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9M 2021 Results

Presentation for analysts and investors

22 October 2021



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Agenda

1

Highlights for the period

2

Context

3

9M 2021 Results

4

Strategic initiatives

5

Q&A

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Highlights for the period

9M 2021 Results



Following an unprecedented 2020, the September 2021 results reflect the increase of mobility to pre-Covid levels while the market remains extremely competitive.



Commercial drive

4.5% increase in the customer portfolio
Strong capacity in portfolio retention

+4.5%
PORTFOLIO OF
POLICYHOLDERS

+1.1%
PREMIUMS



Profitability

Sustained excellent technical
performance and profitability

86.4%
COMBINED
RATIO

86.3MN
PROFIT AFTER TAX

34.1%
RETURN ON EQUITY¹



Financial strength

Solid solvency ratio maintained after distributing the second
interim dividend for the year with a payout of 90%

200%
SOLVENCY II RATIO

1. Equity as at September 2020 takes into account the proportional part (€90 million) of the €120 million dividend paid to Bankinter prior to the listing of the Company.

2

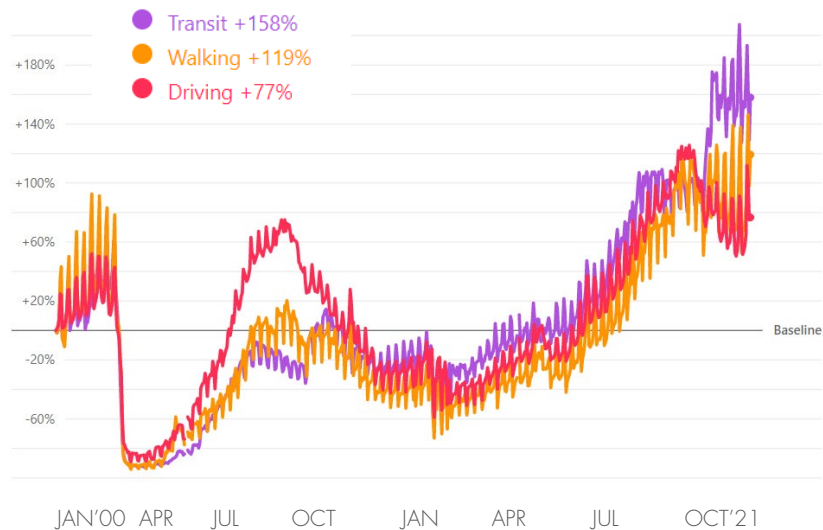


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Context

Strong recovery in mobility

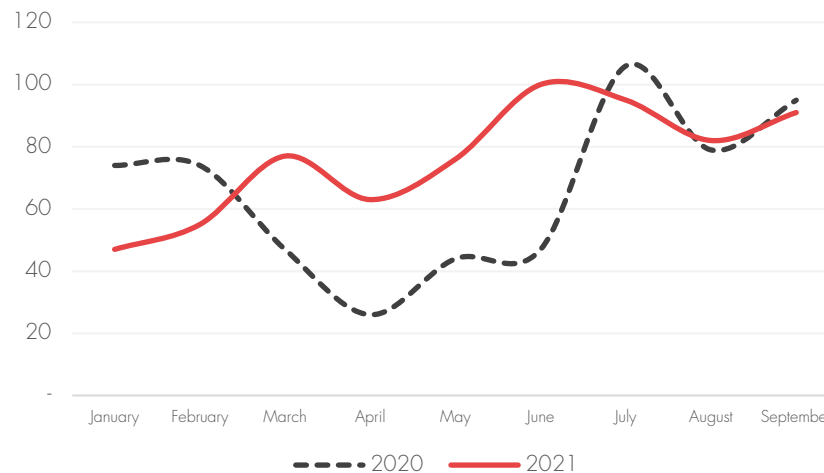
MOBILITY¹



1. Source: Apple mobility trends, figures from January 2020 to October 2021
 2. Source: Spanish Directorate General for Traffic (DGT)

ACCIDENTS²

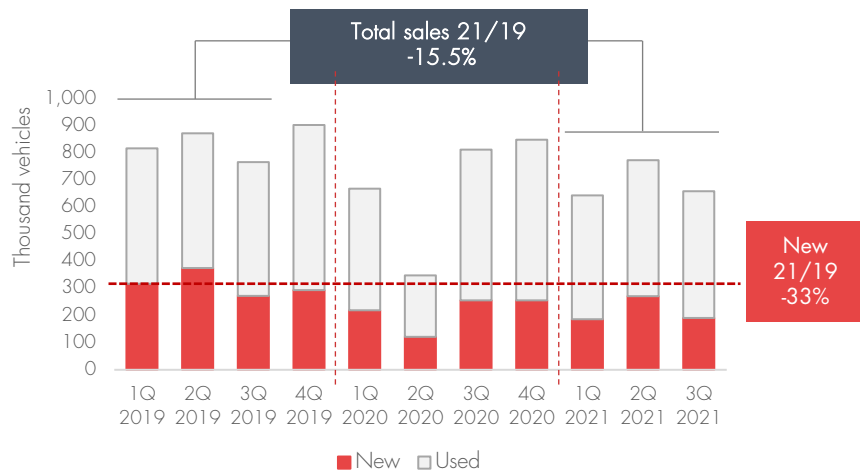
FATAL ACCIDENTS, MONTHLY



Severe accidents up 16% on 2020

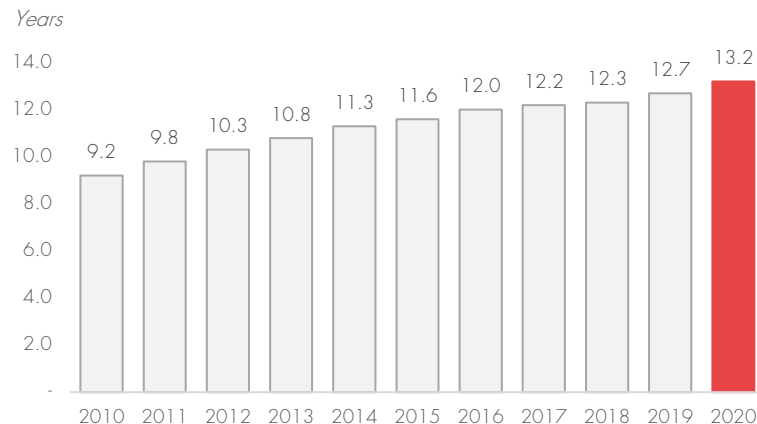
Lower sales of new cars cause the car park to age

