

Q1

Interim Statement

JANUARY-MARCH 2022

4 MAY 2022



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Sampo Group's results for January–March 2022

- Group P&C premiums grew by 7 per cent, supported by strong development in If P&C and Hastings.
- The Group combined ratio increased to 83.5 per cent (81.2), driven mainly by lower COVID-19 effects. Underlying margin development in If remained positive.
- Underwriting profit amounted to EUR 290 million (317). Excluding COVID-19 effects reported in the first quarter of 2021, underwriting profit increased 4 per cent.
- Profit before taxes declined to EUR 566 million (632), while earnings per share increased to EUR 0.86 (0.82).
- Group Solvency II coverage including dividend accrual increased to 200 per cent (185), above the 170-190 per cent target, supported by a 6 percentage point benefit from higher interest rates.
- A new EUR 250 million share buyback programme was launched in March 2022, following the completion of the previous EUR 750 million programme.

Key figures

EURm	1-3/2022	1-3/2021	Change, %
Profit before taxes	566	632	-10
If	283	257	10
Topdanmark	37	137	-73
Hastings	2	46	-95
Mandatum	80	76	5
Holding	164	115	42
Profit for the period	483	526	-8
Underwriting profit	290	317	-8
			Change
Earnings per share, EUR	0.86	0.82	0.04
EPS (based on OCI) EUR	-0.12	1.39	-1.51
RoE, %	-2.1	26.0	-28.1

The figures in this report have not been audited.

Sampo Group financial targets for 2021-2023

	Target	1-3/2022
Group	Mid-single digit UW profit growth annually on average (excluding COVID-19 effects)	-8% (4% excluding reported COVID-19 effects in Q1/2021)
	Group combined ratio: below 86%	83.5%
	Solvency ratio: 170-190%	204% (200% including dividend accrual)
	Financial leverage: below 30%	24.8% (29.0% including dividend and buybacks)
If	Combined ratio: below 85%	80.8%
Hastings	Operating ratio: below 88%	92.5%
	Loss ratio: below 76%	68.2%

Financial targets for 2021-2023 announced at the Capital Markets Day on 24 February 2021

First quarter effects related to the COVID-19 pandemic have been well below those observed in 2021; hence, these will not be reported separately. For further information, please see "Other developments"

Financial highlights for January-March 2022

Sampo Group's core business, P&C insurance, reported an underwriting profit of EUR 290 million (317) in January-March 2022. Excluding COVID-19 effects reported in the first quarter of 2021, underwriting profit grew 4 per cent. The Group combined ratio increased by 2.3 percentage points to 83.5 per cent (81.2), driven mainly by the economic activity returning back to normal levels as COVID-19 restrictions were lifted during the quarter. Excluding the COVID-19 effects reported in If and Topdanmark in the first quarter of 2021, the combined ratio improved by 0.1 percentage points from 83.6 per cent a year ago. Gross written premiums increased by 7 per cent to EUR 2,833 million, supported by strong renewals and high retention. Sampo targets mid-single digit per cent underwriting profit growth on average and a combined ratio below 86 per cent for 2021-2023.

If P&C continued its strong performance and achieved an underwriting profit of EUR 234 million (213), representing a year-on-year growth of 10 per cent. The growth was driven by 0.7 percentage points improvement in the combined ratio to 80.8 per cent (81.5) and a strong 6.9 per cent currency adjusted premium growth. Premiums grew in all Business Areas and markets, supported by strong 1 January renewals with rate increases, high retention and an increase in customer count. If's adjusted risk ratio improved by 0.7 percentage points year-on-year. Effects related to the COVID-19 pandemic were well below those observed in 2021 and have therefore not been quantified. Profit before taxes increased to EUR 283 million (257).

Topdanmark's profit before taxes decreased to EUR 37 million (137) in Sampo Group's profit and loss account. The combined ratio was 87.8 per cent (84.7).

Hastings' performance in the first quarter was affected by challenging UK motor insurance market, with competitive pricing and elevated claims inflation. Hastings has taken a disciplined approach to pricing, leading to rate driven currency adjusted premium growth of 10 per cent and broadly stable policy count from year-end. Home insurance policies grew by 18 per cent year-on-year. The operating ratio increased to 92.5 per cent (75.1), mainly as a result of a reduction in COVID-19 effects. Hastings profit before taxes excluding non-operational depreciation and amortisation amounted to EUR 17 million (56) and reported profit before taxes stood at EUR 2 million (46).

Mandatum segment's profit before taxes for January-March 2022 increased to EUR 80 million (76). Despite the uncertain market situation, Mandatum's unit-linked and other client assets under management remained near record high levels at EUR 10.9 billion (11.1), as net flows partly offset adverse market developments. Mandatum Life's Solvency II ratio increased to 216 per cent (190), as weak mark-to-market investment results were more than offset by increasing interest rates and a decrease in the symmetric adjustment.

Holding segment's profit before taxes increased to EUR 164 million (115), including a dividend of EUR 157 million from Nordea and a gain of EUR 28 million from the sale of 19 million Nordea shares in the open market. During April 2022, Sampo completed the exit from Nordea and stated that management will propose that a new share buyback programme is launched after the Annual General Meeting on 18 May 2022, subject to the AGM renewing the Board authorisation on share repurchases.

The share buyback programme of EUR 750 million launched on October 2021 was completed on 25 March 2022. In total, Sampo repurchased 17.1 million own shares, corresponding to 3.1 per cent of all shares. The repurchased shares were cancelled on 31 March 2022. On 30 March 2022, Sampo launched a new buyback programme of up to EUR 250 million.

Sampo Group's Solvency II ratio increased to 200 per cent (185) over the quarter, net of dividend accrual based on the 2021 insurance dividend of EUR 1.70 per share and the new buyback programme of EUR 250 million. The improvement of 15 percentage points from year-end 2021 was mainly driven by rising interest rates and a decline in the symmetric adjustment. Sampo targets a solvency ratio of 170-190 per cent. The sale of Sampo's remaining Nordea shares in April is expected to add approximately 30 percentage points to the group solvency ratio.

Sampo Group's financial leverage increased to 24.8 per cent from 23.8 per cent at the end of 2021, driven by a decrease in equity. Adjusted for the proposed dividend and ongoing buyback programme, the financial leverage amounted to 29.0 per cent (27.9). Sampo targets a financial leverage below 30 per cent.

Sampo plc's Annual General Meeting will be held on 18 May 2022. The Board has proposed on 9 February 2022 to the AGM a dividend of EUR 4.10 per share, of which the insurance dividend is EUR 1.70 per share.

Group CEO's comment

Sampo's first quarter performance proved resilient to the increase in economic and geopolitical uncertainty observed during the year, most notably in relation to the tragic and unjustified war in Ukraine. We have achieved excellent P&C underwriting results and our balance sheet remains solid, allowing the launch of a new buyback programme. In addition, we continued to execute on our strategic agenda by completing the exit from Nordea during April.

Taking a closer look at P&C insurance, our largest operation, If P&C, delivered an excellent quarter. Premium growth stood at 7 per cent year-on-year even though new car sales declined by around 20 per cent across the Nordic region. Underlying margins were also robust, with a record-strong combined ratio of 80.8 per cent despite above-expected large losses and loss frequencies returning close to normal levels after pandemic related restrictions ended.

The rise in energy and commodity prices triggered by the war in Ukraine has increased uncertainty over the trajectory of inflation, both in terms of broader consumer prices and with regard to the cost of insurance claims. We have continued to observe claims inflation at around three per cent in the Nordic region during 2022, broadly at the same level as at the end of 2021, helped by our multi-year procurement agreements. Nonetheless, given the eternal external environment we see potential upside risk to this figure as we progress through the year. Hence, we are pricing on the basis of prudent assumptions and working closely with customers to ensure that the right coverage is in place. Premium growth and retention have both been excellent across all If P&C's business areas in the first quarter, which gives me confidence in our ability to navigate the operating environment.

The interaction between Hastings and If P&C is intensifying; I see significant cultural overlap between the two organisations that will create value over time. In the first quarter, conditions in the UK motor market have been challenging, with elevated claims inflation putting pressure on underwriting margins. Hastings has remained disciplined in its pricing, increasing rates to cover rising claims costs, which has supported premium growth of 10 per cent. Meanwhile, the home insurance book has made excellent progress as policy count grew by 18 per cent year-on-year.

Capital markets were volatile in the first quarter. Higher interest rates are having a positive economic effect on our business through increased reinvestment rates and lower liability values. Due to the short duration of our fixed income portfolio, we are relatively well positioned to rotate into higher yielding instruments. On the downside, wider credit spreads and a decline in equity markets had a negative impact on investment return in the first quarter.

