Interim report

Q2 and H1 2023

Tryg A/S · Klausdalsbrovej 601, 2750 Ballerup, Denmark · CVR no. 26460212

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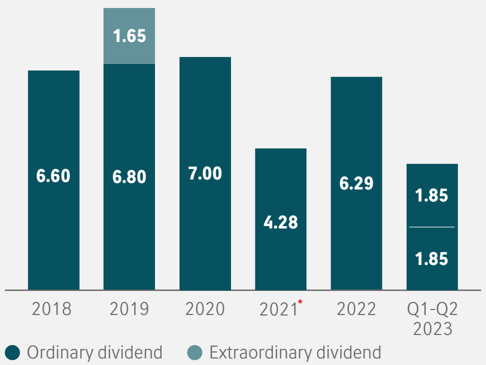
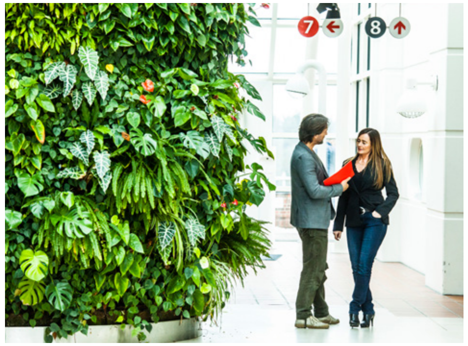
Tryg aims to pay a nominal, stable and increasing ordinary dividend while maintaining stable results and a high level of return on capital employed.

Shareholders' remuneration (DKK per share)



* During 2021, Tryg launched a DKK 37bn rights issue to fund the RSA Scandinavia acquisition. The number of shares was 653m after the rights issue compared to 302m before the rights issue. The higher number of shares explains the drop in the DPS in 2021.



Highlights

Financial Q2 2023

3.9%
Insurance revenue growth in local currencies
Q2 2022: 6.0

0.6
Group underlying claims ratio improvements percentage points

13.3
Expense ratio
Q2 2022: 13.3

80.9
Combined ratio
Q2 2022: 78.7

1,759m
Insurance service result (DKK)
Q2 2022: 2,021m

53m
Total investment return (DKK)
Q2 2022: -948m

1,229m
Profit before tax (DKK)
Q2 2022: 507m

1.85
Dividend per share (DKK)
Q2 2022: 1.56

199
Solvency ratio
Q1 2023: 200

Insurance revenue growth of 3.9% in Q2, primarily driven by positive developments across Private and Commercial. The insurance service result amounts to DKK 1,759m (DKK 2,021m), supported by positive developments in the core business (including RSA Scandinavia synergies), an increased level of interest rates and positive top-line growth. The result was, however, impacted by a significantly higher level of large and weather claims due to two specific claims events. The Norwegian (NOK) and Swedish (SEK) currencies weakening had a negative impact on Q2 2023 of approximately DKK 100m compared to the same quarter in 2022. The underlying claims ratio improved by 0.6 percentage points for the Group, while it deteriorated by a modest 0.3 percentage points in the Private segment. The investment result for Q2 2023 was DKK 53m, driven primarily by positive equities and fixed-income returns. Tryg pays a Q2 DPS of 1.85 and reports a solvency ratio of 199.

