



Interim report January–March 2022

Strong start to the year with growth in premiums earned and technical result

January–March 2022*

- Gross written premiums increased 25 per cent to KSEK 270,081 (215,863)
- Premiums earned, net of reinsurance increased 14 per cent to KSEK 268,594 (234,847)
- Technical result increased 12 per cent to KSEK 33,432 (29,864)
- The combined ratio was 88.4 per cent (87.9)
- Result of asset management declined to KSEK -14,167 (23,957) and total return to -1 per cent (2.1).
- Profit after tax declined to KSEK 13,013 (40,355)
- Basic and diluted earnings per share declined to SEK 0.65 per share (2.02)

* Some performance measures stated in this section have not been prepared in accordance with IFRS or the Solvency II regulations, which means that they are "alternative performance measures". The calculations and reconciliation against information in the financial statements of these performance measures are presented on the website under "Financial statements". Definitions of performance measures are presented on the company's website. Changes and comparative figures on this page and elsewhere in this interim report refer to the same period last year. All amounts are presented in KSEK unless otherwise stated.

About Solid Försäkring

Solid Försäkring is a non-life insurance company focusing on niche insurance, with the Nordic region as its core market. The operations in Norway, Finland and Switzerland are conducted by branches, and operations in other countries are conducted as cross-border operations. The non-life insurance operations are divided into three segments: Product, Personal Safety and Assistance. The company partners with leading retail chains in various industries and the banking sector, has about 2.3 million customers across the Nordic region and has its head office in Helsingborg. Net premiums earned in 2021 amounted to SEK 981 million and the technical result to SEK 114 million.

Comments from the CEO

Strong start to the year with growth in premiums earned and technical result

All segments reported sales growth in the first quarter of the year. The performance of the Assistance segment remained particularly strong, driven by the recovery after COVID-19. We can also confirm that the trend in Personal Safety is continuing, with the positive performance largely driven by the recovery in the Norwegian market.

Premiums earned increased 14 per cent compared with the year-earlier period to SEK 269 million. Growth was mainly driven by the strong performance in the Assistance and Product segments. Growth in premiums earned in the Assistance segment was 52 per cent. Premiums earned in the Product segment increased 8 per cent, primarily driven by higher market shares in the Danish market. Premiums earned in the Personal Safety segment fell 2 per cent, but the positive sales trend is continuing and the increase in gross written premiums was 10 per cent.

A strong trend was also noted for the technical result, increasing 12 per cent compared with the year-earlier period. The growth in the technical result was primarily driven by the strong trend in the Assistance segment, but also in the Personal Safety segment. Our combined ratio was 88.4 per cent for the period compared with 87.9 per cent last year.

Profit before appropriations and tax declined to SEK 17 million compared with SEK 53 million last year. The ongoing war in Ukraine, high energy prices and rising inflation resulted in greater turmoil and volatility in the capital market in the first months of the year, which resulted in a decline in the market valuations of our investment assets. Result of asset management was SEK -14 million for the quarter compared with SEK 24 million in the year-earlier quarter. The negative result was attributable to unrealised changes in value of investment assets, which comprise bonds that we hold until maturity, cash and cash equivalents and a small percentage of equities.

New partnerships

During the period, we signed a partner agreement with AD bildelar, which comprises just over 250 car workshops. The company offers repairs and service of cars at its workshops, and customers receive roadside assistance insurance in connection with a car service. The partnership will be launched in April this year and means that the Assistance segment will be strengthened further.

Stability

Solid Försäkring has a strong financial position with an SCR ratio amounting to 168 per cent on 31 March (157), corresponding to a decrease of 5 percentage points compared with the end of December 2021 (173). The decrease was primarily due to lower profit after tax for the quarter as a consequence of the negative result of asset management.

Marcus Tillberg
CEO of Solid Försäkring



+25%

Gross written premiums

+52%

Growth in premiums earnings for Assistance segment

+12%

Technical result

New partnerships



The company's earnings

First quarter 2022, January–March

Gross written premiums increased KSEK 54,218 to KSEK 270,081 (215,863) for the period. Sales increased in all segments compared with the first quarter last year. The improvement was mainly an effect of the travel industry's recovery from COVID-19, which positively impacted demand for travel insurance products in the Assistance segment. In the Product segment, the increase was mainly attributable to the consumer electronics industry in Denmark and the expanded partnership with Power that was initiated in the third quarter of 2021. The main reason for the higher sales in the Personal Safety segment was the continuing positive performance of the Norwegian market.

Premiums earned, net of reinsurance increased KSEK 33,747, corresponding to 14 per cent, to KSEK 268,594 (234,847). Growth was mainly driven by the strong performance in the Assistance segment for which the increase was 52 per cent. Premiums earned in the Product segment increased 8 per cent, primarily driven by growth in the consumer electronics industry in Denmark. Premiums earned in the Personal Safety segment fell 2 per cent.

The technical result increased KSEK 3,568, corresponding to 12 per cent, to KSEK 33,432, which is an all-time high for the first quarter. Excluding the share of investment return transferred to the insurance operations, the increase was 10 per cent compared with the year-earlier period. Operating expenses increased 18 per cent to KSEK 177,445 (149,755). The increase was mainly due to higher acquisition costs, driven by higher sales for the quarter. The changed product and partner mix in the Assistance and Product segment also led to higher acquisition costs in relative terms. Administrative expenses as a percentage of premiums earned amounted to 10.0 per cent for the period, which is in line with expectations but lower than last year when the percentage was 10.4 per cent.

The combined ratio was 88.4 per cent (87.9) due to the trend in acquisition costs.

The ongoing war in Ukraine, high energy prices and rising inflation resulted in greater turmoil and volatility in the capital market in the first quarter, which negatively impacted the market valuations of investment assets.