Sampo's balance sheet has been resilient to the increase in uncertainty, as both capital and financial leverage have remained at or above target levels. Hence, we were able to launch a new EUR 250 million share buyback programme shortly after completing the EUR 750 million programme launched last year.

On 29 April, Sampo reached a key milestone in its strategy by completing the exit from Nordea, thus becoming a pure insurance group. With a clearer focus for both management and shareholders, I am confident that we have a robust foundation for even stronger operational and value creation. The exit from Nordea also further increases the Group's resilience by reducing our exposure to market risk. Following the sale, management intends to propose to the Board that a new share buyback programme is launched after the Annual General Meeting on 18 May 2022.

Looking to the rest of the year, I am optimistic about the performance of our excellent P&C operations and remain committed to our P&C insurance focused strategy.

Torbjörn Magnusson

Group CEO and President

Outlook

Outlook for 2022

Sampo Group's P&C insurance operations are expected to achieve underwriting margins that meet the annual targets set for 2021-2023. At Group level, Sampo targets a combined ratio of below 86 per cent, while the target for its largest subsidiary, If P&C, is below 85 per cent. Hastings targets an operating ratio of below 88 per cent. Following strong performance in the first quarter, the outlook for If P&C's 2022 combined ratio has been improved to 82-84 per cent.

The combined and operating ratios of Sampo Group's P&C insurance operations are subject to volatility driven by, among other factors, seasonal weather patterns, large claims, prior year development and fluctuations in claims frequency related to the COVID-19 pandemic. These effects are particularly relevant for individual segments and business areas, such as the Danish and UK operations.

The mark-to-market component of investment returns will be significantly influenced by capital markets' developments, particularly in life insurance.

With regard to Topdanmark, reference is made to the profit forecast model that the company publishes on a quarterly basis.

The major risks and uncertainties for the Group in the near-term

In its current day-to-day business activities Sampo Group is exposed to various risks and uncertainties, mainly through its major business units.

Major risks affecting the Group companies' profitability and its variation are market, credit, insurance and operational risks. At the Group level, sources of risks are the same, although they are not directly additive due to the effects of diversification.

Uncertainties in the form of major unforeseen events may have an immediate impact on the Group's profitability. The identification of unforeseen events is easier than the estimation of their probabilities, timing, and potential outcomes. After the outbreak of the COVID-19 pandemic a combination of fiscal and monetary stimulus, supply chain problems and elevated demand for consumer goods have led to high levels of inflation, with energy and product prices being particularly affected. More recently the war in Ukraine has created a new negative supply shock for the global economy depressing economic growth and further pushing up the prices of commodities and energy. The pandemic and the war in Ukraine are consequently currently causing significant uncertainties on economic and capital market development. There are also a number of widely identified macroeconomic, political and other sources of uncertainty which can, in various ways, affect the financial services industry in a negative manner.

Other sources of uncertainty are unforeseen structural changes in the business environment and already identified trends and potential wide-impact events. These external drivers may have a long-term impact on how Sampo Group's business will be conducted. Examples of identified trends are demographic changes, sustainability issues, and technological developments in areas such as artificial intelligence and digitalisation including threats posed by cybercrime.

Business areas

If

If P&C is the leading property and casualty insurer in the Nordic region, where it offers solutions in all major lines of business through its four business areas; Private, Commercial, Industrial and Baltic. If's business model is based on high customer satisfaction, best in class underwriting and leveraging the scale benefits that its unified Nordic model offers. Excellent digital sales and service capabilities are a core part of If's strategy, particularly in the Private and SME Commercial market segments.

Results

EURm	1-3/2022	1-3/2021	Change, %
Gross written premium	1,923	1,802	7
Net earned premiums	1,216	1,152	6
Claims incurred	-735	-702	5
Operating expenses	-247	-236	4
Underwriting result	234	213	10
Other technical income and expenses	-2	-1	140
Allocated investment return transferred from the non-technical account	3	4	-31
Technical result	235	217	8
Investment result	57	57	—
Allocated investment return transferred to the technical account	-9	-9	2
Other income and expenses	—	-8	-103
Profit before taxes	283	257	10

Key figures

			Change
Combined ratio, %	80.8	81.5	-0.7
Risk ratio, %	60.5	61.0	-0.5
Cost ratio, %	20.3	20.5	-0.2
Expense ratio, %	14.9	14.9	—
Large losses vs. normal*, %	1.5	0.1	1.4
Prior year development**, %	7.9	4.0	3.9

*) Positive large loss figures indicate above-normal large losses

**) Positive figures for prior year development indicate positive reserve run-off

If P&C reported an underwriting result of EUR 234 million (213) for the first quarter 2022, representing 10 per cent growth year-on-year, driven by a 0.7 percentage points improvement in the combined ratio to 80.8 per cent (81.5) and FX-adjusted premium growth of 6.9 per cent. The result compares favourably to If P&C's annual financial targets for 2021-2023 of mid-single digit growth in underwriting profit and a combined ratio below 85 per cent.

Premium development

Gross written premiums amounted to EUR 1,923 million (1,802) in January – March 2022. Excluding currency effects, premiums grew by 6.9 per cent year-on-year, driven by strong development in Industrial, Commercial and the Baltics. GWP growth benefited from successful 1 January renewals with rate increases, high retention, and an increase in customer count.

If P&C's Private business delivered GWP growth of 3.4 per cent, driven by positive development in the number of customers and continued strong retention at 90 per cent. Geographically, growth was strongest in Norway and Finland.

Nordic new car sales declined by 20 per cent year-on-year in the first quarter 2022 as OEMs continued to suffer from component shortages and supply chain issues, with the war in Ukraine adding more complexity to the situation. New car sales in If's largest market Sweden were down 23 per cent compared to last year, partly as a result of record high registrations in the same period last year due to taxation changes effective from 1 April 2021. Excluding the impact of the new car sales business, FX adjusted GWP premium growth was 5.2 per cent for Private and 7.5 per cent for If P&C as a whole.

Constant FX GWP growth in If P&C's Commercial business in January – March 2022 was 4.8 per cent, driven primarily by Norway and Sweden. Successful renewals of the main accounts in all countries, rate actions, positive development in the number of customers and improved retention compared to last year all contributed to growth.

If P&C's Industrial business saw a very strong outcome at the 1 January renewal, driving FX-adjusted GWP growth of 17.1 per cent in the first quarter of 2022. The growth was attributable to rate increases in all countries, lead by the property line of business. Geographically, growth was strongest in Denmark and Finland.

If P&C's Baltic business delivered FX-adjusted GWP growth of 22.0 per cent in January – March 2022 with strong growth in all three Baltic countries. The region saw good business momentum with a growing customer base, high retention and rate actions implemented to mitigate elevated inflation.

Combined ratio development

If's January – March 2022 combined ratio of 80.8 per cent was 0.7 percentage points better than the same period last year (81.5), driven mainly by an improvement in the adjusted risk ratio while higher prior year gains were partly offset by lower COVID-19 effects.

Large claims measured as a per cent of net earned premiums were 1.5 percentage points worse than expected for the first quarter. Compared to the same period last year this represented a deterioration of 1.4 percentage points, mainly due to unfavourable large claims outcome in the Industrial business area.

In Q1 2022 If experienced 0.8 percentage points of severe weather effects, which is similar to the 1.0 percentage reported in the prior year. First quarter 2022 severe weather effects related to two major winter storms, whereas the prior year was primarily affected by cold weather.

Although some pandemic-related restrictions and recommendations were in place at the start of the quarter, COVID-19 effects have been limited and well below the 3 percentage points in the prior year and the 2 percentage points reported for 2021 as a whole. As a result, no quantitative estimate of first quarter COVID-19 effects will be provided.

Development on prior year reserves supported the combined ratio by 7.9 percentage points (4.0), split roughly equally between releases related to changes in the mortality model in Finland and increased discount rates on annuity reserves.

In total, the risk ratio improved by 0.5 percentage points to 60.5 per cent (61.0) in January – March 2022. The adjusted risk ratio, which excludes the impact of large losses, severe weather, reported COVID-19 effects and prior year development, improved by 0.7 percentage points year-on-year.

The January – March 2022 cost ratio decreased by 0.2 percentage points to 20.3 per cent (20.5).

