



2ND QUARTER REPORT

2024



NORWEGIAN HULL CLUB

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2Q 2024

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SUMMARY INTERIM REPORT 2Q 2024

The operating result for Norwegian Hull Club for the first six months of 2024 is USD 66.2 million. Technical result from insurance operations is USD 54.3 million, while the result from investments and other financial items is USD 12.2 million.

Profitability on insurance operations is above expectations. Premium income is higher than expected. Claims costs and gross claims ratio are below those of last year. The combined ratio is 63 % so far in 2024.

Return on the investment portfolio is 1.97 %. The USD return corresponds to USD 13.1 million. The balance of financial income stems from receivables and foreign exchange items.

Capital adequacy has improved since the end of 2023 and equity is USD 463.2 million at the end of June 2024.



THE ART OF GLOBAL MARINE INSURANCE A striking work of art welcomes employees and visitors alike to Norwegian Hull Club's premises in Skipet, Bergen - providing a glimpse into our past, present and future. The piece - created by Bergen-based artist Bjør Grønner - offers a glimpse into the Norwegian Hull Club of today, where its roots lie and future opportunities. There are also references to Solheimsviken - the area in which Skipet is located - and its history, together with the man who played a pivotal role in Bergen's marine insurance history, Michael Krohn.

KEY FIGURES

All figures in USD 000's

	01.01.-30.06.2024	01.01.-30.06.2023	2Q 2024	2023
Gross earned premiums	172 341	165 729	84 369	316 183
Gross claims	-84 745	-123 087	-46 283	-259 046
Gross result	87 595	42 641	38 087	57 137
Premiums for own account	144 164	138 119	72 332	253 960
Claims for own account	-78 984	-100 629	-46 501	-214 488
Insurance result for own account	65 180	37 491	25 832	39 472
Net operating expenses	-11 255	-10 456	-5 382	-26 557
Technical result	53 924	27 034	20 449	12 915
Net financial items	12 276	10 980	8 017	33 720
Operating result	66 201	38 014	28 466	46 635
Loss ratio for own account	55 %	73 %	64 %	85 %
Combined ratio	63 %	80 %	72 %	95 %

	30.06.2024	31.12.2023
Investment portfolio	626 384	625 980
Bank deposits	112 553	87 712
Receivables	339 268	306 160
Other assets	34 071	34 243
TOTAL ASSETS	1 112 276	1 054 096
Equity	463 208	415 833
Claims provision	345 121	342 026
Other provisions	206 508	176 347
Payables and other liabilities	97 439	119 890
TOTAL EQUITY AND LIABILITIES	1 112 276	1 054 096



STATEMENT OF COMPREHENSIVE INCOME

All figures in USD

	30.06.2024	30.06.2023
Gross earned premiums	172 340 629	165 728 773
Reinsurance premiums	-28 176 858	-27 609 548
A Premiums for own account	144 163 771	138 119 225
B Other insurance related income	4 227 733	4 183 368
Gross accrued claims	84 745 145	123 087 327
Reinsurers share of gross claims	-5 760 903	-22 458 684
C Claims for own account	78 984 243	100 628 643
Marketing expenses	7 083 856	5 912 477
D Total insurance related expenses for own account	7 083 856	5 912 477
E Other insurance related expenses	8 398 932	8 727 143
F Operating result technical accounts (A+B-C-D-E)	53 924 473	27 034 329
Financial income	11 655 468	8 268 663
Realised gains and losses	2 470 539	-5 054 655
Adjustment investment portfolio	-19 448	10 532 353
G Total financial income	14 106 559	13 746 361
H Administration expenses financial assets	1 830 224	2 766 297
I Result from ordinary operations (F+G-H)	66 200 808	38 014 393
J Tax expenses (income)	18 825 630	12 907 974
K Result before other result components (I-J)	47 375 178	25 106 418



BALANCE SHEET

Assets

All figures in USD		
	30.06.2024	31.12.2023
Shares in subsidiaries	5 965 929	5 965 929
Other shares	6 185 705	6 185 705
Mortgage loans	8 369 903	8 594 199
Stocks and shares	97 863 476	98 868 214
Syndicated loans	0	0
Bonds and foreign exchange contracts	526 434 223	526 421 814
Financial derivatives	16 328	1 720
Bank deposits investment portfolio	2 070 199	2 688 504
Total financial assets	646 905 761	646 726 084
Reinsured proportion of gross premium provisions	39 232 357	34 220 794
Reinsured proportion of gross claims provision	55 126 157	52 276 279
Total reinsured proportion of insurance provisions	94 358 514	86 497 072
Insurance related receivables	201 237 389	159 609 172
Reinsurance receivables	3 701 676	20 480 521
Disbursements	21 754 718	22 298 811
Other receivables	18 215 891	17 274 604
Total receivables	244 909 674	219 663 107
Properties	2 089 030	2 089 030
Equipment and fixtures	10 203 103	10 640 176
Cash and bank deposits	112 552 970	87 712 364
Deferred tax		
Total other assets	124 845 103	100 441 571
Accrued interest	1 257 080	768 257
TOTAL ASSETS	1 112 276 133	1 054 096 093