Result of asset management for the quarter amounted to KSEK -14,167 (23,957) and total return to -1 per cent (2.1). The negative result was attributable to unrealised changes in value of investment assets, which comprise bonds that we hold until maturity, cash and cash equivalents and a small percentage of equities.

The value of the investment portfolio on 31 March amounted to KSEK 1,312,700, of which KSEK 580,776 was cash and cash equivalents, KSEK 85,979 equities and KSEK 645,945 other interest-bearing assets, mainly bonds at floating interest rates. In 2021, the equities portion of the investment portfolio was reduced and amounted to 6 per cent at the start of 2022.

Profit after tax declined KSEK 27,342 to KSEK 13,013 (40,355).

First quarter 2022

+25%

Gross written premiums

+14 %

Premiums earned, net of reinsurance

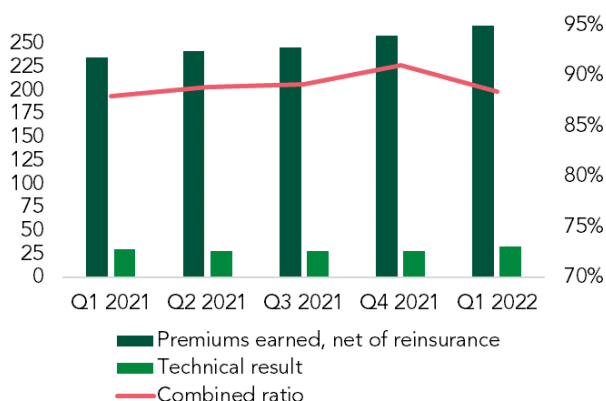
+12%

Technical result

88.4%

Combined ratio

Performance per quarter (SEK million)



Financial position, equity and cash flow, 31 March 2022

Equity (2) on 31 March amounted to KSEK 728,089 (633,779) and Net Asset Value (2) to KSEK 707,384 (604,462). For the first quarter 1 January–31 March 2022, annualised RoE (2)* amounted to 7.2 per cent (26.4) and annualised RoNAV (2)** to 8.5 per cent (29.0).

The SCR ratio improved to 168 per cent on 31 March (157), and declined 5 percentage points compared with the end of December 2021 (173). The decrease was primarily due to lower profit after tax for the quarter as a consequence of the negative result of asset management. The company has a stable Solvency II position and company management and the Board do not believe that the ongoing war in Ukraine or the continuing effects of the previous pandemic will jeopardise stability or the capital situation in the future. However, the company is closely following external developments and the effects of the war on the capital markets to identify any changes in consumer behaviour that could impact the company's insurance business and thus profitability and earnings.

Cash flow*** from operating activities amounted to KSEK 24,209 (163,056). Cash flow from investing activities amounted to KSEK -63,125 (173,275). During the quarter, investment assets were acquired for KSEK 82,601 and the value of divested and mature investment assets amounted to KSEK 19,476. The subordinated loan of KSEK 200,000 to Resurs Bank fell due for payment in April 2021. Cash flow from financing activities amounted to KSEK 0 (-59,000). Cash and cash equivalents fell to KSEK 580,776 (613,139).

* RoE (2) – annualised aggregated result of the period in relation to the average adjusted equity (2). The average of the balance sheet items is calculated based on opening and closing values.

**RoNAV (2) – annualised aggregated result after tax for the period in relation to the average adjusted equity excluding intangible assets (2). The average of the balance sheet items is calculated based on opening and closing values.

***Comparative figures for cash flow refer to 31 December 2021.

8.5%
RoNAV (2)

168%
SCR ratio



Performance measures

KSEK, unless otherwise stated

	Jan–Mar 2022	Jan–Mar 2021	Change	Jan–Dec 2021
Gross written premiums	270,081	215,863	25%	1,013,421
Premiums earned, net of reinsurance	268,594	234,847	14%	981,291
Technical result	33,432	29,864	12%	114,236
Result of asset management	-14,167	23,957	-159%	41,888
Profit after tax	13,013	40,355	-68%	119,980
Earnings per share, SEK	0.65	2.02	-68%	6.00
Claims ratio	22.4%	24.2%		23.5%
Expense ratio	66.1%	63.8%		65.7%
Combined ratio	88.4%	87.9%		89.3%

KSEK, unless otherwise stated

	31 Mar 2022	31 Dec 2021	31 Mar 2021
Investment assets measured at fair value	731,924	682,621	894,840
Investment assets including cash and cash equivalents	1,312,700	1,295,760	1,145,712
Direct yield, from beginning of year, %	0.3%	1.4%	0.4%
Total return, from beginning of year, %	-1.0%	3.6%	2.1%
Technical provisions, net of reinsurance	620,396	612,089	575,418
Net asset value	828,641	815,531	734,331
Equity	340,523	327,413	246,213
Equity (2)*	728,089	714,979	633,779
Net Asset Value, NAV (2)*	707,384	692,434	604,462
Return on equity (2), RoE (2) %*	7.2%	18.4%	26.4%
Return on equity excl. intangible assets, RoNAV (2) %*	8.5%	20.3%	29.0%
Eligible capital base to meet solvency capital requirement	805,606	797,379	701,813
Eligible capital base to meet minimum capital requirement	799,109	792,259	692,642
Solvency Capital Requirement (SCR)	479,271	461,754	448,028
Minimum Capital Requirement (MCR)	137,842	130,604	124,476
SCR ratio	168%	173%	157%
MCR ratio	580%	607%	556%
Solvency ratio, %	78.5%	82.7%	87.3%
Number of employees at end of period*	70	68	68
Average number of FTEs*	68	66	66

* Alternative performance measures are performance measures that company management and analysts uses to assess the company's development and are not defined by International Financial Reporting Standards (IFRS) or the Solvency II rules. Company management believes that the performance measures make it easier for investors to analyse the company's performance. The calculations and reconciliation against information in the financial statements of these performance measures are presented on the website under "Financial statements". Definitions of performance measures are presented on the website under "Financial data".