	Combined ratio,%			Risk ratio,%		
	1-3/2022	1-3/2021	Change	1-3/2022	1-3/2021	Change
Private	77.4	77.1	0.3	57.8	57.0	0.8
Commercial	82.6	88.7	-6.1	60.6	66.8	-6.2
Industrial	93.0	92.6	0.4	75.8	73.1	2.7
Baltic	92.5	85.0	7.5	65.0	56.9	8.1
Sweden	76.0	74.5	1.5	57.9	55.9	2.0
Norway	92.0	92.4	-0.4	71.9	71.2	0.7
Finland	62.5	75.4	-12.9	42.2	54.8	-12.6
Denmark	95.0	89.0	6.0	69.6	63.2	6.4

Investment result

If P&C reported an investment result of EUR 57 million (57) in first quarter 2022. Mark-to-market return on investments stood at -2.1 per cent for the quarter (1.5) driven by increased interest rates and volatile credit and equity markets. At the end of the period, fixed income running yield was 1.6 per cent (1.5).

Profit before taxes

In total, If P&C reported profit before taxes of EUR 283 million (257) for the first three months, representing an increase of 10 per cent year-on-year. Total comprehensive income for the period was negative EUR 24 million (292).

Topdanmark

Topdanmark is Denmark's second largest non-life insurance company with a 16 per cent market share. It focuses on the private, agricultural, and SME markets. The company is listed on Nasdaq Copenhagen.

Results

EURm	1-3/2022	1-3/2021	Change, %
Premiums, net	961	933	3
Net income from investments	-483	478	—
Other operating income	0	1	-63
Claims incurred	-474	-508	-7
Change in insurance liabilities	132	-717	—
Staff costs	-77	-79	-2
Other operating expenses	-19	-4	331
Finance costs	-5	-3	50
Share of associates' profit/loss	2	36	-96
Profit before taxes	37	137	-73

Key figures

			Change
Combined ratio, %	87.8	84.7	3.1
Loss ratio, %	71.5	67.9	3.6
Expense ratio, %	16.3	16.8	-0.5

At 31 March 2022, Sampo plc held 43,509,663 shares in Topdanmark, an increase of 16,000 shares in the first quarter. The holding corresponds to an ownership of 48.3 per cent of all shares and 49.4 per cent of related voting rights. The market value of the holding was EUR 2,202 million on 31 March 2022.

Topdanmark's profit before taxes for January-March 2022 in Sampo Group's profit and loss account decreased to EUR 37 million (137) mainly driven by volatility in the investment markets. The combined ratio for the same period was at 87.8 per cent (84.7). The expense ratio was 16.3 per cent (16.8).

Topdanmark paid Sampo plc dividends of EUR 202 million in March 2022.

On 18 March 2022, Topdanmark Forsikring A/S signed an agreement to divest of Topdanmark Liv Holding A/S and all its subsidiaries to Nordea Life Holding AB. The agreed purchase price is around EUR 270 million after a pre-completion dividend has been distributed to Topdanmark. The divestment is expected to be completed in the second half of 2022.

Topdanmark has presented its life insurance business as discontinued operations in its first quarter 2022 reporting. As Topdanmark's life business does not represent a major line of business or geographic area of operations for Sampo Group, Sampo has classified the assets and liabilities of Topdanmark life business as non-current assets held for sale and liabilities related to non-current assets held for sale. The divestment of Topdanmark Liv has no result impact in Sampo Group's January-March 2022 results.

Further information on Topdanmark A/S and its January-March 2022 results is available at www.topdanmark.com.

Hastings

Hastings is one of the leading digital general insurance providers in the UK predominantly focused on serving UK car, van, bike and home insurance customers. Hastings has over 3 million customers and operates via its two main trading subsidiaries, Hastings Insurance Services Limited in the UK and Advantage Insurance Company in Gibraltar. Sampo has consolidated Hastings in its financial reporting as a subsidiary since November 2020.

Disciplined performance in challenging markets

In the first quarter Hastings has remained disciplined in a challenging UK motor insurance market, characterised by competitive pricing and elevated claims inflation. The home insurance book saw strong development with 18 per cent growth in live customer policies (LCPs).

Premium and customer development

Gross written premium grew by 10 per cent year-on-year on a constant currency basis to EUR 274 million (238), with higher average premiums including increases in underlying rates to cover claims inflation, which remained above long-term average levels throughout the first quarter.

The UK insurance market remains highly competitive following the introduction of the FCAs General Insurance Pricing Practices (GIPP) regulations, which came in effect for policy renewals from January 2022.

Hastings has remained disciplined in its pricing and has increased average prices in response to market wide claims inflation. Consequently, LCPs increased only marginally to just under 3.2 million in the first quarter. Year-on-year LCP growth was 3 per cent. Customer retention rates continue to be high.

Home insurance customer policies were up by 6 per cent from year end 2021 to over 329,000, and by 18 per cent year-on-year, supported by new data and pricing capabilities.

Underwriting result

The calendar year loss ratio for three months to 31 March 2022 was 68.2 per cent (66.9), within the full-year target of below 76 per cent. The year-on-year increase in the loss ratio reflects a rise in claims frequencies as COVID-19 restrictions have been reversed and the impact of market wide claims inflation, offset partly by the positive effects of the whiplash reforms on bodily injury claims frequencies. Hastings continues to take a cautious approach to reserving.

The operating ratio for three months to 31 March 2022 increased to 92.5 per cent (75.1), driven by the above-mentioned increase in the loss ratio, the unwind of the benefit from acquisition accounting in the prior year and a decline in revenue attributable to reinsurance income. The first and fourth quarter typically see the highest loss and operating ratios each calendar year due to seasonality in claims frequencies and policy sales.

Profit before taxes

Profit before taxes for January - March 2022 amounted to EUR 2 million (46), net of a EUR 15 million charge for amortisation of non-operational intangibles arising from the acquisition by Sampo. Excluding non-operational amortisation, profit before taxes equated to EUR 17 million (56).

Mandatum

Mandatum is a leading Finnish financial services provider offering savings, asset management, personal risk and employee reward and retention services to private, corporate and institutional clients. Mandatum products are sold primarily in Finland, through advisers and partnership channels, but it also offers certain services, such as asset management, across the Nordic countries.

Results

EURm	1-3/2022	1-3/2021	Change, %
Premiums written	480	269	78
Net income from investments	-310	480	—
Other operating income	8	7	24
Claims incurred	-261	-296	-12
Change in liabilities for insurance and investment contracts	205	-347	—
Staff costs	-17	-15	15
Other operating expenses	-22	-19	12
Finance costs	-4	-3	12
Profit before taxes	80	76	5

Key figures

			Change
Return on equity, %	-31.8	27.2	-59.0

Mandatum segment's profit before taxes increased to EUR 80 million (76) in January-March 2022. The total comprehensive income after taxes, which reflects changes in the market value of assets, amounted to EUR -127 million (108).

The investment result taken through the P&L stood stable at EUR 59 million (61). However, the fair value investment result was affected by the turbulent start of the year in the financial markets and decreased to EUR -184 million (119). The mark-to-market investment return was -4.0 per cent in the first quarter.

In Mandatum Life's Solvency II calculation, the weak fair value investment result was more than offset by rising interest rates and decreased symmetric adjustment, leading to a 26 percentage points increase in the Solvency II ratio to 216 per cent, up from 190 per cent at the end of 2021.

Despite the uncertain market situation, Mandatum's third-party assets under management, which include unit-linked and other client assets, remained near record high levels at EUR 10.9 billion (11.1) at the end of March. The decline in market values was partially offset by a strong net flow of around 230 million.

Mandatum's operational result (expense result and result from Asset Management) was supported by the increased assets under management compared to the first quarter of 2021 and grew to EUR 12 million (6). Risk result amounted to EUR 8 million (6).

Mandatum's with-profit liabilities related to higher guarantees of 3.5 and 4.5 per cent decreased by EUR 41 million to EUR 1.7 billion (1.7). In total, with-profit reserves were EUR 3.2 billion (3.2) at the end of March 2022.

Discount rate reserves decreased to EUR 259 million (274), as no new reserves were added during the first quarter. The discount rate is 0.25 per cent for years 2022-2025 and 0.75 per cent for 2026.

Holding

Sampo plc is the parent company of Sampo Group and responsible for the Group's strategy and capital management activities. In addition to the Group's insurance subsidiaries, a small number of direct investments is held in the holding company. Sampo's previous ownership in Nordea was consolidated into the P&L as an associated company until 25 October 2021 and fully exited on 29 April 2022.

Results

EURm	1-3/2022	1-3/2021	Change, %
Net investment income	175	20	784
Other operating income	28	4	548
Staff costs	-4	-6	-30
Other operating expenses	-4	-3	21
Finance costs	-34	-26	30
Share of associates' profit	3	126	-98
Profit before taxes	164	115	42

Holding segment's profit before taxes for January-March 2022 increased to EUR 164 million (115).