VEHICLES SOLD



- The segment that suffers the most is sales to individuals, which fell 11% compared to 2020
- The used vehicle behaves as a perfect substitute
- Uncertainty about the car type of tomorrow

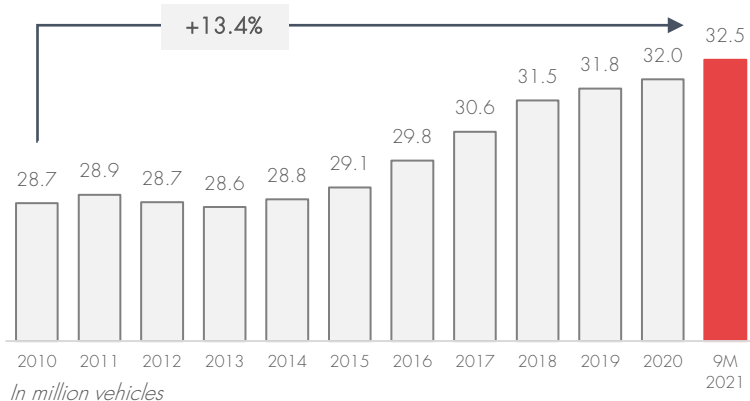
AVERAGE AGE OF CAR PARK



- 2/3 of insured vehicles are more than 10 years-old
- The ageing of car park also affects average premiums: influencing the product to be contracted (most basic) and the premium payable

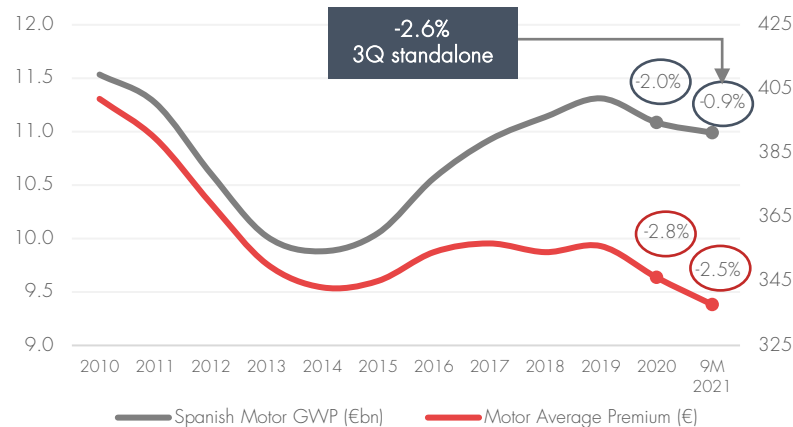
GWP is at levels seen 10 years ago and the average premium is back to 1990s levels, despite an increase of over 13% in the car park

INSURED VEHICLES



- Amid the COVID-19 crisis, vehicle growth slowed though without any population loss

TREND IN GWP AND AVERAGE PREMIUM

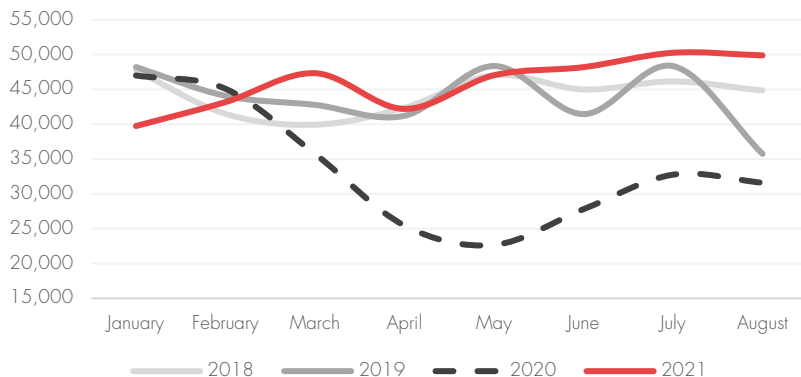


- GWP dropped by 0.9% (-2.6% in the 3Q standalone)
- The premium per policy declines
- More aggressive measures in customer acquisition

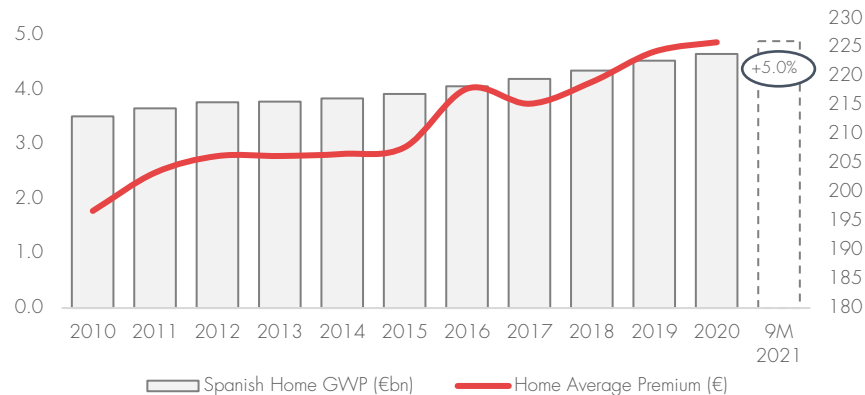
Sources: FIVA, ICEA (latest figures available at September 2021). Market average premium based on own calculations by dividing market GWP / car park.

House sales pick up and Home segment maintains the growth in premiums

HOUSE SALES



TREND IN GWP AND AVERAGE PREMIUM



HOMES INSURED

25.9 M
+0.3%
(Dec 20 / Dec 19)

HOMES UNINSURED

5.3 M
20% of the total
(Dec 2020)

FREQUENCY

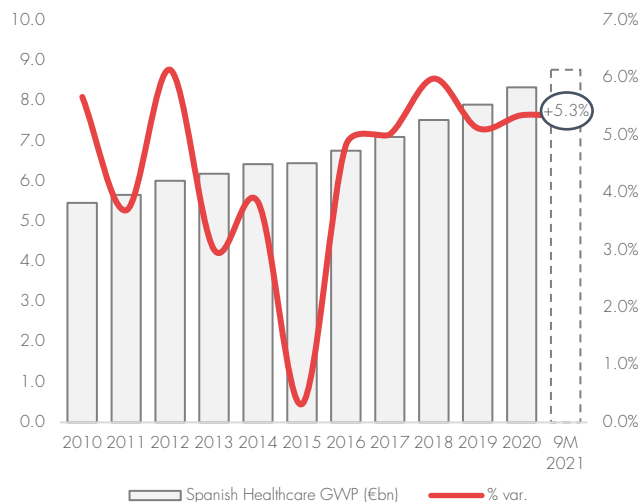
40.8%
+4.1 p.p
(2Q 2021 / 2Q 2020)

