.8%
Unrealised losses on investment assets	0	-13,223	13,223	-100.0%
Result of asset management	32,151	2,992	29,159	974.6%
Allocated investment return transferred to technical account	-10,678	-7,594	-3,084	40.6%
Other non-technical income	570	0	570	n.m.
Other non-technical expenses	-284	0	-284	n.m.
Profit before appropriations and tax	125,435	83,873	41,562	49.6%
Appropriations	-62,000	-65,000	3,000	-4.6%
Profit before tax	63,435	18,873	44,562	236.1%
Tax on profit for the period	-13,980	-4,538	-9,442	208.1%
Net profit for the period	49,455	14,335	35,120	245.0%

Premium income

Gross written premiums for the 2019 financial year amounted to KSEK 939,135 (915,331). Adjusted for currency effects, an underlying volume increase of 1.9 per cent was reported. This increase was primarily due to higher sales in the *Personal Safety* and *Assistance* segments.

Premiums earned, net of reinsurance

Premiums earned, net, increased KSEK 69,803 to KSEK 898,481 (8.4 per cent) in the 2019 financial year. Adjusted for currency effects, the increase was 7.6 per cent. Premiums earned increased all of the Company's three segments and the increase was the largest in *Personal Safety* at 14.7 per cent.

Claims incurred and operating expenses

Claims incurred, net of reinsurance increased to KSEK 222,941 (226,211) in the 2019 financial year. The claims ratio performed positively during the year and amounted to 24.8 per cent (27.3), mainly driven by lower claim costs in the *Assistance* and *Product* segments due to a changed product mix and more efficient claims adjustment.

Operating expenses in the insurance operations amounted to KSEK 582,542 (521,586). Adjusted for currency effects, operating expenses increased 11 per cent compared with the preceding year. This increase was primarily attributable to the higher acquisition costs driven by the growing *Personal Safety* segment. Administrative expenses increased KSEK 5,118, which was mainly due to higher costs for depreciation/ amortisation attributable to the acquisition in 2019.

The combined ratio fell to 89.6 per cent (90.2), mainly due to the positive trend in the claims ratio.

Asset management and result of asset management

The interest-rate scenario is very low both in Sweden and in large parts of the West. In addition, in 2019 the US Federal Reserve Bank changed its position from interest rate raises to rate cuts. This affected long-term rates, which fell to very low levels. Low market rates meant that interest income for the year was limited for interest-bearing securities. The trend in most stock markets in 2019 was highly positive, yet there was some nervousness regarding an economic downturn, trade wars and geopolitical events.

The direct yield was KSEK 20,815 (18,108), corresponding to a direct yield for asset management of 1.9 per cent (1.8).

The total return was 3.4 per cent (0.5). The market value of the Company's investment assets, including cash and cash equivalents in cash and bank balances, was KSEK 1,044,767 (939,836) at the end of the financial year.

Net profit and tax expense

Net profit in 2019 amounted to KSEK 49,455 (14,335). The effective tax expense for the year was 22.1 per cent (24.0).

Cash flow between the 2019 and (2018) financial years

Cash flow from operating activities in 2019 amounted to KSEK 168,349 (135,448). Operating receivables declined during the year due to lower accounts receivable. Operating liabilities increased, mainly as a result of the performance of the *Personal Safety* segment. Cash flow from investing activities amounted to KSEK –22,621 (–11,331). Cash flow from financing activities amounted to KSEK –65,000 (–185,999). Group contributions of KSEK 65,000 were paid to the parent company during the year. Net investments in investment assets amounted to KSEK 2,225 (6,633) and cash and cash equivalents increased to KSEK 305,305 (221,633).

Financing, liquidity and capital resources

Solid Försäkring's liquidity requirements are mainly related to fulfilling insurance undertakings and claim and operating expenses associated with such undertakings as well as the financing of the Company's growth and other working capital. The Company's primary liquidity is financed through cash flow from operating activities, which mainly derive from insurance premiums and income from asset management. The purpose of Solid Försäkring's investment assets and technical provisions is to ensure that the Company has sufficient liquidity to meet insurance undertakings and future claim and operating expenses.

The Company's investment portfolio largely comprises interest-bearing securities, with the majority of the investment assets bearing variable interest. A minor part of the portfolio comprises equities in which the majority of the investment portfolio is listed in SEK. The Company's asset management and its policies and guidelines for this are described in more detail in the section "*Business overview – Business model – Asset management*".

Also, under the Solvency II rules, the Company is to ensure that its assets amount to at least the SCR calculated using EIOPA's standard formula. The Company's SCR ratio on 30 September 2021 amounted to 170 per cent. For more information about calculating the SCR, refer to "*Selected historical financial information – Reconciliation of statutory performance measures – SCR ratio*".

Solid Försäkring's ability to generate cash and cash equivalents from the operations is dependent on future operating profit, which in turn is, to a certain extent, dependent on general economic, financial, competitive, economic, political and regulatory factors, some of which are outside the Company's control. This, together with any other factors that could impact the Company's ability to generate cash and cash equivalents from the operations, are described in the section "*Risk factors*".

Significant changes after 30 September 2021

On 2 November 2021, an extraordinary general meeting was held in Resurs Holding, which resolved on the distribution of all shares in Solid Försäkring to the shareholders of Resurs Holding. The board of directors of Resurs Holding was authorised to resolve on the record date for the distribution. The intention is to distribute and list the shares in Solid Försäkring on Nasdaq Stockholm during the fourth quarter of 2021. The Company estimates that additional non-recurring expenses of SEK 8 million relating to the separation process will be charged during the fourth quarter of 2021.

Other than what is stated above, no significant changes regarding the Company's financial result, financial position or market position have occurred since 30 September 2021.

Trends and outlooks

As described in the section "*Market overview*", Solid is impacted by several different drivers and trends that differ between the Company's segments. Market growth has generally been relatively stable but the outbreak of the COVID-19 pandemic had a negative impact on the Company's sales. This primarily applied to travel insurance in *Assistance* and partly to product insurance related to a range of different product categories in *Product*, but also PPI and *Personal Safety*. In the second quarter of 2021, Solid noted a slight recovery, especially in *Assistance/Travel*, a trend that also continued into the third quarter of 2021.

In the second quarter of 2021, Solid Försäkring expanded its partnership with the consumer electronics chain Power in the Danish market (in addition to the markets in Norway and Finland), and in September 2021 Solid Försäkring's insurance products were launched in Power's stores in Denmark. Solid Försäkring thus expects to generate higher sales and capture larger market shares in product insurance in Denmark moving forward.

The Company has not noted any specific trends regarding the competitive landscape in the Company's sub-markets, or that price levels have, or have need to be, adjusted due to the competitive situation or tendencies in the claims trend.

Regarding the Company's costs, Solid Försäkring believes that the current level of the combined ratio is suitable with respect to Solid Försäkring's growth plans and general outlook (refer also to "*Business overview – Financial targets*"). The claims ratio has improved in recent years driven by a positive trend in *Product* and *Assistance*. Moving forward, and in relation to the last 12 months at the end of the third quarter, Solid Försäkring expected a certain additional improvement in 2022 driven by *Personal Safety* and a gradual return to the claims levels that Solid noted prior to the pandemic. Acquisition costs are variable and Solid Försäkring expects these, and deferred acquisition costs (DAC) in the balance sheet, to increase at about the same percentage increase as premium income given the Company's perception of the sales mix.

The financial markets and the Company's asset management were impacted by the COVID-19 pandemic in 2020 and the first half of 2021. Solid Försäkring has generally had a lower share of equities in its investment portfolio, a share that was further reduced in the first half of 2021 in the wake of the recovery that took place in the stock markets. Instead, Solid Försäkring has a large share of interest-bearing securities in the investment portfolio. The view of market risk remains restrictive and Solid expects low interest rates to continue. The Company anticipates a direct yield of approximately 1.5–2 per cent and a higher result in asset management in 2021 compared with 2020. However, Solid Försäkring expects a lower result in asset management in 2022–2024 than in 2021.

The solvency capital situation is evaluated in terms of risk and capital requirements and in relation to the Company's strategic outlook and dividend policy. The Company's assessment is that the solvency situation will remain favourable and that the SCR ratio will exceed 150 per cent (refer also to "*Business overview – Financial targets*").

Other than the described events, development trends and prospects, no other significant events took place nor have development trends and prospects changed since the end of the third quarter of 2021.

Capital structure, indebtedness and other financial information

The following tables illustrate the Company's capital structure and net indebtedness on 30 September 2021. Note that the table below under "Capital structure" includes information on the Company's total indebtedness, both interest-bearing and non-interest-bearing, and has been adjusted to represent an insurance company's capital structure whereas the table under "Net indebtedness" below only includes information about the Company's financial liabilities. The information presented below should be read together with the sections: "Selected financial information", and "Operating and financial review" as well as with Solid Försäkring's audited financial interim information for the nine-month period ending 30 September 2021, refer to the section "Selected historical financial information".

Capitalisation

(KSEK)	On 30 September 2021
Total current debt	486,297
Guaranteed	–
Secured	–
Unsecured ¹⁾	83,932
Technical provisions (duration <12 months) ²⁾	402,365
Total non-current debt	266,272
Guaranteed	–
Secured	–
Unguaranteed/unsecured ³⁾	71,082
Technical provisions (duration ≥12 months) ²⁾	195,190
Total current and non-current debt	752,569
Untaxed reserves	
Contingency reserve	488,118
Total untaxed reserves	488,118
Share capital	30,000
Statutory reserve(s) ⁴⁾	–1,357
Other reserves ⁵⁾	177,209
Net profit for the period	94,651
Total equity	300,503

1) Short-term component of the balance-sheet item "Other liabilities".

2) Derives from "Technical provisions net of outward reinsurance" in the balance sheet, divided into the short-term component (maturity <12 months) and the long-term component (maturity ≥12 months). The maturity, or duration, pertains to the time remaining on the insurance contract.

3) Long-term component of the balance-sheet item "Other liabilities".

4) Comprises the balance-sheet item "Fair value reserve".

5) Comprises the balance-sheet item "Retained earnings".

Net indebtedness

(KSEK)	On 30 September 2021
(A) Cash and bank balances	577,256
(B) Other cash equivalents ¹⁾	3,954
(C) Other financial assets ²⁾	751,812
(D) Total liquidity (A)+(B)+(C)	1,333,022
(E) Current financial debt ³⁾	486,297
(F) Current portion of non-current debt	–
(G) Total current financial indebtedness (E)+(F)	486,297
(H) Current financial net indebtedness (G)–(D)	–846,725
(I) Non-current financial debt ⁴⁾	195,190
(J) Debt instruments ⁵⁾	569
(K) Non-current accounts payable and other debts ⁶⁾	70,513
(L) Non-current financial indebtedness (I)+(J)+(K)	266,272
(M) Financial net indebtedness (H)+(L)	–580,453

1) This item comprises the Company's client accounts.

2) This item comprises investment assets and receivables pertaining to direct insurance and the reinsurer's share (including restricted bank deposits under derivative agreements, refer to "Indirect indebtedness and contingent liabilities" below), accrued income and reinsurer's share of technical provisions.

3) This item comprises the short-term component of technical provisions, liabilities pertaining to direct insurance and reinsurance (including profit-sharing).

4) This item comprises the long-term component of technical provisions.

5) This item comprises currency derivatives that expire in October 2022.

6) This item comprises non-current liabilities pertaining to direct insurance (profit-sharing).

Pledged assets for own liabilities

Policyholders have priority rights to the insurance provider's registered assets with regard to receivables that: (i) are based on an insurance contract, or (ii) pertain to the repayment of premiums concerning an agreement that

failed to materialise. Assets encompassed by policyholders' priority rights and technical provisions (net) are shown in the following table.

Pledged assets for own liabilities

(KSEK)	On 30 September		On 31 December		
	2021	2020	2020	2019	2018
	Derived from unaudited information*		Derived from audited information**		
	IAS 34		Exempted IFRS		
Policyholders' priority rights					
Assets encompassed by policyholders' priority rights	1,247,186	1,120,130	1,150,416	1,045,193	940,173
Technical provisions, net	-593,039	-575,524	-584,097	-581,681	-549,786
Surplus from registered assets	654,147	544,606	566,319	463,512	390,387

* Information derived from Solid Försäkring's reviewed but not audited financial interim information as per and for the nine-month period ending 30 September 2021 with comparative figures for the nine-month period ending 30 September 2020.

** Information derived from Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 presented in the section "Historical financial information" at the end of this Prospectus.

Restrictions on use of capital

Within the framework of the insurance operations, the Company complies with a number of legal requirements pertaining to capital requirements and capital reserves, which have the effect of limiting the Company's use of its capital. Solid Försäkring makes technical provisions, which are intended to cover the expected claim costs and operating expenses for the remaining term of valid insurance contracts for which claims may arise in the future. On 30 September 2021, the Company's technical provisions amounted to KSEK 597,555, of which KSEK 4,516 comprised reinsurers' share of the technical provisions.

The Company also complies with the Solvency II rules, meaning that Solid Försäkring must ensure a defined capital buffer is in place in case the technical provisions should prove inadequate, refer also to "Regulatory overview" for more information on the Solvency II rules. On 30 September 2021, the Minimum Capital Requirement (MCR) amounted to KSEK 127,045 and the Solvency Capital Requirement (SCR) amounted to KSEK 445,598.

Solid Försäkring also has a contingency reserve of KSEK 488,118. The contingency reserve is an untaxed reserve and primarily comprises a possibility opportunity to evenly allocate the Company's earnings over time for tax purposes, similar to a tax allocation reserve for example. The contingency reserve can only be dissolved by meeting separate requirements, such as the Company reporting a negative technical result for a defined period. Accordingly, Solid Försäkring's use of the contingency

reserve is limited. The Company has previously made provisions to the contingency reserve but has no intention at present to continue making such provisions to the reserve.

Aside from that stated above, as of the date of this Prospectus, the Company has no restrictions on the use of capital.

Indirect indebtedness and contingent liabilities

Aside from that stated above with regard to policyholder's priority rights, the Company has no pledged collateral nor any contingent liabilities as of the date of this Prospectus.

Asset management

An important part of the Company's business model comprises asset management in order to generate capital gains on the Company's investment assets that are otherwise intended to cover the Company's commitments regarding insurance claims attributable to the insurance products that have been sold. Insurance premiums are paid in advance, which means that there is a certain time interval between receiving premium payments and making claims payments. This allows Solid Försäkring to safely invest the insurance premiums to enable insurance undertakings and claim payments to be discharged at the same time as the insurance premium costs are kept low in the event of high returns. For the 2020 financial year, the direct yield on the investment

portfolio was KSEK 20,515, corresponding to a direct yield for asset management of 1.5 per cent. The total return was 1.3 per cent. For further information on the Company's asset management, refer to the above section "Business overview – Asset Management".

Working capital and capital requirements

In the opinion of the board of Solid Försäkring, the working capital is adequate to meet the Company's needs, including the capital requirement encompassed by the Solvency II Directive, for the 12-month period following the date of this Prospectus.

Non-current assets

On 30 September 2021, the Company's total non-current assets amounted to SEK 695,204 million and largely comprised investment assets. The investment assets are the insurance premiums that the Company invests to generate capital gains and, which in turn, cover the Company's undertakings pertaining to insurance claims attributable sold insurance policies. Refer also to "Asset

management" above. The majority of Solid Försäkring's investment assets consist of interest-bearing securities. To a smaller extent, Solid Försäkring's investment assets also consist of shares and subordinated debt.

The item non-current assets comprises goodwill, which relates to an organisational restructuring in 2010 when the operations of the former subsidiary Nord Assurance & Services AB were taken over by the Company, and the acquisition of a business that previously brokered the Company's car guarantee products that took place in April 2019. The item "intangible assets" refers to the value of the acquisition of the bicycle insurance operations of Falck completed on 1 April 2015 and the value of the acquisition of a Norwegian customer register of bicycle registrations that took place on 31 January 2020.

Solid Försäkring's property, plant & equipment comprises IT-related hardware and software as well as fittings and furniture that arose in conjunction with the Company's move to its current office premises in November 2018.

Non-current assets

(KSEK)	On 30 September		On 31 December		
	2021	2020	2020	2019	2018
	Derived from unaudited information*		Derived from audited information**		
	IAS 34		Exempted IFRS		
Goodwill	12,857	15,714	15,000	17,857	0
Other intangible assets	11,720	17,323	15,839	9,845	14,221
Investment assets	668,467	802,892	821,505	739,462	718,203
Property, plant & equipment	2,160	3,157	2,908	4,301	4,902
Total non-current assets	695,204	839,086	855,252	771,465	737,326

* Information derived from Solid Försäkring's internal system particularly for the Prospectus. The information has not been reviewed by the Company's auditor.

** Information derived from Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 presented in the section "Historical financial information" at the end of this Prospectus.

Historical investments

In the period from January to September 2021, Solid Försäkring's cash flow from investing activities amounted to SEK 180,934 million and comprised acquisitions and divestments of investment assets. For further information about investment assets, refer to "Non-current assets" above. The Company's acquisitions of intangible assets in previous periods related to the previously completed acquisitions.

For additional information about the acquisitions, refer to "Operating and financial review – Factors affecting comparability of financial information – Acquisitions".

Investing activities (KSEK)	Derived from unaudited information*	Derived from unaudited information*	Derived from audited information**	Derived from audited information**	Derived from audited information**
	IAS 34		Exempted IFRS		
	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Acquisition of intangible assets	0	-11,891	-11,933	-20,000	0
Investments in property, plant & equipment	0	-127	0	-396	-4,985
Replacement of divested property, plant & equipment	0	811	825	0	287
Acquisition of investment assets	-197,198	-164,969	-227,351	-166,450	-107,627
Disposal of investment assets	378,132	85,782	133,163	164,225	100,994
Cash flow from investing activities	180,934	-90,394	-105,296	-22,621	-11,331

* Information derived from Solid Försäkring's internal system particularly for the Prospectus. The information has not been reviewed by the Company's auditor.

** Information derived from Solid Försäkring's audited historical financial information as per and for the financial years ending 31 December 2020, 2019 and 2018 presented in the section "Historical financial information" at the end of this Prospectus.

Ongoing and planned investments

At present, no material need for investment exists with regard to property, plant and equipment and there are no significant ongoing investments or decided future investments.

Tax situation

Solid Försäkring conducts operations in several different countries. The Company's business operations, including internal transactions, are conducted pursuant to the Company's understanding, and interpretation of, applicable tax laws, tax treaties and other provisions in the tax field as well as the requirements of the relevant tax authorities. The Company's foreign branches in Norway, Finland and Switzerland are taxed on the earnings in each country. In Sweden, the Company is liable to pay tax on all its income, including earnings from its foreign branch offices. To the extent that the Company pays tax in Sweden on its foreign income, a deduction is normally allowed for the foreign tax paid, in order to avoid double taxation.

Other than that described in the section "Risk factors – Financial risks – Tax risks", on the date of this Prospectus, Solid Försäkring had no other known, material tax risks and was also not party to any tax process with the Swedish Tax Agency, court or other authority. The Company believes that, based on the size and nature of the operations, the employees of Solid Försäkring possess the appropriate expertise in tax-related matters. Combined with this, Solid Försäkring engages, as necessary, external help with company tax declarations and with the preparation of transfer pricing documentation as well as expert advisers to consult on both Swedish and international tax-related matters of a more complex nature.

Board of directors, senior executives and auditor

Board of directors

The Company's board of directors currently comprises five members including the chairman of the board. All board members are elected for the time until the close of the 2022 annual general meeting. The following table presents the board members, their position, when they were first elected to the board, whether they are considered to be independent to the Company and senior executives in accordance with the Swedish Corporate Governance Code (the "**Code**"), and whether they are considered to be independent to the Company's major shareholders as well as holdings in the Company in accordance with the Code.

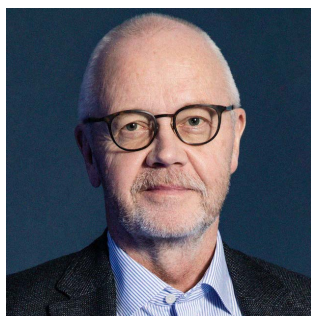
Name	Position	Board member since	Independent in relation to		Holdings in the Company*
			The Company and its management	Major shareholders	
Lars Nordstrand	Chairman	2014 ¹⁾	Yes	Yes	6,499 shares
Fredrik Carlsson	Board member	2012 ²⁾	Yes	Yes	16,725 shares
David Nilsson Sträng	Board member	2019	Yes	Yes	–
Lisen Thulin	Board member	2021	Yes	Yes	–
Marita Odélius Engström	Board member	2021	Yes	Yes	2,340 shares

* Holdings in the Company refers to own holdings as well as shareholdings of closely related natural or legal persons based on the assumption that the separation of Solid Försäkring has been completed as per the date of the Prospectus, i.e. based on each person's holdings in Resurs Holding as per said date with regards to the distribution ratio (10:1). No board member holds shares in Solid Försäkring as per the date of the Prospectus. The respective holdings of board members of the Company as of the first day of trading in the Company's shares, which is expected to be 1 December 2021, could deviate from the information above.

1) Lars Nordstrand assumed his role as chairman of the board of the Company in 2019, but has previously been a board member in the Company since 2014.

2) Fredrik Carlsson was the previous chairman of the board of the Company between 2013 and 2019.

Information about the board members is presented below, including date of birth, position, the year in which they were elected for the first time, education, experience, ongoing assignments outside the Company, assignments that each member has held during the past five years as well as holdings in the Company. Ongoing and previous assignments within the Company have been excluded. Holdings in the Company refers to own holdings as well as shareholdings of closely related natural or legal persons based on the assumption that the distribution of Solid Försäkring has been completed as per the record date of 30 September 2021, i.e. based on each person's holdings in Resurs Holding as per said date with regards to the distribution ratio.



Lars Nordstrand

(Born 1951, Chairman of the board since 2019)

Experience: Lars Nordstrand has a long and extensive career in the Swedish insurance industry. Lars has been CEO of the Kinnevik Group's insurance business during the years 1999–2009, and at the same time also CEO of Moderna Försäkringar. Lars has also been CEO of the Nordic insurance group Tryg's branch in Sweden during the years 2009–2011 and Movestic Livförsäkring AB and deputy CEO of Invik.

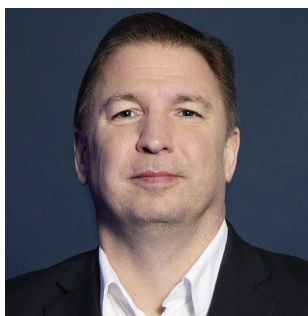
Education: Bachelor's degree in Humanities and Economics at Uppsala University. Teacher's degree and studies in Economics and Business Administration at Umeå University.

Other ongoing assignments: Chairman of the board of Aktiebolaget Akademikerförsäkring i Stockholm, EAL Insurance AB, Euro Accident Livförsäkring AB and Nordnet Pensionsförsäkring AB. Board member of Masama AB, Resurs Bank Aktiebolag and Resurs Holding AB.

