



**DEN NORSKE  
KRIGSFORSIKRING  
FOR SKIB**

## **FINANCIAL REPORT – Q1 2025**

Presented below are the detailed financial results for Den Norske Krigsforsikring for Skib (DNK) for the first three months of 2025. Financial figures are expressed in USD 1 000 (USDt). For comparative purposes, corresponding figures for 2024 are stated in parentheses. Comprehensive financial statements, including the income statement, the balance sheet, statement of changes in equity, and the cash flow statement, are attached. The tax provision for the period has been estimated, and the quarterly report is unaudited.

### **EXECUTIVE SUMMARY:**

The pre-tax result for the first quarter of 2025 (Q1 2025) was USDt 8 032 (18 533). The technical (insurance) result was USDt 2 318 (2 585), while the non-technical (financial) result was USDt 5 714 (15 948). After accounting for an estimated tax expense of USDt 7 440 (-8 696), the profit for the period was USDt 15 472 (9 837). The tax calculation is based on the results in Norwegian kroner. The result in NOK is negative because of positive value change between NOK and USD. This gives a calculated positive tax. (Estimated Deferred tax assets)

At the end of March 2025, total equity was USDt 665 032 (640 244).



## FINANCIAL REPORT DNK

### INCOME STATEMENT

Amounts in USD 1 000

Q1 2025

Q1 2024

#### TECHNICAL ACCOUNT

Gross earned premiums	10 907	10 377
Ceded reinsurance on gross earned premiums	(6 504)	(6 002)
<b>Premiums for own account</b>	<b>4 403</b>	<b>4 375</b>
Gross claims expenses	(457)	29
Reinsurers' share of gross claim expenses	82	482
<b>Claims for own account</b>	<b>(376)</b>	<b>511</b>
<b>Insurance related administrative expenses</b>	<b>(1 709)</b>	<b>(2 301)</b>
<b>OPERATING RESULT OF TECHNICAL ACCOUNT</b>	<b>2 318</b>	<b>2 585</b>

#### NON-TECHNICAL ACCOUNT

<b>Net income from financial assets</b>		
Interest and dividend from financial assets	3 774	3 338
Change in fair value of financial assets	(2 691)	6 881
Realised gains from financial assets	6 989	8 045
Administrative expenses related to financial assets	(2 358)	(2 316)
<b>Total net income from financial assets</b>	<b>5 714</b>	<b>15 948</b>
<b>OPERATING RESULT OF NON-TECHNICAL ACCOUNT</b>	<b>5 714</b>	<b>15 948</b>

<b>PRE-TAX RESULT</b>	<b>8 032</b>	<b>18 533</b>
Tax expenses	7 440	(8 696)
<b>PROFIT FOR THE PERIOD</b>	<b>15 472</b>	<b>9 837</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>15 472</b>	<b>9 837</b>
<b>TOTAL RESULT</b>	<b>15 472</b>	<b>9 837</b>

#### PROFIT FOR THE PERIOD IS DISTRIBUTED AS FOLLOWS:

<b>PROPOSED DIVIDEND</b>	<b>0</b>	<b>0</b>
<b>EARNED OTHER EQUITY</b>	<b>15 472</b>	<b>9 837</b>
<b>TOTAL</b>	<b>15 472</b>	<b>9 837</b>