ATMOSPHERIC EVENTS

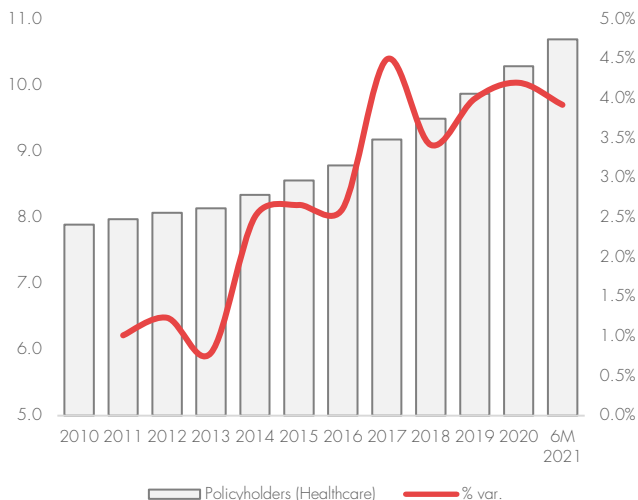
Combined ratio – SECTOR
2Q 2021 98.5%
1Q 2021 101.3%

Health retains remarkable growth in premiums and policyholders in a context of increased awareness of the need for healthcare insurance

GWP



Policyholders



In millions of policyholders

-  Recovery of health activity, which came to a halt during the crisis
-  Rising health care costs
-  Increase in hospital tariffs ("baremo")

3



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9M 2021 Results

Group results



Excellent technical performance as mobility returns to 2019 levels but with increased pressure on prices

| <i>Thousand euro</i> | 9M 2021 | 9M 2020 | % var. 21/20 | 9M 2019 | % var. 21/19 |
|-------------------------------------|-----------|---------|-----------------|---------|-----------------|
| Gross written premiums (GWP) | 1 682,638 | 675,057 | 1.1% | 671,238 | 1.7% |
| Earned premiums, net of reinsurance | 658,532 | 654,227 | 0.7% | 641,352 | 2.7% |
| Technical result | 2 89,609 | 109,564 | -18.2% | 80,668 | 11.1% |
| Financial result | 3 22,107 | 18,229 | 21.3% | 21,646 | 2.1% |
| Profit/(loss) before tax | 115,077 | 132,910 | -13.4% | 108,124 | 6.4% |
| Profit/(loss) after tax | 4 86,293 | 99,654 | -13.4% | 81,523 | 5.9% |
| EPS (euro) | 0.079 | 0.092 | -13.4% | 0.075 | 5.9% |
| Loss ratio | 65.9% | 61.8% | 4.2 p.p | 67.8% | -1.9 p.p |
| Expense ratio | 20.5% | 21.5% | -1.0 p.p | 19.6% | 0.8 p.p |
| Combined ratio | 86.4% | 83.3% | 3.1 p.p | 87.4% | -1.0 p.p |
| Clients (thousands) | 3,324 | 3,180 | 4.5% | 3,074 | 8.1% |

1 PREMIUMS
Growth of 1.1% (+4.5% in number of customers) while price pressure continues in the Motor segment

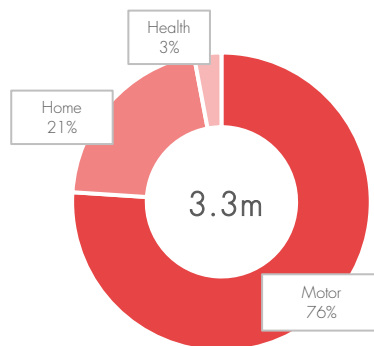
2 TECHNICAL RESULT
Combined ratio stands at 86.4%
-1.0 p.p vs 2019
+3.1 p.p vs 2020

3 FINANCIAL RESULT
Up 21.3% and includes the issuer's repurchase of a renewable energy fund (-6.4% adjusting for this effect)

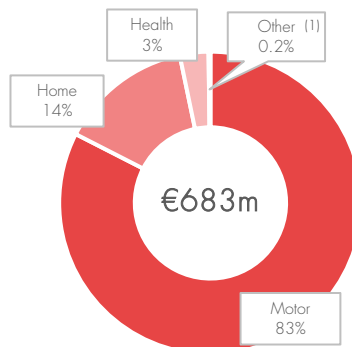
4 PROFIT AFTER TAX
+5.9% vs 2019
-13.4% vs 2020

Policyholders and Premiums

| | Policyholders | | |
|--------------|---------------|--------------|-------------|
| Thousands | 9M 2021 | 9M 2020 | % var. |
| Motor | 2,527 | 2,449 | 3.2% |
| Home | 698 | 651 | 7.2% |
| Health | 98 | 80 | 23.7% |
| Total | 3,324 | 3,180 | 4.5% |



| | Gross written premiums | | |
|----------------------|------------------------|----------------|-------------|
| Thousand euro | 9M 2021 | 9M 2020 | % var. |
| Motor | 563,301 | 567,178 | -0.7% |
| Home | 97,045 | 89,544 | 8.4% |
| Health | 20,913 | 16,877 | 23.9% |
| Other ⁽¹⁾ | 1,379 | 1,459 | -5.4% |
| Total | 682,638 | 675,057 | 1.1% |



HIGHLIGHTS

POLICYHOLDERS

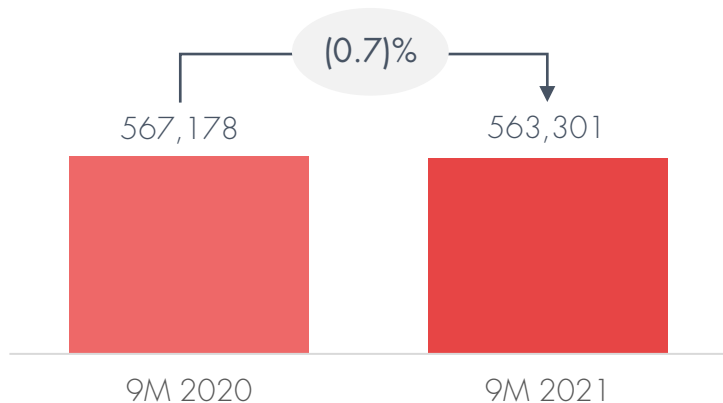
- Portfolio of over 3.3 million policyholders, up 4.5%
- Considerable growth across all the main lines of business