Previous assignments: Chairman of the board of Anticimex Försäkringar AB. Board member of Movestic Livförsäkring AB and Nordnet Pensionsförsäkring AB. Deputy board member of Försäkringsbranschens Arbetsgivareorganisationens Service Aktiebolag. CEO of Movestic Livförsäkring AB.

Holdings in the Company: 6,499 shares.

Independence: Independent in relation to the Company and its management, and in relation to the major shareholders.



Fredrik Carlsson

(Born 1970, Board member since 2012)

Experience: Fredrik Carlsson has a Bachelor's degree in Business Administration and a Master of Business Administration, and has extensive experience from managerial positions in international and Swedish companies. Fredrik is CEO of Sönerna Carlsson Family Office AB and has previously worked as global head of analysis at SEB Enskilda, as head of portfolio management at the Second AP Fund and has worked in London at Bank of America Merrill Lynch and HSBC.

Education: Master of Business Administration at Nijenrode University, The Netherlands Business School. Bachelor's degree in Business Administration at the School of Business, Economics and Law at the University of Gothenburg.

Other ongoing assignments: Chairman of the board of Carlsson Rådgivning i Göteborg AB, Skogsallén Holding AB, Sten A Olssons Pensionsstiftelse and Svolder Aktiebolag. Board member of Betsson AB, Resurs Bank Aktiebolag, Resurs Holding AB and Sönerna Carlsson Family Office AB. CEO of Sönerna Carlsson Family Office AB.

Previous assignments: Board member of Future Securities in Scandinavia AB, Bostadsrättsföreningen Skogsallén 24–28 i Västra Villastaden, KL Capital Aktiebolag, KL Ventures AB, Novobis AB and Skogsallén Fastighetsprojektering AB.

Holdings in the Company: 16,725 shares.

Independence: Independent in relation to the Company and its management, and in relation to the major shareholders.



David Nilsson Sträng

(Born 1980, Board member since 2019)

Experience: David Nilsson Sträng is a tech entrepreneur and pioneer in the fintech sector. In 2005, David founded the company SmartRefill, which offers payment solutions for the telecom industry. Today, David is the founder and CEO of the tech hub Hetch.

Education: Bachelor's degree of Science in Engineering at Halmstad University.

Other ongoing assignments: Chairman of the board of Get AI Sweden AB and Noboto Innovation AB. Board member of Blackhane Holding AB, Della8 AB, Hetch AB, HIF Service Aktiebolag, HIF Support AB, Invest in Skåne AB, Invest Tech Loop 1 AB, Tech loop Capital AB and Techning AB. Deputy board member of Interia design AB. CEO of Blackhane Holding AB and Hetch AB.

Previous assignments: Chairman of the board of Hetch AB. Board member of Digimail Sverige AB and SmartRefill i Helsingborg AB. CEO of SmartRefill i Helsingborg AB.

Holdings in the Company: –

Independence: Independent in relation to the Company and its management, and in relation to the major shareholders.

**Lisen Thulin**

(Born 1970, Board member since 2021)

Experience: Lisen Thulin has several years of experience from the insurance industry and in operating a sustainable insurance business. Lisen is CEO of the insurance broker Akademikerförsäkring. Lisen has previously been a board member of Bliwa Livförsäkring. She has also been CSR responsible at Scania in India, head of development and communication at Ledarna and sales manager at KPA Pension.

Education: Master's degree and Master of Business Administration at Stockholm University.

Other ongoing assignments: Board member of Nordnet Pensionsförsäkring AB. CEO of Akademikertjänst I.A.S Aktiebolag and Aktiebolaget Akademikerförsäkring i Stockholm.

Previous assignments: –

Holdings in the Company: –

Independence: Independent in relation to the Company and its management, and in relation to the major shareholders.

**Marita Odélius Engström**

(Born 1961, Board member since 2021)

Experience: Marita Odélius Engström has a Master's degree in Business and Economics, is an authorised public accountant and has extensive experience in the financial services sector. Marita is CEO of Fora AB and has previously been CFO and Head of Process & Synergies at Skandia Nordic Group. Furthermore, Marita has worked at both KPMG Consulting and the Swedish Financial Supervisory Authority.

Education: Master's degree in Business and Economics at Uppsala University. Studies in commercial law at Stockholm University and in tax law at Stockholm School of Economics. Leadership training at Ashridge Business School, Institute de Empresa, Ruter Dam.

Other ongoing assignments: Board member of Resurs Bank Aktiebolag and Resurs Holding AB. CEO of Fora AB.

Previous assignments: –

Holdings in the Company: 2,340 shares.

Independence: Independent in relation to the Company and its management, and in relation to the major shareholders.

Senior executives

Name	Position	Employed since	Member of management since	Holdings in the Company*
Marcus Tillberg	Chief Executive Officer	2002	2008 ¹⁾	12,181 shares
Sofia Andersson	Chief Financial Officer	2012	2016	254 shares
Johan Hähnel	Head of IR ²⁾	2021	2021	1,175 shares
Jonatan Heberlein	Head of Legal	2021	2021	–
Anneli Liljeros	Chief Commercial Officer	2015	2015	4,000 shares
Robert Olsson	Head of Operations	2015	2015	–
Patrik Jönsson	Chief Information Officer	2021	2021	–

* Holdings in the Company refers to own holdings as well as shareholdings of closely related natural or legal persons based on the assumption that the distribution of Solid Försäkring has been completed as per the date of the Prospectus, i.e. based on each person's holdings in Resurs Holding as per said date with regards to the distribution ratio (10:1). No senior executives holds shares in Solid Försäkring as per the date of the Prospectus. The executives' respective holdings of board members of the Company as of the first day of trading in the Company's shares, which is expected to be 1 December 2021, could deviate from the information above. In addition, the Company means to distribute warrants through an incentive program in connection to the listing, see "Share capital and ownership structure – Convertibles, warrants and other share-based incentive programmes".

1) Marcus Tillberg assumed his role as CEO of the Company in 2013, but has previously been deputy CEO of the Company since 2008.

2) Johan Hähnel carries out his assignment in the Company on a consultancy basis through the company Comir AB.

The management team consists of seven individuals. Information about the management team is presented below with date of birth, position, education, experience, ongoing assignments and previous assignments in the past five years for each individual as well as holdings in the Company. Ongoing and previous assignments within the Company have been excluded. Holdings in the Company refers to own and closely related physical and legal persons holdings of shares under the assumption that the distribution of Solid Försäkring has been made with record date 30 September 2021, i.e. based on each person's holdings in Resurs Holding as per said date with regards to the distribution ratio. No senior executives holds shares in Solid Försäkring as per the date of the Prospectus. The executives' respective holdings of board members of the Company as of the first day of trading in the Company's shares, which is expected to be 1 December 2021, could deviate from the information above. In addition, the Company means to distribute warrants through an incentive program in connection to the listing, see "Share capital and ownership structure – Convertibles, warrants and other share-based incentive programmes".



Marcus Tillberg

(Born 1975, Chief Executive Officer since 2013)

Experience: Marcus Tillberg has extensive experience in the insurance industry and has previously been deputy CEO and Key Account Manager of Solid Försäkring. Furthermore, Marcus has worked at Resurs Bank.

Education: Bachelor's degree in Business Administration at Valdosta State University.

Other ongoing assignments: Deputy board member of Kerstin Tillberg AB.

Previous assignments: –

Holdings in the Company: 12,181 shares.



Sofia Andersson

(Born 1967, Chief Financial Officer since 2016)

Experience: Sofia Andersson is an economist and has extensive experience in the finance industry. Sofia has previously worked as Controller at Casino Cosmopol AB since the start and has been involved in its development regarding routines for follow-up, control and accounting.

Education: International degree in Economics at the School of Business, Economics and Law at the University of Gothenburg.

Other ongoing assignments: Deputy board member of Masken Förvaltnings AB.

Previous assignments: Deputy board member of Boka Chalet AB.

Holdings in the Company: 254 shares.

**Johan Hähnel***(Born 1965, Head of IR since 2021)*

Experience: Johan Hähnel has a Bachelor's degree in Marketing and Economics and has a broad and extensive experience of IR work. Johan is currently CEO of Comir AB, through which he carries out various consulting assignments, and Jolorito AB, as well as IR responsible at ACQ Bure. Johan has previously worked as IR responsible at BHG Group, Internationella Engelska Skolan and MedCap among others, and has been global information director at EQT Partners.

Education: Bachelor's degree in Marketing and Economics at Stockholm University.

Other ongoing assignments: Board member of Comir AB and Jolorito AB. CEO of Comir AB and Jolorito AB. IR responsible at ACQ Bure AB and Linc AB.

Previous assignments: Chairman of the board of Stapp AB, Stapp Group AB, Stapp Group Holding AB and Stapp International AB. Board member of Stapp AB, Stapp Group AB, Stapp Group Holding AB and Stapp International AB.

Holdings in the Company: 1,175 shares through the wholly owned company Jolorito AB.

**Jonatan Heberlein***(Born 1989, Head of Legal since 2021)*

Experience: Jonatan Heberlein has a Master's degree in Business Law and has previous experience as corporate lawyer at Resurs Holding, with a special focus on Solid Försäkring. Furthermore, Jonatan has previous experience from the insurance industry as Account Executive and Specialist Broker Liability at Aon Sweden AB, as well as Client Advisor, Liability and Legal at Marsh AB.

Education: Master's degree in Business Law at Linköping University.

Other ongoing assignments: Deputy board member of J J H Fastighets AB.

Previous assignments: Board member of Bostadsrättsföreningen Yxan 3. Deputy board member of Bostadsrättsföreningen Yxan 3. Legal Counsel at Resurs Bank Aktiebolag.

Holdings in the Company: –

**Anneli Liljeros***(Born 1968, Chief Commercial Officer since 2015)*

Experience: Anneli Liljeros has studied Service Management and has extensive experience of managerial and commercial work. Anneli has previously been a board member of Sparbanken Gripen AB. Furthermore, Anneli has been CEO of Börjessons Bil i Ängelholm, aftermarket manager at Audi Sverige AB and sales manager at MECA Sweden AB.

Education: Studies in Service Management at ÄHU (Ängelholms Högre Utbildningar)/Halmstad University.

Other ongoing assignments: –

Previous assignments: Deputy board member of Liljeros Consulting AB.

Holdings in the Company: 4,000 shares.

**Robert Olsson***(Born 1977, Head of Operations since 2015)*

Experience: Robert Olsson has extensive experience within the insurance industry and has for a long time held several management positions, and thus has solid managerial experience. Robert has previously worked at Trygg-Hansa Försäkringar as head of engine damages. Robert has also been Group Manager and claims adjuster at Trygg-Hansa Försäkringar.

Education: Various leadership and insurance education within Trygg-Hansa. High school diploma in economics at Malmö Borgarskola.

Other ongoing assignments: –

Previous assignments: –

Holdings in the Company: –

**Patrik Jönsson***(Born 1973, Chief Information Officer since 2021)*

Experience: Patrik Jönsson has a Master's degree of Science in Electrical Engineering and has a solid background within the IT industry. Patrik has long managerial experience and has previously been IT manager at Ecolean AB, STR, Order Nordic AB and EG Sverige among others.

Education: Master's degree of Science in Electrical Engineering at Lund Faculty of Engineering.

Other ongoing assignments: –

Previous assignments: IT Manager at the Swedish National Association of Driver Educators.

Holdings in the Company: –

Other information about the board of directors and senior executives

During the past five years, no board member or senior executive has been: (i) sentenced for any fraud-related offences; (ii) the representative, board member or senior executive of a company which has been declared bankrupt, been subject to administration under bankruptcy or liquidation (except voluntary) or (iii) the subject of any allegations or sanction on the part of any agency authorised by law or regulation (including authorised professional bodies); or prohibited by a court of law from becoming a member of an issuer's administrative, management or supervisory body, or from holding an executive or overarching position at any issuer.

The chairman of the board Lars Nordstrand is chairman of the board of the companies Aktiebolaget Akademikerförsäkring i Stockholm, EAL Insurance AB, Euro Accident Livförsäkring AB and Nordnet Pensionsförsäkring AB, and the Company's board member Lisen Thulin is board member of Nordnet Pensionsförsäkring AB and CEO of Aktiebolaget Akademikerförsäkring i Stockholm, all of which also conduct insurance operations. Since the above-mentioned companies do not conduct insurance operations with the same orientation as the Company, the Company does not consider these to be competitors and as such, on the date of this Prospectus, does not believe that these assignments result in any conflicts of interest of material significance.

Lars Nordstrand, Fredrik Carlsson and Marita Odélius Engström are board members of Resurs Bank, which operates in the same Group as the Company until the separation from Resurs Group and which has historically been the Company's main distributor of PPI and credit-card insurance products (see also section "*Business overview – Business model*"). After the separation, Resurs Bank will continue to distribute on behalf of the Company in accordance with distribution agreements between the parties. Please also refer to the section "*Legal considerations and supplementary information – Material agreements*".

In addition to the above, there are no conflicts of interest whereby the private interests of board members or senior executives would conflict with the Company's interests, or family ties between board members and the Company's senior executives. However, as described above, most board members and senior executives have financial interests in the Company through their share and warrant holdings. None of the board members or senior executives have signed agreements that entitle them to benefits after the completion of their assignment, with the exception of normal severance pay for the senior executives. The Company has not recorded any provisions or accrued amounts or similar post-employment benefits for board members or senior executives. There are no arrangements or similar agreements with major shareholders, customers, suppliers or other parties whereby any of the board members or senior executives have been elected or appointed to their positions in the board and management.

All board members and senior executives can be reached at the Company's address, Box 22068, SE-250 22 Helsingborg, Sweden.

Auditor

At the 2021 annual general meeting, the registered accounting firm Ernst & Young Aktiebolag was re-elected, with Daniel Eriksson as auditor in charge, for the period up until the close of the next annual general meeting. Daniel Eriksson has been the Company's auditor since 2016, but was replaced on 14 July 2021 by Jesper Nilsson who is the Company's current auditor in charge. Both Daniel Eriksson and Jesper Nilsson are members of FAR. Ernst & Young Aktiebolag has served as the Company's registered accounting firm since 2013.

Corporate governance

Corporate governance in Solid Försäkringsaktiebolag

Solid Försäkringsaktiebolag is a Swedish public insurance company and prior to the listing on Nasdaq Stockholm the Company's corporate governance was governed by the Swedish Companies Act (2005:551), the Swedish Annual Accounts Act (1995:1554), the Insurance Business Act (2010:2043) and other applicable laws and regulations for insurance companies, the Company's articles of association and internal governance documents. The Company's articles of association are presented in their entirety in the section "*Articles of association*" below. From the date of the listing of the Company's shares on Nasdaq Stockholm, the Company must also comply with Nasdaq Stockholm's Rule Book for Issuers, statements from the Swedish Securities Council concerning accepted practice in the Swedish stock market and must also apply the Swedish Corporate Governance Code (the "**Code**").

The following section describes the primary corporate governance regulations that the Company must comply with after the listing. The Company is also encompassed by other regulations as the result of the Company conducting insurance operations, please refer to the section "*Regulatory overview*" above. The Company's risk management organisation is described in the section "*Risk management*" above.

Swedish corporate governance code

The Code applies to all Swedish companies with shares listed on a regulated market in Sweden. The Code stipulates a higher standard for sound corporate governance than the minimum requirements of the Swedish Companies Act, and thus supplements the Swedish Companies Act by setting more stringent corporate governance requirements in a number of areas, while also allowing the Company to deviate from these in the event that such a deviation is considered to lead to improved corporate governance (in accordance with the "comply or explain" principle). Such potential deviations, and the chosen alternative, must be described and the reasons for applying them must be explained in an annual corporate governance report. The Company will apply the Code from the date on which the Company's shares are admitted to trading on Nasdaq Stockholm. Any deviations from the Code will be presented in the Company's corporate governance report, which will be prepared in conjunction with the annual report for the 2021 financial year.

General meetings

In accordance with the Swedish Companies Act, the general meeting of shareholders is the Company's highest decision-making body in which shareholders exercise their right to vote in key issues, such as changes to the articles of association, the election of the board of directors and auditors as well as distribution of the Company's profit or loss. The annual general meeting must be held within six months from the end of the financial year and in addition to the annual general meeting, extraordinary general meetings can be held. In accordance with the Company's articles of association, notice of a general meeting must be announced in the Swedish Official Gazette (Sw. *Post- och Inrikes Tidningar*) and by making the notice available on the Company's website. Confirmation that the official notification has been issued must also be announced in Svenska Dagbladet. To participate and vote at the general meeting, either in person or through a proxy, shareholders must be entered in the share register maintained by Euroclear Sweden on the date that falls six banking days before the general meeting and must have notified the Company of their attendance at the latest on the date stated in the notice of the general meeting.

In addition to notifying the Company, shareholders whose shares are held in the custody of a nominee through a bank or other securities institution must temporarily register their shares in their own name with Euroclear Sweden in order to be entitled to participate in the meeting. Shareholders should inform their nominees of this well in advance of the record date.

A shareholder who wishes to have a matter processed at the general meeting must request this in writing to the Company's board of directors. The request should normally be provided to the board seven weeks before the general meeting at the latest.

Nomination committee

In accordance with the Code, the Company must have a nomination committee which is responsible for the preparation and submission of proposals for the election of board members, the chairman of the board, the chairman of the general meeting and auditors to the Company. Furthermore, the nomination committee is to submit proposals for fees to board members and the chairman of the board as well as auditors. At the extraordinary general meeting that was held on 4 October

2021, the Company resolved to adopt a nomination committee instruction. In accordance with the nomination committee instruction, the nomination committee is to be comprised of the chairman of the board and board members appointed by the four largest shareholders in terms of the number of votes on the final banking day in August every year. However, ahead of the 2022 annual general meeting, the composition of the nomination committee is to be determined based on the four largest shareholders in terms of the number of votes as per the final banking day in December 2021, and is to be published as soon as possible thereafter. Should any of the four largest shareholders waive their right to appoint a member to the nomination committee, the shareholder who has the next largest shareholding is entitled to appoint a member. If a member leaves the nomination committee before its work is completed, and the nomination committee deems it suitable to appoint a replacement, the replacement member shall be appointed by the same shareholder, or, if this shareholder no longer has sufficient shareholding to have the right to appoint a member to the nomination committee, the member shall be appointed by the shareholder who is next in line in terms of the size of the shareholding.

The member appointed by the largest shareholder in terms of votes is to be appointed chairman of the nomination committee. The members of the nomination committee must be announced no later than six months prior to the annual general meeting. Any changes to the composition of the nomination committee shall be published immediately. No remuneration shall be paid to members of the nomination committee. However, the Company is liable for any potentially necessary expenses related to the work of the nomination committee. The nomination committee's mandate period remains in effect until the public release of the revised composition of the nomination committee. The nomination committee's recommendation of the election of the board and auditor is presented in the notice of the general meeting and on the Company's website.

Board of directors

Composition and independence

The board of directors is the highest decision-making body after the general meeting and the highest executive body. Board members are appointed each year by the annual general meeting for the period until the end of the next annual general meeting. In accordance with the Company's articles of association, the board of directors should consist of not less than three and not more than ten members, with no deputy members. As of the date of this Prospectus, the board consists of five members. The board of directors is presented in more detail in the section "*Board of directors, senior executives and auditor*". In accordance with the Code, the chairman of the board is to be elected by the annual general meeting.

Under the Code, a majority of the board members elected by the annual general meeting must be independent in relation to the Company and its management. This requirement does not apply for potential employee representatives. To determine whether a board member is independent, an overall assessment must be made of all circumstances that may give reason to question a board member's independence in relation to the Company or its management team, such as if a board member has recently been employed by the Company or one of its related companies, or if the board member has or during the past year has had extensive financial relations or other extensive financial dealings with the Company, either himself or by being part of the board of another company that has such a business relationship with the Company. At least two of the board members who are independent in relation to the Company and its management must also be independent in relation to the Company's major shareholders. In order to determine this independence, the scope of the member's direct or indirect relations to major shareholders must be taken into account. Major shareholders are defined under the Code as shareholders who directly or indirectly control 10 per cent or more of the Company's shares or voting rights. According to the Company, all board members in the Company are independent both in relation to the Company and its management, and in relation to major shareholders. With regard to the issue of independence in relation to the Company and its management, it has been taken into account that the board members Lars Nordstrand, Fredrik Carlsson and Marita Odélius Engström are also members of the board in Resurs Bank, which operates in the same Group as the Company until the separation from Resurs Group and which has historically been the Company's main distributor of PPI and credit-card insurance products. See also section "*Business overview – Business model*". After the separation, Resurs Bank will continue to distribute on behalf of the Company in accordance with distribution agreements between the parties. Please also refer to the section "*Legal considerations and supplementary information – Material agreements*". Considering that the business relations between the Company and Resurs Bank prior to the separation have been regulated in a partnership agreement that contains the detailed terms for the partnership and has an initial term of 10 years, the Company has in an overall assessment found that the business relationship between the Company and Resurs Bank does not entail the board members shall be considered dependent in relation to the Company and its management.

In accordance with the regulations for management suitability assessments for companies under the supervision of the SFSA, all members of the Company's board of directors are to be approved by the SFSA. See also section "*Regulatory overview – Owner and management suitability assessments*".

Responsibility and work

The board's obligations and responsibility follow from, inter alia, the Swedish Companies Act, the Company's articles of association and the Code. The Company's board also complies with written rules of procedure that have been adopted by the board and are reviewed annually. The rules of procedure regulate, inter alia, the board's role and responsibility, the board's work methods and the division of duties within the board and between the board and the CEO. The chairman of the board is responsible for leading the board's work and for ensuring that it is carried out efficiently and that the board fulfils its commitments.

In accordance with the Swedish Companies Act, the board of directors is responsible for the Company's organisation and the administration of the Company's affairs. In addition, the board of directors is to assess the Company's financial situation on an ongoing basis and ensure that accounting and the Company's economic situation is otherwise controlled in a satisfactory manner. In addition, the board of directors is responsible for ensuring that shareholders receive reliable information about the Company and that the Company complies with applicable laws and regulations as well as the implementation of internal governance documents. The board of directors also appoints the Company's CEO and adopts instructions for the CEO.

The board of directors decides on issues that concern the Company's business orientation, strategy, business plan, resources and capital structure, organisation, acquisitions and major investments, divestment and financial statements as well as other general issues of a strategical nature. In addition, the board manages and decides on matters considered to be outside of the authority of the CEO.

Board committees

The board has established an audit committee in accordance with the Swedish Companies Act and a remuneration committee in accordance with the Code. In addition, the Company has also established a corporate governance committee. All committees have rules of procedure established by the board of directors that regulate the work of the committees. A more detailed description of the current composition and information of the committees is presented below.

Audit committee

The audit committee comprises Fredrik Carlsson (chairman), Lisen Thulin and Lars Nordstrand. The primary tasks of the audit committee are to ensure that the board monitors internal control, audits, internal audits and risk management connected to accounting and financial reporting. Additionally, the audit committee's tasks include, following consultation with the corporate governance committee, ensuring that the Company

complies with the applicable laws and regulations for the Company's auditing, capital requirements and other financial requirements. In addition, the audit committee is to prepare issues about the procurement of audits and other services from the auditor and prepare certain accounting and audit matters that are to be handled by the board. The committee is also to examine and monitor the auditor's impartiality and independence and, in so far as that the nomination committee is not assigned this task, the committee is to assist in the preparation of proposals to the general meeting's election of auditors.