Personal Safety

First quarter 2022, January–March

Preparations for the launch of the partnerships with Wästgöta Finans and Svea Bank continued during the period. In addition, the distribution model for payment protection insurance was developed with an existing partner, whose offering has also been expanded to include more products.

Sales (gross written premiums) for the segment rose 10 per cent compared with the year-earlier period. This increase was primarily driven by the performance of the Norwegian market for which sales of payment protection insurance increased KSEK 10,284, corresponding to 68 per cent, compared with last year.

Premiums earned, net of reinsurance declined KSEK 2,167 to KSEK 93,267 (95,434).

Costs for claims incurred, net of reinsurance, continued to decline and amounted to KSEK 7,575 (12,613), which is also lower than the fourth quarter of 2021. The effects that the pandemic had on claim costs, caused by higher unemployment and illness, have abated.

Gross profit increased KSEK 1,994 to KSEK 26,240 (24,246). The gross margin improved to 28.1 per cent (25.4), mainly due to lower costs for claims incurred, net of reinsurance.

Performance measures – Personal Safety

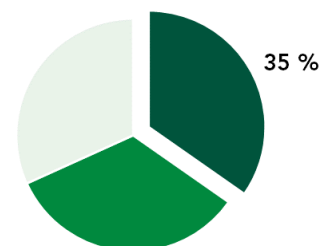
KSEK	Jan– Mar 2022	Jan– Mar 2021	Cha nge	Jan– Dec 2021
Gross written premiums	100,859	91,935	10%	369,547
Premiums earned, net of reinsurance	93,267	95,434	-2%	374,391
Claims incurred, net of reinsurance	-7,575	-12,613	-40%	-39,039
Acquisition costs*	-59,452	-58,575	1%	-236,415
Gross profit**	26,240	24,246	8%	98,937
Gross margin***	28.1%	25.4%	+2.7 p.p.	26.4%

* Acquisition costs include brokerage commission and costs for direct sales

** 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

Personal Safety



Share of premiums earned, net of reinsurance, Q1 2022

First quarter 2022

+10%

Gross written premiums

-2%

Premiums earned, net of reinsurance

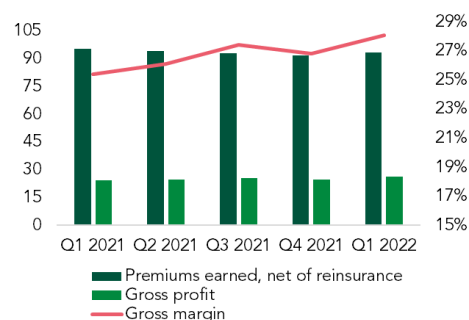
+8%

Gross profit

28.1%

Gross margin

Performance per quarter (SEK million)



Product

First quarter 2022, January–March

Sales (gross written premiums) for the segment rose 11 per cent compared with the year-earlier period, mainly driven by the partnership with Power in the Danish market.

During the period, the company focused on preparations ahead of the bicycle season in close cooperation with partners in the bicycle industry. The supply of bicycles improved compared with last year when the industry experienced a slight shortage of goods due to the effects of the pandemic on manufacturing and logistics.

Premiums earned, net of reinsurance increased KSEK 6,832 to KSEK 89,988 (83,156). This increase was primarily attributable to insurance for consumer electronics in the Danish market.

Costs for claims incurred, net of reinsurance, were in line with the preceding year at KSEK -23,288 (-23,153). The claims ratio for the segment improved during the period.

Gross profit increased 485 per cent to KSEK 17,692 (17,207). The gross margin declined to 19.7 per cent (20.7), mainly due to higher acquisition costs, which was primarily the result of a changed product and partner mix in the segment.

Performance measures – Product

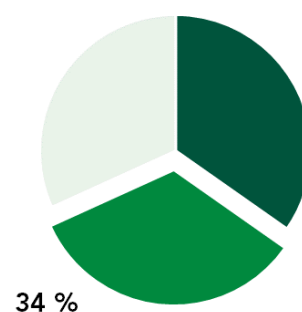
KSEK	Jan– Mar 2022	Jan– Mar 2021	Cha nge	Jan– Dec 2021
Gross written premiums	73,905	66,495	11%	361,090
Premiums earned, net of reinsurance	89,988	83,156	8%	346,577
Claims incurred, net of reinsurance	-23,288	-23,153	1%	-103,545
Acquisition costs*	-49,008	-42,796	15%	-179,709
Gross profit**	17,692	17,207	3%	63,323
Gross margin***	19.7%	20.7%	-1.0 p.p.	18.3%