In the first quarter, Sampo sold 19 million Nordea shares in the open market, generating gross proceeds of EUR 199 million. The sales gain from these transactions amounted to EUR 28 million and was booked in Other operating income. The gain will be treated as an extraordinary item in accordance with Sampo's dividend policy. Sampo's share of Nordea's dividend was EUR 157 million, which was booked in Net investment income.

At the end of March 2022, Sampo held 226,653,523 shares in Nordea, equivalent to 5.9 per cent of total shares of the company. The book value of the holding in the Group's consolidated balance sheet was EUR 2.0 billion, i.e. EUR 8.90 per share, and the market value EUR 2.1 billion, i.e. EUR 9.38 per share on 31 March 2022. After the end of the reporting period, Sampo sold the remainder of its holding in Nordea; more information about these transactions is available under the section "Events after the end of the reporting period".

Sampo's share of Nordax's profit amounted to EUR 3 million (5) in January-March 2022. Holding segment's finance costs were increased mostly due to an effect of EUR -12 million from changes in derivatives' values and currency exchange rates.

Other developments

Group solvency

Sampo Group's Solvency II ratio increased by 15 percentage points to 200 per cent (185) at the end of March 2022. The figure includes adjustment for dividend accrual based on the 2021 insurance dividend of EUR 1.70 per share, the ongoing buyback programme of EUR 250 million and the EUR 4.10 per share dividend proposal announced for 2021. Excluding dividend accrual for the first quarter, Solvency II coverage would have been 204 per cent.

The increase in the first quarter was primarily driven by rising interest rates and the decrease in the symmetric adjustment but also the robust operational performance in the first quarter.

The sale of Sampo's remaining Nordea shares in April is expected to add approximately 30 percentage points to the group solvency ratio.

Sampo Group targets a Solvency II ratio between 170 and 190 per cent.

Financial leverage position

Sampo Group targets financial leverage below 30 per cent. Financial leverage is calculated as Group's financial debt divided by the sum of IFRS equity and financial debt. The financial leverage ratio for Sampo Group was 24.8 per cent on 31 March 2022, an increase of 1.0 percentage points from 23.8 per cent at the year-end 2021. Including dividend and share buybacks, financial leverage ratio was 29.0 per cent compared to 27.9 per cent at the end of 2021.

Sampo Group IFRS shareholders equity amounted to EUR 12,828 million at the end of the first quarter compared to EUR 13,464 million at the year-end.

More information on Sampo Group's outstanding debt issues is available at www.sampo.com/debtfinancing.

Ratings

Relevant ratings for Sampo Group companies on 31 March 2022 are presented in the table below.

Rated company	Moody's		Standard & Poor's		Fitch Ratings	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
Sampo plc - Issuer Credit Rating	A3	Stable	A	Stable	-	-
If P&C Insurance Ltd - Insurance Financial Strength Rating	A1	Stable	A+	Positive	-	-
If P&C Insurance Holding Ltd (publ) - Issuer Credit Rating	-	-	A	Stable	-	-
Mandatam Life Insurance Company Ltd - Issuer Credit Rating	-	-	A+	Positive	-	-
Hastings Group (Finance) - Issuer default rating	-	-	-	-	A-	Positive

Dividend proposal

On 9 February 2022, the Sampo Board proposed to the Annual General Meeting that a dividend of EUR 4.10 per share for the 2021 financial year. The dividend is proposed to be paid to the shareholders registered in the Register of Shareholders held by Euroclear Finland Oy as at the record date of 20 May 2022. The Board proposes that the dividends be paid on 31 May 2022. The full dividend proposal is available on www.sampo.com/agm.

Shares and shareholders

The Annual General Meeting held on 19 May 2021 authorised the Board to repurchase a maximum of 50,000,000 Sampo A shares. The price paid for the shares repurchased under the authorisation shall be based on the current market price of Sampo A shares on the securities market. The authorisation will be valid until the close of the next Annual General Meeting, nevertheless not more than 18 months after the AGM's decision.

On 1 October 2021, the Board of Directors of Sampo plc made a decision to launch the buyback programme based on the authorisation granted by Sampo's AGM. According to the Board decision, the aggregate purchase price of all Sampo A shares to be acquired under the programme was EUR 750 million at maximum. The repurchase of shares began on 4 October 2021 and ended on 25 March 2022. During that period, Sampo repurchased 17,128,505 of its own shares at an average price per share of EUR 43.79. The amount corresponds to 3.08 per cent of all Sampo plc's shares.

On 30 March 2022, the Board of Directors of Sampo plc made a decision to launch a new buyback programme for Sampo A shares based on the authorisation granted by the AGM. The aggregate purchase price of all Sampo A shares to be acquired under the buyback programme shall not exceed EUR 250 million. The share repurchases started on 31 March 2022 and will end by latest 17 May 2022.

On 31 March 2022, Sampo plc announced, in line with the decision by the Board of Directors, the cancellation of 17,128,505 own A shares repurchased under the share buyback programme disclosed on 1 October 2021. After the cancellation, the total number of issued Sampo A shares is 537,023,345 and the total number of votes attached to these shares is 537,023,345. After the cancellation, the total number of Sampo shares, including 1,200,000 B shares, amounts to 538,223,345 shares. The total number of votes attached to the shares is 543,023,345.

During January - March 2022 Sampo plc received altogether five (5) notifications of change in holding pursuant to Chapter 9, Section 5 of the Securities Markets Act, according to which the total number of Sampo A shares or related voting rights owned by BlackRock, Inc. and its funds directly or through financial instruments had decreased below 5 per cent or increased above 5 per cent.

The details of the notifications are available at www.sampo.com/flaggings.

Effects of external events on Sampo Group

The first quarter saw an increase in geopolitical uncertainty as Russia launched an invasion into neighbouring Ukraine. The Group has limited insurance exposures in the affected region through certain Nordic industrial lines clients and coverage is subject to war exclusions. On the asset side, Sampo has no material direct investments in Russia or Ukraine.

Given the limited direct exposure, the biggest risk from the war in Ukraine to Sampo relates to second order capital markets and macroeconomic effects. The Group carries substantial market risk exposures via its strategic investments and through insurance company investment portfolios and liabilities, which may be adversely affected by market shocks. This risk taking is supported by financial buffers calibrated to withstand volatility, and Sampo operated above its target financial strength levels at the end of the first quarter of 2022.

Macroeconomic effects could also have an impact on Sampo's operational business, for example by reducing economic growth, aggravating supply chain problems and inflating commodity prices. These considerations are particularly relevant as supply chain disruption and high inflation had already become established prior to the invasion following the COVID-19 pandemic and associated monetary and fiscal stimulus programmes.

In the Nordic and Baltic countries, COVID-19 effects in the quarter were materially below the levels observed over 2021. Motor claims frequencies were affected by pandemic-related restrictions in the first part of the quarter but later returned toward pre-pandemic levels. In the UK, motor claims frequencies have increased as restrictions were lifted but remain below pre-COVID-19 levels. Given the limited impact of COVID-19 and the increasing difficulty in reliably estimating associated effects, Sampo has decided not to provide any quantitative disclosure of COVID-19 effects in the first quarter.

Remuneration

A total of EUR 16 million (19), including social costs, was paid as short-term incentives during the first quarter of 2022, of which the major part was paid out in Hastings. In the same period, a total of 1 million (1) was paid as long-term incentives, of which all was paid out in Topdanmark. The long-term incentive schemes in force in Sampo Group produced a negative result impact of EUR -4 million (-6). The terms of the long-term incentive schemes based on financial instruments of Sampo plc are available at www.sampo.com/incentiveterms.

In February 2022, Sampo Group published its Remuneration Report for Governing Bodies 2021 at www.sampo.com/remunerationreport. The report has been prepared in accordance with the Corporate Governance Code 2020, issued by the Securities Market Association and effective from 1 January 2020. The remuneration of the Group Executive Committee members (excluding the Group CEO) can be viewed at www.sampo.com/remuneration_executive_committee.

Personnel

The average number of Sampo Group's employees (FTE) in the first quarter of 2022 amounted to 13,505 (13,204). On 31 March 2022, the total number of staff in Sampo Group was 13,600 (13,218).

