



# 1ST QUARTER REPORT 2023



NORWEGIAN HULL CLUB



# TABLE OF CONTENTS

3

Summary Interim Report  
1Q 2023

4

Key Figures

6

Statement of Comprehensive  
Income

8

Balance Sheet

10

Statement of Cash Flow

11

Development in Equity

12

Explanatory Notes to the  
Interim Financial Report

# SUMMARY INTERIM REPORT 1Q 2023

The operating result for Norwegian Hull Club for the first three months of 2023 is USD 26.5 million. The technical result from insurance operations is USD 16.1 million, while the result from investments and other financial items is USD 10.4 million.

Profitability on insurance operations is above expectations. Premium income is higher than expected. Claims costs and gross claims ratio are above last year but are still at satisfactory levels. The combined ratio is 77 % so far in 2023.

Return on the investment portfolio is 1.4 %. The USD return corresponds to USD 7.7 million. The balance of financial income stems from interest earned on bank accounts and receivables as well as foreign exchange items.

Capital adequacy has been maintained since the end of 2022 and equity is USD 400.6 million at the end of March 2023.



**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.-31.03.2023	01.01.-31-03.2022	2022
Gross earned premiums	85 704	71 156	323 659
Gross claims	-58 240	-31 642	-239 740
<b>Gross result</b>	<b>27 464</b>	<b>39 514</b>	<b>83 918</b>
Premiums for own account	71 146	59 871	265 043
Claims for own account	-49 613	-30 828	-190 641
<b>Insurance result for own account</b>	<b>21 533</b>	<b>29 044</b>	<b>74 402</b>
Net operating expenses	-5 453	-5 848	-25 247
<b>Technical result</b>	<b>16 080</b>	<b>23 196</b>	<b>49 155</b>
Net financial items	10 440	-12 373	-28 153
<b>Operating result</b>	<b>26 520</b>	<b>10 823</b>	<b>21 002</b>
Loss ratio for own account	70 %	51 %	72 %
Combined ratio	77 %	61 %	82 %

	31.03.2023	31.12.2022
Investment portfolio	549 906	531 447
Bank deposits	110 003	119 162
Receivables	301 207	325 314
Other assets	31 985	33 125
<b>TOTAL ASSETS</b>	<b>993 102</b>	<b>1 009 048</b>
Equity	400 591	383 144
Claims provision	321 332	332 759
Other provisions	161 731	166 431
Payables and other liabilities	109 448	126 715
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>993 102</b>	<b>1 009 048</b>