Income overview

DKKm All figures under IFRS 17	Q2 2023	Q2 2022	H1 2023	H1 2022 pro-forma	H1 2022	FY 2022
Insurance revenue	**9,200**	**9,481**	**18,390**	**18,614**	**16,050**	**34,814**
Gross claims	-6,684	-6,092	-12,800	-12,731	-11,228	-23,904
Total insurance operating costs	-1,222	-1,265	-2,440	-2,516	-2,140	-4,701
Insurance service expenses	**-7,907**	**-7,356**	**-15,240**	**-15,247**	**-13,369**	**-28,605**
Profit/loss on gross business	1,294	2,125	3,150	3,368	2,682	6,212
Net expense from reinsurance contracts	465	-104	83	-333	-303	-576
Insurance service result	**1,759**	**2,021**	**3,233**	**3,035**	**2,378**	**5,636**
Investment return [a]	**53**	**-948**	**220**		**-787**	**-441**
Other income and costs	-583	-566	-1,038		-881	-2,143
Profit/loss before tax	**1,229**	**507**	**2,416**		**711**	**3,051**
Tax	-307	-77	-609		-172	-804
Profit/loss	**922**	**430**	**1,807**		**539**	**2,247**
Hereof run-off gains/losses, net of reinsurance	293	412	510	642	286	759
Key figures and ratios						
Shareholders' equity	39,862	45,948	39,862		45,948	42,504
Return on equity after tax (%)	8.8	3.7	8.8		2.3	4.9
Return on Own Funds (%)[b]	23.3	10.0	22.8		6.3	13.0
Return on Tangible Equity (%)	32.0	6.1	31.2		3.8	7.8
Number of shares 30 June (1,000)	622,710	648,857	622,710		648,857	633,710
Earnings per share (DKK)	1.47	0.66	2.88		0.83	3.47
Operating earnings per share (DKK)[b]	1.77	0.97	3.48		1.18	4.43
Ordinary dividend per share (DKK)	1.85	1.56	3.70		3.11	6.29
Extraordinary dividend per share (DKK)	0.00	0.00	0.00		0.00	0.00
Premium growth in local currencies[c]	3.9	6.0*	4.3*		5.2*	5.9*
Gross claims ratio	72.7	64.3	69.6	68.4	70.0	68.7
Net reinsurance ratio	-5.0	1.1	-0.4	1.8	1.9	1.7
Claims ratio, net of reinsurance	67.6	65.4	69.2	70.2	71.8	70.3
Gross expense ratio	13.3	13.3	13.3	13.5	13.3	13.5
Combined ratio	**80.9**	**78.7**	**82.4**	**83.7**	**85.2**	**83.8**
Run-off, net of reinsurance (%)	-3.2	-4.3	-2.8	-3.5	-1.8	-2.2
Large claims, net of reinsurance (%)	4.5	3.1	3.1	2.9	2.9	3.3
Weather claims, net of reinsurance (%)	2.0	0.9	1.9	1.8	1.9	1.7
Discounting (%)	2.8	2.0	2.9	1.6	1.6	2.1
Combined ratio on business areas						
Private	81.8	79.9	84.0	83.2	84.5	82.9
Commercial	77.2	79.4	79.7	83.0	85.1	82.7
Corporate	84.4	69.1	78.6	89.3	89.3	92.3

a) Income from RSA Scandinavia includes net effect from demerger and sale of Codan DK for Q2 2022 and H1 2022
b) Adjusted for depreciation on intangible assets related to Brands and Customer relations after tax
c) Premium growth in H1 2023 is measured against comparative proforma 2022 figures
*) Based on pro-forma figures

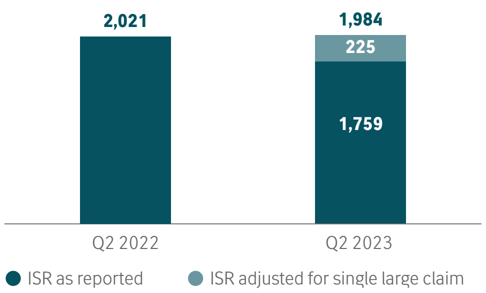
Tryg's results

Tryg reported a Q2 insurance service result of DKK 1,759m (DKK 2,021m), driven by positive top-line development particularly in the Private and Commercial segment, solid progress in the core business, including the delivery of RSA Scandinavia synergies and a generally higher level of interest rates, which reduces the claims costs (all else being equal). The result was, however, also impacted by a much higher level of large and weather claims due to two specific claims events and highly unfavourable currency (SEK & NOK) movements that had a negative impact of approx. DKK 100m. The combined ratio was 80.9 (78.7). The underlying claims ratio for the Group improved by 0.6 percentage points, while the Private segment saw a slightly negative development in line with previous quarters. Investment return for the quarter was DKK 53m (DKK -948m), driven primarily by returns from equities and fixed-income asset classes. Pre-tax result was DKK 1,229m. A solvency ratio of 199 was reported at the end of the quarter, and Tryg is paying a Q2 DPS of 1.85.