PREMIUMS

- Moderate premium growth, with the Home and Health segments outperforming
- Average premiums in the Motor segment remain under pressure for both new business and renewals

1. Customers in the "Other" segment amount to 5 and 13 thousand at September 2021 and 2020, respectively. Including the clients of these run-off businesses, the number of clients would increase by 4.3%

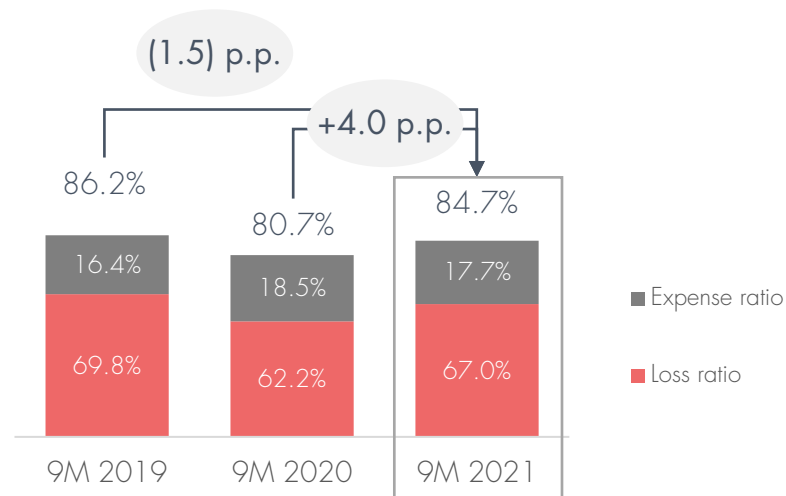
PREMIUMS



- Solid portfolio growth within a highly competitive market environment in customer retention
- Premium performance 0.2 p.p. above the market (-0.9%)¹

1. The Motor segment for the market as a whole was down 0.9% Source: ICEA (latest figures available at September 2021)
 2. Combined ratio of the Motor segment for the market as a whole: 90.1%. Source: ICEA (latest figures available at June 2021)

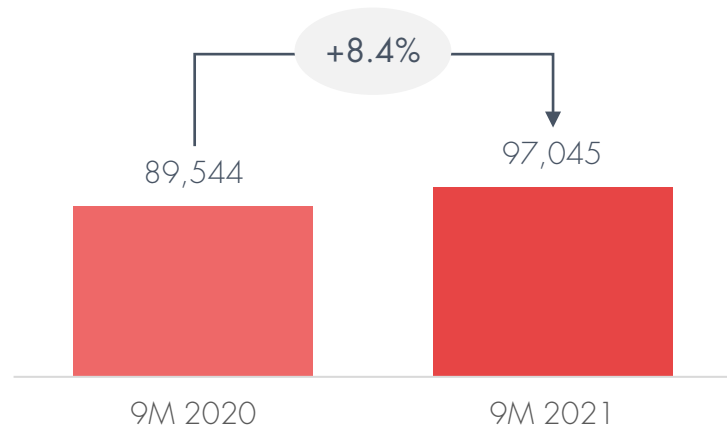
COMBINED RATIO



- Combined ratio 5.4 p.p. below the sector (90.1%)²
- Cost discipline
- Claim frequency rising and containment of severity



PREMIUMS

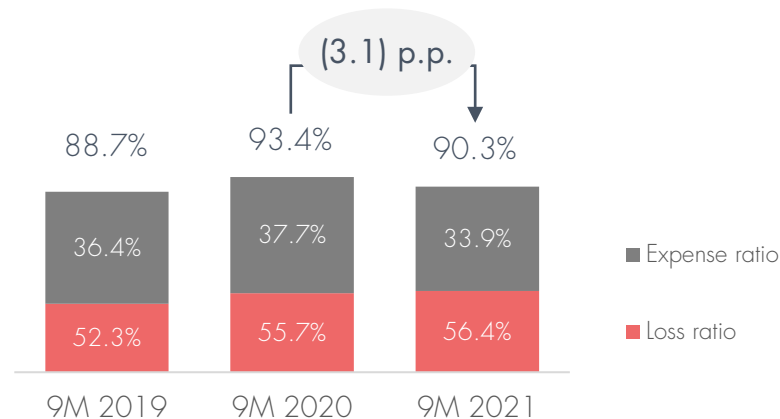


- Growth 3.4 p.p. above the market (+5.0%)¹
- Notable performance in new policy origination and retention at higher average premiums

1. Growth of the Home segment: 5.0%. Source: ICEA (latest figures available at September 2021)

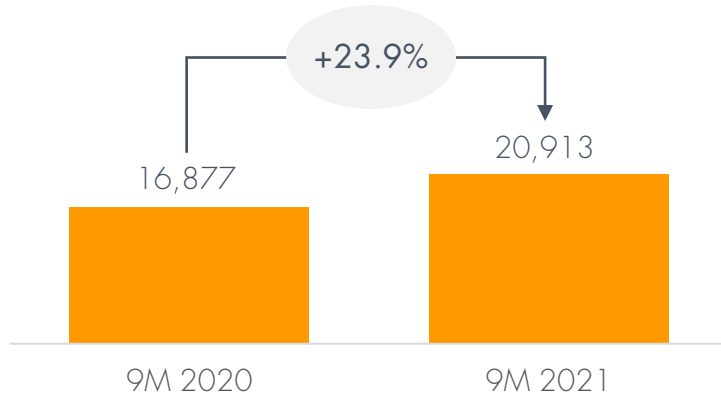
2. Combined ratio for the Home segment for the market as a whole: 98.6%. Source: ICEA (latest figures available at June 2021)

COMBINED RATIO



- Combined ratio 8.3 p.p. below the market (98.6%)²
- Cost discipline
- Increased frequency of claims