## FINANCIAL REPORT DNK

### BALANCE SHEET

Amounts in USD 1 000

3M 2025

3M 2024

12M 2024

#### ASSETS

Other intangible assets	341	440	365
Owner occupied properties	349	349	349
<b>Subsidiaries and associated companies</b>			
Investments in subsidiaries and associated companies	1 670	1 676	1 670
<b>Financial assets at amortised cost</b>			
Bank deposits investment portfolio	31 086	53 170	26 029
<b>Financial assets at fair value</b>			
Shares and other equity investments	182 979	198 731	188 951
Bonds and other fixed income securities	558 448	525 966	539 487
Financial derivatives	4 433	2 763	9 064
<b>Total investments</b>	<b>778 965</b>	<b>782 654</b>	<b>765 549</b>
<b>Reinsurers' share of gross claims provisions</b>	<b>12 493</b>	<b>15 726</b>	<b>5 623</b>
Insurance related receivables	4 650	5 012	5 865
Reinsurers' receivables	15 666	14 875	17 944
Other receivables	695	637	612
<b>Total receivables</b>	<b>21 012</b>	<b>20 524</b>	<b>24 421</b>
Equipment and fixtures	2 475	2 112	2 365
Cash and bank deposits	6 922	13 098	12 708
<b>Total other assets</b>	<b>9 397</b>	<b>15 210</b>	<b>15 073</b>
<b>Total prepaid expenses and accrued income</b>	<b>992</b>	<b>1 339</b>	<b>1 111</b>
<b>TOTAL ASSETS</b>	<b>823 200</b>	<b>835 892</b>	<b>812 143</b>

#### EQUITY & LIABILITIES

Other equity	665 032	640 244	654 288
<b>Total equity</b>	<b>665 032</b>	<b>640 244</b>	<b>654 288</b>
Provision for unearned gross premiums	7 503	6 060	379
Gross claims provisions	11 511	15 989	13 917
<b>Total insurance reserves</b>	<b>19 015</b>	<b>22 048</b>	<b>14 296</b>
Pension liability provisions	1 393	1 129	1 263
Taxes payable	12 873	66 394	32 932
Deferred tax liability	41 155	65 983	51 254
Other provisions	2 881	2 620	2 171
<b>Total provisions</b>	<b>58 302</b>	<b>136 125</b>	<b>87 620</b>
Insurance related liabilities	6 137	10 048	10 731
Reinsurance liabilities	7 781	6 949	5 746
Financial derivatives	8 583	2 845	2 580
Other liabilities	56 265	15 690	34 968
<b>Total liabilities</b>	<b>78 766</b>	<b>35 533</b>	<b>54 024</b>
<b>Other accrued expenses and prepaid income</b>	<b>2 086</b>	<b>1 942</b>	<b>1 915</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>823 200</b>	<b>835 892</b>	<b>812 143</b>



## FINANCIAL REPORT DNK

## STATEMENT OF CHANGES IN EQUITY

Amounts in USD 1 000	3M 2025	3M 2024	12M 2024
<b>OTHER EQUITY</b>			
Other equity - Period start	654 288	622 460	622 460
Total result	15 472	9 837	45 005
Proposed dividend	0	0	(22 500)
Exchange rate effects	(4 729)	7 947	9 324
<b>Other equity - Period end</b>	<b>665 032</b>	<b>640 244</b>	<b>654 288</b>

## CASH FLOW STATEMENT

Amounts in USD 1 000	3M 2025	3M 2024	12M 2024
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash receipts from customers	14 652	20 366	62 026
Cash paid to reinsurers	(9 690)	(15 435)	(32 710)
Cash paid related to claims expenses	(2 863)	(3 224)	(10 400)
Cash receipts from reinsurers related to claims expenses	711	1 811	4 993
Paid insurance related administrative expenses	(6 131)	(9 143)	(49 942)
<b>Net cash flow from the technical account</b>	<b>(3 320)</b>	<b>(5 625)</b>	<b>(26 035)</b>
Net cash flow from interest, dividends and realised gains / losses on financial assets	12 163	11 109	43 185
Net cash flow from acquisition / disposal of financial assets	(3 589)	(9 137)	20 081
Paid administrative expenses related to financial assets	(10 806)	(826)	(41 328)
<b>Net cash flow from the non-technical account</b>	<b>(2 232)</b>	<b>1 145</b>	<b>21 938</b>
<b>Net cash flow from operating activities</b>	<b>(5 552)</b>	<b>(4 480)</b>	<b>(4 097)</b>
<b>CASH FLOW FROM NON-OPERATING ACTIVITIES</b>			
Cash receipts from the disposal of fixtures and fixed assets	0	0	0
Cash paid for the acquisition of fixtures and fixed assets	(233)	(150)	(923)
<b>Net cash flow from non-operating activities</b>	<b>(233)</b>	<b>(150)</b>	<b>(923)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Extraordinary dividend paid to members	(0)	0	0
<b>Net cash flow from financing activities</b>	<b>(0)</b>	<b>0</b>	<b>0</b>
<b>Net cash flow in the period</b>	<b>(5 786)</b>	<b>(4 630)</b>	<b>(5 020)</b>
Cash and bank - Period start	12 708	17 728	17 728
Net cash flow in the period	(5 786)	(4 630)	(5 020)
<b>Cash and bank - Period end</b>	<b>6 922</b>	<b>13 098</b>	<b>12 708</b>