* Acquisition costs include brokerage commission and costs for direct sales

** 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

Product



Share of premiums earned, net of reinsurance, Q1 2022

First quarter 2022

+11 %

Gross written premiums

+8%

Premiums earned, net of reinsurance

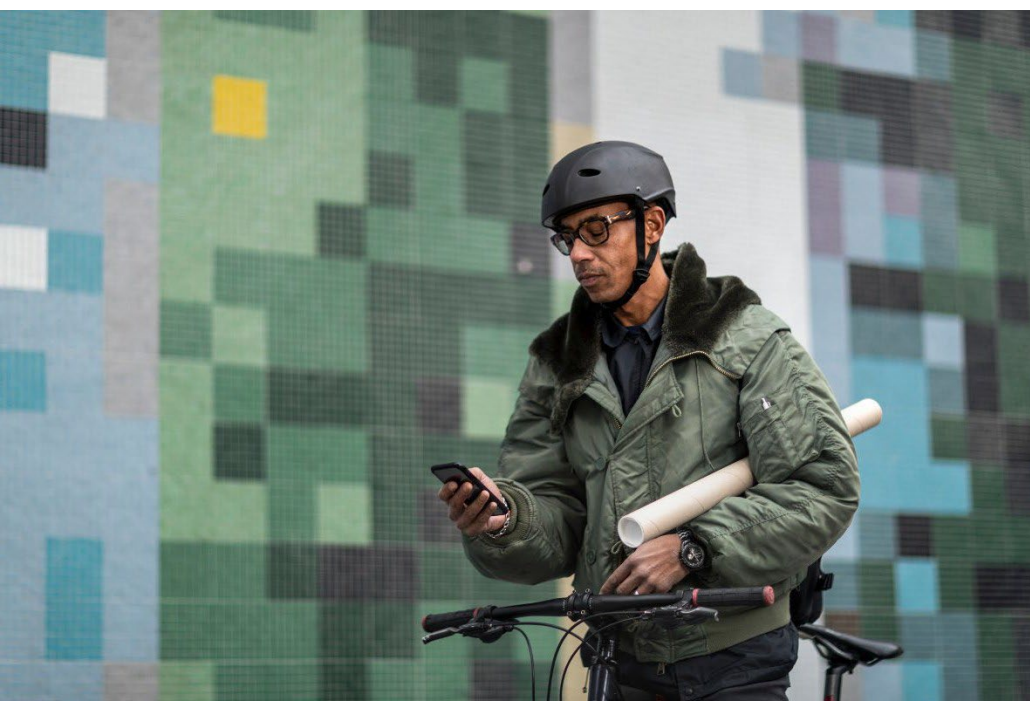
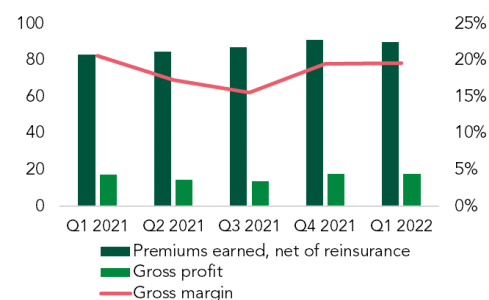
+3%

Gross profit

19.7%

Gross margin

Performance per quarter (SEK million)



Assistance (Roadside

assistance/Car warranty and travel)

First quarter 2022, January–March

The recovery in the travel industry positively affected the segment during the quarter and sales (gross written premiums) increased 66 per cent compared with the year-earlier period. The company's partners in the travel industry noted a slight change in consumer behaviour. More travellers are aware of the need for travel insurance and the share of travellers choosing to by supplementary travel insurance and/or cancellation insurance has increased compared with the share before the pandemic.

The used car market has normalised following substantial growth during the pandemic. According to statistics from the Swedish Association for Motor Retail Trades and Repairs, 20 per cent¹ fewer used cars were sold in March 2022 compared with March 2021. The company also noted a slight slowdown in the rate of increase of new sales of insurance policies linked to car warranties and the increase in gross written premiums for the quarter was just over 8 per cent compared with the year-earlier period.

A new partner agreement was signed with AD bildelar during the quarter, which comprises just over 250 car workshops. The company offers repairs and service of cars at its workshops, and customers receive roadside assistance insurance in connection with a car service. The partnership will be launched in April this year and means that the Assistance segment will be strengthened further.

Gross written premiums rose KSEK 37,884 during the period to KSEK 95,317 (57,433). Premiums earned, net of reinsurance increased KSEK 29,082 to KSEK 85,339 (56,257). Most of the increase in both gross written premiums and in premiums earned, net of reinsurance was attributable to travel insurance products but also to insurance related to car warranties.

Gross profit increased KSEK 2,678 to KSEK 13,959 (11,281) mainly as a result in growth in premiums earned. The gross margin declined to 16.4 per cent (20.1) mainly driven by a changed product mix in the segment, with the share of cancellation insurance in the segment increasing compared with the year-earlier quarter.

¹ Source: <https://www.mrf.se/affarsomraden/bilhandel/statistik/>

Performance measures – Assistance

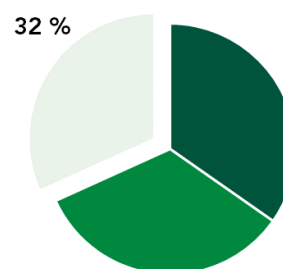
KSEK	Jan– Mar 2022	Jan– Mar 2021	Cha nge	Jan– Dec 2021
Gross written premiums	95,317	57,433	66%	282,784
Premiums earned, net of reinsurance	85,339	56,257	52%	260,323
Claims incurred, net of reinsurance	-29,195	-20,962	39%	-88,437
Acquisition costs*	-42,185	-24,014	76%	-118,560
Gross profit**	13,959	11,281	24%	53,326
Gross margin***	16.4%	20.1%	-3.7 p.p.	20.5%

* Acquisition costs include brokerage commission and costs for direct sales

** 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

Assistance



Share of premiums earned, net of reinsurance, Q1 2022

First quarter 2022

+66 %

Gross written premiums

+52%

Premiums earned, net of reinsurance

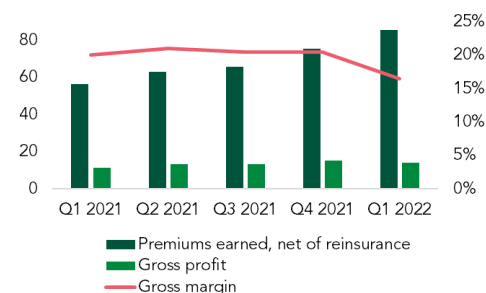
+24 %

Gross profit

16.4%

Gross margin

Performance per quarter (SEK million)



Significant events

First quarter 2022, January–March

Russia invaded Ukraine on 24 February 2022. Apart from an enormous humanitarian impact, the invasion is expected to have major economic and financial consequences both globally and in Sweden. The West has agreed on a number of sanctions in response to Russia's invasion, some of which affect the financial markets. In Sweden, the Stockholm Stock Exchange was negatively affected following the news of the invasion. Considerable volatility in the capital markets is continuing, which affects the market valuations of Solid Försäkring's investment portfolio. The company is closely monitoring developments to identify any early signs of potential changes in consumer behaviour, which in turn could affect the company's insurance operations.