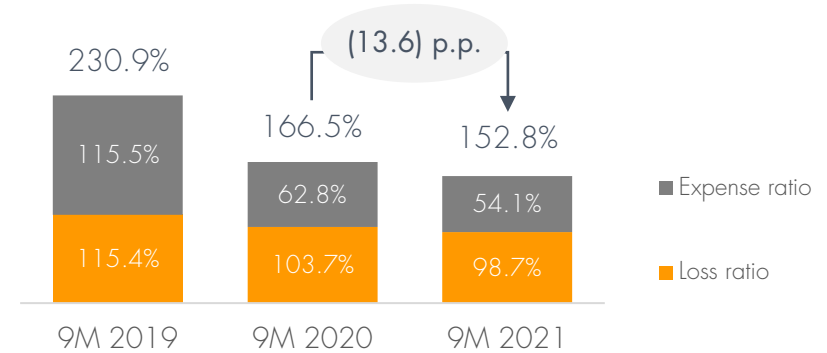
PREMIUMS



- Policyholders up 18,863 (+23.7%)
- Growth 18.6 p.p. above the market (+5.3%)¹

1. Growth in the Healthcare segment 5.3%. Source: ICEA (latest figures available at September 2021)

COMBINED RATIO



- Strict risk selection
- Claims reduction already below 100% since the launch of Vivaz in 2017
- Contention of average costs

Management ratios



| | Loss ratio | | | Expense ratio | | | Combined ratio | | |
|--------------|--------------|--------------|------------------|---------------|--------------|------------------|----------------|--------------|------------------|
| | 9M 2021 | 9M 2020 | <i>p.p. var.</i> | 9M 2021 | 9M 2020 | <i>p.p. var.</i> | 9M 2021 | 9M 2020 | <i>p.p. var.</i> |
| Motor | 67.0% | 62.2% | 4.8 p.p | 17.7% | 18.5% | -0.8 p.p | 84.7% | 80.7% | 4.0 p.p |
| Home | 56.4% | 55.7% | 0.7 p.p | 33.9% | 37.7% | -3.8 p.p | 90.3% | 93.4% | -3.2 p.p |
| Health | 98.7% | 103.7% | -5.0 p.p | 54.1% | 62.8% | -8.6 p.p | 152.8% | 166.5% | -13.6 p.p |
| Other | 3.6% | 27.8% | -24.3 p.p | 38.7% | 46.8% | -8.1 p.p | 42.2% | 74.6% | -32.4 p.p |
| Total | 65.9% | 61.8% | 4.2 p.p | 20.5% | 21.5% | -1.0 p.p | 86.4% | 83.3% | 3.1 p.p |

Loss ratio

- Excellent performance across all lines of business
- Motor reflects the return of mobility

Expense ratio

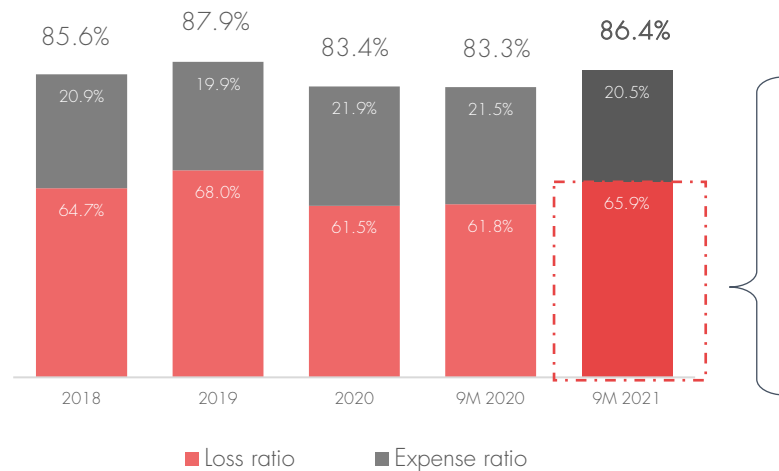
- Cost discipline and contention

Combined ratio

- Solid combined ratio, showing the strict ongoing control of risk underwriting and expenses

Combined ratio: claims incurred

Solid technical margins



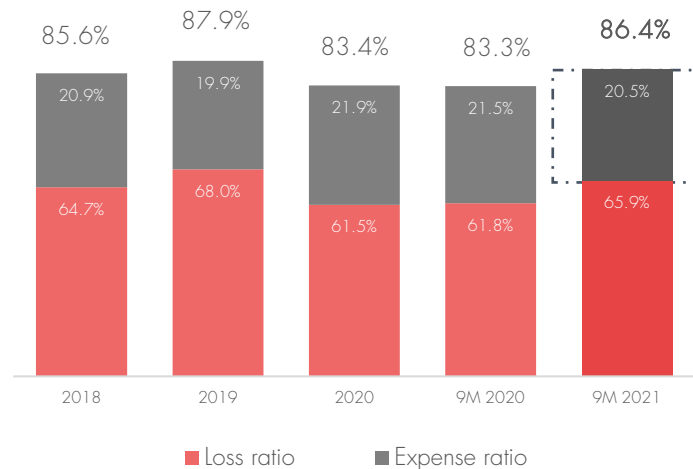
Loss ratio

| <i>% over earned premiums net of reinsurance</i> | 9M 2021 | 9M 2020 | var. |
|--|-----------|-----------|---------|
| Claims incurred in the year (ex-atmospherics) | (430,705) | (400,196) | -7.6% |
| Atmospherics | (3,501) | (3,926) | 10.8% |
| Claims incurred for the year | (434,205) | (404,122) | -7.4% |
| Loss ratio | 65.9% | 61.8% | 4.2 p.p |

- Stable claims across various competitive and macroeconomic environments
- Atmospheric perils of €3.5 million net of reinsurance (€5.6 million before reinsurance) add 0.5 p.p. to the claims ratio

Combined ratio: expenses

Solid technical margins



Expense ratio

| % over earned premiums net of reinsurance | 9M 2021 | 9M 2020 | % var |
|--|--------------|--------------|-----------------|
| Net operating expenses | (149,806) | (154,593) | -3.1% |
| Acquisition expenses | (133,334) | (138,751) | -3.9% |
| Administrative expenses | (20,326) | (18,752) | 8.4% |
| Reinsurance commissions and profit participation | 3,854 | 2,911 | 32.4% |
| Profit sharing | (387) | (500) | -22.6% |
| Other technical revenue and expenses | 15,476 | 14,551 | 6.4% |
| Expense ratio | 20.5% | 21.5% | -1.0 p.p |

- Ongoing cost control
- Lower acquisition costs in customer retention
- Increased personnel costs following the listing of the Company (governing bodies and back-office)
- Other technical income and expenses mainly show the amounts paid and received under claims settlement agreements