Remuneration committee

The remuneration committee comprises Lars Nordstrand (chairman) and Fredrik Carlsson. The primary tasks of the remuneration committee are to prepare the board's motions on remuneration principles, remuneration and other terms of employment for the Company's management, to follow and evaluate ongoing programmes and programmes completed during the year regarding variable remuneration for the Company's management, as well as to follow and evaluate the application of any guidelines for remuneration for senior executives established by the general meeting of shareholders as well as the applicable remuneration structures and levels. The remuneration committee is also to monitor the control functions' completed audits regarding remuneration and assess whether the remuneration system takes into account all of the risks based on the Company's risk profile and, if necessary, submit proposals for an action plan to the board of directors.

Corporate governance committee

The Company's corporate governance committee comprises Lars Nordstrand and the board members Lisen Thulin and Marita Odélius Engström. The corporate governance committee's tasks include evaluating the Company's internal control and policies pertaining to compliance, risk control and internal audit, insofar as these do not influence the financial reporting, which is handled by the audit committee. Additionally, the committee is to evaluate observations and proposals for measures based on reports submitted by the Company's control functions, and review the Company's own risk and solvency assessment (ORSA). The corporate governance committee advises the Company's board of directors in issues concerning internal control and corporate governance.

CEO and other senior executives

The CEO's responsibility is regulated primarily in the Swedish Companies Act but also in the Company's articles of association, the Code and internal governance documents. In accordance with the Swedish Companies Act, the CEO is subordinate to the board of directors and is responsible for the daily management of the Company in accordance with the board's instructions and guide-

lines. The division of responsibilities between the board and the CEO is outlined in the rules of procedure and the CEO's instructions. The CEO has, when carrying out daily management, the authority to represent the Company. Furthermore, the CEO shall take all necessary measures to ensure that the Company's accounts are compiled in accordance with applicable laws and regulations and that assets are managed in a satisfactory manner. In accordance with the regulations for management suitability assessments for the Company that are under the supervision of the SFSa, the Company's CEO must be approved by the SFSa. See also section "*Regulatory overview – Owner and management suitability assessments*".

The Company's CEO is Marcus Tillberg. The management team comprises, aside from the CEO, Sofia Andersson (CFO), Johan Hähnel (Head of IR), Jonatan Heberlein (Head of Legal), Anneli Liljeros (CCO), Robert Olsson (Head of Operations) and Patrik Jönsson (CIO). The Company's CEO and senior executives are presented in more detail in the section "*Board of directors, senior executives and auditor*".

Remuneration of the board members, CEO and senior executives

Remuneration of board members

Fees and other remuneration to board members elected by the annual general meeting, including the chairman of the board, are resolved upon by the annual general meeting. The extraordinary general meeting on 28 June 2021 resolved that, until the next annual general meeting, an annual fee of SEK 500,000 was to be paid to the chairman of the board and SEK 250,000 was to be paid to each of the other board members. It was also decided that an annual fee of SEK 100,000 would be paid to the chairman of the audit committee and SEK 50,000 to the other two members of the audit committee, and that an annual fee of SEK 100,000 would be paid to the chairman of the corporate governance committee, and SEK 50,000 to the other two members of the corporate governance committee. No fees shall be paid to members of the remuneration committee. In addition, it was resolved that board members that are part of the Company's investment committee (please refer to the section "*Risk management*") will receive an annual fee of SEK 100,000.

Guidelines for remuneration of senior executives

Remuneration to the Company's senior executives is resolved by the board in consultation with the remuneration committee, in accordance with the Code. At the extraordinary general meeting held on 4 October 2021, it was resolved to adopt the following guidelines for remuneration of the CEO and other members of the management team. The guidelines do not cover remuneration that has been resolved by the annual general meeting or remuneration through the incentive

programme adopted by the general meeting on 4 October 2021 (for more information on the Company's incentive programme, please refer to "*Share capital and ownership structure – Convertibles, warrants and share-based incentive programmes*" below).

The main principle is that remuneration is to promote the Company's business strategy, long-term interests and sustainability, as well as counteract unhealthy risk-taking. In addition, the remunerations aim to enable a competitive total remuneration to the senior executives of the Company. Remuneration to the Company's senior executives shall be market-based and consist of fixed salary, pension benefits and other benefits. Additionally, the annual general meeting can resolve on such matters as share and share-price-related remunerations. For the Company's CEO, pension premiums, including sickness insurance, are to be defined-contribution plans, and pension premiums for defined-contribution pension shall not exceed 30 per cent of the fixed annual salary of the CEO. Other senior executives are covered by an ITP plan in accordance with applicable provisions of collective agreements. Other benefits can include life insurance, medical benefits insurance and company car benefit, which together may not exceed 10 per cent of the fixed annual salary.

From the Company's side, the notice period for termination may be at most 12 months for the CEO and at most six months for other members of management. From the senior executive's side, the notice period for termination may be at most six months. No termination benefits are paid. However, remuneration for potential commitments to restrict competition could be issued, with the aim of compensating for any loss of income as a result of the commitment to restrict competition.

The tasks of the remuneration committee include preparing the board's resolutions on proposals for guidelines regarding remuneration of senior executives. The remuneration committee shall also follow and evaluate the programme for variable remuneration for the management team, the application of guidelines for remuneration of senior executives and the relevant remuneration structures and levels in the Company. The board shall prepare proposals for new guidelines at least once every four years, and submit the proposal to be resolved by the annual general meeting. The guidelines apply until new guidelines have been adopted by the general meeting.

Remuneration of senior executives

The table below shows remuneration to the Company's board members and senior executives that are presented in the section "*Board of directors, senior executives and auditor*" for the 2020 financial year. All amounts are in KSEK.

Name	Basic salary/ Board fees	Variable remuneration	Other benefits ¹⁾	Pensions	Total remuneration, bonuses and pensions
Lars Nordstrand	250	–	–	–	250
Fredrik Carlsson	93	–	–	–	93
David Nilsson Sträng	93	–	–	–	93
Marcus Tillberg, CEO	1,708	–	154	546	2,408
Other senior executives (4 individuals) ²⁾	3,332	–	379	878	4,589
Other employees who can affect the Company's risk level (3 individuals)	2,397	–	73	522	2,992
Total:	7,873	0	606	1,946	10,425

1) Other benefits refers to company car benefit.

2) Does not include Jonatan Heberlein (Head of Legal), Patrick Jönsson (CIO) and Johan Hähnel (Head of IR) who assumed their respective positions in 2021.

Notice period for senior executives

The notice period for the CEO is six months for the employee and twelve months for the Company. For the other senior executives the notice period varies between three to six months for the both the employee and the Company.

Bonus as a result of the listing of the Company's shares

In accordance with a separate bonus agreement, CEO Marcus Tillberg is authorised to a special transaction bonus of SEK 850,000 provided that the distribution and the listing are successfully completed by 31 March 2022 at the latest and the CEO has actively contributed to this (including by ensuring that the Company is market-ready and through contacts with investors). Other members of the management team do not take part in any bonus programme.

Internal control

The Company has established internal structures, systems, processes and procedures for internal control over the financial reporting and risk management, which collectively comprise the Company's framework for internal control.

This framework for internal control has been established in accordance with applicable laws and regulations, including the Swedish Companies Act, the Swedish Annual Accounts Act and the Code, which are applicable for all companies whose shares are traded in a regulated market in Sweden, as well as the IBA, the applicable parts of the SFSA's regulations, the Solvency II regulatory framework and other laws, rules and regulations that apply for companies who conduct insurance operations.

The Company's board of directors carries the overall responsibility for the Company's organisation and management, and ensuring that operations are conducted with a high level of internal control, that internal and external regulations are complied with and that the Company meets the applicable regulations in terms of solvency, liquidity and risk management.

The board is to regularly evaluate whether or not the Company controls and manages risks in an efficient and appropriate manner and has the ultimate responsibility for ensuring that the risk management system is efficient by establishing boundaries for the Company's risk appetite and collective risk tolerance as well as approving primary strategies and governance documents for risk management.

The Company's internal control is based on a clear division of responsibility in the organisation based on a model of three lines of defence, divided into the Company's business-driving and operational personnel, the control functions and the internal audit function. See also section "Risk management" that describes the Company's risk management organisation in more detail.

The board must also ensure that established principles and processes for financial reporting are in place to ensure that external financial reporting is reliable and prepared in accordance with generally accepted accounting principles, applicable laws and regulations and that it complies with the requirements for listed companies on a regulated market.

Information regarding the most important aspects of the Company's system for internal control and risk management in connection with financial reporting must be included in the Company's corporate governance report each year. The main components of the Company's internal control framework are described below.

Control environment

The control environment comprises the base for the Company's internal control and covers organisational structure, governance documents, instructions and defined areas of responsibility. The board of directors has adopted a number of governance documents, which, along with the external regulatory framework, comprise the basis for the Company's control environment and define the roles and division of responsibility between the board, CEO and the independent control functions.

The governance documents include the rules of procedure for the board and the committees of the board (the corporate governance committee, the audit committee and the remuneration committee), instructions concerning the division of duties between the board and the CEO and financial reporting as well as a number of policies and guidelines for internal control. In addition, the Company has, in its capacity of an insurance company, adopted certain guidelines for risk management and internal and external reporting as well as a policy for ORSA.

The board's rules of procedure stipulate that the board must ensure the existence of a risk management function, a compliance function and an actuarial function (all of which belong to the Company's second line of defence), as well as an internal audit function (which belongs to the third line of defence), all of which are organisationally separated from one another to avoid conflicts of interest. These functions are collectively named the key functions. In addition to the key functions, a recently established control function is in place regarding information security.

The key functions must regularly report on material deficiencies and risks to the CEO and the board, or to the board's committees, who must ensure that the Company has procedures in place for the regular monitoring of adopted measures as a result of the reports of the control functions.

In addition to the key functions, the Company has established a risk committee and an investment committee, which mainly comprise members of the management team and the control functions and comprise an extension of the three-line defence model. The tasks of the committees are described in more detail in the section "*Risk management*".

Risk management

Risk management is an integrated part of the Company's operations with the aim of ensuring that the risks assessed that may have a material impact on the Company's operations, strategy, reporting and compliance are managed in an appropriate manner. The assessment of risks is split up into the risk categories of insurance risk, market risk, counterpart and credit risk, concentration risk, operational risk, strategic risk, reputational risk and liquidity risk.

The Company's risk management framework includes the functions, governance documents, strategies, key processes, ORSA processes, procedures, internal rules, limits, risk mandates, risk appetite, risk tolerance, controls and reporting procedures necessary for identifying, measuring, monitoring, managing and reporting risks. The Company has standardised the process for identifying, assessing and reporting risk and it has been implemented in the entire organisation to create risk awareness and enhance the efficiency of risk management.

The identification and measurement of risks in the Company's operations takes place, inter alia, in connection with the process for own risk and solvency assessment (ORSA), mapping of the key processes in operations and reporting of risks and incidents to the Company's risk management function. In addition, the CEO presents an updated risk analysis each year to be reviewed by the board's corporate governance committee before being completed and approved by the board. The risks of inaccuracies in the financial reporting are prepared in the audit committee before being approved by the board.

A more detailed risk assessment is to be carried out or updated at least once per year. The Company is to establish a number of control activities that counteract the most material risks in the risk assessment with the aim of ensuring a minimum level of control. These control activities serve as a basis for the minimum level of control that must be established and function in the Company's overall processes.

The above-mentioned risk categories and the Company's risk management are described in the section "*Risk management*" above.

Reporting and monitoring

The Company's internal reporting covers reporting on an ongoing basis between functions in the organisation as well as the board and the CEO. The Company's CEO and control functions are to regularly report to the board regarding risk management and reporting of results, financial position, performance measures and significant events.

All employees are responsible for reporting incorrect application of risk mandates, limits, deviations from governance documents and other incidents within the framework of the operational activities to the Company's risk management function. Matters referred to the risk management function that are considered to be material must be reported to the board and the CEO as part of continual risk reporting.

The Company's external reporting involves regularly reporting to the authorities, such as financial and other regulatory statements to the SFSA and the Swedish Companies Registration Office, as well as the publication

of a solvency and financial condition report each year. In addition, external financial statements are published in accordance with applicable requirements for regular financial reporting, including year-end reports, annual reports, interim reports as well as corporate governance reports and sustainability reports.

Information and communication

In order to promote a good internal control environment with continuity, all functions and employees must notify the risk control and compliance functions about circumstances that negatively impact the internal control of the Company. Relevant organisational units in the Company also have a general obligation to inform all control functions about any circumstances that are relevant for their respective tasks.

The CEO and all heads of functions must ensure and promote that all employees in the Company are aware of and have information about how they are to work to contribute to achieving efficient and good internal governance and control. This is mainly achieved through regular training on internal and external regulations. On the Company's intranet, employees are able to access the Company's governance documents and other training material.

External communication to the stock market and the Company's shareholders takes place in accordance with the Company's communication policy, insider policy and guidelines on inside information that have been established by the board of directors and will be applied after the listing.

Evaluation

The board of directors continuously evaluates the information reported from the CEO, the control functions and the risk and investment committees. The tasks of the board thus include ensuring that the Company has procedures in place to regularly monitor actions that were taken based on reports made by the control functions. In addition, the board evaluates its own work and the work of the CEO each year and examines and determines the governance documents.

Furthermore, a self-assessment must be conducted of the minimum requirements in the internal control as defined by the Company each year and reported to the board. The CFO is responsible for the self-assessment process concerning the financial risks that are reported to the audit committee and thereafter to the board. The CEO is responsible for the self-assessment process for the remaining components, which are reported to the corporate governance committee and thereafter to the board. The Head of Risk is responsible for the practical implementation of the self-assessment process and follows up that all of the sub-sections are tested and reported internally.

Auditing

The Company is, in its capacity as a public limited company, obligated to have at least one auditor for external auditing of the Company's annual report and accounts as well as the management of the board and the CEO. The review must be as thorough and comprehensive as generally accepted auditing standards requires. The Company's auditor is elected in accordance with the Swedish Companies Act and by the annual general meeting until the end of the next annual general meeting. The auditor's reporting to the general meeting takes place at the annual general meeting with the auditor's report. Pursuant to the Company's articles of association, the Company is to have not less than one and not more than two auditors, with not more than two deputy auditors. The Company's current auditor is the public accounting firm Ernst & Young Aktiebolag, with Jesper Nilsson serving as auditor in charge. More information about the Company's auditor is presented in the section *"Board of directors, senior executives and auditor – Auditor."*

Stock market information and insider rules

For listed companies, there is a requirement to give all stakeholders in the stock market simultaneous access to insider information about the Company, and there are insider rules in order to prevent market abuse. The board of directors has, among other things, adopted a communication policy and insider policy in order to ensure an accurate and good quality of the Company's information and handling of insider information both internally and externally. The board of directors has the ultimate responsibility for risk management and must ensure that relevant policies are adopted, while the CEO has the overall responsibility for the Company's internal and external communication as well as the Company's management of insider-related issues.

Policies and guidelines regarding the information to be provided and insider rules as well as updates and amendments are made available and known to the staff concerned, and the management team reviews these regulations with employees. The Company's regulations have been established in accordance with Swedish legislation, Nasdaq Stockholm's Rule Book for Issuers and the Code, as well as the EU Market Abuse Regulation (MAR). All financial reports and press releases that are published after the listing will be published on the Company's website (www.solidab.se) in direct connection with their publication.

Share capital and ownership structure

General information

The Company has one class of shares and all shares are fully paid. On 1 January and on 31 December 2020, the Company's registered share capital amounted to SEK 30,000,000, divided between 30,000 shares with a nominal value of SEK 1,000 per share. On 30 September 2021 and as of the date of this Prospectus, the Company's registered share capital amounted to SEK 30,000,000, divided between 20,000,000 shares with a nominal value of SEK 1.50 per share. All of the shares are issued under Swedish law and are denominated in SEK.

Other than the lock-up undertaking (described in more detail in the section "*Legal considerations and supplementary information*" below), all shares are freely transferable and are not subject to any transferability restrictions. The Company does not own any own shares in the Company.

Tax consequences for investors

Investors should note that the tax legislation in Sweden or in a member state to which the investor has a connection or in which the investor is domiciled for tax purposes may impact the proceeds from the securities. See also the section "*Certain tax considerations in Sweden*" below.

Central securities depository

The Company's articles of association contains a so-called central securities depository clause, which means that its shares are registered in the electronic securities system maintained by Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden, in accordance with the Swedish Central Securities Depository and Financial Instruments Accounts Act (1998:1479). Thus, no share certificates have been issued and shares are transferred electronically. The Company has one class of shares and all shares are fully paid and denominated in SEK. The ISIN code for the Company's shares is SE0017082548.

Rights associated with the shares

The Company's shares are issued in accordance with Swedish law. The rights associated with the Company's shares, including those rights pursuant to the articles of association, can only be amended in accordance with the procedures set out in the Swedish Companies Act. A more detailed description of the rights associated with the shares is provided below.

Voting right and right to participate in a general meeting

Each share in the Company entitles the holder to participate in and vote at general meetings. Shareholders are entitled to participate in the general meeting if they are listed in the share register maintained by Euroclear Sweden on the record date of the general meeting and have registered their attendance with the Company at the latest on the date stated in the notice of the general meeting. Each share entitles the holder to one (1) vote at a general meeting and shareholders are entitled to vote for their total number of shares. A shareholder may participate at the general meeting in person, via a proxy or vote in advance by post and may also bring two assistants with them.

Preferential right to new shares

If the Company issues new shares, warrants or convertibles in a cash issue or an issue offsetting debt, shareholders have preferential rights to subscribe for such securities in proportion to the number of shares held prior to the issue. There are, however, no provisions in the Company's articles of association that limit the ability to decide, in accordance with the rules set out in the Swedish Companies Act, to issue new shares, warrants or convertibles, with deviation from the shareholders' preferential rights according to the Swedish Companies Act.

Right to dividends and surplus in the event of liquidation

All shares in the Company give equal rights to dividends, share in the Company's profit and assets, and any surpluses in the event of liquidation. Resolutions regarding any dividends will be made by the general meeting. All shareholders who are registered as shareholders in the share register maintained by Euroclear Sweden on the record date determined by the general meeting are entitled to receive dividends. Shareholders are entitled to receive dividends in proportion to their shareholdings. Dividends are paid through Euroclear Sweden. If shareholders cannot be reached for receipt of dividends, the shareholder still retains their claim against the Company in the same amount. Such a claim is subject to a statutory limitation of ten years after which the dividend amount accrues to the Company.

There are no restrictions on the right to dividends for shareholders resident outside Sweden. Subject to restrictions imposed by banks or clearing systems in the relevant jurisdiction, payments are to be made to such shareholders in the same way as to shareholders in Sweden. For information on tax on dividends, please refer to the section "*Certain tax considerations in Sweden*". For information about dividends and the Company's dividend policy, see section "*Business overview – Dividend policy*".

Information related to takeover bids and redemption of minority shares

The shares in the Company are not subject to any public takeover bid and no public takeover bid relating to the Company's shares has occurred since the Company was established. From the date of the listing of the Company's shares on Nasdaq Stockholm, the Swedish Takeover Act (Sw. *lagen (2006:451) om offentliga uppköps-erbjudanden på aktiemarknaden*) ("**LUA**") will apply to any public takeover bid pertaining to the Company's shares. Under LUA, the party making a public takeover bid must undertake to comply with the takeover rules for Nasdaq Stockholm (the "**Takeover Rules**"). Based on this

commitment, the party making a public takeover bid undertakes to comply both with the Takeover Rules and with the Swedish Securities Council's decisions and statements on the interpretation of the application of the Takeover Rules as well as good practice in the stock market.

A public takeover bid could apply to all or some of the shares in a company and could either be voluntary or compulsory (mandatory bid). A mandatory bid arises when a shareholder, alone or together with an affiliated party, achieves a shareholding that represents at least three-tenths of the votes for all shares in the company. In such a case, the shareholder must immediately publish the size of their shareholding in the company, and within four weeks thereafter submit a public takeover bid with regard to the remaining shares in the company. Following a public takeover bid, if the party that submitted the offer has thereafter obtained not less than nine-tenths of the shares, regardless of the voting rights of the shares, the party is entitled to purchase the remaining shareholders' shares in accordance with the general rules on compulsory redemption in Chapter 22 of the Swedish Companies Act.

Share capital development

The table below describes the share capital development of the Company from formation up until the date of the Prospectus. All amounts are in SEK.

Year	Change	Change in share capital	Change in number of shares	Share capital after change	Number of shares after change	Nominal value
1993	New formation	10,000,000	10,000	10,000,000	10,000	1,000
2008	New share issue	20,000,000	20,000	30,000,000	30,000	1,000
2021	Share split	–	19,970,000	30,000,000	20,000,000	1.50

Ownership structure

As per the date of this Prospectus, the Company is a wholly owned subsidiary of Resurs Holding. The Company's five largest shareholders immediately at the time of distribution will initially be the same as that of Resurs Holding (taking into account the distribution ratio 10:1). The table below presents Resurs Holding's five largest shareholders as per the date of the Prospectus, according to data from Modular Finance AB as per 31 October 2021 and changes known to the Company thereafter up until the date of the Prospectus.

Shareholders	Number of shares and votes	Percentages of shares and votes
Waldakt AB	57,885,556	28.9%
Avanza Pension	8,929,590	4.5%
Swedbank Robur Fonder	6,000,000	3.0%
Vanguard	4,681,772	2.3%
Tredje AP-fonden	4,186,224	2.1%
Other shareholders	118,316,858	59.2%
Total:	200,000,000	100.0%

The Company is not aware of any shareholders' agreements or other agreements between the Company's shareholders with the purpose to exercise a collective influence over the Company. Nor is the Company's aware of any agreements or similar undertakings that could result in a change of control over the Company. Despite this, the Company's major shareholders could, through their shareholdings, have a significant influence over the outcome of matters referred to the Company's shareholders for approval. The Company has not taken any specific action to guarantee that control is not misused. However, the rules on protecting minority shareholders stipulated in the Swedish Companies Act provide some protection for any misuse of control in a company by a majority shareholder. In addition, the Company will apply Nasdaq Stockholm's Rule Book for Issuers and the Code from the date of the listing of the Company's shares on Nasdaq Stockholm.

Authorisations

At an extraordinary general meeting on 13 October 2021, it was resolved to authorise the board of directors to, on one or several occasions during the time up until the next annual general meeting, with or without deviation from the shareholders' preferential rights, resolve to issue new shares. An issue shall be made by cash payment and/or with payment in kind, set-off or with other terms and conditions. The total number of shares that could be issued under the authorisation is not to exceed 5,000,000, corresponding to a dilution of a maximum of 20 per cent calculated on the current number of shares. The purpose of the authorisation is to be able to carry out and finance acquisitions of companies and assets and to provide the board of directors with additional scope and ability to adapt and improve the Company's capital structure. In the event that shareholders' preferential rights are deviated from, the issue shall be on market-based terms and conditions.