Sampo Group personnel	Average staff (FTE) 1-3/2022	%
By company		
If	7,351	54
Hastings	3,060	23
Topdanmark	2,383	18
Mandatum	664	5
Sampo plc	47	0.3
By country		
United Kingdom	3,033	23
Denmark	2,964	22
Finland	2,378	18
Sweden	2,348	17
Norway	1,558	12
Other countries	1,224	9

Events after the end of the reporting period

Share buyback programme

Sampo's share buyback programme announced on 30 March 2022 continued after the end of the reporting period. By Friday 29 April 2022 market close, the company had bought in total 2,851,150 Sampo A shares representing 0.53 per cent of the total number of shares in Sampo plc. The progress of the buyback programme can be followed on www.sampo.com/releases.

Disposals of Nordea shares

Sampo sold all of its remaining Nordea holding in April, after the end of the reporting period, through an accelerated bookbuild offering of 200 million shares on 29 April and the sale of 26 million shares in the open market. The transactions generated total gross proceeds of EUR 2.1 billion and will have a positive accounting effect of approximately EUR 82 million on Sampo's consolidated statement of profit and loss.

In connection with disclosing the results of the bookbuild offering, Sampo disclosed that management intends to propose to the Board that a new share buyback programme is launched after the Annual General Meeting on 18 May 2022, subject to the AGM renewing the Board authorisation on share repurchases.

SAMPO PLC

Board of Directors

For more information, please contact

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Sami Taipalus, Head of Investor Relations, tel. +358 10 516 0030

Maria Silander, Communications Manager, Media Relations, tel. +358 10 516 0031

Conference call

An English-language conference call for investors and analysts will be arranged at 4 pm Finnish time (2 pm UK time). Please call tel. +1 631 913 1422, +44 33 3300 0804, +46 8 5664 2651, or +358 9 8171 0310.

The conference passcode is 95293335#

The conference call can also be followed live at www.sampo.com/result. A recorded version will later be available at the same address.

In addition, the Investor Presentation is available at www.sampo.com/result.

Sampo will publish the Half-Year Financial Report on 3 August 2022.

Distribution:

Nasdaq Helsinki

London Stock Exchange

The principal media

Financial Supervisory Authority

www.sampo.com

Group financial review >

Financial highlights		1-3/2022	1-3/2021
GROUP			
Profit before taxes	EURm	566	632
Return on equity (at fair value)	%	-2.1	26.0
Equity/assets ratio	%	20.2	20.5
Group solvency ¹⁾	EURm	5,482	5,769
Group solvency ratio ¹⁾	%	204	189
Average number of staff		13,505	13,204
IF			
Premiums written before reinsurers' share	EURm	1,923	1,802
Premiums earned	EURm	1,216	1,152
Profit before taxes	EURm	283	257
Return on equity (at current value)	%	-3.0	40.7
Risk ratio ²⁾	%	60.5	61.0
Cost ratio ²⁾	%	20.3	20.5
Claims ratio ²⁾	%	65.9	66.6
Expense ratio ²⁾	%	14.9	14.9
Combined ratio ²⁾	%	80.8	81.5
Average number of staff		7,351	7,162
TOPDANMARK			
Premiums written before reinsurers' share, life insurance	EURm	374	361
Premiums written before reinsurers' share, P&C insurance	EURm	635	617
Premiums earned, P&C insurance	EURm	331	318
Profit before taxes	EURm	37	137
Claims ratio ²⁾	%	71.5	67.9
Expense ratio ²⁾	%	16.3	16.8
Combined ratio	%	87.8	84.7
Average number of staff		2,383	2,424
HASTINGS			
Premiums written before reinsurers' share	EURm	274	238
Premiums earned	EURm	130	124
Profit before taxes	EURm	2	46
Average number of staff		3,060	2,986

> Group financial review

MANDATUM		1-3/2022	1-3/2021
Premiums written before reinsurers' share	EURm	484	272
Profit before taxes	EURm	80	76
Return on equity (at current value)	%	-31.8	27.2
Expense ratio	%	87.6	96.9
Average number of staff		664	563
HOLDING			
Profit before taxes	EURm	164	115
Average number of staff		47	70
PER SHARE KEY FIGURES			
Earnings per share	EUR	0.86	0.82
Earnings per share, incl. other comprehensive income	EUR	-0.12	1.39
Equity per share	EUR	22.93	21.94
Net asset value per share	EUR	24.50	23.28
Adjusted share price, high	EUR	46.57	39.04
Adjusted share price, low	EUR	35.85	33.82
Market capitalisation	EURm	23,877	21,364

¹⁾ The Group solvency is calculated according to the consolidation method defined in the Solvency II Directive (2009/138/EC).

²⁾ The key figures for P&C Insurance are based on activity based costs and cannot, therefore, be calculated directly from the consolidated income statement.

The number of shares used at the reporting date was 538,023,345 and as the average number during the financial period 542,331,423.

In calculating the key figures the tax corresponding to the result for the accounting period has been taken into account.

In the net asset value per share, the Group valuation difference on associate Nordea and listed subsidiary Topdanmark have also been taken into account.

Calculation of key figures

Return on equity (fair values), %

$$\frac{\begin{aligned} &+ \text{ total comprehensive income} \\ &\pm \text{ valuation differences on investments less deferred tax} \\ &+ \text{ total equity} \\ &\pm \text{ valuation differences on investments less deferred tax} \\ &\quad (\text{average of values 1 Jan. and the end of reporting period}) \end{aligned}}{\text{total equity}} \times 100 \%$$

Equity/assets ratio (at fair values), %

$$\frac{\begin{aligned} &+ \text{ total equity} \\ &\pm \text{ valuation differences on investments after deduction of deferred tax} \\ &+ \text{ balance sheet total} \\ &\pm \text{ valuation differences on investments} \end{aligned}}{\text{balance sheet total}} \times 100 \%$$

Financial leverage

$$\frac{\text{financial debt}}{\text{equity} + \text{financial debt}} \times 100 \%$$

Risk ratio for P&C insurance, %

$$\frac{\begin{aligned} &+ \text{ claims incurred} \\ &- \text{ claims settlement expenses} \end{aligned}}{\text{insurance premiums earned}} \times 100 \%$$

Cost ratio for P&C insurance, %

$$\frac{\begin{aligned} &+ \text{ operating expenses} \\ &+ \text{ claims settlement expenses} \end{aligned}}{\text{insurance premiums earned}} \times 100 \%$$

Claims ratio for P&C insurance, %

$$\frac{\text{claims incurred}}{\text{insurance premiums earned}} \times 100 \%$$

Expense ratio for P&C insurance, %

$$\frac{\text{operating expenses}}{\text{insurance premiums earned}} \times 100 \%$$

Combined ratio for P&C insurance, %

Loss ratio + expense ratio

Expense ratio for life insurance, %

$$\frac{\begin{aligned} &+ \text{ operating expenses before change in deferred acquisition costs} \\ &+ \text{ claims settlement expenses} \end{aligned}}{\text{expense charges}} \times 100 \%$$

Per share key figures

Earnings per share

profit for the financial period attributable to the parent company's equity holders

adjusted average number of shares

Equity per share

equity attributable to the parent company's equity holders

adjusted number of shares at the balance sheet date

Net asset value per share

+ equity attributable to the parent company's equity holders

± valuation differences on listed Group companies

adjusted number of shares at balance sheet date

Market capitalisation

number of shares at the balance sheet date x closing share price at the balance sheet date

Exchange rates used in reporting

	1-3/2022	1-12/2021	1-9/2021	1-6/2021	1-3/2021	1-12/2020
EURSEK						
Income statement (average)	10.4837	10.1465	10.1529	10.1312	10.1173	10.4882
Balance sheet (at end of period)	10.3370	10.2503	10.1683	10.1110	10.2383	10.0343
DKKSEK						
Income statement (average)	1.3608	1.3643	1.3652	1.3622	1.3608	1.4066
Balance sheet (at end of period)	1.3766	1.3784	1.3674	1.3597	1.3766	1.3485
NOKSEK						
Income statement (average)	0.9865	0.9983	0.9926	0.9956	0.9865	0.9778
Balance sheet (at end of period)	1.0243	1.0262	1.0003	0.9940	1.0243	0.9584
EURDKK						
Income statement (average)	7.4408	7.4371	7.4368	7.4369	7.4373	7.4544
Balance sheet (at end of period)	7.4379	7.4364	7.4360	7.4362	7.4373	7.4409
EURGBP						
Income statement (average)	0.8363	0.8599	0.8638	0.8682	0.8748	0.8892
Balance sheet (at end of period)	0.8460	0.8403	0.8605	0.8581	0.8521	0.8990