Financial result

Positive financial result against an adverse rates environment

| <i>Thousand euro</i> | 9M 2021 | 9M 2020 | % var. |
|--|----------------|---------------|--------------|
| Investment income ¹ | 39,281 | 50,658 | -22.5% |
| Investment expenses ¹ | (17,174) | (32,429) | 47.0% |
| Financial result | 22,107 | 18,229 | 21.3% |
| <i>of which realised gains (losses):</i> | <i>4,706</i> | <i>(353)</i> | - |
| <i>Fixed income</i> | <i>(1,093)</i> | <i>(255)</i> | -328.6% |
| <i>Equity instruments</i> | <i>5,799</i> | <i>(98)</i> | - |
| <i>Impairments</i> | - | - | - |

Highlights

Lower reinvestment rates into fixed income and increased exposure to equities

- Fixed income **revenue** of 17.1 million euros, **(-9.9%)**
- Equities **revenue** of €2.0 million, **(+0.5%)**
- Income of €4.3 million from **investment properties (+2.8%)**

The financial result (+21.3%) includes realised gains (losses), mainly due to the issuer's repurchase of a renewable energy fund

- Adjusted for this effect, the financial result is down 6.4%

1. The interest rate swap and the underlying government bonds with a nominal value of 75 million euros are recognised under income and expense on investments, with opposite sign, and are netted against each other

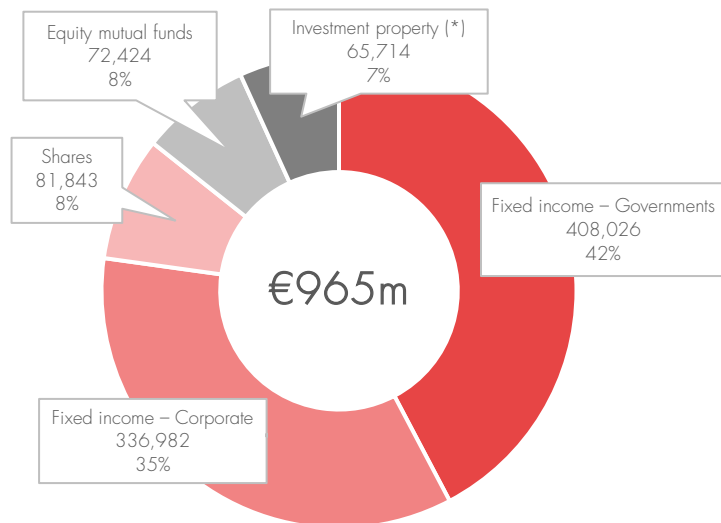
Investment portfolio

Low risk profile



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INVESTMENT PORTFOLIO COMPOSITION AT SEPTEMBER 2021



RETURNS¹

| (%) | 9M 2021 | 9M 2020 | var. p.p |
|-----------------------------|--------------|--------------|------------------|
| Fixed income | 2.14% | 2.52% | -0.38 p.p |
| Equity instruments | 5.02% | 2.74% | +2.28 p.p |
| Investment property | 6.53% | 6.30% | +0.23 p.p |
| Total average return | 2.85% | 2.82% | +0.03 p.p |

OTHER METRICS

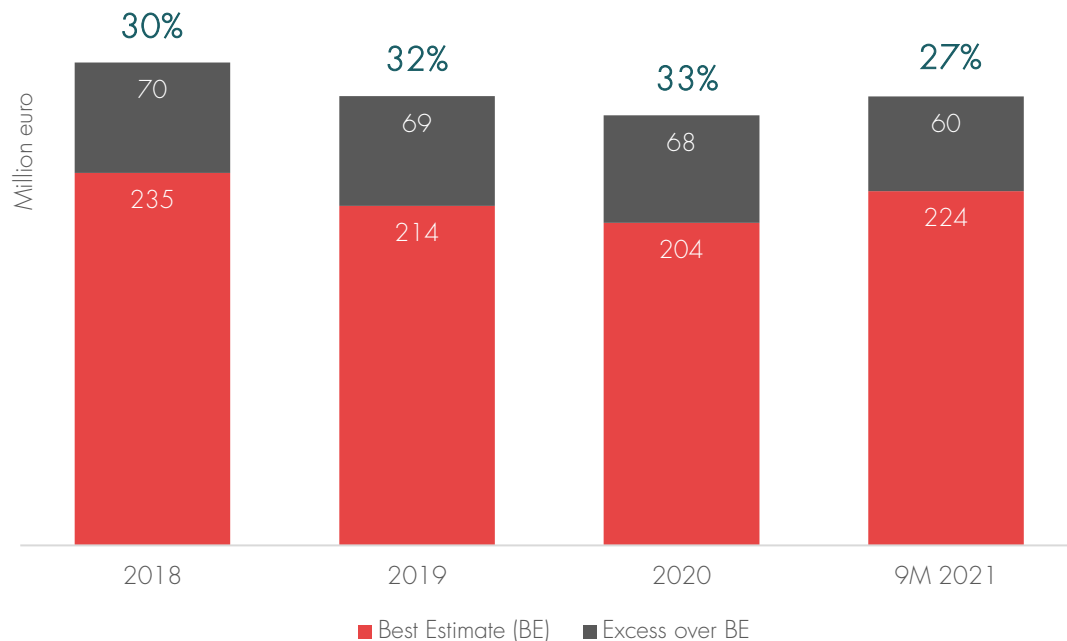
| Other metrics | 9M 2021 | 6M 2021 |
|--------------------------------|---------|---------|
| Fixed income duration | 4.05 | 4.04 |
| Fixed income modified duration | 4.94% | 4.01% |
| VaR | 0.77% | 0.85% |

1. Income recognised in the statement of profit or loss during the period divided by assets under management (fixed income and equity portfolios and investment property). Includes capital gains and losses realised and impairment losses.

(*) Off-balance sheet capital gains on investment property and property for own use amount to 21.2 million euros before taxes.