Convertibles, warrants and other share-based incentive programmes

As per the closing date of 30 September 2021, and as per the date of this Prospectus, there were no warrants or convertibles outstanding in the Company.

At the extraordinary general meeting of the Company on 4 October 2021, it was resolved to introduce a long-term incentive programme for the Company's CEO, other senior executives and key employees ("**LTIP 2021**"), that will be implemented provided that the distribution of Solid Försäkring's shares to Resurs Holding's shareholders is carried out and that the shares in Solid Försäkring are admitted to trading on Nasdaq Stockholm. LTIP 2021 was approved at the extraordinary general meeting of

Resurs Holding on 2 November 2021. Within LTIP 2021, a total of 440,000 warrants will be issued to Solid Försäkring, which in turn will transfer the warrants to the participants of LTIP 2021. Each warrant will entitle the holder to subscribe for one (1) share in Solid Försäkring during the period from and including 3 March 2025 up to and including 30 May 2025. The subscription price per share will amount to 130 per cent of the volume-weighted average price according to Nasdaq Stockholm's official share price list for the Company for a period of five trading days from the first day of trading of the Company's shares on Nasdaq Stockholm. If, when shares are subscribed for, the price paid for the Company's shares when Nasdaq Stockholm closes on the trading day immediately preceding subscription exceeds 146.15 per cent of the subscription price (which corresponds to 190 per cent of the average price on which the subscription price was determined according to the above), the subscription price shall be increased by a corresponding amount, meaning an amount corresponding to the amount of the aforementioned closing price that exceeds 146.15 per cent of the subscription price.

The transfer of warrants from Solid Försäkring to the participants of LTIP 2021 will take place at a market-based value on the transfer date, which will be determined by an independent valuation institution using the Black & Scholes pricing model. The first allotment under LTIP 2021 is expected to take place in connection with the measurement period for determining subscription. Under LTIP 2021, the CEO will be offered to acquire a maximum of 80,000 warrants, other senior executives and Head of Actuary will be offered to acquire a maximum of 40,000 warrants each and two key employees will be offered to acquire a maximum of 20,000 warrants each. In connection with the transfer, the Company shall, unless it entails negative tax consequences for the Company or the participant, reserve the right to repurchase warrants if the participant's employment or assignment at the Company ends or if the participant wishes to transfer the warrants.

The total number of warrants that can be issued under LTIP 2021 exceeds the number of warrants that are expected to be offered in the first round of allotment. Warrants that are not transferred in the initial offering or that are subsequently repurchased by the Company may be transferred to future employees or employees who have been promoted. On full exercise of all warrants that will be issued under LTIP 2021, a total of 440,000 shares will be issued, corresponding to a dilution of approximately 2.15 per cent of the Company's share capital and votes on the date of this Prospectus. Warrants are subject to customary recalculation conditions in connection with issues, etc.

Legal considerations and supplementary information

Prospectus

The Prospectus has been prepared in connection with the admission of the Company's shares to trading on Nasdaq Stockholm. The Prospectus has been approved by the SFSA as the competent authority pursuant to Regulation (EU) 2017/1129. The SFSA has approved the Prospectus only insofar as it meets the standards of completeness, comprehensibility and consistency as stipulated in Regulation (EU) 2017/1129. This approval should not be considered an endorsement of the Company subject to the Prospectus or the quality of the securities subject to the Prospectus. Investors should make their own assessment as to the suitability of investing in these securities. The Prospectus is available on the Company's website www.solidab.se.

Company information and legal structure

The Company is a Swedish public limited liability insurance company incorporated in Sweden on 3 September 1993 and registered with the Swedish Companies Registration Office on 14 September 1993. The Company's business name and commercial name is Solid Försäkringsaktiebolag. The Company's corporate registration number is 516401-8482 and the Company's LEI code is 529900JIV2O9HEPWIN77. The registered office of the Company is in the municipality of Helsingborg, Sweden and the Company conducts its operations in accordance with the Swedish Companies Act (2005:551). The Company's address is Box 22068, SE-250 22 Helsingborg, Sweden and the Company can be contacted on telephone number +46 42 38 21 00. On the date of this Prospectus, the Company is a wholly owned subsidiary of Resurs Holding. At an extraordinary general meeting of Resurs Holding on 2 November 2021, it was resolved, in accordance with the board of director's proposal, to distribute all of the shares in the wholly owned subsidiary Solid Försäkring to the shareholders of Resurs Holding, after which the Company will no longer be a member of the Resurs Group. The record date for the distribution is 29 November 2021. The Company has no subsidiaries but does have branches in Norway, Finland and Switzerland.

The Company's website is www.solidab.se. The information on the Company's website does not comprise part of the Prospectus and has not been examined or approved by the SFSA, unless it has been incorporated into this Prospectus through reference. The Prospectus contains

hyperlinks. The information on these websites does not comprise part of the Prospectus and has not been examined or approved by the SFSA.

Separation from the Resurs Group

Solid Försäkring has historically been part of the Resurs Group as a subsidiary of Resurs Holding, which is listed on Nasdaq Stockholm, and a sister company of Resurs Bank. Although the Company's operations were conducted as a separate business, the Company has been legally integrated in the Resurs Group and shared certain group functions, including regarding the IT environment, administrative functions as well as policies, processes and procedures.

The separation from the Resurs Group is carried out in order to create more favourable conditions for Solid Försäkring's continued development and growth. Prior to the separation, the Company and Resurs Holding have prepared a separation plan to ensure that the Company, by the date of separation, shall have independently established material functions, processes and procedures for conducting the operations. This separation plan resulted in, inter alia, the Company signing new agreements with external suppliers of IT services, establishing independent functions for legal affairs and creating new policies, processes and procedures for processing personal data (including the appointment of a data protection officer) for example. In addition, the Company, Resurs Holding and Resurs Bank have entered into a transitional service agreement for a period of three months (with the opportunity for Solid Försäkring to extend the agreement for an additional three months) regarding, among other things, transmission of certain services currently provided by external suppliers to the Resurs Group within, for example, sustainability reporting and e-learning, as well as for transition period of six month regarding provision of HR services from the Resurs Group (with the opportunity for Solid Försäkring to extend the agreement for an additional three months).

The decision to separate Solid Försäkring from the Resurs Group through a distribution to Resurs Holding's shareholders was made at the extraordinary general meeting of Resurs Holding on 2 November 2021. For further information about the distribution of Solid Försäkring, please refer to the section "*Information on the distribution of the shares in Solid Försäkring*".

Material agreements

The Company has signed a number of commercial agreements within the framework of the Company's ordinary operations, including agreements with partners who distribute the Company's insurance products and various service providers. In addition, the Company has entered into agreements concerning claims handling, re-insurance agreements and workshop agreements. The Company does not believe that the majority of these agreements are of material importance to the operations as a whole, but has identified a number of agreements that are deemed to be of material importance to the Company.

A summary of material agreements signed by the Company over the past two years is presented below, as well as other agreements signed by the Company that contain rights or obligations of material importance to the Company, in both cases with exceptions for agreements signed within the framework of the normal business operations.

Agreement with Resurs Bank regarding brokering payment insurance

Resurs Bank is the Company's main distributor of the Company's payment insurance (PPI). Before the separation from the Resurs Group, the Company and Resurs Bank entered into a new agreement concerning the distribution of payment insurance due to the parties will no longer be a part of the same group. The new agreement thus replaces the old distribution agreement that existed between the parties but has been entered on essentially the same commercial terms as has previously applied. According to the agreement shall Resurs Bank actively market and distribute the Company's payment insurance, and Solid Försäkring shall in turn insure the customers that purchases payment insurance distributed by Resurs Bank. For the distribution of PPI insurances Resurs Bank receives commission and part of the profit. According to the agreement Resurs Bank further undertakes not to distribute competitors' insurance products. In addition the agreement regulates inter alia the handling of claims adjustments, revision rights and assurances on compliance with insurance regulation demands.

The agreement runs for ten years from the day of the agreement and either party may, no later than six months before the end of the agreement period, notice in writing that the agreement shall be terminated. If neither party leaves such notice in writing, then the agreement continues to run until further notice with a six months mutual notice period.

Agreement with Iver Sverige regarding delivery of IT infrastructure services

Iver Sverige AB ("**Iver**") has been one of the Company's main suppliers of IT services before the separation from the Resurs Group and will after the separation continue to deliver corresponding IT services and certain extended

services under a new agreement entered in October 2021 between Iver and Solid Försäkring. The agreement means that Iver delivers complete solutions for hosting, operation, maintenance and service for a part of the Company's IT environment and includes, apart from the delivery of the services, also other special undertakings regarding regulatory compliance with regards to the Company being under the supervision of the Swedish Financial Supervisory Authority. This means that the agreement contains such information that is demanded according to the Swedish Insurance Business Act (Sw. *försäkringsrörelselagen*) and EIOPA's guidelines on outsourcing to cloud service providers.

The agreement initially expires on 31 October 2024. If the agreement is not terminated by either party nine months before said date then the agreement continues automatically and runs indefinitely with a nine months' notice period. During the initial runtime Solid Försäkring has unilateral right to terminate the agreement at any point with nine months' notice period. If the agreement is terminated shall Iver during a transition period of six months after the expiring of the agreement provide assistance during the transit to own or suppliers IT environment. In addition both parties has a right to terminate the agreement with immediate effect during another party's significant breach of contract, insolvency etc.

Agreement with Shibuya regarding IT infrastructure services

Shibuya AB ("**Shibuya**") has also delivered IT services to the Company before the separation from the Resurs Group and will after the separation continue to deliver corresponding IT services and certain extended services under a new agreement entered in October 2021 between Shibuya and Solid Försäkring. The agreement means that Shibuya delivers operation, maintenance and service for another part of the Company's IT environment, as well as provides internet capacity and firewall protection. The agreement is regulated by the Swedish IT & Telecommunication Company's General conditions concerning IT infrastructure services (2014) with certain adjustments. The agreement includes, apart from the delivery of the services, also other special undertakings regarding regulatory compliance with regards to the Company being under the supervision of the Swedish Financial Supervisory Authority. This means that the agreement contains such information that is demanded according to the Swedish Insurance Business Act (Sw. *försäkringsrörelselagen*) and EIOPA's guidelines on outsourcing to cloud service providers.

The agreement initially runs for 36 months. If the agreement is not terminated by either party six months before the expiry of the initial runtime then the agreement runs indefinitely with a six months' mutual notice period. Either party has a right to terminate the agreement with immediate effect during another party's significant breach of contract, insolvency etc. If the agreement is

terminated shall Shibuya to a reasonable extent assist the Company during a transit period to enable transfer to own or another suppliers IT environment.

Intellectual property rights

For information regarding the Company's intellectual property rights, please refer to the section "*Business overview – Intellectual property rights*".

Legal proceedings and arbitration proceedings

During the past twelve months, the Company has not been party to any government agency proceedings, legal proceedings or arbitration (including proceedings that have not yet been resolved or that to the Company's knowledge risk being initiated) that had, or are considered to possibly have, a material impact on the Company's financial position or profitability.

Related-party transactions

For information regarding related-party transactions for the period between 1 January 2018 and 31 December 2020, refer to Note 28 (Disclosures on related parties) in the section "*Historical financial information*". For information regarding related-party transactions for 1 January–30 September 2021, refer to Note 10 ("*Related-party transactions*") in the Company's interim report for the period 1 January–30 September 2021 that is incorporated in the Prospectus by reference. No significant transactions with related parties took place during the period between 1 October 2021 and the date of this Prospectus other than normal business transactions of same character that has been performed previously.

Undertaking not to sell shares (lock-up)

Resurs Holding's major shareholder, Waldakt AB, has undertaken to, in relation to ABG Sundal Collier and during a period of 180 days after the first day of trading of Solid Försäkring's shares on Nasdaq Stockholm, not sell the shares in Solid Försäkring that Waldakt will receive through the distribution of the shares in Solid Försäkring. The undertaking is subject to customary exceptions, for example, transfers to companies controlled by Waldakt, acceptance of a public takeover bid submitted to all shareholders of Solid Försäkring or transfers required by law of regulation. Thereto, ABG Sundal Collier may grant exceptions from the undertaking. When the 180-day period has expired, the shares subject to the undertaking may be offered to be sold without limitations. See also section "*Share capital and ownership structure – Ownership structure*".

Liquidity provider

The Company has entered into an agreement with ABG Sundal Collier ASA according to which ABG Sundal Collier ASA will act as liquidity provider for the Company's share on Nasdaq Stockholm. The undertaking means that the liquidity provider undertakes to, within the

framework of Nasdaq Stockholm's rules on liquidity providers, buy and sell quotations with the effect that the difference between the buy and sell price does not exceed a certain predetermined level. According to the agreement, ABG Sundal Collier ASA will buy and sell quotations for not less than SEK 30,000 on the buy and sell side, with a spread that does not exceed 4 percent between the buy and sell price. The purpose of the agreement is thus to promote the liquidity of the Company's share and to reduce the difference between the buy and sell price. The agreement will commence on 1 December 2021 with an initial term of at least three months. Thereafter, the agreement can be terminated with one month's notice by either party.

Advisors

ABG Sundal Collier AB is acting as financial advisor to the Company in connection with the admission to trading on Nasdaq Stockholm. Setterwalls Advokatbyrå AB is acting as legal advisor of the Company and Baker & McKenzie Advokatbyrå KB is acting as legal advisor of ABG Sundal Collier in connection with the admission to trading on Nasdaq Stockholm. These advisors (and their related companies) have provided, or may in the future provide, various banking, financial, investment, commercial and other services to the Company for which they have received, or may receive, remuneration. In addition ABG Sundal Collier ASA receives remuneration for their role as the Company's liquidity provider. None of the advisors own shares in the Company or have, apart from the predetermined remuneration for its services, any other financial interests in the Company. The addresses of all advisors are provided in the section "*Addresses*".

Documents incorporated by reference

The following financial statements are incorporated in the Prospectus by reference. The document is available at the Company's office, Box 22068, SE-250 22 Helsingborg, Sweden, and on the Company's website, www.solidab.se.

- The Company's interim report for 1 January–30 September 2021, in which reference is made to the Company's key performance measures, p. 5, the Company's income statement p. 12, the Company's statement of comprehensive income p. 12, the Company's balance sheet p. 13, the Company's statement of changes in equity p. 13, and the Company's cash-flow statement p. 14, Notes p. 15–19 and the auditor's report p. 21.

Documents available for inspection

Copies of the following documents will be available during the validity of the Prospectus at the Company's office, Box 22068, SE-250 22 Helsingborg, Sweden, and on the Company's website, www.solidab.se.

- The Company's articles of association.
- The Company's updated memorandum of association (registration certificate).

Articles of association

The articles of association for Solid Försäkringsaktiebolag, corporate registration number 516401-8482, adopted at an extraordinary general meeting on 10 August 2021.

Article 1 Business name

The Company's business name is Solid Försäkringsaktiebolag. The Company is a public limited liability company.

Article 2 The registered office of the Boards of Directors

The registered office of the board of directors shall be in the municipality of Helsingborg.

Article 3 The Company's operations

The object of the Company's operations is to, in and outside of Sweden and the EEA, party in direct insurance, provide insurance according to the following non-life insurance classes:

accident and sickness insurance (1 and 2);
land vehicles (other than railway rolling stock) 3;
ships (6) limited to leisure boats;
goods in transit (7);
fire insurance and natural forces and other damage to property (8 and 9);
motor vehicle liability (10);
liability for ships (12) limited to leisure boats;
general liability (13);
credit and suretyship (14 and 15);
miscellaneous financial loss (16);
legal expenses (17);
assistance (18);

and partly in reinsurance take over insurance in all non-life insurance classes.

The Company may assist other insurance companies in their insurance operations, establish and acquire residential, office or business properties, that are intended to be a permanent capital placement, and carry out such machine rental and other operations that involve efficient use of machines and personnel as required for the Company's insurance operations.

Article 4 Obligation to take out reinsurance

The Company may not on its own account assume responsibility that is assessed to lead to the Company's claim costs exceeding any of the following amounts: 20 per cent for a single event and 10 per cent for one insured event (one and the same risk) of reported equity and untaxed reserves in accordance with the balance sheet.

Article 5 Share capital

The share capital shall be not less than SEK 30,000,000 and not more than SEK 120,000,000.

Article 6 Number of shares

The number of shares shall be not less than 20,000,000 and not more than 80,000,000.

Article 7 Board members

The board of directors shall consist of no less than three and no more than ten members and no deputies.

Article 8 Auditors

The Company shall have no less than one and no more than two auditors with no more than two deputy auditors. As auditors, and where appropriate, deputy auditors, authorised public accountants or registered accounting firms may be appointed.

Article 9 Notice to the general meeting of shareholders etc.

Notice of a general meeting must be announced in the Swedish Official Gazette (Sw. *Post- och Inrikes Tidningar*) and by making the notice available on the company's website. Confirmation that the official notification has been issued must further be announced in Svenska Dagbladet.

Shareholders who wish to participate in the general meeting of shareholders must register their attendance to the company not later than the date stipulated in the notice to attend the general meeting. This day may not be a Saturday, Sunday, public holiday, Midsummer Eve, Christmas Eve or New Year's Eve, and may not fall earlier than five working days before the general meeting of shareholders.

Shareholders may appoint one or two assistants, but only if the shareholder of the company reports the number of assistants in the manner that is stipulated in the previous paragraph.

The board of directors may resolve that an individual who is not a shareholder in the company has, in accordance with the conditions that the board of directors has resolved, the right to attend or follow the business of the general meeting of shareholders in another way.

Prior to a general meeting, the board of directors may decide that the shareholders can be able to exercise their voting rights in advance (postal voting) pursuant to Chapter 7, Section 4a of the Swedish Companies Act (2005:551).

Article 10 Annual General Meeting

The following items of business shall be addressed at the annual general meeting:

1. Election of chairman of the meeting.
2. Preparation and approval of the voting list.
3. Election of one or two persons to check and verify the minutes.
4. Approval of the agenda.
5. Determination of whether the annual general meeting was duly convened.
6. Presentation of the company's annual report and the auditor's report and, when appropriate, of the consolidated financial statements and auditor's report.
7. Resolutions on:
 - a) adoption of the income statement and the balance sheet and, when appropriate, consolidated income statement and consolidated balance sheet;
 - b) the allocation of the company's profit or loss as stated in the adopted balance sheet;
 - c) the discharge from liability of board members and the CEO.
8. Determination of the number of board members, auditors and deputy auditors.
9. Determination of the remuneration to the board of directors and auditors.
10. Election of the board of directors and auditors.
11. Other business to be addressed by the meeting in accordance with the Insurance Business Act, the Swedish Companies Act or the articles of association.

Article 11 Financial year

The Company's financial year is to be 1 January – 31 December.

Article 12 Record day provision

The Company's shares are to be registered in a record day register in accordance with the Swedish Central Securities Depository and Financial Instruments Accounts Act (1998:1479).

Certain tax considerations in Sweden

The following is a general summary of certain tax consequences that may arise in relation to the distribution of the shares in Solid Försäkring to the shareholders of Resurs Holding. The summary is based on current applicable Swedish legislation and only constitutes general information to individuals and limited liability companies that are Swedish tax residents, unless otherwise stated. The summary does not cover: (i) securities held by partnerships or held as current assets in business operations, (ii) the special rules pertaining to tax-free dividends and capital gains (including prohibition of deduction for capital losses) in the corporate sector which may become applicable should shareholders hold shares which may be considered business-related, (iii) shares held in a so-called Investment Savings Account (Sw. investeringssparkonto) or through a capital insurance, which are subject to certain rules on standard taxation, or (iv) certain tax rules that apply to certain types of taxpayers, for example investment companies and insurance companies. The tax treatment of each individual shareholder will thus depend on the shareholder's particular situation. Each shareholder should therefore consult its own tax adviser with regard to the specific tax consequences that may arise in the individual case, including (but not limited to) the applicability and effect of foreign tax rules and tax treaties.

Individuals

Taxation of the distribution of the shares in Solid Försäkring

The distribution of the shares in Solid Försäkring is expected to fulfil the requirements set out in the so-called "Lex Asea" rules. The distribution of the shares in Solid Försäkring to the shareholders of Resurs Holding will therefore not trigger any immediate taxation. Shareholders of Resurs Holding entitled to participate in the distribution will have the acquisition cost of their shares in Resurs Holding allocated among these shares and the shares received in Solid Försäkring. The allocation of the acquisition cost will be based on the change in value of the shares in Resurs Holding due to the distribution of the shares in Solid Försäkring. Resurs Holding will request general guidelines from the Swedish Tax Agency regarding the allocation of the acquisition cost and these guidelines will be published as soon as possible on the websites of Resurs Holding, Solid Försäkring and the Swedish Tax Agency.

Tax on dividends from Solid Försäkring

Dividends from listed shares are taxed as capital income subject to a rate of 30 per cent. For individuals resident in Sweden, a preliminary tax of 30 per cent is generally withheld on dividends. The preliminary tax is withheld by Euroclear Sweden or, in case of nominee-registered shares, by the Swedish nominee.

Capital gains taxation upon disposal of shares in Solid Försäkring

Upon the sale or other disposal of listed shares, a taxable capital gain or deductible capital loss may arise. Capital gains are taxed as capital income at a rate of 30 per cent. Capital gain or loss is normally calculated as the difference between the sales proceeds, after deduction of selling expenses, and the acquisition cost. The acquisition cost for all shares of the same type and class is calculated as an aggregate using the "average cost method". Upon the sale of listed shares, the acquisition cost may be alternatively calculated according to the "standardised method". The acquisition cost is then fixed to 20 per cent of the sales proceeds after deduction of selling

expenses. The acquisition cost for shares received in Solid Försäkring through the distribution from Resurs Holding is calculated based on the general guidelines requested from the Swedish Tax Agency (see "*Taxation of the distribution of the shares in Solid Försäkring*" above).

Capital losses may be fully deductible against taxable capital gains on listed and not listed shares as well as against other listed securities incurred during the same tax year. However, this does not apply to units in securities funds or special funds that consist solely of Swedish receivables (Sw. *räntefonder*). Capital losses which cannot be set off in this way can be deducted with up to 70 per cent against other capital income. If there is a net loss in the capital income category, a tax reduction is allowed against municipal and national income tax as well as against real estate tax and municipal real estate charges. A tax reduction is allowed with 30 per cent on the portion of such net loss that does not exceed SEK 100,000 and with 21 per cent on any remaining loss. Such net loss cannot be carried forward to future income years.

Limited liability companies

Taxation of the distribution of the shares in Solid Försäkring

As the distribution of the shares in Solid Försäkring is expected to fulfil the requirements in the Lex Asea rules, the distribution will not trigger any immediate taxation. See the corresponding section regarding individuals above for determining the acquisition cost for the shares in Solid Försäkring.