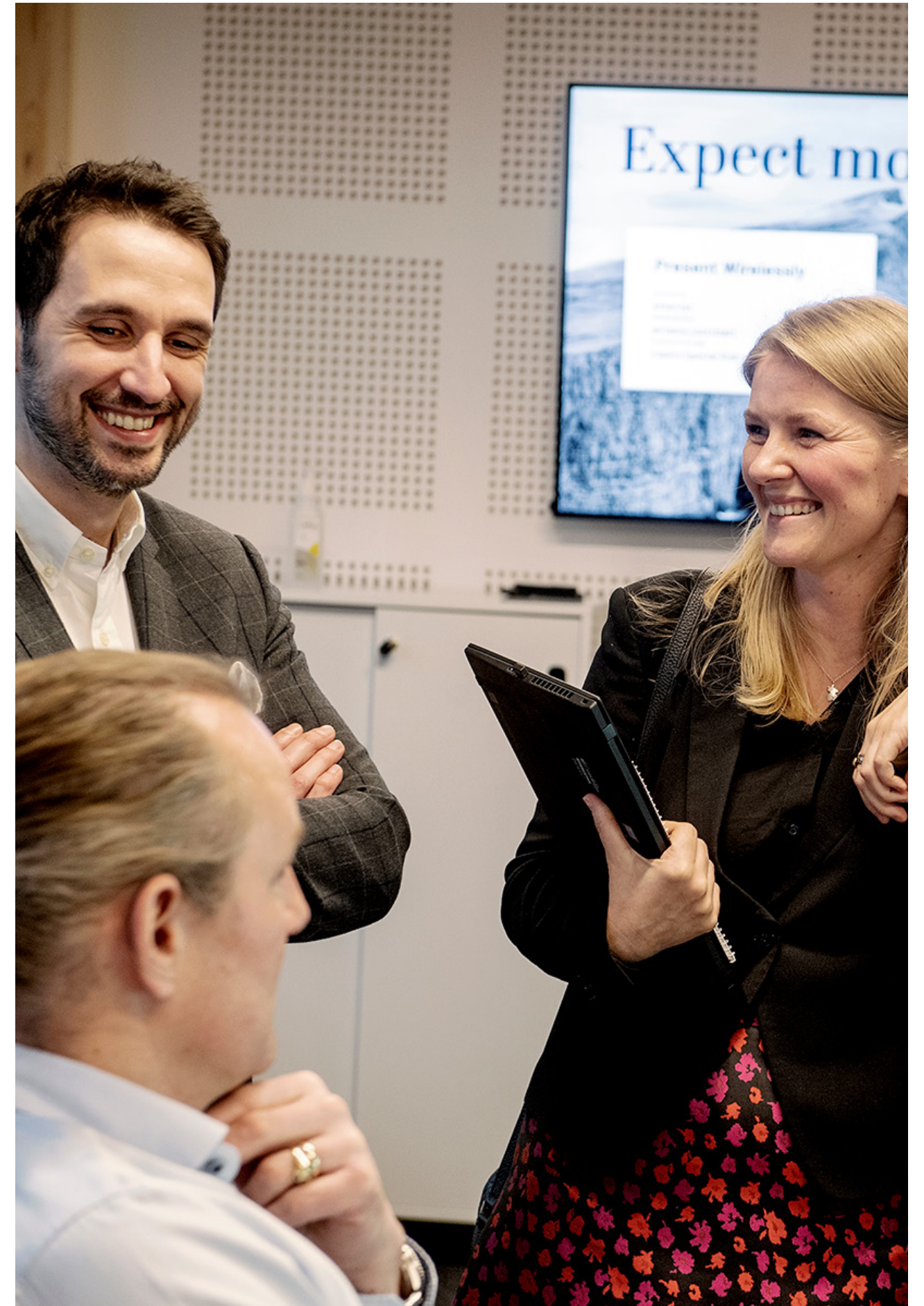




# STATEMENT OF COMPREHENSIVE INCOME

All figures in USD

	31.03.2023	31.03.2022
Gross earned premiums	85 704 026	71 155 861
Reinsurance premiums	-14 558 185	-11 284 402
<b>A Premiums for own account</b>	<b>71 145 841</b>	<b>59 871 458</b>
<b>B Other insurance related income</b>	<b>1 730 907</b>	<b>1 652 173</b>
Gross accrued claims	58 240 195	31 641 927
Reinsurers share of gross claims	-8 627 473	-814 326
<b>C Claims for own account</b>	<b>49 612 722</b>	<b>30 827 601</b>
Marketing expenses	3 108 082	3 625 756
<b>D Total insurance related expenses for own account</b>	<b>3 108 082</b>	<b>3 625 756</b>
<b>E Other insurance related expenses</b>	<b>4 076 154</b>	<b>3 874 716</b>
<b>F Operating result technical accounts (A+B-C-D-E)</b>	<b>16 079 790</b>	<b>23 195 557</b>
Financial income	3 750 075	2 446 286
Realised gains and losses	-2 883 403	739 603
Adjustment investment portfolio	10 859 602	-15 027 775
<b>G Total financial income</b>	<b>11 726 274</b>	<b>-11 841 886</b>
<b>H Administration expenses financial assets</b>	<b>1 286 518</b>	<b>531 135</b>
<b>I Result from ordinary operations (F+G-H)</b>	<b>26 519 545</b>	<b>10 822 536</b>
<b>J Tax expenses (income)</b>	<b>9 072 047</b>	<b>3 910 270</b>
<b>K Result before other result components (I-J)</b>	<b>17 447 498</b>	<b>6 912 266</b>



# BALANCE SHEET

## Assets

<i>All figures in USD</i>		
	31.03.2023	31.12.2022
Shares in subsidiaries	3 609 044	3 609 044
Other shares	7 110 598	7 110 598
Mortgage loans	5 698 770	5 741 396
Stocks and shares	97 815 925	97 759 136
Syndicated loans	1 962 218	-
Bonds and foreign exchange contracts	444 413 797	427 940 243
Financial derivatives	364 954	299 750
Bank deposits investment portfolio	5 349 205	3 487 225
<b>Total financial assets</b>	<b>566 324 511</b>	<b>547 907 689</b>
Reinsured proportion of gross premium provisions	26 409 434	28 543 309
Reinsured proportion of gross claims provision	49 648 044	69 984 127
<b>Total reinsured proportion of insurance provisions</b>	<b>76 057 478</b>	<b>98 527 436</b>
Insurance related receivables	166 214 715	166 475 870
Reinsurance receivables	6 823 459	1 745 905
Disbursements	34 940 478	41 422 074
Other receivables	17 170 973	17  42 571
<b>Total receivables</b>	<b>225 149 626</b>	<b>226 786 420</b>
Properties	2 089 030	2 089 030
Equipment and fixtures	12 143 753	13 201 334
Cash and bank deposits	110 003 335	119 161 766
Deferred tax		
<b>Total other assets</b>	<b>124 236 117</b>	<b>134 452 131</b>
Accrued interest	1 334 118	1 373 919
<b>TOTAL ASSETS</b>	<b>993 101 850</b>	<b>1 009 047 595</b>