Provisions for claims

Surplus book provision to Best Estimate¹

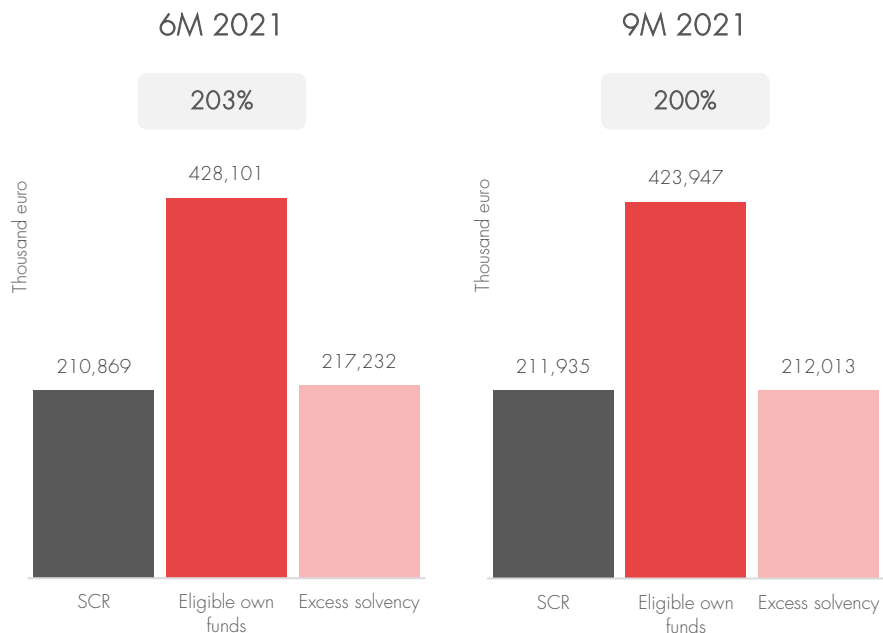


Highlights

- Prudent provisioning activity at the Company
- 2020 y 2021 reveal an atypical claims management pattern due to the pandemic
- Surplus to best estimate for the third quarter in line with the first six months of the year

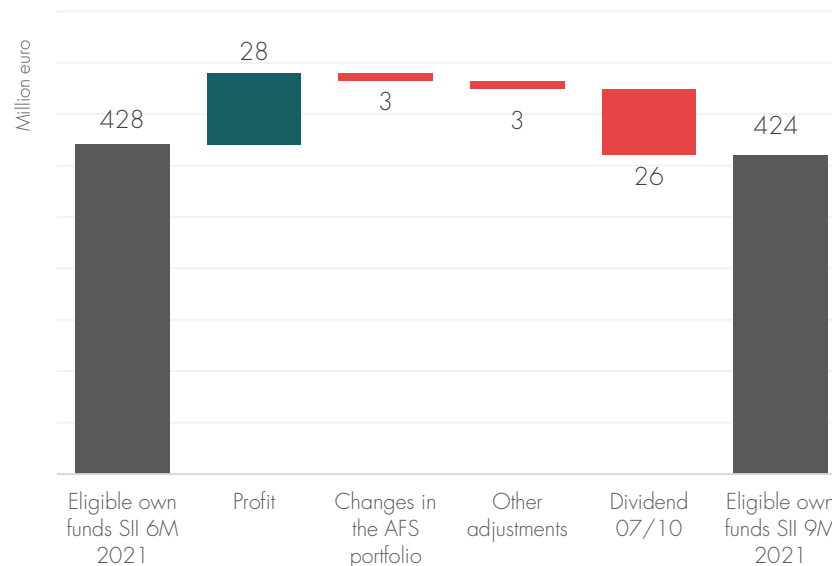
1. Figures for Linea Directa Aseguradora stand-alone

Solid solvency position: 200%



1. The solvency ratio and eligible own funds refer to Línea Directa Aseguradora stand-alone.

Own funds walk: June – September 2021



3



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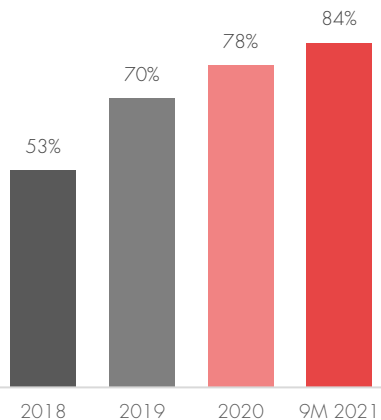
Strategic initiatives

Further progress towards strategic initiatives

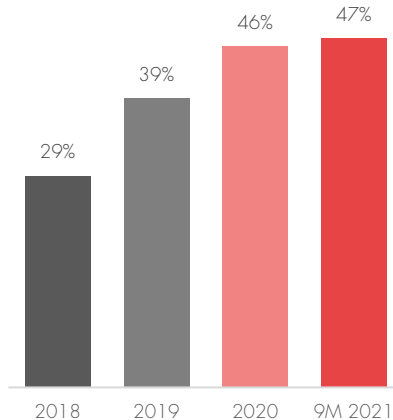
Focusing on digital transformation



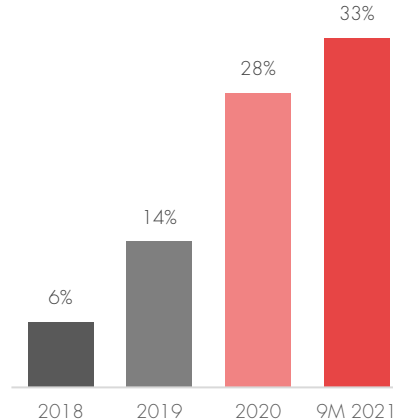
Digital clients



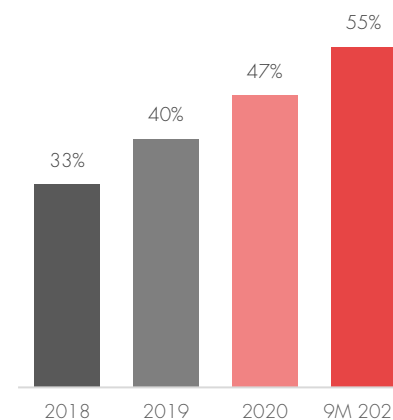
Digital motor claims



Digital home claims



Digital tow truck requests



Further progress towards strategic initiatives

Launch of Safe & Go – Revolutionary solution for sustainable and personal mobility

First pay as you go insurance for PMV¹ in Spain



100% Digital

Activation/deactivation and claims handling via smartphone



Insuring the mobility of the person

Coverage of damage caused to third parties and personal injury to the user



Pay as you go ON/OFF

Insurance per journey of throughout the full year

The use of PMVs has become increasingly popular in recent years. As a result, accidents involving this type of vehicle are becoming a road safety problem. In Spain, a total of 1,300 accidents involving PMVs have been reported in the last 3 years.



