

Pre-close reminder Gjensidige Forsikring ASA

Q2 2025

Key dates

- Q2'25 earnings release: **11 July 2025**
- Start of silent period: **1 July 2025**
- Pre-close call: **26 June 2025, 14:00 CET**

Consensus estimates

Please submit your estimates using the attached template. To ensure we can provide a consistent and comprehensive consensus across all lines, please complete all open (light blue) cells in the spreadsheet.

We have included control lines to help you identify and avoid potential errors in your submission. **Please make sure these control lines are error-free before sending the file back to us.**

- Deadline for submitting your estimates to us: **4 July 2025**
- Publication of consensus on Gjensidige's web site: **In the morning on 9 July 2025**

Reminders

Weather: Due to seasonality, the summer quarters **Q2** and Q3 normally have lower claims ratios than the winter quarters Q1 and Q4. There have been no significant natural peril events in Scandinavia so far this quarter. Overall, Q2 2025 in Scandinavia has been somewhat warmer and drier than historical normals, though with some regional and month-to-month variations.

For statistics and reports on weather, please refer to the links in the section 'General information', at the very end of this document.

Q2 2024 results: Bear in mind the Q2 2024 results – below are extracts from the Q2 2024 financial report:

- *In the quarter the risk adjustment has been changed due to a reduction in the percentile on liabilities for incurred claims (LIC) from 85 per cent to 80 per cent, to reflect the solvency ratio target of 140 to 190 per cent and the updated cost of equity. The adjustment had a positive impact on the insurance service result of NOK 401.5 million in the second quarter, of which NOK 393.7 million recognised in the Corporate Centre and the remaining NOK 7.8 million in the Baltic segment.*
- *Adverse development in claims in the first quarter 2024 also contributed to the deterioration of the underlying frequency loss ratio in the second quarter. (These claims originated in Q1 2024 but were recognised in Q2 2024. As detailed in the Q1 2025 financial report and presentation, the total impact was MNOK 238, recognised as follows: MNOK 66 for Private Norway, MNOK 106 for Commercial Norway, and MNOK 66 for the Corporate Centre.)*



Please refer to the Q2 2024 financial report and presentation for further details.

ADB Gjensidige (Gjensidige's operations in the Baltics): As communicated earlier, until completion of the transaction (expected at the latest in the beginning of 2026), the results for ADB Gjensidige will be presented separately in Gjensidige Forsikring Group's Consolidated income statement as 'Profit/loss from discontinued operations'. Please see note 9 in the Q1 2025 report for further details and the stock exchange release on 25 July 2024 for details on the sales agreement.

Acquisition of insurance agent Buysure AS: The acquisition was completed on 1 April. As explained in the Q1 2025 interim presentation, the acquisition will reduce the solvency ratio of Gjensidige Forsikring Group, according to the approved Partial Internal Model, by approximately 4 percentage points, based on the Q1 2025 solvency calculations.

Large losses: Our general expectation for normalised large losses in 2025, defined as losses above NOK 10 million, is approximately NOK 500 million per quarter (appx. NOK 2 billion FY2025). Please note that this estimate is an undiscounted figure. Large losses in our IFRS 17 accounts are recognised at discounted values.

Excess reserves: According to IFRS 17, it is not possible to retain identified excess reserves on the balance sheet. We continue to set reserves according to our best estimate. However, bearing history in mind, we expect run-off gains and losses also in the future.

Inflation: We will provide an update at our Q2 2025 earnings call. For the most recent comments on this topic, please refer to slides 3 and 4 in the Q1 2025 presentation for details on claims and pricing for Private motor and property in Norway, in addition to page 23 in the Q1 2025 financial report (Strategy and Outlook section).

Solvency II calculations:

- Bear in mind, as communicated in the Q1 2025 presentation, eligible own funds in the approved PIM as of 31/3/2025 included ~MNOK 230 of the tier 2 loan issued on 29 October 2024. The total issue amount was 900 million. Eligibility of tier 2 loans are restricted by the total capital requirement. We expect the eligible amount of the tier 2 loan to increase over time as SCR increases, driven by growth in the business.
- Bear in mind the solvency impact from the acquisition of Buysure as explained above.