Except for the above, no other significant events occurred during the period in question.

Events after the end of the period

No significant events took place after the end of the period.

Additional information

Risk management

The company's ability to manage risks impacts the company's financial position and ability to achieve set targets. Various types of risks arise in the operations, such as insurance risk, market risk, counterparty risk, operational risks and other risks. The Board has adopted policies for the operations in order to balance the company's risk-taking and restrict and control risks. All policies are updated as necessary and revised at least once a year. The Board and CEO are ultimately responsible for risk management. The company's risk management is described in more detail in the most recent annual report under the section Information about risks and uncertainties and in Note 2 Risk disclosures.

In general, no changes of material importance to risk management took place during the period, and the company does not believe that the ongoing pandemic will jeopardise the company's stability or capital situation in the future.

Information about the operations

Solid Försäkringsaktiebolag's (publ), Corp. ID. No. 516401-8482, has been listed on Nasdaq Stockholm (Small Cap) since 1 December 2021. The head office is located in Helsingborg, Sweden.

The focus of the operations is on niche insurance, with the Nordic region as its main market. The non-life insurance operations are divided into three segments: Product, Personal Safety and Assistance. The operations in Norway, Finland and Switzerland are conducted by branches, and operations in other countries are conducted as cross-border operations. Solid Försäkring partners with leading retail chains in various industries and the banking sector, and has about 2.3 million customers across the Nordic region.

Employees

The number of employees, regardless of degree of employment, was 70 (68) on 31 March, an increase of two people compared with the end of December 2021.

70

Number of employees

Information about the Solid share

Solid Försäkringsaktiebolag's (Solid) share was listed on Nasdaq Stockholm (Small Cap) under the ticker SFAB and its ISIN is SE0017082548.

On the listing date of 1 December 2021 (the first trading day), the share was first traded at SEK 55.00 and closed at SEK 60.16. The share price on the final trading day on 31 March 2022 was SEK 48.84. The highest price paid of SEK 58.00 was noted on 3 January and the lowest price paid of SEK 43.58 was noted on 4 March.

A total of 4,875,610 shares were traded during the period, corresponding to a turnover rate of 24.38 per cent during the measurement period of 1 January–31 March 2022.

The largest directly registered shareholders on 31 March 2022	Percenta ges of share capital
Waldakt AB	28.9%
Avanza Pension	5.6%
Investment AB Spiltan	3.9%
Swedbank Robur Fonder	3.5%
Vanguard	2.4%
Swedbank Försäkring	2.4%
Nordnet Pensionsförsäkring	2.0%
Traction	1.9%
Livförsäkringsbolaget Skandia	1.7%
Janus Henderson Investors	1.7%
	54.0%

Financial calendar

28 April 2022	Annual General Meeting for the 1 January – 31 December 2021 financial year
21 July 2022	Interim report January–June 2022 (Q2)
25 October 2022	Interim report January–September 2022 (Q3)

21 July
Next interim

Financial targets and dividend policy

Solid Försäkring has the following medium-term financial targets:

- Annual growth in premiums earned of 4–7 per cent. In addition, the company intends to grow through selective acquisitions.
- Maintain a combined ratio below 90 per cent.
- Achieve a return on RoNAV (2) of more than 14 per cent.
- Maintain an SCR ratio of at least 150 per cent.

Dividend policy

According to the Board's dividend policy, the company intends to pay an annual dividend corresponding to at least 50 per cent of net profit for the year from and including the 2022 financial year. The dividend policy is conditional on the target for the SCR ratio and that no potential major acquisitions are carried out.

Dividends

In accordance with previous communication during the listing process, the Board proposes to the Annual General Meeting that no dividend be paid to shareholders for the 2021 financial year.

The Board's assurance

The Board of Directors and the CEO certify that this year-end report provides a fair review of the company's operations, financial position and results and describes the significant risks and uncertainties faced by the company.

Helsingborg, 26 April 2022

Marcus Tillberg, CEO

The Board of Directors

Lars Nordstrand, Chairman

Fredrik Carlsson

David Nilsson Sträng

Marita Odélius Engström

Lisen Thulin

Condensed financial statements

INCOME STATEMENT

KSEK	Note	Jan–Mar 2022	Jan–Mar 2021	Jan–Dec 2021
Technical account of non-life insurance operations				
Premiums earned, net of reinsurance	3	268,594	234,847	981,291
Allocated investment return transferred from the non-technical account		2,341	1,500	8,900
Claims incurred, net of reinsurance	4	-60,058	-56,728	-231,021
Operating expenses	5	-177,445	-149,755	-644,934
Technical result for non-life insurance operations		33,432	29,864	114,236
Non-technical account				
Investment income		4,463	6,062	25,068
Investment charges		-952	-532	-2,188
Unrealised gains/losses on investment assets		-17,678	18,427	19,008
Result of asset management	6	-14,167	23,957	41,888
Allocated investment return transferred to technical account		-2,341	-1,500	-8,900
Other non-technical income		830	845	6,750
Other non-technical expenses		-717	-438	-2,609
Profit before appropriations and tax		17,037	52,728	151,365
Appropriations		0	0	0
Profit before tax		17,037	52,728	151,365
Tax on profit for the period		-4,024	-12,373	-31,385
Net profit for the period		13,013	40,355	119,980
Basic and diluted earnings per share, SEK	12	0.65	2.02	6.00