Tax on dividends and capital gains regarding the shares in Solid Försäkring

For limited liability companies, all income, including taxable capital gains and dividends, is taxed as business income at a rate of 20.6 per cent for financial years starting after 31 December 2020. Capital gains and losses are calculated in the same manner as described above for individuals. Deductible capital losses on shares and other equity-related securities may only be deducted against taxable capital gains on such securities. Under certain circumstances, such capital losses may also be deducted against capital gains in another company in the same group, provided that the requirements for exchanging group contributions (Sw. *koncernbidragsrätt*) between the companies are met. A capital loss that cannot be utilised during a given income year may be carried forward and be offset against taxable capital gains on shares and other equity-related securities during subsequent income years, without limitation in time.

Certain tax considerations for shareholders not taxable in Sweden

Withholding tax on dividends

As the distribution of shares in Solid Försäkring is expected to fulfil the requirements in the Lex Asea rules, no Swedish withholding tax will be payable on the distribution.

Future dividends from Solid Försäkring will generally be subject to Swedish withholding tax. The tax rate is 30 per cent, but is often reduced for by tax treaties between Sweden and other jurisdictions. In Sweden, deduction of withholding tax is normally carried out by Euroclear Sweden, or in the case of nominee-registered shares, by the nominee.

If a 30 per cent withholding tax is deducted from a payment to a person entitled to be taxed at a lower rate, or if excessive withholding tax has otherwise been withheld, a refund can be claimed from the Swedish Tax Agency up until the expiry of the fifth calendar year following the dividend distribution.

Capital gains taxation upon disposal of shares in Solid Försäkring

Shareholders who are not Swedish tax residents and whose shareholdings are not allocated to a Swedish permanent establishment, are typically not subject to tax on capital gains upon disposal of shares. However, the shareholder may be subject to tax in their state of residence. According to a special rule, individuals who are not Swedish tax residents may be subject to tax in Sweden on capital gains in case they have been resident or stayed permanently in Sweden at any time during the year in which the shares are disposed or during the ten preceding years. The applicability may be limited by tax treaties between Sweden and other countries.

Definitions

"ABG Sundal Collier"	ABG Sundal Collier AB.
"Affiliated Agents"	Comprises tied insurance intermediaries and tied ancillary insurance intermediaries, including foreign equivalents.
"Aftermarket potential"	Pertains to the possibility of convincing customers to extend their existing insurance cover or to take out additional cover.
The "Code"	The Swedish Corporate Governance Code.
"Company" or "Solid Försäkring"	Solid Försäkringsaktiebolag, corporate reg. no 516401-8482
"Conversion rate"	Pertains to the number of customers who, after a purchase from one of the Company's agents, choose to take out insurance with the Company.
"EEA"	The European Economic Area.
"EIOPA"	European Insurance and Occupational Pensions Authority.
"Euroclear Sweden"	Euroclear Sweden AB.
"GDPR"	Regulation (EU) 2016/679 of the European Parliament and of the Council (the General Data Protection Regulation).
"GWP"	Gross written premiums.
"IBA"	The Swedish Insurance Business Act (2010:2043) (Sw. <i>försäkringsrörelselagen</i>).
"ICA"	The Swedish Insurance Contracts Act (2005:104) (Sw. <i>försäkringsavtalslagen</i>).
"ICT guidelines"	The European Insurance and Occupational Pensions Authority's Guidelines on Information and Communication Technology (ICT) Security and Governance.
"IDA"	The Swedish Insurance Distribution Act (2018:1219) (Sw. <i>försäkringsdistributionslagen</i>).
"IDD"	Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution (the Insurance Distribution Directive).
"LTIP 2021"	The Company's long-term incentive programme for the Company's CEO, other senior executives and key employees, adopted by the general meeting on 4 October 2021.
"ORSA"	The Company's own risk and solvency assessment.
"OTA"	Online travel agency.
"PPI"	Payment protection insurance.
"Process Owner"	A process owner is the person responsible for one or more processes within the Company, such as product development, claims adjustment and processing personal data, and is responsible for ensuring that the respective processes are fit for purpose, flexible and established.
The "Prospectus"	This Prospectus which has been prepared in connection with the admission to trading of the shares in Solid Försäkring.

The “Prospectus Regulation”	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market.
“Resurs Bank”	Resurs Bank Aktiebolag.
“Resurs Holding”	Resurs Holding AB.
“RSA”	Roadside assistance.
“SFSA”	The Swedish Financial Supervisory Authority.
“Solvency II Directive”	Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II).
“Special Agents”	Comprised of excluded ancillary insurance intermediaries, including foreign equivalents, which primarily act as intermediaries for the Company’s insurance policies and which are essentially exempted from the provisions in the FDL.



Historical financial information

Financial information for the financial years ending 31 December 2020, 2019 and 2018

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Financial information for the financial years ending 31 December 2020, 2019 and 2018

Income statement

	Note	2020	2019	2018
Technical account of non-life insurance operations	3			
Premiums earned				
Premium income	4	951,480	939,135	915,331
Outward reinsurance premiums	4	-19,922	-24,207	-25,075
Change in Provision for unearned premiums and unexpired risks		-18,890	-16,442	-61,466
Reinsurers' share of Change in provision for unearned premiums and unexpired risks		-14	-5	-112
Premiums earned, net of reinsurance		912,654	898,481	828,678
Allocated investment return transferred from the non-technical account	3, 5	9,014	10,678	7,594
Claims incurred, net of reinsurance	3, 6			
Claims paid, net of outward reinsurance		-228,583	-226,031	-224,486
Reinsurers' share of Claims paid		6,073	8,216	8,208
Change in Provision for claims outstanding, net of outward reinsurance		-9,515	-4,681	-9,709
Reinsurers' share of Change in provision for claims outstanding		-171	-445	-224
Total claims incurred, net of reinsurance		-232,196	-222,941	-226,211
Operating expenses	3, 7	-572,552	-582,542	-521,586
Technical result for non-life insurance operations	3	116,920	103,676	88,475
Non-technical account				
Result of asset management	8			
Investment income		20,515	20,815	18,108
Unrealised gains on investment assets		0	13,415	0
Investment charges		-1,937	-2,079	-1,893
Unrealised losses on investment assets		-6,529	0	-13,223
Result of asset management		12,049	32,151	2,992
Allocated investment return transferred to technical account	5	-9,014	-10,678	-7,594
Other non-technical income		3,655	570	
Other non-technical expenses		-3,006	-284	
Profit before appropriations and tax		120,604	125,435	83,873
Appropriations	9	-60,000	-62,000	-65,000
Profit before tax		60,604	63,435	18,873
Tax on profit for the year	10	-17,232	-13,980	-4,538
Net profit for the year		43,372	49,455	14,335

Earnings per share

		2020	2019	2018
Basic and diluted earnings per share, SEK	35	2.17	2.47	0.72

Statement of comprehensive income

	2020	2019	2018
Net profit for the year	43,372	49,455	14,335
<i>Items that will be reclassified to profit or loss</i>			
Translation differences for the year, foreign operations	–691	–325	–91
Comprehensive income for the year	42,681	49,130	14,244

Balance sheet

	Note	31 Dec 2020	31 Dec 2019	31 Dec 2018
Assets				
Intangible assets	11			
Goodwill		15,000	17,857	0
Other intangible assets		15,839	9,845	14,221
Total intangible assets		30,839	27,702	14,221
Investment assets				
Investments in Group companies and associates	12			
subordinated loans		200,000	200,000	200,000
Other financial investment assets				
shares and participating interests	13	98,207	78,402	67,554
bonds and other interest-bearing securities	14	493,616	432,770	423,332
subordinated loans	14	29,682	28,290	27,317
Total investment assets		821,505	739,462	718,203
Reinsurer's share of Technical provisions				
Unearned premiums and unexpired risks	15	3,447	3,460	3,453
Claims outstanding	16	220	416	814
Total reinsurer's share of Technical provisions		3,667	3,876	4,267
Receivables				
Receivables, direct insurance	17	77,429	91,953	107,322
Receivables, reinsurance		64	62	63
Other current receivables		75	9	0
Other receivables	18	17,271	13,673	25,061
Total receivables		94,839	105,697	132,446
Other assets				
Property, plant & equipment	19	2,908	4,301	4,902
Cash and bank balances		328,205	305,305	221,633
Client accounts		48	570	1,691
Other assets	20	2,037	589	349
Total other assets		333,198	310,765	228,575
Prepaid expenses and accrued income				
Accrued interest income		1,214	1,217	968
Deferred acquisition costs	21	193,484	198,124	189,057
Other prepaid expenses and accrued income		2,963	4,428	6,474
Total prepaid expenses and accrued income		197,661	203,769	196,499
Total assets		1,481,709	1,391,271	1,294,211

Balance sheet, cont.

	Note	31 Dec 2020	31 Dec 2019	31 Dec 2018
Equity and liabilities				
Equity	23			
Restricted equity				
Share capital		30,000	30,000	30,000
Unrestricted equity				
Fair value reserve		-1,478	-787	-462
Retained earnings		133,837	34,382	20,047
Net profit for the year		43,372	49,455	14,335
Total equity		205,731	113,050	63,920
Untaxed reserves	24			
Contingency reserve		488,118	488,118	488,118
Total untaxed reserves		488,118	488,118	488,118
Technical provisions (net of outward reinsurance)				
Unearned premiums and unexpired risks	15	532,931	538,318	512,220
Claims outstanding	16	54,833	47,239	41,833
Total technical provisions (net of outward reinsurance)		587,764	585,557	554,053
Liabilities				
Liabilities, direct insurance	25	119,453	122,615	105,140
Liabilities, reinsurance		0	2,241	1,633
Derivatives		508	791	631
Other liabilities	26	63,222	65,336	68,360
Total liabilities		183,183	190,983	175,764
Accrued expenses and deferred income	27	16,913	13,563	12,356
Total equity and liabilities		1,481,709	1,391,271	1,294,211

Statement of changes in equity

	Share capital	Fair value reserve	Retained earnings	Net profit for the year	Total equity
Equity, 1 Jan 2018	30,000	-371	127,282	22,764	179,675
Net profit for the year				14,335	14,335
Translation differences		-91			
Comprehensive income for the year		-91		14,335	14,244
Previous year's profit brought forward			22,764	-22,764	0
Owner transactions					
Dividends till owners			-129,999		-129,999
Equity, 31 Dec 2018	30,000	-462	20,047	14,335	63,920
Equity, 1 Jan 2019	30,000	-462	20,047	14,335	63,920
Net profit for the year				49,455	49,455
Translation differences		-325			-325
Comprehensive income for the year		-325		49,455	49,130
Previous year's profit brought forward			14,335	-14,335	0
Owner transactions					
Dividends till owners			0		0
Equity, 31 Dec 2019	30,000	-787	34,382	49,455	113,050
Equity, 1 Jan 2020	30,000	-787	34,382	49,455	113,050
Net profit for the year				43,372	43,372
Translation differences		-691			-691
Comprehensive income for the year		-691		43,372	42,681
Previous year's profit brought forward			49,455	-49,455	0
Owner transactions					
Shareholders' contributions			50,000		50,000
Equity, 31 Dec 2020	30,000	-1,478	133,837	43,372	205,731

Statement of cash flows (indirect method)

	2020	2019	2018
Operating activities			
Profit before tax	60,604	63,435	18,873
Adjustment for non-cash items*	122,069	71,233	164,943
Income taxes paid	-20,219	-2,684	-10,568
Change in operating receivables	-14,976	18,151	-51,870
Change in operating liabilities	2,580	18,214	14,070
Cash flow from operating activities	150,058	168,349	135,448
Investing activities			
Acquisition of intangible assets	-11,933	-20,000	0
Investments in property, plant & equipment	0	-396	-4,985
Replacement of divested property, plant & equipment	825	0	287
Acquisition of investment assets	-227,351	-166,450	-107,627
Disposal of investment assets	133,163	164,225	100,994
Cash flow from investing activities	-105,296	-22,621	-11,331
Financing activities			
Group contributions paid/received	-62,000	-65,000	-56,000
Capital contribution received	50,000	0	-129,999
Cash flow from financing activities	-12,000	-65,000	-185,999
Cash flow for the year	32,762	80,728	-61,882
Cash and cash equivalents at the beginning of the year	305,305	221,633	281,498
Exchange-rate differences in cash and cash equivalents	-9,862	2,944	2,017
Cash and cash equivalents at end of year	328,205	305,305	221,633

Statement of cash flows (indirect method), cont.

	2020	2019	2018
*Adjustment for non-cash items			
Depreciation of property, plant & equipment	997	997	112
Amortisation of intangible assets	8,825	6,519	4,376
Group contributions paid	60,000	62,000	65,000
Change in technical provisions	28,770	24,876	89,991
Capital gains/losses on property, plant & equipment	-429	0	-31
Realised gains/losses on investment assets	-3,713	-1,625	-1,115
Unrealised gains/losses on investment assets	6,529	-13,415	13,223
Unrealised exchange-rate gains/losses	21,090	-8,120	-6,613
Total adjustment for non-cash items	122,069	71,233	164,943
Direct yield			
Interest paid from operating activities	-132	-32	-11
Interest received from operating activities	0	84	119
Interest received from investing activities	13,948	13,382	11,762
Dividends received	1,521	2,760	3,425

The reported cash flows only include transactions involving cash inflows and outflows. The cash transactions are classified under operating activities, investing activities and financing activities. Cash and cash equivalents are bank deposits.

The item Exchange-rate differences in cash and cash equivalents has been calculated incorrectly for the years 2019 and 2018. The figures have been corrected in the cash flow statement above, and the correction has no effect on the Company's result and position or key performance measures.

Notes

Note 1 Accounting policies

Company information

These financial statements encompass the 2020, 2019 and 2018 financial years for Solid Försäkringsaktiebolag, corporate reg. no 516401-8482, with its registered office in Helsingborg, Sweden. The Company's postal address is Box 22068, SE-250 22 Helsingborg, Sweden. The financial statements have been prepared specifically in order to be included in this Prospectus.

The statement of profit or loss and other comprehensive income and the statement of financial position were approved for issue by the board on 22 March 2021. The statement of profit or loss and other comprehensive income and the statement of financial position were also adopted by the general meeting held on 13 April 2021.

Solid Försäkringsaktiebolag is part of a Group for which Resurs Holding AB, Corp. ID. No. 556898-2291, registered office in Helsingborg, Sweden, prepares consolidated financial statements. Resurs Holding AB is listed on Nasdaq Stockholm and a major shareholder is Waldakt AB. Refer also to Note 28 Related parties.

Statement of compliance

The insurance company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act for Insurance Companies (1995:1560), the SFSA's regulations and general guidelines on Annual Accounts at Insurance Undertakings and Institutions for Occupational Re-tirement Provision (FFFS 2019:23), including all applicable amendment regulations, and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

These financial statements have been prepared in accordance with IFRS, on a statutory exemption basis. This means applying International Financial Reporting Standards and IFRIC interpretations, as adopted by the EU, to the extent possible within the framework of national laws and regulations, taking into account the relationship between accounting and taxation.

The accounting policies described below have been applied consistently to all periods presented in the Company's financial statements, unless otherwise stated.

Basis of preparation of the Company's financial statements

The Company's functional currency is the Swedish krona (SEK) and the financial statements are presented in this currency. Unless otherwise stated, all figures are rounded to the nearest thousand.

The financial statements have been prepared under the historical cost convention. Financial assets and liabilities are measured at amortised cost, apart from certain financial assets and liabilities which are measured at fair value.

Financial assets and liabilities measured at fair value are classified as "financial assets and liabilities at fair value through profit or loss."

Judgements and estimates in the financial statements

Preparation of financial statements in compliance with IFRS requires the Company's management to make judgements, accounting estimates and assumptions which affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and expense.

Estimates and assumptions are based on historical experience and a number of other factors that are considered reasonable in the prevailing circumstances. The results of these estimates and assumptions are used to determine the carrying amounts of assets and liabilities which are not readily apparent from other sources. The actual outcome may differ from those estimates and assumptions.

The accounting estimates and assumptions are reviewed regularly. Changes in accounting estimates are recognised in the period that the change is made.

Assessments made by the Company's management and key sources of estimation uncertainty when applying IFRS (with statutory exemption) that have a significant impact on the financial statements are described in more detail in Note 33 Significant estimates and judgements.

Changed accounting policies

New accounting standards from the IASB applied to the 2020 financial year.

IFRS 15 Revenue from Contracts with Customers

This standard came into effect on 1 January 2018 and replaced existing standards and interpretations related to revenue recognition with the exception of accounting for insurance contracts. Solid Försäkring implemented the standard in 2020.

Solid Försäkring's revenue from contracts with customers comprises sales of registrations in the Company's bicycle register. The Company recognises revenue when a performance obligation has been satisfied, which is when a service is delivered to the customers.

Revenue comprises the amount that the Company expects to receive as remunerations for services transferred.

No other new or revised IFRSs or interpretations from the IFRIC had a material impact on the Company's financial position, earnings or disclosures.

Future regulatory changes

IFRS 17 Insurance Contracts (not approved by the EU)

The final standard that will replace the standard previously known as IFRS 4 (Phase II) was published in May 2017 and will be applied from 1 January 2023.

The standard entails a new basis for the recognition and measurement of insurance contracts with the aim of enhancing transparency and reducing differences in the recognition of insurance contracts. A major change in the new standard is clearer and more extensive requirements on how insurance contracts are to be aggregated.

The changes also mean that analyses of profitability in insurance contracts will be more detailed.

Full IFRS is not applied in legal entities and in 2020, through amendment regulations (FFFS 2020:24) to annual report regulations (2019:23), the SFSA also made it possible for unlisted insurance companies to not fully apply IFRS in consolidated financial statements and instead apply legally restricted IFRS. In applying IFRS 17, legal entities must adapt application to Swedish legislation. Since several parts of IFRS 17 are not compatible with Swedish legislation, Solid Försäkring has made the assessment that IFRS 17 will have only a minor impact on the Company.

Since the Company is part of a listed Group, the internal activities to analyse the effects of the new standard and the planning for the transition to the new standard until it comes into force will be intensified in 2021 and 2022.

Besides IFRS 17, no other future IFRSs are deemed to have a material impact on the Company's reporting.

Principles applied for income statement items

Premium income

Premium income is recognised as the total gross premium for direct insurance deposited with or that can be credited to the Company for insurance contracts for which the insurance period commenced prior to the end of the financial year. If the contracted premium for the insurance period is divided into several partial payments, the entire premium is recognised from the start of the period. Cancellations reduce premium income as soon as the amount is known. Premium income is recognised excluding tax and other public fees charged to the insurance premium.

Premiums earned

The portion of premium income that is attributable to the current accounting period is recognised as premiums earned. The portion of income from insurance contracts that pertains to a period after the closing date is reserved in the premium reserve in the balance sheet and is calculated taking into account the term of the insurance contract.

Outward reinsurance premiums

Outward reinsurance premiums comprise amounts paid during the financial year or amounts recognised as a liability to insurance companies that assumed reinsurance according to signed reinsurance contracts, including portfolio premiums. The premiums are allocated so that the cost is distributed to the period to which the insurance cover pertains.

Claims incurred

Total claims incurred include claims paid during the period, changes in the provision for claims outstanding and claims-adjustment expenses. Claims paid includes payments to policyholders during the financial year based on incurred insurance claims, regardless of when the claim occurred.

Segment reporting

Solid Försäkring has established three operating segments that represents the Company's main product areas: *Personal Safety*, *Product* and *Assistance*. These operating segments are reported in a manner consistent with the internal financial reporting provided to the chief operating decision maker. For Solid Försäkring, the chief operating decision maker is the CEO since this is the person who is responsible for allocating resources and evaluating results.

Operating expenses

All operating expenses are allocated in the income statement according to their function: acquisitions, administration, commission and profit-sharing in outward reinsurance, claims adjustment and investment charges. Administrative expenses include lease payments for the Company's premises, vehicles and equipment, which are recognised straight-line as expenses in profit or loss based on contracted lease terms.

Operating expenses associated with claims adjustment are recognised as a portion of claims incurred in profit or loss.

Operating expenses associated with the investment returns are recognised under non-technical account.

Employee benefits

Short-term employee benefits

Short-term employee benefits, such as salaries, payroll overheads and variable remuneration, are recognised through profit or loss during the period in which the employee rendered service to the Company. A provision for variable remuneration is recognised when the Company has a legal or constructive obligation to make such payments as a result of the services in question having been rendered by the employees, and when the amount can be measured reliably.

Pensions

Pension commitments for salaried employees are insured with Alecta, for example. According to a statement from the Swedish Financial Reporting Board, UFR 10, this is a defined-benefit multi-employer plan. The ITP pension plan that is insured with Alecta is recognised as a defined-contribution plan because no information was available to calculate the plan as a defined-benefit pension plan.

Termination benefits

Termination benefits are only recognised if the Company is demonstrably committed, without realistic possibility of withdrawal, to terminate employment before the normal retirement date and has a detailed formal plan for termination.

Investment return

The allocated investment return is transferred from the non-technical account to the technical account. Refer also to Note 5 Allocated investment return transferred from non-technical account.

Investment income

Investment income relates to the return on investment assets and includes dividends on shares and participating interests, interest income, exchange-rate gains, reversed impairment and capital gains.

Investment charges

Investment charges are expenses associated with investment assets. The item includes asset management expenses, interest expense, exchange-rate losses, depreciation, amortisation, impairment and capital losses.

Realised and unrealised fair value changes

Capital gains on investment assets measured at fair value represent the positive difference between the selling price and cost. For interest-bearing securities, cost corresponds to amortised cost, while for other investment assets it corresponds to historical cost.

On disposal of an investment asset, previously unrealised fair value changes are recognised as an adjustment item under unrealised gains on investment assets and unrealised losses on investment assets.

Capital gains on assets other than investment assets are recognised under other income.

Unrealised gains and losses are recognised on a net basis by asset class. Fair value changes arising from exchange-rate differences are recognised as exchange-rate gains or exchange-rate losses under the item investment return.

Income from bicycle registrations

Income from contracts with customers encompasses income from registrations in the Company's bicycle register, which means that the customer's deductible is reduced in the event of a claim. Solid Försäkring's performance comprises registering the customer in the register on the date of sale.

Recognition of assets and liabilities

Assets are defined as resources controlled by the Company as a result of past events and which are likely to generate future economic benefits.

These are capitalised when it is probable that future economic benefits associated with the asset will flow to the Company and when the value/cost of the resource can be measured reliably.

Liabilities are current obligations arising from past events, the settlement of which is expected to result in an outflow of resources from the Company. A liability is capitalised when it is probable that an outflow of resources from the Company will result from the settlement of a current obligation and the amount at which the settlement will take place can be measured reliably.

Intangible assets

The value of goodwill is assessed regularly and amortised over its estimated useful life at any given time. Other intangible assets are amortised systematically over their estimated useful lives.

Goodwill is amortised over seven years which is considered to represent the period during which the Company expects to obtain economic benefits from the investment.

All intangible assets are amortised over 5–7 years.

Goodwill

Goodwill is the difference between the cost of acquisition and the fair value of the acquired identifiable assets, assumed liabilities and contingent liabilities. Goodwill is carried at cost less accumulated amortisation. Goodwill is allocated to cash-generating units and is tested for impairment at least annually. See also Note 11 Intangible assets.