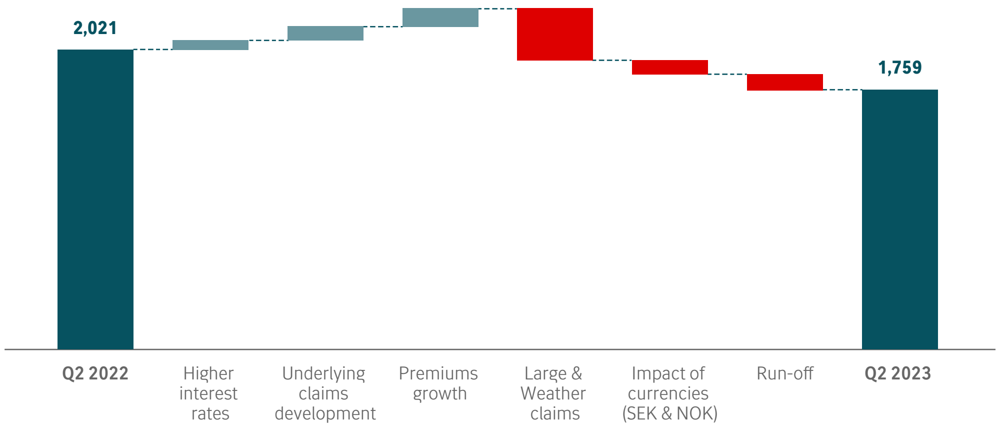
Group insurance revenue growth was 3.9% in local currency, driven primarily by solid growth in the Private and Commercial segments. In the Corporate segment, growth was negative due to continued focus on price adjustments and rebalancing the portfolio. Premiums on a reported basis (DKK) dropped 3.0%, reflecting adverse currencies development in NOK and SEK. The insurance service result was DKK 1,759m (DKK 2,021m), driven by a combined ratio of 80.9 (78.7). The lower insurance service result was primarily driven by significantly higher large and weather claims and highly adverse currencies (SEK & NOK) movements that carried a negative weight of approximately DKK 100m. An improved underlying performance, including DKK 77m of RSA synergies and a generally higher level of interest rates compared to Q2 2022, were key positives.

Weather claims were higher than normal (Q2 is normally the quarter with the lowest level of weather claims) and higher than Q2 2022. The main reason was a landslide in Halden (a town in Norway), where a nearby factory was hit. This claim is covered by the Norwegian Natural Perils Pool (where Tryg has a market share just below 11%) and has an estimated cost of just under DKK 60m. Additionally, weather claims were impacted by a cloudburst in Denmark. Large claims were also much higher than expected and at a higher level than the same period last year due to a very large Scandinavian claim in the Corporate business that amounts to approximately DKK 225m net. The run-off result was 3.2% (4.3%). The Group's underlying claims ratio, adjusted for weather claims, large claims, run-offs and the discount rate (used to discount claims provisions), improved by 0.6 percentage points (compared to Q2 2022) as a result of profitability initiatives in Commercial, and particularly in Corporate, improving the result. The Private underlying claims

Group Insurance Service Result (DKKm)



Group Insurance Service Result Walk Q2 22 vs Q2 23 (DKKm)



ratio deteriorated by a modest 0.3 percentage points (in line with previous quarters) compared to Q2 2022, as a higher level of travel insurance claims was reported together with a higher level of motor comprehensive claims in Sweden and Norway, in particular, due to the negative impact of weaker currencies on automobile spare parts. Inflation remains high, although consumer price index growth rates have decreased slightly in 2023, especially in Denmark. Tryg continuously monitors inflation developments and adjusts prices accordingly. Commercial, and especially Corporate, supported Tryg's underlying improvement through the rebalancing of the Corporate portfolio and growth in the smaller Commercial segment across all countries. Tryg's Corporate business is actively continuing to increase prices and continued to reduce exposure to unprofitable segments in Q2, which will have a positive impact on profitability in 2023 and the following years. Synergies for the quarter amounted to DKK 77m, with DKK 25m related to administration and distribution, driven primarily by FTE reductions. DKK 16m was linked to commercial initiatives, DKK 23m came from procurement and, finally, DKK 13m was related to claims costs.

A customer satisfaction score of 86 was achieved in Q2 2023, an increase from 85 for the prior-year period. Tryg has a strong focus on improving customer satisfaction and saw significant improvement in the process for onboarding customers in Denmark with shorter response times for customer inquiries and more transparent customer journey by highlighting "next steps". In Norway a more visible value proposition dialogue with customers and a simplified communication flow had a positive impact. In general, the faster and more customer-centric claims handling processes continued to have a positive impact in this quarter.