STATEMENT OF COMPREHENSIVE INCOME

KSEK	Jan–Mar 2022	Jan–Mar 2021	Jan–Dec 2021
Net profit for the period	13,013	40,355	119,980
<i>Items that will be reclassified to profit or loss</i>			
Translation differences in foreign operations	97	127	701
Comprehensive income for the period	13,110	40,482	120,681

BALANCE SHEET

KSEK	Note	31 Mar 2022	31 Dec 2021	31 Mar 2021
Assets				
Intangible assets		20,705	22,545	29,317
Investment assets	7	731,924	682,621	894,840
Reinsurer's share of technical provisions		4,669	3,811	3,932
Receivables		89,253	81,052	88,521
Property, plant & equipment		1,662	1,911	2,659
Cash and bank balances		580,776	613,139	250,872
Other assets		462	388	698
Prepaid expenses and accrued income		221,552	210,418	198,196
Total assets		1,651,003	1,615,885	1,469,035
Equity and liabilities				
Equity				
Share capital		30,000	30,000	30,000
Fair value reserve		-680	-777	-1,351
Retained earnings		298,190	178,210	177,209
Net profit for the period		13,013	119,980	40,355
Total equity		340,523	327,413	246,213
Untaxed reserves				
Contingency reserve		488,118	488,118	488,118
Total untaxed reserves		488,118	488,118	488,118
Liabilities				
Technical provisions, net of outward reinsurance	8	625,065	615,900	579,350
Other liabilities		173,412	164,926	136,160
Accrued expenses and deferred income		23,885	19,528	19,194
Total liabilities		822,362	800,354	734,704
Total equity and liabilities		1,651,003	1,615,885	1,469,035

STATEMENT OF CHANGES IN EQUITY

KSEK	Share capital	Fair value reserve	Retain ed earnings	Net profit for the period	Total equity
Equity, 1 January 2022	30,000	-777	178,210	119,980	327,413
Net profit for the period				13,013	13,013
Translation differences		97			97
Comprehensive income for the period		97		13,013	13,110
Previous year's profit brought forward			119,980	-119,980	0
Owner transactions					
Equity, 31 March 2022	30,000	-680	298,190	13,013	340,523
Equity, 1 January 2021	30,000	-1,478	133,837	43,372	205,731
Net profit for the period				119,980	119,980
Translation differences		701			701
Comprehensive income for the period		701		119,980	120,681
Previous year's profit brought forward			43,372	-43,372	0
Owner transactions					
Option premiums received/repurchased			1,001		1,001
Equity, 31 December 2021	30,000	-777	178,210	119,980	327,413
Equity, 1 January 2021	30,000	-1,478	133,837	43,372	205,731
Net profit for the period				40,355	40,355
Translation differences		127			127
Comprehensive income for the period		127		40,355	40,482
Previous year's profit brought forward			43,372	-43,372	0
Owner transactions					
Equity, 31 March 2021	30,000	-1,351	177,209	40,355	246,213

STATEMENT OF CASH FLOWS (INDIRECT METHOD)

KSEK	Jan–Mar 2022	Jan–Dec 2021	Jan–Mar 2021
Operating activities			
Profit before tax	17,037	151,365	52,728
Adjustment for non-cash items	3,385	-24,648	-57,747
Income taxes paid	-11,023	-13,894	-12,341
Cash flow from operating activities before changes in working capital	9,399	112,823	-17,360
Change in operating receivables	5,082	11,035	29,908
Change in operating liabilities	9,727	39,198	11,115
Cash flow from operating activities	24,209	163,056	23,663
Cash flow from investing activities	-63,125	173,275	-48,165
Cash flow from financing activities	0	-59,000	-60,000
Cash flow for the period	-38,916	277,331	-84,502
Cash and cash equivalents at the beginning of the year	613,139	328,205	328,205
Cash flow for the period	-38,916	277,331	-84,502
Exchange differences in cash and cash equivalents	6,553	7,603	7,169
Cash and cash equivalents at end of period	580,776	613,139	250,872

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.

Notes to the financial statements

Note 1 Accounting policies

Solid Försäkring's interim report has been prepared in accordance with IAS 34 Interim Financial Report and the applicable parts of the Swedish Annual Accounts Act for Insurance Companies (1995:1560), the Swedish Financial Supervisory Authority's regulations and general guidelines on Annual Accounts at Insurance Undertakings (FFFS 2019:23), including all applicable amendment regulations, and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. Disclosures pursuant to IAS 34.16A are presented in the financial statements and the accompanying notes as well as elsewhere in this interim report.

The ESMA guidelines on alternative performance measures are applied. These are performance measures that are not defined in applicable regulations (IFRS, ÅRFL, FFFS 2019:23 and FRL), but that Solid Försäkring believes to be relevant for monitoring and describing the company's financial situation and to provide additional useful information for users of the financial statements. Since these measures have been developed and adapted for Solid Försäkring, they are not fully comparable with similar performance measures presented by other companies.

The same accounting policies and basis for calculations were applied as those used in the most recent annual report. No other IFRS or IFRIC interpretations have come into force since 1 January 2022 that have had a material impact on the company.

Note 2 Segment information

Solid 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, 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. The company uses the same valuation principles in its segment report according to IFRS 8 as in its financial statements.