IT development

IT development is capitalised as an intangible asset when the project meets all the criteria for capitalisation. These criteria include adequate assurance that each activity will generate economic benefits that exceed the costs. Completed development projects are recognised at the costs incurred, less accumulated amortisation and impairment losses. Amortisation is recognised through profit or loss and is applied on a straight-line basis over the project's expected useful life, which is 5–7 years.

Impairment testing

The Company conducts annual goodwill impairment testing, in accordance with the accounting policy described above. The recoverable amounts for cash-generating units are determined by calculating the value in use. This calculation requires certain estimates to be made.

For other intangible assets, if the carrying amount is higher than the recoverable amount, the carrying amount is written down to the recoverable amount.

The recoverable amount is the higher of the asset's fair value less selling expenses and its value in use.

Financial instruments

Financial instruments recognised under assets in the balance sheet include shares and participating interests, bonds and other interest-bearing securities, subordinated loans, receivables attributable to direct insurance and to reinsurance, cash and bank balances, and accrued interest income. Liabilities from direct insurance and reinsurance, derivatives and other liabilities are recognised under liabilities and equity.

Financial instruments – Recognition in and derecognition from the balance sheet

A financial asset or financial liability is recognised in the balance sheet when the Company becomes a party under the instrument's contractual terms. A financial asset is derecognised from the balance sheet when the rights in the contract are realised, expire or the Company loses control of them. The same applies to part of a financial asset.

A financial liability is derecognised from the balance sheet when the contractual obligation is discharged or extinguished in some other way. The same applies to part of a financial liability. A financial asset and a financial liability may be offset and the net amount recognised in the balance sheet only when there is a legally enforceable right to offset the recognised amounts and the intention is either to settle on a net basis, or to simultaneously realise the asset and settle the liability. Purchases and sales of financial assets are recognised on the trade date (the date on which the Company commits itself to purchase or sell the asset).

Financial instruments – Classification and measurement

Financial instruments are measured at their fair value. Derivatives and instruments classified as financial assets and financial liabilities at fair value through profit or loss are measured at fair value, excluding transaction costs. A financial instrument is classified on initial recognition according to the purpose for which it was acquired, but also according to the options specified in IFRS 9.

Classification determines how a financial instrument is measured subsequent to initial recognition, as described below.

Financial instruments – Assets at fair value through profit or loss

Financial instruments in this category are regularly measured at fair value, with changes in fair value recognised through profit or loss. For financial instruments measured at fair value through profit or loss, both realised and unrealised changes in value are recognised under the income statement item "Non-technical account." For the 2019 financial year, the Company has held bonds, other interest-bearing securities and shares measured at fair value through profit or loss.

Financial instruments – liabilities at fair value through profit or loss

Financial instruments in this category are regularly measured at fair value, with changes in fair value recognised through profit or loss. This category includes derivatives with a negative fair value. The Company does not have any other liabilities measured at fair value through profit or loss.

Financial instruments – Assets measured at amortised cost

The measurement category of amortised cost primarily comprises subordinated loans, cash and bank balances, and receivables attributable to direct insurance and reinsurance that have fixed or fixable payments and that are not listed on an active market. Amortised cost is calculated based on the effective interest rate used at initial recognition.

Accounts receivable are recognised at the amounts expected to be received, meaning after deductions for doubtful receivables.

Financial instruments – Liabilities measured at amortised cost

These are represented in the balance sheet by the items liabilities, direct insurance and reinsurance, and other liabilities.

Methods of determining fair value

Financial instruments listed on an active market

The fair value of financial instruments listed on an active market is determined on the basis of the asset's listed bid price on the closing date without additions for transaction costs (for example, brokerage) at the time of acquisition. A financial instrument is deemed to be listed on an active market if listed prices are readily available from a stock exchange, dealer, broker, trade association, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on commercial terms. Any future transaction costs on disposal are not taken into consideration. The fair value of financial liabilities is based on the listed selling price. Instruments that are listed on an active market are recognised under the items shares and participating interests, bonds and other interest-bearing securities.

Financial instruments not listed on an active market

If the market for a financial instrument is not active, the fair value is determined by applying various measurement techniques. The measurement techniques used are based on market data as much as possible.

Financial instruments measured at fair value for disclosure purposes

The fair value of subordinated loans at variable rates is measured at amortised cost, and the carrying amount is considered a reflection of the fair value. For bank deposits at variable interest rates, the carrying amount reflects the fair value. For other financial assets and liabilities with a remaining life of less than six months, the carrying amount is considered a reflection of the fair value.

Impairment of financial assets

The Company recognises a loss allowance on assets measured at amortised cost, which corresponds to the expected credit losses for the remaining term according to the simplified method. The expected credit losses are measured at a probability-weighted amount based on information on past events, current condition and future forecasts.

Impairment is reversed when there is verifying information that the impairment requirement no longer exists.

Property, plant & equipment

Items of property, plant & equipment are recognised at cost less accumulated depreciation. Cost includes expenses directly attributable to the acquisition of an asset. Subsequent expenditure is added to the asset's carrying amount or recognised as a separate asset (whichever is more suitable) only when it is probable that the future economic benefits associated with the asset will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced component is derecognised from the balance sheet. All other types of repair and maintenance are recognised as an expense through profit or loss in the period in which they arise.

Depreciation of property, plant & equipment for the Company's own use is applied on a straight-line basis in order to allocate the cost or the revalued amount down to the residual value over the estimated useful life.

Assets are depreciated over their estimated useful life of five years from the date of acquisition.

The carrying amount of property, plant and equipment is derecognised from the balance sheet on disposal, divestment or when no future economic benefits are expected from its use or from disposal/divestment. Gains or losses arising from the disposal/divestment of property, plant and equipment comprise the difference between the sales price and the asset's carrying

amount less direct selling expenses. Using a materiality rationale, the Company reports immaterial gains or losses on disposal under operating expenses.

Impairment testing

The carrying amounts of the Company's assets are assessed at each closing date to determine whether there is any indication of impairment. If there is an indication of an impairment requirement, the recoverable amount of the asset is calculated in accordance with IAS 36.

If it is not possible to determine significantly independent cash flows to a specific asset, assets are grouped to the lowest level at which it is possible to identify significantly independent cash flows, known as cash-generating units, when testing for impairment. Impairment is recognised when the recoverable amount of an asset or a cash-generating unit (group of units) is less than its carrying amount.

Impairment is charged to profit or loss. The recoverable amount is the higher of the asset's fair value less selling expenses and its value in use. In calculating value in use, future cash flows are discounted at a discount rate that takes into account the risk-free interest rate and risks related to the specific asset.

Reversal of impairment

Impairment of assets is reversed if there is an indication that the impairment no longer exists and there has been a change in the assumptions used in the calculation of the recoverable amount. Impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation where applicable, had no impairment been recognised.

Costs for insurance contracts

Direct acquisition costs that have a clear connection with the signing of insurance contracts are recognised as an asset (gross). Direct costs mainly refer to fee & commission expense. Direct costs are subsequently allocated over the term of the insurance contract.

Contingency reserve

The contingency reserve is recognised as an untaxed reserve. Changes are recognised through profit or loss. Calculation of the reserve is based on regulations from the SFSA on the calculation of contingency reserves, FFFS 2013:8 and FFFS 2015:23. The regulations specify the maximum amount that may be allocated to the contingency reserve, based on premium income and the provision for claims outstanding in certain lines of insurance. The Company calculates the provision ceiling on a regular basis. At the end of the year, the Company had not reached the maximum provision permitted.

Technical provisions

Technical provisions consist of the Provision for unearned premiums and unexpired risks and the Provision for claims outstanding.

In the balance sheet, the provision for unearned premiums and unexpired risks comprises provisions corresponding to the Company's commitments for insurance cases, administration costs and other expenses for the remainder of the contract period for ongoing insurance contracts.

The provision for unearned premiums is calculated individually for each insurance contract. Premiums are earned using experience-based factors calculated based on when claim and operating expenses arise in an insurance period. Consequently, premium earning is not *pro rata* for all products. In the case of one-year contracts, earning is *pro rata*. Due to the settlement of old contracts and foreign contracts, some of the contracts still have a term of more than one year.

Compared with strictly straight-line recognition of earnings, costs during the first year of the insurance contract are assumed to be lower than for the remainder of the contract period, based on a one-year guarantee period for the products encompassed by the insurance policies.

A provision is made for unexpired risks if the premium level is deemed to be insufficient to cover expected claim and operating expenses.

The change for the period in the provision for unearned premiums and unexpired risks is recognised through profit or loss.

Changes attributable to the translation of the provision items to the exchange rate on the closing date are recognised as exchange-rate gains or exchange-rate losses under Investment income.

The provision for claims outstanding is the estimated cost of future settlement of all claims incurred, including claims incurred but not reported (IBNR). The required provision is estimated using statistical methods for most claims. Individual assessments are made for larger claims and claims with complicated liability issues.

Changes in claims outstanding for the period are recognised through profit or loss. Changes attributable to the translation of the provision items to the exchange rate on the closing date are recognised as exchange-rate gains or exchange-rate losses under Investment income.

Tax

Income tax comprises current tax and deferred tax. Income taxes are recognised through profit or loss except in cases where the underlying transaction is recognised directly in other comprehensive income or equity.

The Company's foreign branches in Norway, Finland and Switzerland are taxed on the earnings in each country. In Sweden, the Company is liable to pay tax on all its income, including earnings from its foreign branch offices. To the extent that the Company pays tax in Sweden on its foreign income, a deduction is normally allowed for the foreign tax paid, in order to avoid double taxation.

Current tax is the amount of income tax payable or recoverable for the current year, calculated using tax rates enacted or substantively enacted on the closing date, and includes any adjustments relating to prior periods.

Deferred tax is based on temporary differences between the carrying amounts of assets and liabilities and their corresponding tax bases. Deferred tax assets on deductible temporary differences and tax loss carryforwards are only recognised to the extent it is probable they will be utilised. The Company did not have any deferred tax or temporary differences in 2020.

Earnings per share

(i) Basic earnings per share

Basic earnings per share are calculated by dividing:

- profit attributable to the Company's shareholders
- by a weighted average number of ordinary shares outstanding for the period

ii) Basic earnings per share

The Company did not have any instruments outstanding that could give rise to dilutive effects during the presented financial years.

Note 2 Risk disclosures

Risk disclosures

Solid Försäkring's operations involve assuming risk from policyholders. This Note describes the Company's own risk and risk management.

It is of great importance for Solid Försäkring's risk-taking to be conducted under controlled conditions, and its risk management framework is an integral part of its operations. The risk management framework includes the Company's functions, risk owners, strategies, policy documents, processes, risk appetite, tolerances, limits, controls and reporting procedures necessary for identifying, measuring, monitoring, managing and reporting risks. The Company has standardised the process for identifying, assessing and reporting risk and it has been implemented in the organisation to create risk awareness, encourage risk culture and enhance the efficiency of risk management. The board has established internal policies for the operations to support risk management. All policies are updated as necessary and revised at least annually.

The board and CEO of Solid Försäkring are ultimately responsible for the Company's risk management. This responsibility includes ensuring that independent functions are in place to manage the Company's risks and regulatory compliance and to report to the board and management on how the Company is operated in respect of this.

The Company uses three lines of defence to manage its risks. The first line of defence is the Company's operational personnel, meaning the employees in the operations closest to the risks who identify and proactively work on risk awareness in the day-to-day business. Risk owners are primarily found in the first line.

The second line of defence comprises the risk management, compliance and actuarial functions that independently manage risks, audit and control the Company's operations and that provide support for the operational activities. These control functions regularly report to the CEO, board and the parent company's board committees.

The third line of defence comprises the independent control function Internal Audit, whose task is to audit the activities of the first and second lines of defence to ensure internal control. The Internal Audit function reports continuously to the board and the parent company's board committees.

Solid Försäkring's Actuarial function reports to the board annually or more frequently during preparation of the annual accounts.

The ongoing work on risk identification is conducted partly in connection with the Own Risk and Solvency Assessment (ORSA) process, mapping of the Company's key processes, risk and incident reporting and the control functions' audits.

All identified risks are evaluated by the risk management function and the Company's risk committee via a risk register which is a key tool in risk management, with an assessment of probability and consequences and the effect of the control environment.

The risks are quantified and all risks are assigned a risk owner. This work is an important part of creating risk awareness and effective risk management.

The Company's operations have the risk modules of insurance risk, market risk, counterparty risk, operational risk and other identified risk.

Insurance risk

Insurance risk is the risk of a change in value due to deviations between actual and expected insurance costs. This means the risk that actual outcome deviates from the expected outcome due to, for example, a higher claims frequency, larger average claims costs, or one or more major claims. The Company defines insurance risk as the single largest risk group.

Insurance risk primarily comprises premium and reserve level risk and disaster risk.

Premium risk

Premium risk is the risk of losses due to, for example, incorrect pricing, risk concentration and taking out wrong or insufficient reinsurance. The Company's insurance operations contain a well-balanced risk portfolio. The Company's business mainly comprises a large number of insurance policies with low, individual risks. Concentration risk in the non-life insurance business is considered to be low in the Company's overall portfolio since the insurance portfolio is highly diversified in terms of both products and geography.

Solid Försäkring manages and limits premium risk based on underwriting and reinsurance risk policies issued by the board. These policies enable premium risk to be mitigated by decisions on the maximum retention for different types of insurance risks, the markets and new products that can be considered as a framework for premium rates and monitoring profitability.

The Company regularly conducts a detailed review of the premium rate and the profitability of the underwriting arrangements.

Changes in tariffs and premium levels are continuously monitored where necessary. To further limit premium risk, the Company has taken out reinsurance in the risk portfolios with a higher risk exposure.

Reinsurers are selected based on factors including expertise and financial position and comply with the policies established by the Company's board. Solid Försäkring continuously reviews the entire reinsurance programme to ensure that adequate cover is in place.

Reserve level risk

Reserve level risk refers to the risk of variations in the time and amount of claims payments. Provisions for unearned premiums is intended to cover the expected claim costs and operating expenses for the remaining term of valid insurance contracts.

As compensation is only paid after a loss has occurred, it is also necessary to make provisions for claims outstanding. Technical provisions are the total of unearned premiums and unexpired risks, and claims outstanding.

Technical provisions always include a certain element of uncertainty since provisions include an estimate of the size and frequency of future claim payments.

The uncertainty of technical provisions is usually higher for new portfolios for which complete settlement statistics are not yet available and for portfolios in which final adjustment of claims takes place following a long period of time.

Solid Försäkring manages and minimises reserve level risk by means of the board's policies on reserve level risk and technical provision risks and provisioning instructions that govern the calculation of technical provisions. Actuarial assumptions for determining the provisions for claims outstanding are based on historical claims and exposures known on the closing date. The models used are clearly recognised actuarial models such as

chain ladder or other loss development factor models. The outcome corresponds to a provision that covers the expected future payments for all claims incurred, even claims that have not yet been reported.

The provision for unearned premiums is calculated individually for each insurance contract. The computation uses experience-based factors, the starting point being how the claim costs are incurred over the period of insurance. A straight-line (*pro rata*) earnings model is used for insurance risks with a term of 12 months or less. A provision for unexpired risks is made if the provision for unearned premiums is deemed to be insufficient to cover the Company's liabilities for the remaining terms of valid insurance contracts.

There is always some uncertainty associated with estimates of technical provisions.

The estimates are based on facts relating to historical claims and assessments of future trends. Because the majority of the Company's claims are short-term in nature (for most portfolios, claims are concluded within 2 to 12 months from the claim date), the risk of negative developments due to factors such as future claims inflation is reduced.

Disaster risk

Disaster risk is the risk that a single event would generate claims on a large number of policies. This risk is considered less likely since the insurance portfolio is well diversified. The Company's largest proportion of insurance is individual product insurance policies for consumer goods, which do not have any exposure to natural disasters, such as hurricanes, flooding, hail, earthquakes or subsidence.

Market risk

Market risk is the risk of loss or an adverse change in the financial position caused directly or indirectly by fluctuations in the market prices of assets and liabilities. Losses in the investment portfolio may arise as a result of unfavourable changes in the level or volatility of interest rates, equity prices or currencies.

The Company's asset management, and also the Company's investment strategy, must be characterised by risk-taking that is commensurate with the Company's risk appetite and tolerance, and with compliance and efficiency ensured through regular monitoring.

Currency risk

Currency risk refers to the sensitivity of the value of assets, liabilities and financial instruments to changes in the level of exchange rates or their volatility.

Solid Försäkring underwrites insurance primarily in the Scandinavian currencies, EUR and CHF. Currency risk is reduced by matching the technical provisions with investment assets in the corresponding currencies. Currency risk in the insurance operations is hedged by matching assets and liabilities.

Currency exposure of investment assets is hedged in terms of both the nominal value and the interest return on individual investments.

The Company is also exposed to translation risk. Translation risk refers to the currency risk arising on consolidation of the balance sheets of foreign operations that have a different functional currency from that of the parent company.

The Company's exposure to currency risk before any hedging with derivatives is shown in the following table, which includes all assets and liabilities.

Currency exposure 2020

	CHF	DKK	EUR	GBP	NOK	Other	Total
Assets	57,905	7,998	51,291	3,241	271,309	56	391,800
Liabilities	-39,093	-5,891	-51,960	-1,836	-271,993	-23	-370,796
Net exposure before financial hedging with derivatives	18,812	2,107	-669	1,405	-684	33	21,004
Derivatives, nominal value							0
Difference between assets and liabilities incl. nominal amount of currency hedges	18,812	2,107	-669	1,405	-684	33	21,004
Sensitivity to exchange-rate differences							
Change in exchange rate 20%	+/-3,762	+/-421	+/-134	+/-281	+/-137	+/-7	+/-4,742

Currency exposure 2019

	CHF	DKK	EUR	GBP	NOK	Other	Total
Assets	70,034	5,670	56,845	6,700	280,951	228	420,428
Liabilities	-52,333	-5,174	-57,587	-6,533	-287,172	-209	-409,008
Net exposure before financial hedging with derivatives	17,701	496	-742	167	-6,221	19	11,420
Derivatives, nominal value							0
Difference between assets and liabilities incl. nominal amount of currency hedges	17,701	496	-742	167	-6,221	19	11,420
Sensitivity to exchange-rate differences							
Change in exchange rate 20%	+/-3,540	+/-99	+/-148	+/-33	+/-1,244	+/-4	+/-5,069

Currency exposure 2018

	CHF	DKK	EUR	GBP	NOK	Other	Total
Assets	44,377	8,564	51,790	6,971	246,227	166	358,095
Liabilities	-36,752	-6,680	-51,766	-6,684	-246,694	-120	-348,696
Net exposure before financial hedging with derivatives	7,625	1,884	24	287	-467	46	9,399
Derivatives, nominal value							0
Difference between assets and liabilities incl. nominal amount of currency hedges	7,625	1,884	24	287	-467	46	9,399
Sensitivity to exchange-rate differences							0
Change in exchange rate +/-20%	+/-1,525	+/-377	+/-5	+/-57	+/-93	+/-9	+/-2,067

Interest rate risk

Interest rate risk refers to uncertainty in the value of assets and liabilities and interest income and expense as a result of changes in market interest rates. A large proportion of the Company's investments are in interest-bearing securities, which means that the Company is exposed to the risk of changes in market interest rates. The Company's technical provisions are recognised as non-discounted and as such are not affected by changes in discount rates. However, future claims payments are affected by normal inflation. Since only a small proportion of the Company's net portfolio can be considered to have longer payment patterns, this effect is expected to be small.

Solid Försäkring's investments in bonds and interest-bearing securities are affected by changes in market interest rates and the associated risk is managed and minimised by the board's instructions on investments and by monitoring the modified duration of these investments.

Equity price risk

Equity price risk refers to the sensitivity of the value of assets, liabilities and financial instruments to changes in the volatility or market prices of equities. Solid Försäkring's equity investments are regulated in the investment policy, which specifies that they may not exceed SEK 200 million. The equity portfolio consists of Nordic equities and is managed in accordance with the mandate described in the Company's investment policy.

Spread risk

Spread risk is the risk of loss resulting from changes in credit spreads for fixed-income securities issued by banks or companies and fixed-income securities issued by governments. The Company invests predominantly in Swedish government, municipal and corporate bonds.

Concentration risk

The Company's investment policy restricts permitted limits to individual counterparties for managing the concentration risk of the Company's investments.

Liquidity risk

Liquidity risk is the risk of the Company being unable to realise investments and other assets in order to discharge its financial obligations when they fall due, and liquidity risk is therefore considered minimal. To limit liquidity risk, investments in bonds, bills, commercial paper and equities are to be made in securities that are listed in a marketplace where conditions permit daily trading and high volumes in relation to the investment made. Total liquidity risk is governed by limits for each type of investment by a counterparty. Short and long-term liquidity are monitored on a monthly basis via the Company's investment committee.

The Company's liquidity risk is deemed to be low since liquid assets meet the Company's commitments as the operations comprise non-life insurance with mainly short-term commitments.

Historical financial information

The table below shows the maturity structure of cash flows for financial assets and liabilities and technical provisions, net of reinsurance, on 31 December 2020.

Maturity analysis 2020	Carrying amount	Payable on demand	<3 months	3–12 months	1–5 years	More than 5 years	Contractual due date
Financial assets incl. expected interest payments	1,228,465	465,454	91,322	287,404	347,683	61,389	1,253,252
Derivatives	0	0	0	0	0	0	0
Financial liabilities incl. expected interest payments	–182,675	0	–100,766	–15,024	–15,140	–50,029	–180,959
Derivatives	–508	0	0	–259	–249	0	–508
Technical provisions, net of reinsurance*	–584,097	0	–97,650	–292,952	–192,421	–1,074	–584,097

* net of reinsurance

The table below shows the maturity structure of cash flows for financial assets and liabilities and technical provisions, net of reinsurance, on 31 December 2019.

Maturity analysis 2019	Carrying amount	Payable on demand	<3 months	3–12 months	1–5 years	More than 5 years	Contractual due date
Financial assets incl. expected interest payments	1,138,570	423,716	102,662	93,029	506,511	33,152	1,159,070
Derivatives	0	0	0	0	0	0	0
Financial liabilities incl. expected interest payments	–190,192	0	–109,563	–23,919	–20,368	–34,640	–188,490
Derivatives	–791	0	0	–215	–576	0	–791
Technical provisions, net of reinsurance*	–581,681	0	–89,870	–269,611	–220,888	–1,312	–581,681

* net of reinsurance

The table below shows the maturity structure of cash flows for financial assets and liabilities and technical provisions, net of reinsurance, on 31 December 2018.

Maturity analysis 2018	Carrying amount	Payable on demand	<3 months	3–12 months	1–5 years	More than 5 years	Contractual due date
Financial assets incl. expected interest payments	1,048,189	326,015	190,983	41,715	496,513	19,743	1,074,969
Derivatives	0	0	0	0	0	0	0
Financial liabilities incl. expected interest payments	–175,133	0	–115,495	–32,139	–25,793	0	–173,427
Derivatives	–631	0	0	–158	–473	0	–631
Technical provisions, net of reinsurance*	–527,848	0	–80,967	–242,900	–203,981	0	–527,848

* net of reinsurance

Counterparty risk

Counterparty risk is the type of risk that is inherent in every type of contractual relationship and financial stability is mainly taken into consideration. Counterparty risk are limited using limits for individual counterparties and analyses of the counterparty's financial position.