Inflation, interest rates and discounting

Inflation

Initial signs of higher **inflation growth in the second half of 2021**

Non-life insurers are exposed to higher inflation via higher claims costs

Tryg is mitigating higher inflation growth via its strong procurement agreements, while at the same time adjusting prices to reflect the higher inflation level

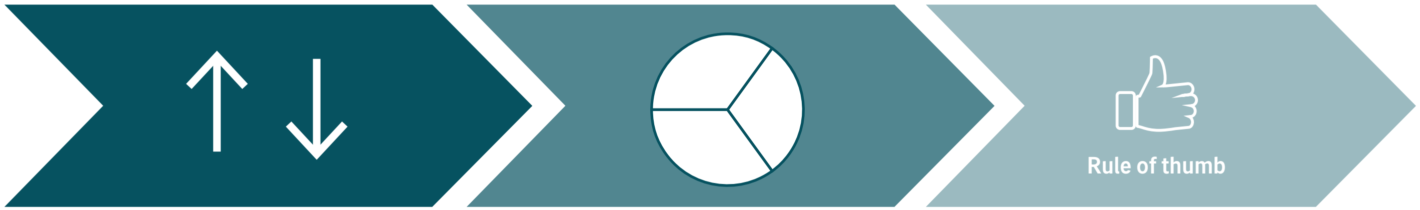
Interest rates[1]

Interest rates have started to increase following many years of very low levels

Due to full discounting of claims reserves, **increased interest rates will have a positive impact** on the claims ratio (all else being equal) and will help lower claims costs

An increase of one percentage point in the average interest rate used for discounting claims will **reduce the claims ratio by ~1 p.p.**

Currencies



Due to the unstable macroeconomic environment, currency movements have been highly unfavourable, as the SEK and NOK are trading close to 20-year lows.

After the acquisition of Codan Norway & Trygg-Hansa, more than 50% of the Group's business now stems from outside Denmark.

A one percentage point fluctuation in the exchange rate will effect the Group's insurance service result by ~DKK 50-75m annually.

[1] Tryg has published a newsletter on the sensitivity of earnings to interest rate movements. Read more on ***tryg.com/newsletters***.

Total investment return amounted to DKK 53m, driven primarily by solid returns from the equity and fixed income asset classes. Equity markets in general developed positively, primarily driven by slightly lower inflation expectations. Tryg's equity portfolio reported a positive return of 4.6%, with equities posting an overall result of DKK 159m. Fixed income asset classes also produced good returns driven by narrowing credit spreads. Tryg continues to pursue a relatively low-risk investment strategy with limited equity exposure and a conservative fixed-income profile (more than 90% of fixed-income securities are Nordic covered bonds). It should be remembered that Tryg marks to market both assets and liabilities (in accordance with Danish Financial Supervisory Authority rules), resulting in some P&L volatility in turbulent times. Asset allocation remained broadly unchanged during the period, while it is important to note that total invested assets are approximately DKK 61bn, with the free portfolio representing approximately DKK 17bn of the total.

Insurance revenue

Insurance revenues were DKK 9,200m (DKK 9,481m), corresponding to growth of 3.9% in local currency. Revenue growth would have been approx. 5% excluding conversions and the repricing of the Moderna portfolio to Trygg-Hansa in Sweden and Codan Norway to Tryg in Norway. The impact of the conversions and repricing on premium growth was in line with expectations. The Private segment reported growth of 4.4%, equal to approx. 6% after adjusting for conversions related to the RSA transaction. Insurance revenue growth in Private was primarily driven by pricing initiatives to mitigate inflation but also due to further cross-selling and sales to new customers. Growth in the Private segment was negatively impacted by a slight drop in retention rates, especially in Denmark and Norway. A higher churn was observed among single product customers in particular. Commercial lines reported an insurance revenue increase of approx. 4.9%, and approx. 6% after adjusting for the transfer between Commercial and Corporate in the Norwegian business, while solid growth in Commercial Denmark was driven by pricing initiatives. Growth in Commercial Norway was primarily driven by pricing initiatives and strong sales of product packages to smaller Commercial customers. Commercial Sweden saw growth continue to be positively impacted by strong online and service centre sales to smaller commercial customers. In general, we saw a slight deterioration in renewal rates for Commercial customers due to price adjustments.