Jan–Mar 2022

KSEK	Personal Safety	Product	Assistance	Not specified by segment	Total
Gross written premiums	100,859	73,905	95,317		270,081
Premiums earned, net of reinsurance	93,267	89,988	85,339		268,594
Claims incurred, net of reinsurance	-7,575	-23,288	-29,195		-60,058
Acquisition costs*	-59,452	-49,008	-42,185		-150,645
Gross profit**	26,240	17,692	13,959		57,891
Gross margin***	28.1%	19.7%	16.4%		21.6%
Administrative expenses				-26,800	-26,800
Allocated investment return transferred from non-technical account				2,341	2,341
Technical result					33,432
Result of asset management				-14,167	-14,167
Allocated investment return transferred to non-technical account				-2,341	-2,341
Other non-technical income				830	830
Other non-technical expenses				-717	-717
Profit before tax					17,037

Jan–Mar 2021

KSEK	Personal Safety	Product	Assistance	Not specified by segment	Total
Gross written premiums	91,935	66,495	57,433		215,863
Premiums earned, net of reinsurance	95,434	83,156	56,257		234,847
Claims incurred, net of reinsurance	-12,613	-23,153	-20,962		-56,728
Acquisition costs*	-58,575	-42,796	-24,014		-125,385
Gross profit**	24,246	17,207	11,281		52,734
Gross margin***	25.4%	20.7%	20.1%		22.5%
Administrative expenses				-24,370	-24,370
Allocated investment return transferred from non-technical account				1,500	1,500
Technical result					29,864
Result of asset management				23,957	23,957
Allocated investment return transferred to non-technical account				-1,500	-1,500
Other non-technical income				845	845
Other non-technical expenses				-438	-438
Profit before tax					52,728

Jan–Dec 2021

KSEK	Personal Safety	Product	Assistance	Not specified by segment	Total
Gross written premiums	369,547	361,090	282,784		1,013,421
Premiums earned, net of reinsurance	374,391	346,577	260,323		981,291
Claims incurred, net of reinsurance	-39,039	-103,545	-88,437		-231,021
Acquisition costs*	-236,415	-179,709	-118,560		-534,684
Gross profit**	98,937	63,323	53,326		215,586
Gross margin***	26.4%	18.3%	20.5%		22.0%
Administrative expenses				-110,250	-110,250
Allocated investment return transferred from non-technical account				8,900	8,900
Technical result					114,236
Result of asset management				41,888	41,888
Allocated investment return transferred to non-technical account				-8,900	-8,900
Other non-technical income				6,750	6,750
Other non-technical expenses				-2,609	-2,609
Profit before tax					151,365

* Acquisition costs include brokerage commission and costs for direct sales, included in Note 5 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

Premiums earned, net of reinsurance for the quarter amounted to KSEK 90,649 (93,226) for Solid Försäkring's largest partner in the Personal Safety segment.

Note 3 Premiums earned, net of reinsurance

KSEK	Jan–Mar 2022	Jan–Mar 2021	Jan–Dec 2021
Gross written premiums, geographical specification			
Sweden	147,670	143,805	646,602
Norway	47,577	34,839	170,667
Denmark	22,972	14,796	69,978
Finland	11,358	11,980	48,669
Rest of Europe	40,504	10,443	77,505
Total gross written premiums	270,081	215,863	1,013,421
Outward reinsurance premiums	-6,255	-5,650	-27,605
Change in provision for unearned premiums and unexpired risks	4,472	24,387	-4,634
Reinsurers' share of change in provision for unearned premiums and unexpired	296	247	109
Total premiums earned, net of reinsurance	268,594	234,847	981,291

Note 4 Claims incurred, net of reinsurance

KSEK	Jan–Mar 2022	Jan–Mar 2021	Jan–Dec 2021
Claims paid, net of outward reinsurance	-64,066	-58,643	-232,902
Reinsurers' share of Claims paid	4,892	1,470	6,325
Change in Provision for claims outstanding, net of outward reinsurance	-1,436	445	-4,434
Reinsurers' share of Change in provision for claims outstanding	552	0	-10
Total claims incurred, net of reinsurance	-60,058	-56,728	-231,021

Note 5 Operating expenses

KSEK	Jan–Mar 2022	Jan–Mar 2021	Jan–Dec 2021
Specification of income statement item operating expenses			
Acquisition costs*	-155,444	-116,622	-539,232
Change in item Deferred acquisition costs*	2,851	-9,094	2,920
Administrative expenses	-26,800	-24,370	-110,250
Operating expenses and profit-sharing in outward reinsurance*	1,948	331	1,628
Total income statement item operating expenses	-177,445	-149,755	-644,934
Other operating expenses			
Claims adjustment costs included in Claims paid	-5,345	-5,943	-23,030
Financial management costs included in Investment charges	-300	-300	-1,200
Total other operating expenses	-5,645	-6,243	-24,230
Total operating expenses	-183,090	-155,998	-669,164

* The marked items comprise total acquisition costs

Note 6 Result of asset management

KSEK	Jan–Mar 2022	Jan–Mar 2021	Jan–Dec 2021
Investment income			
Dividends on shares and participating interests	676	363	3,561
Interest income, bonds and other interest-bearing securities	2,046	1,792	7,670
Other interest income *	516	1,458	4,061
Exchange gains (net)	243	470	1,468
Capital gains (net)	978	1,975	8,291
Other	4	4	17
Total investment income	4,463	6,062	25,068
Investment charges	-952	-532	-2,188
Unrealised gains/losses on investment assets recognised through profit or loss			
Shares and participating interests	-9,243	17,593	20,057
Bonds and other interest-bearing securities	-8,435	834	-1,049
Total unrealised gains/losses on investment assets	-17,678	18,427	19,008
Result of asset management	-14,167	23,957	41,888

* All Other interest income consists of interest income on assets measured at fair value.