Group quarterly comprehensive income statement

EURm	1-3/2022	10-12/2021	7-9/2021	4-6/2021	1-3/2021
Insurance premiums written	3,343	2,172	1,944	2,341	2,955
Net income from investments	-566	1,272	315	932	1,030
Other operating income	144	104	127	125	135
Claims incurred	-1,557	-1,606	-1,468	-1,581	-1,584
Change in liabilities for insurance and investment contracts	-221	-828	25	-776	-1,545
Staff costs	-303	-298	-299	-288	-295
Other operating expenses	-236	-290	-242	-256	-187
Finance costs	-44	-36	-44	-32	-35
Share of associates' profit/loss	6	-40	129	153	159
Valuation difference on disposal of associate shares	—	84	—	—	—
Reversal of impairment losses on Nordea shares	—	662	144	93	—
Profit for the reporting period before taxes	566	1,197	632	710	632
Taxes	-84	-111	-82	-124	-106
Profit for the reporting period	483	1,086	550	586	526
Other comprehensive income for the reporting period					
Items reclassifiable to profit or loss					
Exchange differences on translating foreign operations	-12	16	-13	14	64
Available-for-sale financial assets	-658	92	5	118	244
Cash flow hedges	1	0	0	0	0
Share of other comprehensive income of associates	2	84	32	35	35
Taxes	117	-8	-1	-23	-51
Total items reclassifiable to profit or loss, net of tax	-550	184	22	144	292
Items not reclassifiable to profit or loss					
Actuarial gains and losses from defined pension plans	21	-2	28	18	28
Taxes	-5	0	-6	-4	-6
Total items not reclassifiable to profit or loss, net of tax	17	-2	22	15	23
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD	-50	1,269	595	745	840
Profit attributable to					
Owners of the parent	467	1,048	518	547	454
Non-controlling interests	16	39	32	39	72
Total comprehensive income attributable to					
Owners of the parent	-66	1,232	564	706	770
Non-controlling interests	16	37	30	39	70

Statement of profit and other comprehensive income

EURm	Note	1-3/2022	1-3/2021
Insurance premiums written	1	3,343	2,955
Net income from investments	2	-566	1,030
Other operating income		144	135
Claims incurred		-1,557	-1,584
Change in liabilities for insurance and investment contracts		-221	-1,545
Staff costs		-303	-295
Other operating expenses		-236	-187
Finance costs		-44	-35
Share of associates' profit/loss		6	159
Profit for the reporting period before taxes		566	632
Taxes		-84	-106
Profit for the reporting period		483	526
Other comprehensive income for the reporting period			
Items reclassifiable to profit or loss			
Exchange differences		-12	64
Available-for-sale financial assets		-658	244
Cashflow hedges		1	0
Share of associates' other comprehensive income		2	35
Taxes		117	-51
Total items reclassifiable to profit or loss, net of tax		-550	292
Items not reclassifiable to profit or loss			
Actuarial gains and losses from defined pension plans		21	28
Taxes		-5	-6
Total items not reclassifiable to profit or loss, net of tax		17	23
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD		-50	840
Profit attributable to			
Owners of the parent		467	454
Non-controlling interests		16	72
Total comprehensive income attributable to			
Owners of the parent		-66	770
Non-controlling interests		16	70
Basic earnings per share (EUR)		0.86	0.82

Consolidated balance sheet

EURm	Note	03/2022	12/2021
Assets			
Property, plant and equipment		370	375
Investment property		177	568
Intangible assets		3,633	3,794
Investments in associates		478	777
Financial assets	3	19,581	23,321
Investments related to unit-linked insurance contracts		10,315	19,711
Deferred tax assets		9	39
Reinsurers' share of insurance liabilities		2,374	2,295
Other assets		3,597	2,977
Cash and cash equivalents		4,978	4,819
Non-current assets held for sale	6	15,515	2,385
Total assets		61,027	61,061
Liabilities			
Liabilities for insurance and investment contracts	4	17,767	20,369
Liabilities for unit-linked insurance and investment contracts		10,345	19,550
Subordinated debt	5	2,014	2,016
Other financial liabilities	5	2,429	2,330
Deferred tax liabilities		709	855
Provisions		7	9
Employee benefits		28	26
Other liabilities		2,230	2,246
Liabilities related to non-current assets held for sale	6	12,671	196
Total liabilities		48,199	47,597
Equity			
Share capital		98	98
Reserves		1,530	1,530
Retained earnings		10,053	9,952
Other components of equity		658	1,208
Equity attributable to owners of the parent		12,340	12,788
Non-controlling interests		489	676
Total equity		12,828	13,464
Total equity and liabilities		61,027	61,061

Statement of changes in equity

EURm	Share capital	Legal reserve	Invested unrestricted equity	Retained earnings ¹⁾	Translation of foreign operations ²⁾	Available-for-sale financial assets ³⁾	Total	Non-controlling interest	Total
Equity at 1 January 2021	98	4	1,527	9,282	-749	1,257	11,418	840	12,258
Changes in equity									
Share-based payments	—	—	—	-2	—	—	-2	—	-2
Other changes in equity	—	—	—	—	—	—	—	-117	-117
Profit for the reporting period	—	—	—	454	—	—	454	72	526
Other comprehensive income for the reporting period	—	—	—	48	76	192	316	-2	315
Total comprehensive income	—	—	—	501	76	192	770	70	840
Equity at 31 March 2021	98	4	1,527	9,781	-673	1,449	12,186	793	12,979
Equity at 1 January 2022	98	4	1,527	9,952	-415	1,622	12,788	676	13,464
Changes in equity									
Acquired non-controlling interests	—	—	—	1	—	—	1	-1	—
Dividends	—	—	—	—	—	—	—	-207	-207
Acquisition of own shares	—	—	—	-379	—	—	-379	—	-379
Share-based payments	—	—	—	-5	—	—	-5	—	-5
Changes in associate share holdings	—	—	—	2	—	—	2	—	2
Other changes in equity	—	—	—	-1	—	—	-1	5	4
Profit for the reporting period	—	—	—	467	—	—	467	16	483
Other comprehensive income for the reporting period	—	—	—	17	-10	-540	-533	—	-533
Total comprehensive income	—	—	—	483	-10	-540	-66	16	-50
Equity at 31 March 2022	98	4	1,527	10,053	-425	1,082	12,340	489	12,828

¹⁾ IAS 19 Pension benefits had a net effect of EUR 17 million (-38) on retained earnings.

²⁾ In the comparison year, the total comprehensive income includes also the share of associate Nordea's other comprehensive income, in accordance with the Group's holding. The retained earnings included EUR 25 million of items not re-classifiable to profit or loss. The change in translation of foreign operations included exchange differences EUR 13 million. Respectively, change in available-for-sale financial assets included Nordea's share of EUR -3 million.

In 2022, the translation differences include associate Nordax' share of exchange differences EUR 2 million.

³⁾ The amount recognised in equity from available-for-sale financial assets for the period totalled EUR -504 million (297). The amount transferred to p/l amounted to EUR -53 million (-99). EUR 16 million (-2) was transferred to the Segregated Suomi portfolio.

On 31 March 2022, Sampo plc cancelled own shares acquired in 2021, total of 17,128,505 shares.

Statement of cash flows

EURm	1-3/2022	1-3/2021
Operating activities		
Profit before taxes	566	632
Adjustments:		
Depreciation and amortisation	46	40
Unrealised gains and losses arising from valuation	397	-333
Realised gains and losses on investments	-30	-91
Change in liabilities for insurance and investment contracts	464	1,802
Other adjustments *)	619	-215
Adjustments total	1,495	1,202
Change (+/-) in assets of operating activities		
Investments **)	-845	-615
Other assets	-571	-348
Total	-1,416	-962
Change (+/-) in liabilities of operating activities		
Financial liabilities	102	-51
Other liabilities	110	23
Paid taxes	-88	-57
Paid interest	-47	-39
Total	77	-124
Net cash from operating activities	723	748
Investing activities		
Investments in subsidiary shares	-1	—
Dividends received from associates	—	45
Net investment in equipment and intangible assets	-38	-27
Net cash from investing activities	-39	18
Financing activities		
Dividends paid to non-controlling interests	-207	—
Acquisition of own shares	-379	—
Issue of debt securities	63	150
Repayments of debt securities in issue	-2	-6
Net cash used in financing activities	-525	144
Total cash flows	158	910
Cash and cash equivalents at the beginning of reporting period	4,819	2,520
Effects of exchange rate changes	0	-3
Cash and cash equivalents at the end of reporting period	4,978	3,427
Net change in cash and cash equivalents	158	910

Cash and cash equivalents include cash at bank and in hand EURm 4,894 (3,266) and short-term deposits (max 3 months) EURm 83 (161).