The Corporate segment continued its efforts to improve profitability by increasing prices and reducing international exposure, particularly to the property and liability segments. Corporate saw negative growth of -2.4%, and approx. -4% after adjusting for the above-mentioned transfers. Price hikes were widely accepted across all countries and we continued our efforts to reduce exposure to international customers, especially with respect to liability and property.

Claims

The claims ratio, net of reinsurance, was 67.6 (65.4). The higher claims ratio was entirely driven by a higher level of large and weather claims. Large claims were high, weighing 4.5% (3.1%), primarily due to a single large claim in the Corporate business which amounts to approximately DKK 225m net of reinsurance. The second quarter of the year is normally the quarter with the lowest level of weather claims. However, weather claims were at high level of 2.0% (0.9%) this quarter, the main driver being a landslide recorded in Halden (a town in Norway), where a nearby factory was hit. The claim is not related to a Tryg customer, but covered by the Natural Perils Pool, where Tryg has a market share of just under 11%, and has been assessed at approximately NOK 90m (slightly less than DKK 60m), whilst weather also was impacted by a cloudburst in Denmark. The underlying claims ratio for the Group, excluding large claims and weather claims, run-offs and discounting, was 67.1 (67.7), which was 0.6 percentage points better than the corresponding quarter in 2022. The Private underlying claims ratio deteriorated marginally to 69.2 (68.9), which is in line with previous quarters and mainly attributable to continued high level of claims in travel insurance but also to a higher claims level for motor comprehensive due, in particular, to higher costs for spares parts in Norway and Sweden following the weakening of their currencies (SEK & NOK). Rebalancing and profitability initiatives in the Corporate segment continue and should help sustain the improvement in the Group's underlying claims ratio. Tryg expects to see an improvement in the underlying claims ratio for FY 2023 based on pricing initiatives, portfolio rebalancing and synergies related to the acquisition of the RSA Scandinavian business. Macroeconomic uncertainty prevails and inflation levels are at 40-year highs, which could result in slightly increased volatility in results between quarters, although the long term trends remain unchanged. Tryg has been working actively with procurement agreements to contain claims inflation, while price adjustments have also been pushed through. Inflation remained high in the second quarter and both the Swedish and Norwegian businesses were affected by their respective currencies weakening, which had a particular impact on spare parts related to the motor segment. It is important to remember that the full impact of the price increases will only be visible in the P&L after 12-24 months. In the longer term, the price increases will match claims inflation, but there may be some slightly more volatile developments in the short term.

Tryg's procurement team works closely with the claims department to monitor and control claims inflation. Tryg is in continuous dialogue with suppliers and initiates agreements that reflect the current market situation. Most agree-

Follow Tryg's free portfolio on *tryg.com*

Tryg publishes on a daily basis on Tryg.com the percentage return of the most volatile part of the investment income, the "so called" free portfolio (the NAV of the company). Tryg has published a ***newsletter*** in the past detailing the different building blocks of the investment result. The free portfolio as per Q2 2023 is approximately DKK 17bn and the size is broadly stable. The match portfolio is made up of primarily Nordic covered bonds and structured to report a result very close to zero, the portfolio has been built to minimise capital consumption. Finally, the line "other financial income and expenses" has been previously guided to be slightly more negative than DKK -60m per quarter. Tryg tries to increase transparency all the time in different aspects of its financial reporting, in challenging financial markets it is worthwhile to remember that the most volatile part of the investment result is observable on a daily basis.

ments extend beyond one year and have fixed prices. Economic uncertainties driven by higher interest rates and slightly higher unemployment had a positive impact on many agreements that were renewed from 1 January 2023.

Expenses

The expense ratio was unchanged at 13.3 (13.3) and impacted by strong cost control. Under IFRS 17, the expense ratio target has been adjusted to at or below 13.5% (previously approximately 14% under IFRS 4). Synergies from the RSA acquisition also had a positive impact and supported the low expense ratio.