## Equity and Liabilities

<i>All figures in USD</i>		
	31.03.2023	31.12.2022
Equity	8 042 072	8 042 072
Guarantee provision	2 640	2 640
Other equity	392 546 289	375 098 791
<b>Total equity</b>	<b>400 591 001</b>	<b>383 143 503</b>
Unearned gross premium provision	161 731 432	166 430 661
Gross claims provision	321 331 688	332 758 898
Unearned commission provision	0	0
<b>Total gross insurance provisions</b>	<b>483 063 119</b>	<b>499 189 559</b>
Pension liability	3 123 685	3 123 685
Withheld payroll tax, social security etc.	3 083 525	4 222 813
Deferred tax	36 027 108	37 384 352
Taxes payable	16 946 334	21 969 826
<b>Total tax and pension payable</b>	<b>59 180 651</b>	<b>66 700 675</b>
Payables direct insurance accounts	11 556 563	11 596 414
Payables reinsurance	10 022 431	24 307 830
Financial derivitives	349 060	2 492 768
Payables other accounts	28 339 025	21 616 846
<b>Total payables</b>	<b>50 267 079</b>	<b>60 013 858</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>993 101 850</b>	<b>1 009 047 596</b>

# STATEMENT OF CASH FLOW

All figures in USD

	31.03.2023	2022
Profit of the year before tax	26 519 545	46 995 878
Change in net technical reserves	6 343 519	54 574 733
Unrealised value change other shares	0	10 947
Net profit on sale of fixed shares	0	0
Change in disbursements	6 481 596	-1 672 673
Net profit on sale of fixed assets	0	0
Change in net pension funds	0	-123 674
Change in net receivables	-13 547 360	-49 605 152
Depreciation	241 359	627 537
Taxes paid	-14 597 924	-21 192 281
<b>Net cash flow from operations before financial assets</b>	<b>11 440 734</b>	<b>29 615 315</b>
Change in net bonds	-16 475 474	-12 304 336
Change in net stocks and shares	-56 789	-3 987 713
Change in net financial derivatives	-2 208 912	-3 190 131
	0	0
<b>Net cash flow from financial assets</b>	<b>-18 741 175</b>	<b>-19 482 180</b>
<b>A Net cash flow from operational activities</b>	<b>7 300 441</b>	<b>10 133 136</b>
<b>Cash generated/used by investing activities</b>		
Net receipts/payments related to purchase/capitalization of subsidiaries and associated companies	0	-176 940
Net receipts/payments related to sale/purchase of fixed assets	-118 164	-443 962
Change in mortgage loans	42 626	1 431 708
<b>B Net cash inflow/outflow from investment activities</b>	<b>-75 538</b>	<b>810 806</b>
<b>C Net financing activities - dividend paid to members</b>	<b>0</b>	<b>0</b>
<b>D Effect of changes in exchange rates on cash and cash equivalents</b>	<b>79 528</b>	<b>602 018</b>
<b>A+B+C+D Net change in cash and cash equivalents</b>	<b>-7 296 451</b>	<b>11 545 960</b>
<b>Cash and cash equivalents 01.01</b>	<b>122 648 991</b>	<b>29 042 265</b>
<b>Cash and cash equivalents</b>	<b>115 352 540</b>	<b>40 588 225</b>

# DEVELOPMENT IN EQUITY

All figures in USD

	Owners' funds	Other equity	Guarantee provision	Total equity
<b>Equity at 31.12.2022</b>	<b>8 042 072</b>	<b>375 098 791</b>	<b>2 640</b>	<b>383 143 503</b>
Allocation		17 447 498		17 447 4986
<b>Equity at 31.03.2023</b>	<b>8 042 072</b>	<b>392 546 289</b>	<b>2 640</b>	<b>400 591 001</b>

# 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 2022 and the annual report contains the full description of the accounting policies.

## Note 2 - Claims expenses

	31.03.2023	31.03.2022
Gross claims	58 240 195	31 641 927
Claims for own account	49 612 722	30 827 601
<i>Run off gain (+) / loss (-) gross</i>	-8 024 768	4 680 540
<i>Run off gain (+) / loss (-) for own account</i>	-4 107 522	4 049 977

## Note 3 - Market value adjustments

	31.12.2022		31.03.2023		Change	
	Book Value	Market Value	Book Value	Market Value	Book Value	Market Value
Bonds	427 940 243	427 940 243	444 413 796	444 413 796	16 473 553	16 473 553
Stocks and shares	97 759 136	97 759 136	97 815 925	97 815 925	56 789	56 789
Derivatives	299 750	299 750	364 954	364 954	65 204	65 204
In total	525 999 129	525 999 129	542 594 675	542 594 675	16 595 546	16 595 546

## Note 4 - Off balance items

	31.03.2023	31.12.2022
Guarantee liability regarding claims		
Gross guarantees issued	93 176 468	105 897 220
Counter-guarantees from co-insurers	78 013 472	88 990 281
Guarantees for own account	15 162 996	16 906 939

*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.



## Bergen

**Visiting address:**

Solheimsgaten 5  
5058 Bergen

**Postal address:**

P.O. 2404  
5824 Bergen  
Norway

## Oslo

**Visiting and postal address:**

Dronning Eufemias gate 16  
NO-0191 Oslo  
Norway

## London

**Visiting and postal address:**

5th Floor, 37-39 Lime Street  
London, EC3M 7AY  
United Kingdom

Web: [www.norclub.com](http://www.norclub.com)

Enterprise No: NO 910 508 334



NORWEGIAN HULL CLUB