Equity and Liabilities

All figures in USD		
	30.06.2024	31.12.2023
Equity	8 042 072	8 042 072
Guarantee provision	3 555	3 555
Other equity	455 162 444	407 787 266
Total equity	463 208 071	415 832 893
Unearned gross premium provision	206 507 991	176 347 233
Gross claims provision	345 121 414	342 025 609
Unearned commission provision	0	0
Total gross insurance provisions	551 629 405	518 372 842
Pension liability	3 116 327	3 102 045
Withheld payroll tax, social security etc.	3 907 506	5 087 225
Deferred tax	22 216 981	27 383 175
Taxes payable	24 080 697	23 203 243
Total tax and pension payable	53 321 512	58 775 687
Payables direct insurance accounts	12 081 279	112 024 960
Payables reinsurance	15 521 707	22 083 032
Financial derivitives	317 496	1 781 679
Payables other accounts	16 196 664	25 225 000
Total payables	44 117 146	61 114 670
TOTAL EQUITY AND LIABILITIES	1 112 276 133	1 054 096 093

STATEMENT OF CASH FLOW

All figures in USD

	30.06.2024	2023
Profit of the year before tax	66 200 808	46 634 736
Change in net technical reserves	25 395 121	31 213 648
Unrealised value change other shares	0	924 893
Net profit on sale of fixed shares	0	0
Change in disbursements	544 092	19 123 263
Net profit on sale of fixed assets	0	0
Change in net pension funds	14 283	-21 640
Change in net receivables	-42 992 542	-8 717 975
Depreciation	37 849	2 771 588
Taxes paid	-22 572 829	-21 811 779
Net cash flow from operations before financial assets	26 626 781	70 116 733
Change in net bonds	-12 408	-96 521 273
Change in net stocks and shares	-995 262	890 922
Change in net financial derivatives	-1 478 790	-413 059
	0	0
Net cash flow from financial assets	-2 486 461	-96 043 411
A Net cash flow from operational activities	24 140 320	-25 926 678
Cash generated/used by investing activities		
Net receipts/payments related to purchase/capitalization of subsidiaries and associated companies	0	-2 356 885
Net receipts/payments related to sale/purchase of fixed assets	-466 675	-209 845
Change in mortgage loans	224 296	-2 852 803
B Net cash inflow/outflow from investment activities	-242 379	-5 419 533
C Net financing activities - dividend paid to members	0	0
D Effect of changes in exchange rates on cash and cash equivalents	324 359	-901 912
A+B+C+D Net change in cash and cash equivalents	24 222 300	-32 248 123
Cash and cash equivalents 01.01	90 400 869	122 648 991
Cash and cash equivalents	114 623 169	90 400 869

DEVELOPMENT IN EQUITY

All figures in USD

	Owners' funds	Other equity	Guarantee provision	Total equity
Equity at 31.12.2023	8 042 072	407 787 266	3 555	415 832 893
Allocation		47 375 178		47 375 178
Equity at 30.06.2024	8 042 072	455 162 444	3 555	463 208 071



EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

Note 1 - Accounting policies

Norwegian Hull Club's interim financial report is presented in accordance with IAS 34 interim financial reporting and in compliance with the Norwegian Accounting Act, Finance Ministry's prescribed regulations from December 16, 1998 on Financial Statements for Insurance companies and regulations from January 21, 2008 on simplified IFRS.

The application of IAS 34 means that the report is limited relative to the presentation of a full annual report.

The main accounting policies are unchanged from the Annual Report 2023 and the annual report contains the full description of the accounting policies.

Note 2 - Claims expenses

	30.06.2024	30.06.2023
Gross claims	84 745 145	123 087 327
Claims for own account	78 984 243	100 628 643
<i>Run off gain (+) / loss (-) gross</i>	6 830 815	0
<i>Run off gain (+) / loss (-) for own account</i>	0	0

Note 3 - Market value adjustments

	31.12.2023		30.06.2024		Change	
	Book Value	Market Value	Book Value	Market Value	Book Value	Market Value
Bonds	526 421 814	526 421 814	526 434 222	526 434 222	12 408	12 408
Stocks and shares	96 868 214	96 868 214	97 863 476	97 863 476	995 262	995 262
Derivatives	1 720	1 720	16 328	16 328	14 608	14 608
In total	623 291 748	623 291 748	624 314 026	624 314 026	1 022 278	1 022 278

Note 4 - Off balance items

	30.06.2024	31.12.2023
Guarantee liability regarding claims		
Gross guarantees issued	102 889 120	105 157 124
Counter-guarantees from co-insurers	71 385 752	72 949 538
Guarantees for own account	31 503 368	32 207 586

All guarantees relate to clients` liabilities in connection with collisions, groundings etc. associated with The Club's activities.

Note 5 - Material events subsequent to the end of the interim period

To the best of our knowledge, there have been no material events subsequent to the end of the interim period.

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