Investment return

Investment income was DKK 53m, driven primarily by positive returns from the equity and fixed-income asset classes. The free portfolio reported an overall result of DKK 100m (DKK -944m), the match portfolio reported an overall result of DKK 155m (-144m), while other financial income and expenses amount to DKK -202m (DKK -73m) impacted by significant currencies volatility. Financial markets developed positively with primarely equities and fixed income asset classes producing good returns while the outlook for properites remains under the pressure.

Other income and costs

Other income and costs amounted to DKK -583m (DKK -566m). This accounting post primarily comprises the remaining integration costs from the acquisition of RSA Scandinavia of DKK 180m and intangibles amortisation (customer relations) of DKK 236m from the RSA Scandinavia acquisition and the Alka acquisition. Intangibles amortisation is a non-cash item and does not impact dividend capacity. Additionally, other general costs (primarily costs related to the holding company, bancassurance-related commissions, and general costs) and approximately DKK 50m of educational and development costs are also booked against this line.

Profit before and after tax

Profit before tax was DKK 1,229m (DKK 507m), while profit after tax and discontinued activities was DKK 922m (DKK 430m). Total tax amounted to DKK 307m, equating to a tax rate of approximately 25.0%. The tax rate was negatively impacted by lower earnings in Swedish segment in the quarter (Sweden's corporate tax rate is lower than in Norway and Denmark) and a higher corporate tax rate in Denmark following the introduction of a new financial sector tax (the so-called “Arne skat”).

Dividend and solvency

Own funds were DKK 15,690m at the end of Q2, while the SCR was DKK 7,873m, and Tryg reports a solvency ratio of 199. Tryg will be paying a Q2 dividend of DKK 1,174m or DKK 1.85 per share. The quarterly dividend will be flat from quarter to quarter in 2023. Tryg concluded its DKK 5bn share buyback programme on 15 June 2023.

H1 2023 results

Premium growth of 4.3%, when measured in local currencies, was primarily driven by solid growth in the Private and Commercial segments. The H1 insurance service result was DKK 3,233m, while the result for the comparable period last year was DKK 3,035m (proforma). Tryg has increased its technical result in H1 2023 by improving underlying performance and through benefiting from increasing interest rates, though it was also negatively impacted by currency movements in Sweden and Norway. Tryg has paid a Q1 dividend per share of DKK 1.85 and will pay a Q2 dividend per share of DKK 1.85, bringing the total dividend per share for H1 to DKK 3.70.

Business initiatives

2023 marks the second year of Tryg's new strategy period presented on Capital Market Day (CMD) on 21 November 2021, which included the acquisition of Trygg-Hansa and Codan Norway. Tryg has set new ambitious targets for 2024 under the headline "Growing a successful core while shaping the future". Tryg will continue to grow its successful Private and SME segments by building on its foundation for customers and sales excellence while initiating structural changes in the Corporate segment. In 2023, Tryg will have an enhanced focus on the B2B segment, and initiatives will be implemented to further grow the SME segment while increasing profitability in the Corporate business.

Private

In Private Denmark, Tryg is pleased to announce its partnership with the digital platform Seez in Denmark. This collaboration will help Tryg stay ahead in the fast changing car market, which is being shaped by advancements in technology, sustainability policies, and a shift towards e-commerce and online platforms.

Business-to-business (B2B)

In Commercial Denmark, Tryg launched a new van insurance at the end of April. The new insurance is designed to meet the needs of customers, such as increased levels of leasing and a greater number of electrical vans. The product also includes DNA marking as a preventive service for items such as tools stored in the van. More than 1,000 insurances were sold after less than one month, indicating very good traction.

RSA synergies

In connection with the acquisition of RSA Scandinavia, Tryg communicated expected synergies of DKK 900m to be delivered by 2024. In Q2 2023, synergies of DKK 77m were realised, thus totalling DKK 547m for 2021, 2022 and Q2 2023. Synergies of DKK 25m related to administration and distribution were driven primarily by termination of Codan Norway's IT contracts. DKK 16m was linked to commercial initiatives driven by new products and up- and cross selling. DKK 23m related to procurement was achieved through utilisation of lowest price contracts and in this quarter especially from car and glass repair. Finally, DKK 13m was related to claims costs helped by natural attrition and continued effect from improved processes in areas like fraud and recourse.