The Company is exposed to counterparty risk in the receivables included in loans to Group companies, deposits in commercial banks, reinsurance and accounts receivable. Counterparty risk is

managed and minimised by issued policies that set out the framework for assessing the counterparty's ability to discharge its obligations.

Deposits in commercial banks have been chosen based on the bank's credit rating or through the Company's fellow subsidiary Resurs Bank Aktiebolag. Counterparty risk to reinsurers is limited by only signing agreements with reinsurers that have a credit rating of BBB for short contractual periods or A or higher for long contractual periods.

The table below shows Solid Försäkring's overall exposure to counterparty risks:

	31 Dec 2020			31 Dec 2019			31 Dec 2018		
	Gross exposure	Value of collateral	Net exposure	Gross exposure	Value of collateral	Net exposure	Gross exposure	Value of collateral	Net exposure
Lending to corporates									
Subordinated loans, intra-Group	200,000		200,000	200,000		200,000	200,000		200,000
Subordinated loans, other	29,682		29,682	28,290		28,290	27,317		27,317
Total lending to corporates	229,682	0	229,682	228,290	0	228,290	227,317	0	227,317
Bonds									
AAA/Aaa	19,570		19,570	0		0	0		0
AA+/Aa1	0		0	45,935		45,935	80,451		80,451
A+/A1	6,006		6,006	6,053		6,053	6,062		6,062
A/A2	15,698		15,698	0		0	20,510		20,510
A-/A3	37,151		37,151	22,212		22,212	22,071		22,071
BBB+/Baa1	28,298		28,298	14,183		14,183	13,829		13,829
BBB/Baa2	64,477		64,477	40,553		40,553	23,154		23,154
BBB-/Baa3	48,680		48,680	21,408		21,408	20,730		20,730
BB+/Ba1	18,175		18,175	18,457		18,457	0		0
BB/Ba2	26,000		26,000	8,008		8,008	0		0
BB-/Ba3	0		0	0		0	10,382		10,382
B+/B1	2,008		2,008	39,959		39,959	18,914		18,914
B/B2	11,895		11,895	0		0	0		0
unrated*	215,658		215,658	216,002		216,002	207,229		207,229
Total bonds	493,616	0	493,616	432,770	0	432,770	423,332	0	423,332
Cash and bank balances									
AA-/Aa3	124,525		124,525	15,391		15,391	4,163		4,163
A+/A1	1,969		1,969	2,597		2,597	4		4
A/A2	189,178		189,178	33,828		33,828	20,373		20,373
A-/A3	0		0	0		0	2,374		2,374
unrated**	12,533		12,533	253,489		253,489	194,719		194,719
Total cash and bank balances	328,205	0	328,205	305,305	0	305,305	221,633	0	221,633
Total	1,051,503	0	1,051,503	966,365	0	966,365	872,282	0	872,282

In the event credit ratings differ, the lowest is used.

* Unrated securities comprise Swiss investment funds, Swedish and foreign corporate bonds and Swedish municipal bonds.

** Deposits in Resurs Bank and Banque Cantonale de Fribourg.

Operational risks

Operational risks refer to the risk of loss due to incorrect or non-appropriate internal processes and procedures, human errors, incorrect systems or external events, including legal risks and compliance risks. Operational risks are countered by internal control. The establishment of effective internal control is an ongoing process in the Company, and this includes:

- the requirement for appropriate policies, guidelines and procedures for recurring work duties;
- a defined division of responsibilities and duties for employees;
- compliance with laws, regulations and provisions;
- IT support in the form of an accounting and finance system with built-in automated checks and controls;
- internal information and reporting systems, for example, to meet management's demands for information; and
- information security and physical safety to protect the Company's assets and personnel.

Operational risks are divided into personnel risk, process risk, IT and systemic risk, and external risk, which includes legal risk and compliance risk.

Other risks

Strategic risks

Strategic risks arise in connection with major changes, both internal and external, and these risks are managed through efficient analysis and good planning prior to decisions. The Company has a tradition of working in a changing environment where conditions constantly vary over time. The adaptability that the Company possesses is a strength. The Company has increasingly transitioned to selling insurance valid for a period of one year. This means that changes in conditions provide a quicker impact, which reduces strategic risk. Policy decisions that result in changes to consumer laws and tax legislation or other regulatory requirements that apply to the Company may also pose a risk.

One of the Company's pillars involves continuously taking account of changes in external factors, for example through regular external analysis meetings, that affect the markets in which it operates in order to minimise strategic risks. Insurance cycles, changes in customer behaviour and the competitive situation are considered.

Reputational risk

The Company is stable and has a good reputation. If serious rumours were to circulate about the Company, it could result in lower sales and fewer opportunities to partner with agents. The Company has a highly functional organisation for managing mass media questions and clearly defined reporting procedures for handling customer complaints.

Emerging risks

Emerging risks refers to the risks that the Company could be exposed to in the future. The Company works continuously to identify emerging risks and, when they appear, categorises them in the following sub-categories: Market risk, Counterparty risk, Insurance risk, Operational risks and Strategic risks.

Sustainability risks

The Company is included in the Group's sustainability report and uses it as a starting point for its ongoing work on categorising and identifying potential sustainability risks.

Sensitivity analysis, risk quantification

A significant factor affecting a non-life insurance company's profitability and risk is the ability to estimate future claims and administrative expenses as precisely as possible, thereby achieving correct pricing of insurance premiums.

The table below shows a sensitivity analysis for premium risk, claims and the combined ratio. Equity price risk and interest rate risk are also shown in the table.

Parameters	Level 2020	Change	Effect on profit before tax 2020	Level 2019	Change	Effect on profit before tax 2019	Effect on profit before tax 2018
Premiums	912,654	+/-1%	+/- 9,127	898,481	+/-1%	+/- 8,985	+/-8,287
Claims level	-232,196	+/-1%	+/- 2,322	-222,941	+/-1%	+/- 2,229	+/- 2,262
Combined ratio	88.2%	+1 percentage point	+/- 91	89.6 %	+1 percentage point	+/- 90	+/- 83
Equity price risk	98,207	-10%	-9,821	78,402	-10%	-7,840	-6,755
Interest rate risk	493,616	-1%	-4,936	432,770	-1%	-4,328	-4,233

Note 3 Segment information

Solid Försäkring has established three operating segments: *Personal Safety*, *Product* and *Assistance*. These operating segments are reported in a manner consistent with the internal financial reporting provided to the chief operating decision maker. For Solid Försäkring, the chief operating decision maker is the CEO since this is the person who is responsible for allocating resources and evaluating results. The financial information reported to the CEO, used as a basis for allocating resources and assessing the Company's results, as gross profit and gross margin specified by three product areas, which have also been determined as the Company's three operating segments: *Personal Safety*, *Product* and *Assistance*. All transactions between the segments are carried out on commercial grounds and based on prices debited to non-related parties. The Company uses the same valuation principles in its segment report according to IFRS 8 as in its financial statements.

31 Dec 2020	Personal Safety	Product	Assistance	Not specified by segment	Total
Gross written premiums	378,459	361,733	211,288		951,480
Premiums earned, net of reinsurance	396,645	324,720	191,289		912,654
Insurance income, net of reinsurance	-50,459	-108,720	-73,017		-232,196
Acquisition costs*	-248,121	-153,058	-77,399		-478,578
Gross profit**	98,065	62,942	40,873		201,880
Gross margin***	24.70%	19.40%	21.40%		22.10%
Administrative expenses				-93,974	-93,974
Allocated investment return transferred from non-technical account				9,014	9,014
Technical result					116,920
Result of asset management				12,049	12,049
Allocated investment return transferred to non-technical account				-9,014	-9,014
Other non-technical income				3,655	3,655
Other non-technical expenses				-3,006	-3,006
Appropriations				-60,000	-60,000
Profit before tax					60,604

* Acquisition costs include brokerage commission and costs for direct sales, included in Note 7 Operating expenses.

** Gross profit = premiums earned, net of reinsurance minus claims incurred net of reinsurance minus acquisition costs.

*** Gross margin = gross profit as a percentage of premiums earned, net of reinsurance.

31 Dec 2019	Personal Safety	Product	Assistance	Not specified by segment	Total
Gross written premiums	382,878	351,153	205,104		939,135
Premiums earned, net of reinsurance	376,944	340,000	181,537		898,481
Insurance income, net of reinsurance	-32,525	-114,108	-76,308		-222,941
Acquisition costs*	-245,357	-168,980	-69,837		-484,174
Gross profit**	99,062	56,912	35,392		191,366
Gross margin***	26.30%	16.70%	19.50%		21.30%
Administrative expenses				-98,368	-98,368
Allocated investment return transferred from non-technical account				10,678	10,678
Technical result					103,676
Result of asset management				32,151	32,151
Allocated investment return transferred to non-technical account				-10,678	-10,678
Other non-technical income				570	570
Other non-technical expenses				-284	-284
Appropriations				-62,000	-62,000
Profit before tax					63,435

* Acquisition costs include brokerage commission and costs for direct sales, included in Note 7 Operating expenses.

** Gross profit = premiums earned, net of reinsurance minus claims incurred net of reinsurance minus acquisition costs.

*** Gross margin = gross profit as a percentage of premiums earned, net of reinsurance.

Note 3 Segment information, cont.

31 Dec 2018	Personal Safety	Product	Assistance	Not specified by segment	Total
Gross written premiums	372,004	361,273	182,054		915,331
Premiums earned, net of reinsurance	328,687	334,630	165,361		828,678
Insurance income, net of reinsurance	-29,610	-121,246	-75,355		-226,211
Acquisition costs*	-211,105	-156,225	-61,006		-428,336
Gross profit**	87,972	57,159	29,000		174,131
Gross margin***	26.80%	17.10%	17.50%		21.00%
Administrative expenses				-93,250	-93,250
Allocated investment return transferred from non-technical account				7,594	7,594
Technical result					88,475
Result of asset management				2,992	2,992
Allocated investment return transferred to non-technical account				-7,594	-7,594
Appropriations				-65,000	-65,000
Profit before tax					18,873

* Acquisition costs include brokerage commission and costs for direct sales, included in Note 7 Operating expenses.

** Gross profit = premiums earned, net of reinsurance minus claims incurred net of reinsurance minus acquisition costs.

*** Gross margin = gross profit as a percentage of premiums earned, net of reinsurance.

Note 4 Premium income, geographical allocation

	2020	2019	2018
Sweden	615,509	561,764	533,052
Norway	176,392	209,446	223,838
Denmark	65,365	66,064	59,539
Finland	58,909	58,494	58,734
Rest of Europe	35,305	43,367	40,168
Total gross written premiums, geographical specification	951,480	939,135	915,331
Outward reinsurance premiums	-19,922	-24,207	-25,075
Change in provision for unearned premiums and unexpired risks	-18,890	-16,442	-61,466
Reinsurers' share of change in provision for unearned premiums and unexpired risks	-14	-5	-112
Total premiums earned, net of reinsurance	912,654	898,481	828,678

In the 2020 financial year, there were two customers for whom premium income amounted to 13 per cent and 38 per cent, respectively, of the Company's total premium income. For the 2018 and 2019 financial years, there were also two customers for whom premium income amounted to 13 per cent and 39 per cent, respectively, of the Company's total premium income.

Note 5 Allocated investment return transferred from non-technical account

The allocated investment return is transferred from the non-technical account to the technical account and is calculated on the basis of average technical provisions, net of reinsurance. The transferred investment return is calculated as the average interest rate on the Company's holdings of government, municipal and corporate bonds on the closing date. The interest rate for 2020 was 1.55 per cent (1.89, 1.55).

Note 6 Claims incurred

	2020			2019		
	Gross	Outward reinsurance	Net	Gross	Outward reinsurance	Net
Claims paid	-203,594	6,022	-197,572	-202,585	7,810	-194,775
Change in provision for claims incurred and reported	-8,459	-171	-8,630	-4,270	-445	-4,715
Change in provision for claims incurred but not reported (IBNR)	-1,057	0	-1,057	-411	0	-411
Operating expenses for claims adjustment	-24,988	51	-24,937	-23,446	406	-23,040
Total claims incurred	-238,098	5,902	-232,196	-230,712	7,771	-222,941

	2018		
	Gross	Outward reinsurance	Net
Claims paid	-205,003	7,829	-197,174
Change in provision for claims incurred and reported	-11,342	-225	-11,567
Change in provision for claims incurred but not reported (IBNR)	1,634	0	1,634
Operating expenses for claims adjustment	-19,484	380	-19,104
Total claims incurred	-234,195	7,984	-226,211

Note 7 Operating expenses

	2020	2019	2018
Specification of income statement item operating expenses			
Acquisition costs	-486,015	-490,537	-458,857
Change in item Deferred acquisition costs	5,873	4,977	29,081
Administrative expenses	-93,974	-98,368	-93,250
Operating expenses and profit-sharing in outward reinsurance	1,564	1,386	1,440
Total income statement item operating expenses	-572,552	-582,542	-521,586

Other operating expenses

Claims adjustment costs included in Claims paid	-24,937	-23,040	-19,104
Financial management costs included in Investment charges	-1,200	-1,515	-1,354
Total other operating expenses	-26,137	-24,555	-20,458
Total operating expenses	-598,689	-607,097	-542,044

Total operating expenses by type of cost

	2020	2019	2018
Direct and indirect personnel expenses	-48,464	-49,926	-49,621
Premises costs	-3,023	-3,015	-3,791
Depreciation/amortisation	-9,822	-7,515	-4,488
Direct acquisition costs	-486,015	-490,537	-458,857
Change in Deferred acquisition costs	5,873	4,977	29,081
Commissions and profit-sharing in outward reinsurance	1,564	1,386	1,440
Other costs	-58,802	-62,467	-55,808
Grand total operating expenses	-598,689	-607,097	-542,044

Note 8 Result of asset management

	2020	2019	2018
Investment income			
Dividends on shares and participating interests	1,521	2,760	3,425
Interest income, etc.			
Bonds and other interest-bearing securities	7,486	6,323	5,907
Other interest income *	7,676	8,960	6,721
Exchange gains (net)	76	1,133	939
Capital gains (net)	3,713	1,625	1,115
Other	43	14	1
Total investment income	20,515	20,815	18,108
Unrealised gains on investment assets recognised through profit or loss			
Swedish shares and participating interests	0	8,713	0
Bonds and other interest-bearing securities	0	4,702	0
Total unrealised gains on investment assets (net gain per asset class)	0	13,415	0
Investment charges			
Asset management expenses	-605	-532	-496
Financial management costs	-1,200	-1,515	-1,354
Other interest expense	-132	-32	-43
Total investment charges	-1,937	-2,079	-1,893
Unrealised losses on investment assets recognised through profit or loss			
Swedish shares and participating interests	-4,325	0	-4,308
Bonds and other interest-bearing securities	-2,204	0	-8,915
Unrealised losses on investment assets (net loss per asset class)	-6,529	0	-13,223
Result of asset management	12,049	32,151	2,992

* All Other interest income consists of interest income on assets measured at fair value. Information on intra-Group interest is provided in Note 28 Disclosures on related parties.

Note 9 Appropriations

	2020	2019	2018
Appropriations			
Group contributions paid	-60,000	-62,000	-65,000
Total appropriations	-60,000	-62,000	-65,000

Note 10 Taxes

Current tax expense

	2020	2019	2018
Tax expense for the period	-17,150	-13,939	-4,538
Adjustment of tax attributable to prior years	-82	-41	0
Total recognised tax expense	-17,232	-13,980	-4,538

Reconciliation of effective tax

	2020		2019		2018	
	%	KSEK	%	KSEK	%	KSEK
Profit before tax		60,604		63,435		18,873
Tax at prevailing tax rate	21.4	-12,970	21.4	-13,575	22.0	-4,152
Non-deductible expenses	0.2	-138	0.9	-586	0.9	-164
Non-taxable income	0.0	1	0.0	2	0.0	0
Tax attributable to differing tax rates for foreign branch offices	5.8	-3,521	-1.2	753	1.1	-222
Tax attributable to prior years	0.2	-82	0.1	-41	0.0	0
Standard income, permanent contingency reserve	0.9	-522	0.9	-533	0.0	0
Recognised effective tax	28.5	-17,232	22.1	-13,980	24.0	-4,538

Note 11 Intangible assets

	31 Dec 2020		31 Dec 2019		31 Dec 2018	
	Goodwill	Other intangible assets	Goodwill	Other intangible assets	Goodwill	Other intangible assets
Opening cost*	46,677	35,985	26,677	35,985	26,677	35,985
Investments for the year**	0	11,932	20,000	0	0	0
Divestments/disposals for the year	0	0	0	0	0	0
Total cost at year-end	46,677	47,917	46,677	35,985	26,677	35,985
Opening amortisation	-28,820	-26,140	-26,677	-21,764	-26,677	-17,388
Amortisation of divested/disposed equipment	0	0	0	0	0	0
Amortisation for the year	-2,857	-5,968	-2,143	-4,376	0	-4,376
Exchange differences	0	30	0	0	0	0
Total accumulated amortisation at year-end	-31,677	-32,078	-28,820	-26,140	-26,677	-21,764
Carrying amount	15,000	15,839	17,857	9,845	0	14,221

Amortisation for the year is recognised in the lines below in the income statement

Operating expenses	-2,857	-5,968	-2,143	-4,376	0	-4,376
Total	-2,857	-5,968	-2,143	-4,376	0	-4,376

* The item goodwill relates to an organisational restructuring in 2010 when the operations of the former subsidiary Nord Assurance & Services AB were taken over by the Company, and the acquisition of a company that previously brokered the Company's car guarantee products that took place in April 2019.

The item "Other intangible assets" refers to the value of the acquisition of the bicycle insurance operations of Falck that took place on 1 April 2015.

** The item "Other intangible assets" refers to the value of the acquisition of a Norwegian customer register of bicycle registrations that took place on 30 January 2020.

Goodwill impairment testing was conducted for the smallest identified cash-generating unit when preparing the annual accounts. The recoverable amount was determined by calculating the value in use for each asset. Management has compiled a forecast of annual future cash flows for the smallest cash-generating unit, based on historical experience and the Company's own plans and estimates for the future.

The calculation is based on the budget for 2021 and a detailed forecast for the years 2022–2023. Cash flows have been discounted to the present value by applying inflation, the risk-free interest rate and the risk premium, which is estimated at 10 per cent. The recoverable amount for the cash-generating unit has been compared with the intangible assets. The impairment testing did not reveal any impairment.

The Company's assets that are not financial instruments (there are no assets pertaining to deferred tax assets, post-employment benefits or rights arising under insurance contracts) are specified as follows:

Assets by geographic market

	2020	2019	2018
Sweden	20,469	27,702	14,221
Norway	10,370	0	0
Total	30,839	27,702	14,221

Note 12 Investments in Group companies and associates

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Subordinated loans			
Amortised cost	200,000	200,000	200,000
Nominal value	200,000	200,000	200,000

Note 13 Shares and participating interests

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Shares and participating interests			
Cost	100,952	76,985	74,878
Fair value	98,207	78,402	67,554

Note 14 Bonds and other interest-bearing securities

	31 Dec 2020			31 Dec 2019		
	Nominal value	Amortised cost	Fair value	Nominal value	Amortised cost	Fair value
Corporate bonds	420,396	420,947	423,108	312,866	314,184	316,226
Swedish and foreign government and municipal securities	19,092	19,622	19,570	45,869	45,866	45,935
Other Swedish issuers	38,000	38,000	36,000	52,391	52,389	52,993
Other foreign issuers	44,099	44,095	44,620	45,645	45,047	45,906
Total	521,587	522,664	523,298	456,771	457,486	461,060

	31 Dec 2018		
	Nominal value	Amortised cost	Fair value
Corporate bonds	225,109	225,968	225,462
Swedish government and municipal securities	130,368	130,387	130,463
Other Swedish issuers	52,339	52,336	52,518
Other foreign issuers	43,584	41,854	42,206
Total	451,400	450,545	450,649

All securities are listed. Further information about financial instruments is provided in Note 32 Financial instruments.

Note 15 Provision for unearned premiums and unexpired risks

	31 Dec 2020			31 Dec 2019		
	Gross	Reinsurers' share	Net	Gross	Reinsurers' share	Net
Opening balance	538,318	3,460	534,858	512,220	3,453	508,767
Insurance policies written during the period	951,480	19,908	931,572	939,135	24,202	914,933
Premiums earned during the period	-932,590	-19,922	-912,668	-922,694	-24,207	-898,487
Currency effects	-24,277	1	-24,278	9,657	12	9,645
Closing balance	532,931	3,447	529,484	538,318	3,460	534,858

	31 Dec 2018		
	Gross	Reinsurers' share	Net
Opening balance	423,574	3,552	420,022
Insurance policies written during the period	915,331	24,963	890,368
Premiums earned during the period	-853,865	-25,075	-828,790
Adjustment, direct acquisition costs, branch in Switzerland	21,938	0	21,938
Currency effects	5,242	13	5,229
Closing balance	512,220	3,453	508,767

Note 16 Provision for claims outstanding

	31 Dec 2020			31 Dec 2019		
	Gross	Reinsurers' share	Net	Gross	Reinsurers' share	Net
OB Reported claims	42,940	416	42,524	38,731	814	37,917
OB Incurred but not reported claims (IBNR)	2,589	0	2,589	1,631	0	1,631
OB Provision for claims adjustment costs	1,710	0	1,710	1,471	0	1,471
Total opening balance	47,239	416	46,823	41,833	814	41,019
Settled claims from previous financial years	-21,814	-1,774	-20,040	-25,264	-1,422	-23,842
Changes in the expected cost of claims incurred in previous years (run-off result)	-9,200	1,756	-10,956	-3,996	840	-4,836
Currency effects	-1,921	-25	-1,896	726	47	679
Provisions for the year	40,529	-153	40,682	33,940	137	33,803
Total closing balance	54,833	220	54,613	47,239	416	46,823
CB Reported claims	49,437	220	49,217	42,940	416	42,524
CB Incurred but not reported claims (IBNR)	3,530	0	3,530	2,589	0	2,589
CB Provision for claims adjustment costs	1,866	0	1,866	1,710	0	1,710

	31 Dec 2018		
	Gross	Reinsurers' share	Net
OB Reported claims	25,814	2,136	23,678
OB Incurred but not reported claims (IBNR)	4,727	0	4,727
OB Provision for claims adjustment costs	1,008	0	1,008
Total opening balance	31,549	2,136	29,413
Settled claims from previous financial years	-20,933	-1,652	-19,281
Changes in the expected cost of claims incurred in previous years (run-off result)	-1,800	-243	-1,557
Currency effects	573	-1,097	1,670
Provisions for the year	32,442	1,670	30,772
Total closing balance	41,833	814	41,019
CB Reported claims	38,731	814	37,917
CB Incurred but not reported claims (IBNR)	1,631	0	1,631
CB Provision for claims adjustment costs	1,471	0	1,471

Actual claims compared with previous estimates

Solid Försäkring's traditional business in product, roadside assistance, car warranty, payment protection and travel insurance have historically shown small run-off results. For 2020, the positive run-off result including reinsurance was SEK 11.0 million. For the overall Swedish business, we noted a positive run-off result of SEK 4.3 million for the year, while the overall foreign business reported a positive run-off result of SEK 6.7 million.