Note 7 Investment assets

KSEK	31 Mar 2022	31 Dec 2021	31 Mar 2021
Shares and participating interests	85,979	78,788	142,307
Bonds and other interest-bearing securities	617,687	574,581	522,726
Subordinated loans	28,258	29,252	229,807
Total investment assets	731,924	682,621	894,840

Note 8 Technical provisions, net of outward reinsurance

KSEK	31 Mar 2022	31 Dec 2021	31 Mar 2021
Opening balance technical provisions, net of outward reinsurance	615,900	587,764	587,764
Provision for unearned premiums and unexpired risks, gross			
Opening balance	555,105	532,931	532,931
Insurance policies written during the period	270,081	1,013,421	215,863
Premiums earned during the period	-274,553	-1,008,787	-240,250
Currency effects	11,292	17,540	15,056
Closing balance	561,925	555,105	523,600
Provision for claims outstanding, gross			
Opening balance	60,795	54,833	54,833
Settled claims from previous financial years	-15,366	-21,940	-15,744
Changes in the expected cost of claims incurred in previous years (run-off result)	-1,737	-8,332	-1,605
Provisions for the year	18,539	34,706	16,903
Currency effects	909	1,528	1,363
Closing balance	63,140	60,795	55,750
Closing balance technical provisions, net of outward reinsurance	625,065	615,900	579,350

Note 9 Pledged assets for own liabilities

KSEK	31 Mar 2022	31 Dec 2021	31 Mar 2021
Policyholders' priority rights			
Assets encompassed by policyholders' priority rights	1,313,939	1,296,131	1,148,187
Technical provisions, net	-620,396	-612,089	-575,418
Surplus from registered assets	693,543	684,042	572,769

Note 10 Disclosures on related parties

Solid Försäkringsaktiebolag 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. No business transactions of significant importance took place with related parties during the period.

Related parties – Key individuals

Marcus Tillberg	CEO of Solid Försäkringsaktiebolag
Lars Nordstrand	Chairman of Solid Försäkringsaktiebolag
Fredrik Carlsson	Board member of Solid Försäkringsaktiebolag
David Nilsson Sträng	Board member of Solid Försäkringsaktiebolag
Marita Odélius Engström	Board member of Solid Försäkringsaktiebolag
Lisen Thulin	Board member of Solid Försäkringsaktiebolag

Remuneration of key individuals

There were no material changes to the scope of remuneration and benefits for senior executives during the period.

Note 11 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).

KSEK	Measurement level	31 Mar 2022	31 Dec 2021	31 Mar 2021
Financial assets at fair value through profit or loss				
Bonds and other interest-bearing securities	1	645,945	603,833	552,533
Listed shares	1	85,979	78,788	142,307
Total		731,924	682,621	694,840
Financial liabilities at fair value through profit or loss				
Derivatives	2	-687	-660	-628
Total		-687	-660	-628

Assets, KSEK	31 Mar 2022			31 Dec 2021			31 Mar 2021		
	Amortised cost*	Fair value through profit or loss	Carrying amount	Amortised cost*	Fair value through profit or loss	Carrying amount	Amortised cost*	Fair value through profit or loss	Carrying amount
Financial assets									
Shares and participating interests		85,979	85,979		78,788	78,788		142,307	142,307
Other interest-bearing securities		645,945	645,945		603,833	603,833		552,533	552,533
Subordinated loans							200,000		200,000
Receivables, direct insurance and reinsurance	82,388		82,388	81,042		81,042	71,372		71,372
Cash and bank balances and other cash equivalents	580,847		580,847	613,193		613,193	250,938		250,938
Prepaid expenses and accrued income		1,934	1,934		1,031	1,031		3,103	3,103
Total financial assets	663,235	733,858	1,397,093	694,235	683,652	1,377,887	522,310	697,943	1,220,253
Non-financial assets			253,910			237,998			248,782
Liabilities, KSEK									
	31 Mar 2022			31 Dec 2021			31 Mar 2021		
	Amortised cost*	Fair value through profit or loss	Carrying amount	Amortised cost*	Fair value through profit or loss	Carrying amount	Amortised cost*	Fair value through profit or loss	Carrying amount
Financial liabilities									
Liabilities, direct insurance and reinsurance	167,916		167,916	158,712		158,712	132,417		132,417
Derivatives		687	687		660	660		628	628
Other liabilities	4,809		4,809	5,554		5,554	3,115		3,115
Total financial liabilities	172,725	687	173,412	164,266	660	164,926	135,532	628	136,160
Non-financial liabilities			648,950			635,428			598,544

* Assets and liabilities are recognised at amortised cost, which is a good approximation of fair value

Note 12 Earnings per share

Basic earnings per share are calculated by dividing the earnings attributable to the company's shareholders by a weighted average number of ordinary shares outstanding for the period. The average number of shares between January and March 2022 amounted to 20,000,000 with a quotient value of SEK 1.5 (1.5). There was no dilutive effect as per 31 March 2022.

	Jan–Mar 2022	Jan–Mar 2021	Jan–Dec 2021
Net profit for the period, KSEK	13,013	40,355	119,980
Average number of shares outstanding in the period	20,000,000	20,000,000	20,000,000
Basic and diluted earnings per share*, SEK	0.65	2.02	6.00

* 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.

Teleconference in connection with publication of the interim report

In connection with the publication of the interim report, CEO Marcus Tillberg and CFO Sofia Andersson will hold a teleconference on 27 April 2022 at 10:00 a.m. CEST. To participate in the conference, call +46850558365 or click on the following link <https://tv.streamfabriken.com/solid-q1-2022>. Presentation material will be available on Solid's website: <https://corporate.solidab.se/en/investors/reports-and-presentations/>

Interim reports

The complete interim report for January to March 2022 will be available on <https://corporate.solidab.se/en/investors/reports-and-presentations/>

This information is such information that Solid Försäkringsaktiebolag (publ) is required to disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, on 27 April 2022 at 7:30 a.m. CEST.

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