In general, the main items that explain quarterly changes in **eligible own funds** are as follows:

- Capital generation through SII operating earnings and return on the free portfolio. Usually more or less equivalent to profit after tax based on IFRS accounts. However, differences in valuation of assets and liabilities between IFRS accounts and SII calculations (although less after IFRS 17), mainly related to intangible assets and technical provisions, and the subsequent tax effects realised in the P&L. The effect of premium provisions is to some extent seasonal, reflecting the renewal pattern (usually a positive effect compared to IFRS results in Q1 and Q4, and a negative effect in Q2 and Q3). The effect of premium provisions is also driven by non-seasonal factors such as interest rates, currencies, profitability assumptions, product mix and maturity profiles.
- Subtraction of formulaic dividend (80 per cent of profit after tax – in accordance with our dividend policy). Replaced by actual proposed or declared dividend upon proposal/declaration.
- Regulatory/model changes, for example approval of internal model changes by the Norwegian FSA.
- Capital actions such as new loans or M&A-transactions (impact on eligible own funds dependent on intangible assets).

The main items that explain the quarterly changes in **solvency capital requirement** are as follows:



- Growth - the components are non-life and health UW risk, life UW risk, market risk, counter-party risk, diversification, operational risk, adjustments related to loss-absorbing capacity of deferred tax and regulatory changes.
- Non-life and health underwriting risks are generally relatively stable over time, increasing with growth in exposure and may change if there are changes in product composition.
- Life underwriting risk primarily reflects lapse risk for unit-linked products. Lapse risk depends on the size of the unit-linked portfolio as it is related to loss of expected future profit. Risk depends on growth in exposure and capital market developments, impacting assets under management.
- Market risk variations are driven by changes in asset allocation and asset values.
- Counterparty risk is limited as we have limited exposure to counterparties.
- Diversification depends on the development in the risks above.
- Operational risk is calculated as a percentage of the size of the business, and it is expected to increase gradually with growth in business volume.
- Loss-absorbing capacity of deferred tax reduces capital requirement. It represents the tax relief that will occur after a loss. The development is quite stable measured in percentage of the sum of basic capital requirement and operational risk.
- Regulatory changes and management actions such as changing reinsurance program, issuing new loans or M&A-transactions may affect own funds and capital requirement from time to time.

Investment portfolio:

- Bear in mind that all bonds are recognised at fair value. While rising interest rates generate higher interest income over time, it is important to remember that rising rates have an immediate negative impact on the valuation of fixed-income assets. And of course, the impacts are opposite when interest rates decrease. Likewise, an increase in credit spreads has an immediate negative impact on the value of bonds with credit exposure, while a decrease in credit spreads will have a positive impact on bonds with a credit exposure.
 - So far in Q2, credit spreads in the Nordics are more or less unchanged compared with the average spreads in Q1 2025.
- As a reminder, please note that the net financial result for the Match portfolio consists of the return on the Match portfolio, minus unwinding and change in financial assumptions. The interest income from the Match portfolio is intended to equal interest expenses on liabilities over time. Hence, the net result on the Match portfolio, given a perfect match, should over time be zero, except for returns on credit exposure held in the Match portfolio.
- Bear in mind the presentation of the figures for ADB Gjensidige on a separate line as described above.
- For running yields and duration, please see the Q1 2025 financial report, page 21.
- For details on relevant benchmarks for the Match and Free portfolios, please see page 36 in the appendix section in the Q1 2025 presentation.



IFRS 9 & 17: For rules of thumb and other reminders on estimating discounting and the insurance finance items, please see the example spread sheet on our web site (Reports and presentations/Other documents for 2024).

- Remember to make the necessary adjustments in the calculations due to the separate presentation of ADB Gjensidige's figures as explained above.
- Duration of total general insurance liabilities (LIC): please see page 21 in the Q1 2025 financial report. Bear in mind the separate presentation of ADB Gjensidige's figures as explained above.
- LIC distribution per currency: Please see page 197 in Gjensidige Forsikring ASA's annual report for 2024.

Swap rate currency	Swap rate maturity	Swap rates (%)			
		31.03.2025	30.04.2025	31.05.2025	23.06.2025
NOK	2 years	4.30	3.93	4.08	3.89
DKK	5 years	2.51	2.30	2.38	2.40
SEK	4 years	2.58	2.23	2.25	2.15
EUR	5 years	2.36	2.13	2.20	2.24

General information: Weather is one of the most important indicators for understanding the seasonality in our insurance service result. Below are misc. sources for weather data and information in Norway. Bear in mind the complexity of several factors including duration and levels of precipitation, intra-quarter temperature variations, wind, geographical variations etc.

- <https://www.met.no/en>
- <https://www.met.no/publikasjoner/met-info>
- www.varsom.no/en
- <https://www.senorge.no/map>
- <https://www.finansnorge.no/aktuelt/nyheter/>



Gjensidige