The run-off result for the Swedish business was largely due to the performance of the product and car warranty insurance business segments in which the Company noted positive claims run-off after reinsurance during the year. The positive run-off result after reinsurance for these two segments was slightly higher than is usual for the Company. This was due to some uncertainty in data for calculating provisions for car warranty insurance at year-end 2019 and the Company holding claims

reserves at year-end 2019 for the product insurance segment for expected but not reported claims that turned out to be significantly smaller during the year.

The run-off result for the foreign business was largely the result of the positive claims run-off after reinsurance in the Company's portfolio of foreign product insurance. This run-off result was also slightly higher than what the Company normally notes and was primarily due to the changed claims adjustment process in the foreign product insurance portfolio, whereby the trend for this was not fully recognised in the calculation of provisions at the end of 2019. The Company's travel insurance and assumed reinsurance also contributed to the positive run-off result for the year for international business, and impairment of the Company's forecast expenses for this led to a decline in provisions and a positive run-off result.

Note 17 Receivables, direct insurance

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Receivables from policyholders	4,076	4,430	4,979
Receivables from agents	73,353	87,523	102,339
Other receivables direct insurance	0	0	4
Total receivables direct insurance	77,429	91,953	107,322

Note 18 Other receivables

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Tax assets	17,271	13,673	25,061
Total other receivables	17,271	13,673	25,061

Note 19 Property, plant & equipment

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Cost at beginning of the year	5,381	4,985	1,619
Investments for the year	0	396	4,985
Divestments/disposals for the year	-396	0	-1,619
Total cost at year-end	4,985	5,381	4,985
Accumulated depreciation at beginning of the year	-1,080	-83	-1,347
Accumulated depreciation of divested/disposed assets	0	0	1,376
Depreciation for the year	-997	-997	-112
Total accumulated depreciation at year-end	-2,077	-1,080	-83
Carrying amount	2,908	4,301	4,902

Note 20 Other assets

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Other assets	431	589	349
Tax account	1,606	0	0
Total other assets	2,037	589	349

Note 21 Deferred acquisition costs

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Opening balance	198,124	189,057	136,586
Net change for the year	-4,640	9,067	52,471
Closing balance, deferred acquisition costs	193,484	198,124	189,057

Acquisition costs for insurance contracts relating to the Swiss branch

The direct acquisition costs mainly refer to commission costs. In the Swiss branch, the acquisition cost until 2018 has been deducted from the premium reserve and in the Company's other operations, the acquisition costs are capitalized in the balance sheet and then accrued over the term of the insurance contract. From 2019, acquisition costs will be managed equally throughout the Company. The change in the Swiss branch has also been applied to the comparison year 2018.

Note 22 Pledged assets for own liabilities

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Policyholders' priority rights			
Assets encompassed by policyholders' priority rights	1,150,416	1,045,193	940,173
Technical provisions, net	584,097	581,681	549,786
Surplus from registered assets	566,319	463,512	390,387

Note 23 Change in equity

Shares

The current number of shares is 20,000,000 (20,000,000; 20,000,000), with a nominal value of SEK 1.50 (1.50; 1.50). The nominal value is defined as share capital divided by the number of shares. The number of shares increased from 30,000 to 20,000,000 due to a share split in August 2021.

Fair value reserve

This reserve includes translation differences on consolidation of the Company's foreign branches.

Retained earnings

Retained earnings refers to profit or loss brought forward from previous years less dividends.

Changes in equity

A specification of changes in equity during the period is provided in the statement of changes in equity.

Change in Fair value reserve

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Translation reserve			
Opening translation reserve	-787	-462	-371
Translation differences, branches	-691	-325	-91
Closing fair value reserve	-1,478	-787	-462

Note 24 Untaxed reserves

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Untaxed reserves			
Contingency reserve	488,118	488,118	488,118
Total untaxed reserves	488,118	488,118	488,118

Note 25 Liabilities, direct insurance

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Liabilities to policyholders	4,099	2,983	1,998
Liabilities to agents	115,354	119,632	103,142
Total liabilities, direct insurance	119,453	122,615	105,140

Note 26 Other liabilities

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Premium tax	1,044	1,299	1,215
Liabilities to parent company	60,000	62,000	65,000
Other liabilities	2,178	2,037	2,145
Total other liabilities	63,222	65,336	68,360

Note 27 Accrued expenses and deferred income

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Accrued personnel expenses	7,187	6,574	6,622
Other accrued expenses	9,726	6,989	5,734
Total accrued expenses and deferred income	16,913	13,563	12,356

Note 28 Disclosures on related parties

Parent company and ownership

Solid Försäkringsaktiebolag is a wholly owned subsidiary of Resurs Holding AB, Corp. ID. No. 556898-2291, which in turn is 28.9 per cent owned by Waldakt AB, and of the remaining owners, no individual owner has a holding of 20 per cent or more.

Related parties – Other Group companies

Other Group companies are Resurs Holding AB's subsidiaries Resurs Bank Aktiebolag (with the subsidiaries Resurs Norden AB and RCL1 Ltd) and Resurs Förvaltning Norden AB.

Group companies are reported according to the acquisition method, with internal transactions eliminated at the Group level. Assets and liabilities, and dividends between Resurs Holding AB (parent company) and other Group companies, are specified in the respective notes to the statement of financial position.

Related parties – Other companies with significant influence

SIBA Invest AB (formerly Waldir AB) owns 28.9 per cent of Resurs Holding AB directly and indirectly via Waldakt AB and therefore has a significant influence over the Company. The SIBA Invest Group includes NetOnNet AB. SIBA Invest AB is owned by the Bengtsson family, which also controls SIBA Fastigheter AB (formerly AB Remvassen).

Transactions with these companies are listed below under the heading Other companies with significant influence.

All items for related companies are interest-bearing.

Related parties – Key personnel in Solid Försäkring and its parent company Resurs Holding AB

Marcus Tillberg	CEO and board member of Solid Försäkringsaktiebolag
Lars Nordstrand	Chairman of the board of Solid Försäkringsaktiebolag and board member of Resurs Holding AB
Fredrik Carlsson	Board member of Solid Försäkringsaktiebolag and Resurs Holding AB
David Nilsson Sträng	Board member of Solid Försäkringsaktiebolag, took office at the Extraordinary General Meeting on 1 May 2019.
Nils Carlsson	CEO Resurs Holding AB
Martin Bengtsson	Chairman of the board of Resurs Holding AB
Johanna Berlinde	Board member of Resurs Holding AB
Marita Odélius Engström	Board member of Resurs Holding AB
Mikael Wintzell	Board member of Resurs Holding AB
Susanne Ehnåge	Board member of Resurs Holding AB
Kristina Patek	Board member of Resurs Holding AB

Information about transactions between and remuneration of related-party senior executives can be found in Note 29 Personnel.

Summary of related-party transactions

	2020			2019		
	Parent company	Other Group companies	Other companies with significant influence	Parent company	Other Group companies	Other companies with significant influence
Income and expenses						
Premium income		1,812			1,972	
Investment return, interest income		7,503			8,877	
Shareholders' contributions	50,000					
Group contributions	–60,000			–62,000		
Commission and profit-sharing		–239,100	–46,960		–246,156	–45,034
Operating expenses	–1,729	–17,922		–1,421	–16,765	
Total income and expenses	–11,729	–247,707	–46,960	–63,421	–252,072	–45,034
Assets and liabilities						
Receivables		34,633	4,755		41,962	
Cash and bank balances		1,297			238,194	
Other loans		200,000			200,000	
Liabilities	–60,229	–42,527	–13,687	–62,165	–38,876	–17,102
Total assets and liabilities	–60,229	193,403	–8,932	–62,165	441,280	–17,102

Note 28 Disclosures on related parties, cont.

	2018		
	Parent company	Other Group companies	Other companies with significant influence
Income and expenses			
Premium income		2,524	
Investment return, interest income		6,661	
Group contributions	-65,000		
Dividends	-129,999		
Commission and profit-sharing		-226,972	-45,921
Operating expenses	-1,350	-12,386	
Total income and expenses	-196,349	-230,173	-45,921
Assets and liabilities			
Receivables		36,982	7,197
Cash and bank balances		194,719	
Other loans		200,000	
Liabilities	-65,141	-27,673	-16,736
Total assets and liabilities	-65,141	404,028	-9,539

Note 29 Personnel

Average number of employees recalculated to FTEs

	2020	2019	2018
Women	33	39	37
Men	31	30	30
Total	64	69	67

Board members and senior executives

	2020	2019	2018
Number of board members on closing date			
Women	0	0	0
Men	3	3	3
Total	3	3	3

CEO and other senior executives, number

	2020	2019	2018
Women	2	2	2
Men	3	3	3
Total	5	5	5

Salaries, remuneration, social security contributions and pension costs

	2020	2019	2018
Salaries and other remuneration			
Salaries and remuneration, board, CEO and other senior executives	-6,009	-5,822	-5,480
Salaries and benefits, other employees	-26,870	-26,121	-27,145
Total salaries and other benefits	-32,879	-31,943	-32,625
Social security contributions and pension costs			
Contractual and statutory social security contributions	-10,858	-11,347	-11,507
Pension costs, board, CEO and other senior executives	-1,424	-1,475	-1,403
Pension costs, other employees	-2,472	-2,773	-2,399
Total social security contributions and pension costs	-14,754	-15,595	-15,309
Total salaries, remuneration, social security contributions and pension costs	-47,633	-47,538	-47,934

Note 29 Personnel, cont.

Salaries and fees

Board fees are decided by the general meeting of shareholders. Board fees are not paid to individuals employed by the Company. Remuneration of the CEO and senior executives consists of a basic salary, other benefits and pension.

Preparatory and decision-making processes

The remuneration of the CEO is determined by the board. Remuneration of other senior executives is determined by the CEO, in some cases after consultation with the chairman.

Termination benefits

In the event of early termination of employment of the CEO by the Company, the CEO is entitled to 12 months' salary during the period of notice. In the event of early termination of employment of other senior executives by the Company, the senior executive is entitled to two to six months' salary during the period of notice.

Remuneration and other benefits 2020

	Basic salary/ board fees	Variable remuneration	Other benefits*	Pensions	Total
Lars Nordstrand, Chairman	250				250
Fredrik Carlsson	93				93
David Nilsson Sträng	93				93
Marcus Tillberg, CEO	1,708		154	546	2,408
Other senior executives (4 individuals)	3,332		379	878	4,589
Other employees who can affect the Company's risk level (3 individuals)	2,397		73	522	2,992
Total	7,873	0	606	1,946	10,425

Remuneration and other benefits 2019

	Basic salary/ board fees	Variable remuneration	Other benefits*	Pensions	Total
Lars Nordstrand, Chairman	192				192
Fredrik Carlsson	112				112
David Nilsson Sträng	186				186
Christopher Ekdahl**	19				19
Marcus Tillberg, CEO	1,542		139	543	2,224
Other senior executives (4 individuals)	3,253		379	932	4,564
Other employees who can affect the Company's risk level (3 individuals)	2,056		81	389	2,526
Total	7,360	0	599	1,864	9,823

Remuneration and other benefits 2018

	Basic salary/ board fees	Variable remuneration	Other benefits*	Pensions	Total
Fredrik Carlsson, Chairman	141				141
Lars Nordstrand	71				71
Christopher Ekdahl	75				75
Marcus Tillberg, CEO	1,445		138	536	2,119
Other senior executives (4 individuals)	3,239		371	867	4,477
Other employees who can affect the Company's risk level (3 individuals)	2,084		102	358	2,544
Total	7,055	0	611	1,761	9,427

* Refers to company car benefit.

** Christopher Ekdahl stepped down from the board at the General Meeting on 9 April 2019.

Not 29 Personnel, cont.

The board of Solid Försäkring has adopted remuneration instructions which are designed to create an overall regulatory framework regarding remuneration of all the Company's employees. The Company has established a control function that when appropriate and at least annually is to independently review how the Company's remuneration corresponds to the instruction.

The Company has adopted an instruction consistent with FFFS 2019:23 General guidelines regarding remuneration policy in insurance undertakings, fund management companies, exchanges, clearing organisations and institutions for the issuance of electronic money.

The Chairman and members of the board are paid the fees resolved by the annual general meeting. They are not paid for committee work. The board decides on the remuneration of the CEO, but has delegated the decision on the remuneration of other employees to the CEO. Remuneration comprises a basic salary, variable remuneration, other benefits and pension. Information about the Company's remuneration of employees can be found at www.solidab.se.

Variable remuneration earned in 2020 is linked both to qualitative and to quantitative goals. The Company has ensured that all goals related to variable remuneration for 2020 can be reliably

measured. In the Company's assessment, the level of risk applied must be well in proportion to the Company's earnings capacity.

The CEO, other senior employees and employees who can affect the Company's risk level received SEK 0(0) in variable remuneration in 2020. Employees who are not other senior executives or other employees who can affect the Company's risk level received variable remuneration of KSEK 201 (246; 392) and fixed remuneration of KSEK 26,669 (25,875; 26,753) in 2020. Variable remuneration for 2020 represented 0.8 per cent (1; 1.5) of fixed remuneration.

The fixed/variable remuneration ratio must be commensurate with the individual's responsibility and authority. The Company believes that there is an appropriate balance and has set a limit on variable remuneration in relation to fixed remuneration. All agreements that regulate variable remuneration have been capped to allow such a limit to be applied. Variable remuneration was paid to a total of nine (eight) employees. All variable remuneration earned during 2020 has been or will be paid in cash in 2020 and 2021. There was no guaranteed variable remuneration in 2020 and it is the Company's intention to continue to limit this type of remuneration.

Note 30 Auditors fees and expenses

	2020	2019	2018
Mazars SA			
Audit assignment, Swiss branch	406	845	334
Ernst and Young AB			
Audit assignment	1,089	1,368	1,816
Other services	42	279	707
Tax advisory services	617	471	499
Total fees	2,154	2,963	3,356

Audit assignment comprises examination of the annual financial statements, accounting records and administration of the board and CEO, other procedures required to be carried out by the Company's auditors and advice or other assistance arising from observations made during the performance of such services.

Note 31 Leases

	2020	2019	2018
Non-cancellable lease payments			
Within one year	2,087	2,087	2,087
Between one and five years	3,827	5,914	8,001
Total	5,914	8,001	10,088
Expensed lease payments			
Leased premises	-2,322	-2,245	-2,555
Cars	-1,193	-1,124	-1,472
Machinery and equipment	-68	-76	-142
Total	-3,583	-3,445	-4,169

Note 32 Financial instruments

The table below shows financial instruments measured at fair value, based on their classification in the fair value hierarchy.

The different levels are defined as follows:

- Listed prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Other observable inputs for assets or liabilities other than listed prices included in level 1 directly (i.e., price quotations) or indirectly (i.e., derived from price quotations) (level 2).
- Inputs for assets or liabilities that are not based on observable market data (i.e., unobservable inputs) (level 3).

Note 1 Accounting policies provides details on the determination of fair value for financial assets and liabilities measured at fair value in the balance sheet.

	31 Dec 2020			31 Dec 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss						
Bonds and other interest-bearing securities	523,298			461,060		
Listed shares	98,207			78,402		
Total	621,505	0	0	539,462	0	0
Financial liabilities at fair value through profit or loss						
Derivatives		–508			–791	
Total	0	–508	0	0	–791	0
	31 Dec 2018					
	Level 1	Level 2	Level 3			
Financial assets at fair value through profit or loss						
Bonds and other interest-bearing securities	450,649	0	0			
Listed shares	67,554	0	0			
Total	518,203	0	0			
Financial liabilities at fair value through profit or loss						
Derivatives	0	–631	0			
Total	0	–631	0			

Note 32 Financial instruments, cont.

Classification of assets and liabilities 31 Dec 2020

	Amortised cost*	Fair value through profit or loss	Non-financial assets	Carrying amount
Assets				
Intangible assets			30,839	30,839
Shares and participating interests		98,207		98,207
Other interest-bearing securities		523,298		523,298
Subordinated loans	200,000			200,000
Reinsurer's share of technical provisions			3,667	3,667
Receivables, direct insurance and reinsurance	77,493			77,493
Property, plant & equipment			2,908	2,908
Cash and bank balances	328,253			328,253
Other assets			19,383	19,383
Prepaid expenses and accrued income		1,214	196,447	197,661
Total assets	605,746	622,719	253,244	1,481,709

	Amortised cost*	Fair value through profit or loss	Non-financial liabilities	Carrying amount
Liabilities				
Technical provisions, net of outward reinsurance			587,764	587,764
Liabilities, direct insurance and reinsurance	119,453			119,453
Derivatives		508		508
Other liabilities	63,222			63,222
Accrued expenses and deferred income			16,913	16,913
Total liabilities	182,675	508	604,677	787,860

Classification of assets and liabilities 31 Dec 2019

	Amortised cost*	Fair value through profit or loss	Non-financial assets	Carrying amount
Assets				
Intangible assets			27,702	27,702
Shares and participating interests		78,402		78,402
Other interest-bearing securities		461,060		461,060
Subordinated loans	200,000			200,000
Reinsurer's share of technical provisions			3,876	3,876
Receivables, direct insurance and reinsurance	92,015			92,015
Property, plant & equipment			4,301	4,301
Cash and bank balances	305,875			305,875
Other assets			14,271	14,271
Prepaid expenses and accrued income		1,217	202,552	203,769
Total assets	597,890	540,679	252,702	1,391,271

	Amortised cost*	Fair value through profit or loss	Non-financial liabilities	Carrying amount
Liabilities				
Technical provisions, net of outward reinsurance			585,557	585,557
Liabilities, direct insurance and reinsurance	124,856			124,856
Derivatives		791		791
Other liabilities	65,336			65,336
Accrued expenses and deferred income			13,563	13,563
Total liabilities	190,192	791	599,120	790,103

* Assets and liabilities recognised at amortised cost, which is a good approximation of fair value.

Note 32 Financial instruments, cont.

Classification of assets and liabilities 31 Dec 2018

31 Dec 2018	Amortised cost*	Fair value through profit or loss	Non-financial assets	Carrying amount
Assets				
Intangible assets			14,221	14,221
Shares and participating interests		67,554		67,554
Other interest-bearing securities		450,649		450,649
Subordinated loans	200,000			200,000
Reinsurer's share of technical provisions			4,267	4,267
Receivables, direct insurance and reinsurance	107,385			107,385
Property, plant & equipment			4,902	4,902
Cash and bank balances	223,324			223,324
Other assets			25,410	25,410
Prepaid expenses and accrued income		968	195,531	196,499
Total assets	530,709	519,171	244,331	1,294,211

31 Dec 2018	Amortised cost*	Fair value through profit or loss	Non-financial liabilities	Carrying amount
Liabilities				
Technical provisions, net of outward reinsurance			554,053	554,053
Liabilities, direct insurance and reinsurance	105,066		1,707	106,773
Derivatives		631		631
Other liabilities	68,360			68,360
Accrued expenses and deferred income			12,356	12,356
Total liabilities	173,426	631	568,116	742,173

* Assets and liabilities recognised at amortised cost, which is a good approximation of fair value.

Note 33 Significant estimates and judgements

Preparation of financial statements requires the board and management to make judgements, accounting estimates and assumptions which affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and expense.

Judgements and assumptions are based on such factors as historical experience and knowledge of the insurance industry. The actual outcome may differ from these estimates.

The Company has made the following judgements in applying significant accounting policies:

- classification of financial instruments
- size of technical provisions

Classification of financial instruments

The accounting policies in Note 1 define how assets and liabilities are to be classified in the different categories.

Technical provisions

Technical provisions are based on estimates made and assumptions regarding future claim costs, which entails that there is always an element of uncertainty associated with estimates. Estimates are based on historic statistics regarding previous claim outcomes that are available when the annual accounts are prepared. The uncertainty associated with estimates is generally greater when estimating new insurance portfolios. Estimates of technical provisions include the following: amount of unpaid claims, claims trends, changes in legislation, judgements and the general economic climate.

The accounting estimates and assumptions are reviewed regularly. Changes to estimates are recognised in the period of the change if the change affects only that period. Changes are recognised in the period of the change and future periods if the change affects both.

Note 34 Proposed allocation of profits

	2020	2019	2018
Fair value reserve	-1,478	-787	-462
Retained earnings	133,837	34,382	20,047
Net profit for the year	43,372	49,455	14,335
Total earnings	175,731	83,050	33,920

Note 35 Earnings per share

	2020	2019	2018
Basic and diluted earnings per share			
Profit attributable to the Company's shareholders, SEK	43,372,165	49,454,801	14,334,879
Weighted average number of shares	20,000,000	20,000,000	20,000,000
Basic and diluted earnings per share, SEK	2.17	2.47	0.72

Basic and diluted earnings per share

The calculation of earnings per share is based on net profit for the year of KSEK 43,372 (49,455; 14,335) and on a weighted average number of basic and diluted shares outstanding in 2020, 2019 and 2018. The class of share is ordinary shares with one vote per share. All periods have been calculated based on the current number of shares in Solid Försäkring, i.e. 20,000,000 shares. The number of shares increased from 30,000 to 20,000,000 due to a share split in August 2021.

Note 36 Significant events after the end of the financial year

No significant events took place after the closing date.

Audit report on historical financial information

The auditor's report on restated historical financial statements

Independent auditor's report

To the Board of Directors of Solid Försäkringsaktiebolag (publ), corporate identity number 516401-8482.

Opinions

We have audited the annual accounts of Solid Försäkringsaktiebolag (publ) for the period of three years ended 31 December 2020. The annual accounts of the company are included on pages F2-F35 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act for Insurance Companies (ÅRFL 1995:1560) and present fairly, in all material respects, the financial position of the company as of the 31 December 2020, 2019 and 2018 and their financial performance and cash flow for each of the three financial years ending the 31 December of 2020, 2019 and 2018 in accordance with the Annual Accounts Act for Insurance Companies (ÅRFL 1995:1560), the Swedish Financial Supervisory Authority's regulations and general recommendations on annual accounts in insurance companies (FFFS 2019:23) including all applicable amending rules and the Swedish Financial Reporting Board's recommendation RFR 2 – Accounting for legal entities.

Basis for opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the company in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors

The Board of Directors are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act for Insurance Companies (ÅRFL 1995:1560), the Swedish Financial Supervisory Authority's regulations and general recommendations on annual accounts in insurance companies (FFFS 2019:23) including all applicable amending rules and the Swedish Financial Reporting Board's recommendation RFR 2 – Accounting for legal entities. The Board of Directors are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors are responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report

to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the annual accounts. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Stockholm 22 November 2021

Ernst & Young AB

Jesper Nilsson
Authorized Public Accountant

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