Sustainability & ESG

Tryg's Sustainability strategy, 'Driving sustainable impact', strengthens the anchoring of strong ESG practices across the organisation and aims to support customers in the green transition by increasingly offering insurance products that include sustainable elements as well as sustainable claims handling. Tryg has a target of increasing the claims spend classified as sustainable by 80% by 2024 compared to 2020. The target is an important lever for achieving Tryg's goal of total CO_2 reductions of 20,000-25,000 tonnes through more sustainable claims handling.

We are convinced, the most sustainable claim is the claim that can be prevented or minimised. Hence, Tryg's focus on prevention is a vital component in furthering the sustainability agenda. By integrating preventive measures into its products and services, Tryg's aim is to provide comfort and peace-of-mind for its customers as well as both an environmental and social upside.

SMART repair benefits customers and the environment

Tryg has initiated a new SMART repair concept – Small to Medium Auto Repair Technology. The new initiative reduces the claims handling process from 3-5 days to one day. With SMART repair technology, small dents, paintwork scratches and other minor cosmetic claims are repaired in one garage in one day instead of several garages with relevant expertise. Hence, by compressing the repair process, Tryg benefits the environment and improves the customer experience.

Enhancing diversity, equality, and inclusion

At Tryg, we are committed to increasing the level of diversity, equality and inclusion across our organisation and industry. We want to reflect the society we are part of and also to better understand and match the changing needs of our diverse customers and society in general. We emphasise the importance of a company culture where everyone feels equally respected and welcome, so we can ensure that all employees are comfortable being their true self at work.

Tryg as you are

Under the tagline "Tryg as you are", we shine a spotlight on the importance of a company culture where everyone feels equally included. In 2022, an LGBT+ network was established to further advance the diversity and inclusion agenda in Tryg. In 2023, Tryg partnered with Copenhagen and Bergen Pride and participated in the Bergen parade in June and will take part in the upcoming parade in Copenhagen in August. Pride months are also marked across countries, with internal arrangements focusing on being an inclusive colleague who supports being "Tryg as you are".

Embracing hidden disabilities – creating peace-of-mind for employees and customers

One in five people live with a disability – 80% of those with an invisible disability. Being an inclusive and diverse company, Tryg embraces diversity and works to create peace-of-mind for our employees and customers. Tryg has therefore, joined the international Sunflower programme – making invisible disabilities visible to ensure that necessary considerations are shown, such as being patient and providing additional targeted support. Internally, the sunflower lanyard is available for employees and guests who wish to visualise special needs. Externally, a sunflower telephone line is available for our customers to meet the needs of our customers with invisible disabilities. Information about the programme and how to support colleagues and customers is available to all leaders and employees. The initiative has been well received both by employees and customers.

Private

Private encompasses the sale of insurance products to private individuals in Denmark, Sweden, and Norway. Sales are distributed via multiple channels, including call centres, online sales, Tryg's own sales force, interest organisations, car dealers, Alka in Denmark, franchisees in Norway, Trygg-Hansa in Sweden, and Danske Bank branches. The business area accounts for 65% of the Group's total insurance revenue.

Insurance service results

Private reported an insurance service result of DKK 1,104m (DKK 1,255m) and a combined ratio of 81.8 (79.9). The lower insurance service result was impacted by a modest deterioration in the underlying claims ratio as travel related activities remained high, and Sweden and Norway saw higher prices for motor spare parts due to weaker currency exchange rates. Private reported solid growth, predominantly driven by price adjustments.

Insurance revenue

Insurance revenue amounts to DKK 6,070m (DKK 6,228m), corresponding to growth of 4.4% in local currencies. Growth was affected by the conversion and repricing of the Moderna portfolio in Sweden and Codan Norway in Norway. Adjusted for this, growth would have been approximately 6%. The impact from conversions and repricing on premium growth was in line with expectations. Growth was generated across all countries, and as Private is the most profitable segment in Tryg, with the lowest capital requirement, growth in this segment is structurally positive for the Group. In Denmark, Tryg reported solid top-line growth that was impacted by price increases, an enhanced focus on direct customers and cross-selling to existing customers. In Norway, Tryg reported good top-line growth due to strong sales via partner agreements and also a positive impact from increased sales of new electric cars despite a challenging market. In Sweden, Trygg-Hansa reported positive top-line growth, which was positively impacted by organic growth across multiple sales channels and cross-selling to existing customers. Sales of used cars saw a modest improvement, but lower sales of new cars continued to have a negative effect. All geographical areas in the Private segment continued to adjust prices to mitigate inflation and enjoyed a high level of acceptance, as retention rates in all countries displayed a slight deterioration. In Denmark, the retention rate remained high but slightly deteriorated at 90.0 (90.7), primarily impacted by single product customers in partner agreements and reactions to price adjustments. In Norway, the retention rate fell to 88.1 (88.8) as a result of periods of continuous price adjustments. In Sweden, the retention rate was somewhat flat at 87.5 (87.6) despite a period of significant price adjustments.