Notes

Accounting policies

Sampo Group's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU. The interim financial statements are not presented in accordance with IAS 34 standard as Sampo applies the statutes of security markets act (1278/2015), regarding the regular disclosure requirements. The same accounting policies and methods of computation are applied as in the financial statements for 2021.

The applied standards and interpretations are described in Sampo's accounting policies for the financial year 2021. The financial statements are available on Sampo's website www.sampo.com/year2021.

Accounting policies requiring management judgement and key sources of estimation uncertainties

Non-current assets held for sale

Topdanmark Forsikring's life and pension business

In March 2022, Sampo's subsidiary Topdanmark Forsikring announced an intention to sell Topdanmark Forsikring's life and pension business ('Topdanmark Life') to Nordea. The transaction is subject to regulatory approval. In Sampo Group, Topdanmark Life's operations have been reported as part of Topdanmark segment.

In accordance with the view of management, the sale is highly probable within the next 12 months. In Sampo Group, assets and liabilities related to Topdanmark Life's operations were classified to non-current assets held for sale in accordance with IFRS 5 *Non-current assets held for sale and discontinued operations*.

Additional information on the reclassification of Topdanmark Life is included in the note 6 Non-current assets held for sale.

Nordea

In February 2021, Sampo's Board of Directors announced an intention statement to materially reduce Sampo's holding in Nordea over the following 18 months. In October 2021, Nordea's shares were classified to non-current assets held for sale in accordance with IFRS 5 *Non-current assets held for sale and discontinued operations*. The decision for reclassification was based on Sampo's management's assumptions that the book value will be recovered principally through a sale transaction. In accordance with the view of Sampo's management, the shares are available for immediate sale and the sale is highly probable within 12 months from the reclassification.

Additional information on the reclassification is included in the note 6 Non-current assets held for sale.

Comprehensive income statement by segment for three months ended 31 March 2022

EURm	If	Top- danmark	Hastings	Mandatum	Holding	Elimina- tion	Group
Insurance premiums written	1,750	961	151	480	—	—	3,343
Net income from investments	51	-483	3	-310	175	-2	-566
Other operating income	33	0	78	8	28	-3	144
Claims incurred	-735	-474	-88	-261	—	2	-1,557
Change in liabilities for insurance and investment contracts	-534	132	-22	205	—	-2	-221
Staff costs	-164	-77	-41	-17	-4	—	-303
Other operating expenses	-118	-19	-77	-22	-4	3	-236
Finance costs	-2	-5	-1	-4	-34	2	-44
Share of associates' profit/loss	2	2	—	0	3	—	6
Profit for the reporting period before taxes	283	37	2	80	164	0	566
Taxes	-58	-10	1	-16	0	—	-84
Profit for the reporting period	225	27	3	65	164	0	483
Other comprehensive income for the reporting period							
Items reclassifiable to profit or loss							
Exchange differences	3	1	-12	—	-4	—	-12
Available-for-sale financial assets	-321	—	-18	-243	-75	—	-658
Cashflow hedges	—	—	1	—	—	—	1
Share of associates' other comprehensive income	—	—	—	—	2	—	2
Taxes	53	—	—	52	13	—	117
Total items reclassifiable to profit or loss, net of tax	-265	1	-30	-191	-64	—	-550
Items not reclassifiable to profit or loss							
Actuarial gains and losses from defined pension plans	21	—	—	—	—	—	21
Taxes	-5	—	—	—	—	—	-5
Total items not reclassifiable to profit or loss, net of tax	17	—	—	—	—	—	17
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD	-24	28	-27	-127	100	0	-50
Profit attributable to							
Owners of the parent							467
Non-controlling interests							16
Total comprehensive income attributable to							
Owners of the parent							-66
Non-controlling interests							16

Hastings' operating income includes EUR 28 million (27) that relates to broker activities under IFRS 15 *Revenue from Contracts with Customers*.

Comprehensive income statement by segment for three months ended 31 March 2021

EURm	If	Top-danmark	Hastings	Mandatum	Holding	Eliminati on	Group
Insurance premiums written	1,647	933	106	269	—	—	2,955
Net income from investments	52	478	2	480	20	-4	1,030
Other operating income	33	1	96	7	4	-6	135
Claims incurred	-702	-508	-83	-296	—	5	-1,584
Change in liabilities for insurance and investment contracts	-495	-717	19	-347	—	-4	-1,545
Staff costs	-159	-79	-36	-15	-6	—	-295
Other operating expenses	-111	-4	-55	-19	-3	6	-187
Finance costs	-4	-3	-1	-3	-26	3	-35
Share of associates' profit/loss	-3	36	—	0	126	—	159
Profit for the reporting period before taxes	257	137	46	76	115	0	632
Taxes	-54	-33	-5	-14	0	—	-106
Profit for the reporting period	202	105	41	62	115	0	526
Other comprehensive income for the reporting period							
Items reclassifiable to profit or loss							
Exchange differences	-9	6	72	—	-5	—	64
Available-for-sale financial assets	95	—	-6	58	98	—	244
Share of other comprehensive income of associates	—	—	—	—	35	—	35
Taxes	-19	—	—	-12	-20	—	-51
Total items reclassifiable to profit or loss, net of tax	67	6	65	46	107	—	292
Items not reclassifiable to profit or loss							
Actuarial gains and losses from defined pension plans	28	—	—	—	—	—	28
Taxes	-6	—	—	—	—	—	-6
Total items not reclassifiable to profit or loss, net of tax	23	—	—	—	—	—	23
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD	292	111	107	108	223	0	840

Profit attributable to

Owners of the parent	454
Non-controlling interests	72

Total comprehensive income attributable to

Owners of the parent	770
Non-controlling interests	70

Consolidated balance sheet by segment at 31 March 2022

EURm	If	Top- danmark	Hastings	Mandatum	Holding	Elim.	Group
Assets							
Property, plant and equipment	195	118	25	27	4	—	370
Investment property	1	—	—	176	—	—	177
Intangible assets	628	1,246	1,585	173	1	—	3,633
Investments in associates	18	10	—	2	447	—	478
Financial assets	10,906	2,055	993	4,183	7,753	-6,309	19,581
Investments related to unit-linked insurance contracts	—	—	—	10,324	—	-9	10,315
Deferred tax assets	5	8	—	—	—	-4	9
Reinsurers' share of insurance liabilities	438	112	1,822	1	—	—	2,374
Other assets	2,274	193	700	208	228	-5	3,597
Cash and cash equivalents	970	7	201	775	3,025	—	4,978
Non-current assets held for sale	—	13,312	—	186	2,017	—	15,515
Total assets	15,435	17,062	5,326	16,056	13,475	-6,327	61,027
Liabilities							
Liabilities for insurance and investment contracts	9,698	2,142	2,749	3,177	—	—	17,767
Liabilities for unit-linked insurance and investment contracts	—	—	—	10,354	—	-9	10,345
Subordinated debt	241	255	—	349	1,488	-320	2,014
Other financial liabilities	35	144	348	16	1,885	—	2,429
Deferred tax liabilities	309	131	114	127	27	—	709
Provisions	7	—	—	—	—	—	7
Employee benefits	28	—	—	—	—	—	28
Other liabilities	1,178	188	542	199	128	-5	2,230
Liabilities related to non-current assets held for sale	—	12,485	—	186	—	—	12,671
Total liabilities	11,496	15,346	3,754	14,409	3,528	-334	48,199
Equity							
Share capital							98
Reserves							1,530
Retained earnings							10,053
Other components of equity							658
Equity attributable to parent company's equity holders							12,340
Non-controlling interests							489
Total equity							12,828
Total equity and liabilities							61,027