## FINANCIAL REPORT DNK

### Note I Basis of preparation

The interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting and in compliance with the «regulations on annual accounts for non-life insurance companies».

The interim report does not include the same amount of information as the full financial statement and should be read in conjunction with the annual report for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2024.

#### Financial assets that are debt instruments

The company's debt instruments with contractual cash flows that are solely payments of principal and interest on specified dates, and that are held in a business model with the objective of collecting contractual cash flows are measured at amortised cost. Other debt instruments are measured at FVTPL.

#### Derivatives and investments in equity instruments

Derivatives and equity instruments are measured at FVTPL.

#### Financial liabilities

The company's financial liabilities are measured at amortised cost except for financial derivatives, which are measured at FVTPL.

### Note II Impairment model

The company's financial instruments subject to the new impairment model is limited to short-term accounts receivable and bank accounts. For short-term accounts receivable the company applies a simplified approach. Bank accounts are exclusively with banks that meet the standard's low credit risk assumption, and the company has considered that this, in conjunction with LGD and low exposure, will require insignificant provision for losses. The company has thus not made any provision for losses related to this balance sheet item.

### Note III Solvency capital

DNK's solvency capital requirement (SCR) combines the capital requirement given by the standard model and the additional capital requirement set by the FSAN (Financial Supervisory Authority of Norway). The additional capital requirement covers catastrophe insurance risks that are not captured by the standard module in Solvency II, or any other meaningful statistical model. This is not surprising given the unsystematic risks inherent in covering war, piracy, and terrorism risks at sea. The additional capital requirement is set for one calendar year at a time. For 2025, the additional capital requirement is USD 291,8 million (293,0).

DNK's solvency capital as of 31 March 2025 was estimated USD 824,3 million (770,6) The solvency capital requirement was USD 401,6 million (401,9). The solvency margin was consequently 205 % (192 %).

**Note IV Financial assets – Fair value hierarchy**

<b>Amounts in USD 1 000</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Bank deposits investment portfolio	31 086	0	0	<b>31 086</b>
Shares and other equity investments	182 979	0	0	<b>182 979</b>
Bonds and other fixed income securities	409 446	149 002	0	<b>558 448</b>
Financial derivatives	0	4 433	0	<b>4 433</b>
<b>Financial liabilities</b>				
Financial derivatives	0	8 583	0	<b>8 583</b>

Fair value is meant to be a representative price based on what similar assets or liabilities would be traded at given normal terms and market conditions.

**Level 1** is the highest quality of fair value. It is based on listed prices in active markets. A financial instrument is considered listed in an active market if prices are easily and regularly accessible from the exchange, dealer, broker, pricing service or governing authority, and these prices represent actual and frequent transactions on an arm's length basis.

**Level 2** is based on observable market data, but the instrument is not considered to be actively traded. This includes prices derived from identical instruments and prices of similar assets that can be confirmed through market data. Level 2 financial instruments are for example fixed income securities that are priced based on representative yield curves.

**Level 3** is considered to represent an inactive market, where observable data is unavailable. Prices are primarily estimated out of internal assessments. Level 3 financial instruments can be private equity, real estate, and financial claims.