1. Personal mobility vehicles



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Thank you



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Appendices

Consolidated balance sheet



Assets

Thousand euro

| Assets | 9M 2021 | 6M 2021 | % var. |
|---|------------------|------------------|-------------|
| Cash and cash equivalents | 152,205 | 114,152 | 33.3% |
| Available-for-sale financial assets | 883,887 | 902,658 | -2.1% |
| <i>Equity instruments</i> | 154,267 | 154,855 | -0.4% |
| <i>Debt securities</i> | 729,620 | 747,803 | -2.4% |
| Loans and receivables | 118,682 | 117,440 | 1.1% |
| Reinsurers' share of technical provisions | 18,971 | 18,397 | 3.1% |
| Property, plant and equipment and investment property | 110,557 | 111,009 | -0.4% |
| <i>Investment property</i> | 65,714 | 65,906 | -0.3% |
| <i>Property, plant and equipment</i> | 44,844 | 45,103 | -0.6% |
| Intangible assets | 13,321 | 12,859 | 3.6% |
| Other assets | 120,953 | 112,847 | 7.2% |
| Total assets | 1,418,576 | 1,389,362 | 2.1% |

Liabilities and Equity

Thousand euro

| Liabilities and Equity | 9M 2021 | 6M 2021 | % var. |
|--|------------------|------------------|--------------|
| Debt and accounts payable | 205,015 | 202,433 | 1.3% |
| Hedging derivatives | 10,258 | 11,628 | -11.8% |
| Technical provisions | 734,995 | 726,457 | 1.2% |
| <i>Provision for unearned premiums</i> | 453,944 | 456,151 | -0.5% |
| <i>Provision for unexpired risks</i> | 4,622 | 4,622 | 0.0% |
| <i>Provision for claims</i> | 276,428 | 265,684 | 4.0% |
| Nontechnical provisions | 19,588 | 17,105 | 14.5% |
| Other liabilities | 65,978 | 47,851 | 37.9% |
| Total liabilities | 1,035,833 | 1,005,474 | 3.0% |
| Equity | 335,580 | 333,668 | 0.6% |
| Valuation adjustments | 47,163 | 50,220 | -6.1% |
| Total equity | 382,743 | 383,888 | -0.3% |

Income statement by segment



Income statement – Motor Segment



| <i>Thousand euro</i> | 9M 2021 | 9M 2020 | % var. |
|-------------------------------------|---------------|----------------|---------------|
| Gross written premiums (GWP) | 563,301 | 567,178 | -0.7% |
| Premiums earned, net of reinsurance | 559,350 | 562,590 | -0.6% |
| Claims incurred, net of reinsurance | (374,663) | (349,852) | 7.1% |
| Net operating expenses | (114,752) | (118,909) | -3.5% |
| Other technical expenses and income | 15,696 | 14,966 | 4.9% |
| Technical result | 85,632 | 108,794 | -21.3% |

| | 9M 2021 | 9M 2020 | p.p. var. |
|-----------------------|--------------|--------------|----------------|
| Loss ratio | 67.0% | 62.2% | 4.8 p.p |
| Expense ratio | 17.7% | 18.5% | -0.8 p.p |
| Combined ratio | 84.7% | 80.7% | 4.0 p.p |
| Clients (thousands) | 2,527 | 2,449 | 78 |

Income statement – Home Segment



| <i>Thousand euro</i> | 9M 2021 | 9M 2020 | % var. |
|-------------------------------------|--------------|--------------|--------------|
| Gross written premiums (GWP) | 97,045 | 89,544 | 8.4% |
| Premiums earned, net of reinsurance | 88,288 | 82,565 | 6.9% |
| Claims incurred, net of reinsurance | (49,774) | (45,995) | 8.2% |
| Net operating expenses | (29,832) | (30,927) | -3.5% |
| Other technical expenses and income | (92) | (216) | -57.4% |
| Technical result | 8,590 | 5,427 | 58.3% |

| | 9M 2021 | 9M 2020 | p.p. var. |
|-----------------------|--------------|--------------|-----------------|
| Loss ratio | 56.4% | 55.7% | 0.7 p.p |
| Expense ratio | 33.9% | 37.7% | -3.8 p.p |
| Combined ratio | 90.3% | 93.4% | -3.2 p.p |
| Clients (thousands) | 698 | 651 | 47 |

Income statement by segment



Income statement – Health Segment



| <i>Thousand euro</i> | 9M 2021 | 9M 2020 | % var. |
|-------------------------------------|----------------|----------------|-------------|
| Gross written premiums (GWP) | 20,913 | 16,877 | 23.9% |
| Premiums earned, net of reinsurance | 9,861 | 7,578 | 30.1% |
| Claims incurred, net of reinsurance | (9,731) | (7,859) | 23.8% |
| Net operating expenses | (5,210) | (4,557) | 14.3% |
| Other technical expenses and income | (128) | (199) | -35.6% |
| Technical result | (5,209) | (5,037) | 3.4% |

| | 9M 2021 | 9M 2020 | p.p. var. |
|-----------------------|---------------|---------------|------------------|
| Loss ratio | 98.7% | 103.7% | -5.0 p.p |
| Expense ratio | 54.1% | 62.8% | -8.6 p.p |
| Combined ratio | 152.8% | 166.5% | -13.6 p.p |

| | 9M 2021 | 9M 2020 | |
|---------------------|---------|---------|----|
| Clients (thousands) | 98 | 80 | 19 |

Income statement – Other Insurance Businesses¹

| <i>Thousand euro</i> | 9M 2021 | 9M 2020 | % var. |
|---------------------------------------|------------|------------|--------------|
| Gross written premiums (GWP) | 1,379 | 1,459 | -5.4% |
| Premiums earned, net of reinsurance | 1,033 | 1,495 | -30.9% |
| Claims incurred, net of reinsurance | (37) | (416) | -91.1% |
| Profit sharing and premiums refunds | (387) | (500) | -22.6% |
| Net operating expenses | (12) | (199) | -93.8% |
| Other technical revenues and expenses | - | - | - |
| Technical result | 597 | 379 | 57.3% |

| | 9M 2021 | 9M 2020 | p.p. var. |
|-----------------------|--------------|--------------|------------------|
| Loss ratio | 3.6% | 27.8% | -24.3 p.p |
| Expense ratio | 38.7% | 46.8% | -8.1 p.p |
| Combined ratio | 42.2% | 74.6% | -32.4 p.p |

| | 9M 2021 | 9M 2020 | |
|---------------------|---------|---------|-----|
| Clients (thousands) | 5 | 13 | (8) |

1. The Other insurance businesses segment mainly shows the travel insurance business for holders of Bankinter cards under 11 collective policies not included in the customer figure, as well as a payment protection policy in run-off