Consolidated balance sheet by segment at 31 December 2021

EURm	If	Topdan- mark	Hastings	Mandatum	Holding	Elimination	Group
Assets							
Property, plant and equipment	196	121	26	28	4	—	375
Investment property	1	394	—	173	—	—	568
Intangible assets	629	1,387	1,606	171	1	—	3,794
Investments in associates	17	313	—	1	447	—	777
Financial assets	11,088	5,493	966	4,427	7,654	-6,308	23,321
Investments related to unit-linked insurance contracts	—	9,164	—	10,558	—	-11	19,711
Deferred tax assets	4	12	27	—	—	-4	39
Reinsurers' share of insurance liabilities	322	91	1,880	1	—	—	2,295
Other assets	1,873	258	639	157	55	-4	2,977
Cash and cash equivalents	521	153	159	954	3,031	—	4,819
Non-current assets held for sale	—	—	—	196	2,189	—	2,385
Total assets	14,651	17,385	5,305	16,668	13,380	-6,328	61,061
Liabilities							
Liabilities for insurance and investment contracts	9,034	5,311	2,787	3,236	—	—	20,369
Liabilities for unit-linked insurance and investment contracts	—	9,036	—	10,525	—	-11	19,550
Subordinated debt	243	255	—	349	1,487	-320	2,016
Other financial liabilities	8	83	329	29	1,881	—	2,330
Deferred tax liabilities	353	151	143	167	40	—	855
Provisions	9	—	—	—	—	—	9
Employee benefits	26	—	—	—	—	—	26
Other liabilities	1,018	452	447	237	96	-4	2,246
Non-current liabilities related to assets held for sale	—	—	—	196	—	—	196
Total liabilities	10,690	15,289	3,706	14,741	3,505	-335	47,597
Equity							
Share capital							98
Reserves							1,530
Retained earnings							9,952
Other components of equity							1,208
Equity attributable to parent company's equity holders							12,788
Non-controlling interests							676
Total equity							13,464
Total equity and liabilities							61,061

Other notes, EURm

1 Insurance premiums written

	1-3/2022	1-3/2021
P&C insurance	2,833	2,657
Life insurance		
Insurance contracts	480	462
Investment contracts	378	172
Insurance premiums, gross	3,691	3,290
Reinsurers' share		
P&C insurance	-345	-333
Life insurance, insurance contracts	-4	-3
Reinsurers's share, total	-348	-336
Group insurance premiums total, net	3,343	2,955

2 Net income from investments

	1-3/2022	1-3/2021
Financial asset		
Derivative financial instruments	-134	-119
Financial assets at fair value		
Debt securities	-126	-30
Equity securities	-24	63
Financial assets at fair value, total	-150	32
Loans and receivables	6	11
Financial assets available for sale		
Debt securities	65	77
Equity securities	87	142
Financial assets available for sale, total	152	218
Investments related to unit linked contracts		
Debt securities	-57	77
Equity securities	-497	641
Derivatives	-164	118
Loans and receivables	-2	0
Other financial assets	5	37
Investments related to unit linked contracts, total	-715	873
Financial asset, total	-839	1,016
Other		
Fees and commissions, net	0	-5
Expenses from other than financial liabilities	-4	-3
Effect of discounting on P&C operations	68	48
Net income from investment property	13	45
Pension tax return	39	-72
Dividend income	157	—
Other, total	273	14
Group investment income, total	-566	1,030

3 Financial assets

	03/2022	12/2021
Derivative financial instruments	17	45
Financial assets at fair value through p/l		
Debt securities	1,897	4,494
Equity securities	148	686
Deposits	68	352
Other	1	1
Total	2,113	5,533
Loans and receivables	456	387
Financial assets available-for-sale		
Debt securities	13,054	12,901
Equity securities	3,940	4,464
Total	16,994	17,365
Group's financial assets, total	19,581	23,321

4 Liabilities for insurance and investment contracts

	03/2022	12/2021
Insurance contracts		
Provision for unearned premiums		
P&C insurance, total	4,226	3,340
Life insurance		
Insurance contracts	1,428	1,460
Investment contracts	27	28
Provision for claims outstanding		
P&C insurance, total	10,364	10,781
Life insurance	1,722	1,759
Life insurance liabilities	—	3,012
Group's liabilities for insurance and investment contracts, total	17,767	20,369

Investment contracts do not include a provision for claims outstanding. Liability adequacy test does not give rise to supplementary claims.

Exemption allowed in IFRS 4 *Insurance contracts* has been applied to investment contracts with discretionary participation feature (DPF) or contracts with a right to trade-off for an investment contract with DPF. These investment contracts have been valued like insurance contracts.

5 Financial liabilities

	03/2022	12/2021
Subordinated debt securities		
Subordinated loans	2,014	2,016
Subordinated debt liabilities, total	2,014	2,016
Other financial liabilities		
Derivative financial instruments	78	121
Debt securities in issue		
Bonds	2,193	2,195
Other		
Borrowings on Revolving Credit Facility	34	12
Amounts owed to credit institutions	124	—
Deposits received from reinsurers	—	1
Group other financial liabilities, total	2,429	2,330
Group financial liabilities, total	4,443	4,345

During the financial period, Hastings has signed a revolving credit facility with financial institution totalling EURm 65 of which at the end of the reporting period EURm 31 is undrawn. The revolving credit facility is maturing on 23 November 2023, but the contract contains an extension option. In addition, Hastings has an undrawn credit facility with Sampo plc totalling EURm 89 with maturity date of 29 October 2026.

6 Non-current assets held for sale

Divestment of Topdanmark's Life business

On 18 March 2022, Topdanmark Forsikring A/S signed an agreement to divest of Topdanmark Liv Holding A/S and all its subsidiaries to Nordea Life Holding AB. The agreed purchase price is around EUR 270 million after a pre-completion dividend has been distributed to Topdanmark.

In accordance with IFRS 5 *Non-current assets held for sale and discontinued operations*, Topdanmark has presented its life business as discontinued operations in Q1 2022 reporting. The share of discontinued operations in the income statement amounted to approximately EUR 1 million (21). The assets and liabilities have been classified as non-current assets held for sale and related liabilities.

Accounting treatment in Sampo Group

As Topdanmark's life business does not represent a major line of business or geographic area of operations for Sampo Group, the disposal is not classified as discontinued operations but instead the assets and liabilities of Topdanmark life business have been classified as non-current assets held for sale and liabilities related to non-current assets held for sale. These are separately shown in the balance sheet.

At the end of financial year 2021, the equity of Topdanmark's life business amounted to EUR 254 million and balance sheet total to EUR 13 599 million.

Sampo's holding in Nordea

Sampo's Board of Directors decided on new financial targets and focuses for creating long-term value from P&C insurance operations in February 2021. As a part of this, an intention to materially reduce Sampo's holding in Nordea over the following 18 months was publicly announced.

Under IFRS 5 *Non-current assets held for sale and discontinued operations*, a non-current asset is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The asset must be available for immediate sale and its sale must be highly probable. The management needs, therefore, to be fully committed to the sale and the sale should take place within next 12 months from the date of reclassification.

In October 2021, Sampo's Board of Directors expressed their commitment to sell the remaining shares, and on 24 October 2021, an additional sale of Nordea shares was initiated. On 25 October 2021, Sampo sold 162 million shares through accelerated bookbuild offer (ABO). As a result of the sale, Sampo's holding of Nordea shares and votes decreased below 10 per cent. After the sale, Sampo held 245,924,782 shares of Nordea which entitled to 6.2 per cent of shares and votes. The management considered that the requirements set in IFRS 5 for the reclassification were met for the remaining part of the shares.

During the reporting period 2022, Sampo sold approximately 19 million shares. After the sale, Sampo held 226,653,523 shares of Nordea with the holding of 5.9 per cent of shares.

In the consolidated balance sheet, the shares are presented under non-current assets held for sale in the Holding segment.

Mandatum's life insurance business in the Baltics

Mandatum Life signed on 15 June 2021 an agreement to sell their Baltic life insurance business to Lithuanian Invalda INVL-Group. Upon closing of the transaction, Mandatum Life's all Baltic life insurance operations will be transferred to Invalda INVL-Group. The transaction is expected to be completed during the first half of the year 2022. The transaction is subject to approval by the Financial Supervisory Authorities.

The underwriting portfolio included in the agreement consists primarily of contracts in Life's unit-linked products segment. The effect of the with profit portfolio on Life's Other products and services segment's investment and expense result is minor.

7 Subsequent events after the balance sheet date

Share buyback programme

Sampo's share buyback programme announced on 30 March 2022 continued after the end of the reporting period. By Friday 29 April 2022 market close, the company had bought in total 2,851,150 Sampo A shares representing 0.53 per cent of the total number of shares in Sampo plc. The progress of the buyback programme can be followed on www.sampo.com/releases.

Disposals of Nordea shares

Sampo sold all of its remaining Nordea holding in April, after the end of the reporting period, through an accelerated bookbuild offering of 200 million shares on 29 April and the sale of 26 million shares in the open market. The transactions generated total gross proceeds of EUR 2.1 billion and will have a positive accounting effect of approximately EUR 82 million on Sampo's consolidated statement of profit and loss.

In connection with disclosing the results of the bookbuild offering, Sampo disclosed that management intends to propose to the Board that a new share buyback programme is launched after the Annual General Meeting on 18 May 2022, subject to the AGM renewing the Board authorisation on share repurchases.

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