Key figures – Private

DKKm	Q2 2023	Q2 2022	H1 2023	H1 2022 pro-forma	H1 2022	FY 2022
Insurance revenue	**6,070**	**6,228**	**12,072**	**12,169**	**10,492**	**22,776**
Gross claims	-4,194	-4,099	-8,530	-8,384	-7,375	-15,625
Total insurance operating costs	-766	-791	-1,520	-1,561	-1,332	-2,913
Insurance service expense	**-4,960**	**-4,890**	**-10,050**	**-9,945**	**-8,707**	**-18,538**
Profit/loss on gross business	1,110	1,338	2,023	2,224	1,785	4,238
Net expense from reinsurance contracts	-6	-83	-90	-174	-159	-332
Insurance service result	**1,104**	**1,255**	**1,932**	**2,050**	**1,625**	**3,906**
Run-off gains/losses, net of reinsurance	25	101	85	373	163	357
Key ratios						
Premium growth in local currencies (%)	4.4	5.6*	4.7*		5.1*	4.9*
Gross claims ratio	69.1	65.8	70.7	68.9	70.3	68.6
Net reinsurance ratio	0.1	1.3	0.7	1.4	1.5	1.5
Claims ratio, net of reinsurance	69.2	67.2	71.4	70.3	71.8	70.1
Gross expense ratio	12.6	12.7	12.6	12.8	12.7	12.8
Combined ratio	**81.8**	**79.9**	**84.0**	**83.2**	**84.5**	**82.9**
Combined ratio exclusive of run-off	82.2	81.5	84.7	86.2	86.1	84.4
Run-off, net of reinsurance (%)	-0.4	-1.6	-0.7	-3.1	-1.6	-1.6
Large claims, net of reinsurance (%)	0.5	0.7	0.4	0.8	0.9	0.6
Weather claims, net of reinsurance (%)	2.2	0.9	1.9	2.1	2.1	1.8

*) Based on pro-forma figures

Financial highlights Q2 2023

4.4%
Premium growth
(local currencies)

1,104m
Insurance service result
(DKK)
Q2 2022: 1,255m

81.8
Combined ratio
Q2 2022: 79.9

Claims

The claims ratio, net of reinsurance, was 69.2% (67.2%), and was negatively impacted by a higher level of weather claims at 2.2% (0.9%) as Private, through the Natural Perils Pool, was impacted by the landslide that hit a factory in Halden, and cloudburst in Denmark. Large claims were somewhat flat at 0.5% (0.7%), whilst the level of run-off fell at 0.4% (1.6%). The underlying claims ratio deteriorated slightly, driven in part by further solid growth in the segment. Additionally, increased travel activity had a negative impact on the claims costs. Claims costs related to motor comprehensive had a negative impact, mainly due to higher prices for automotive spare parts following significant decline in the SEK and NOK exchange rates. Motor comprehensive is a short-tailed line of business which Tryg is currently monitoring and increasing prices to offset the negative developments.

Expenses

The expense ratio was somewhat stable at 12.6% (12.7%) and was supported by synergies related to the acquisition of RSA's Swedish and Norwegian businesses.

H1 2023 results

The insurance service result was DKK 1,932m (DKK 2,050m) compared to the H1 2022 pro-forma figures (including Trygg-Hansa and Codan for Q1 2022 as opposed to the reported figures for H1 2022). In general, the business saw solid growth. The claims ratio, net of reinsurance was 71.4, driven by a noticeably higher level of interest rates, synergies from the RSA Scandinavia acquisition and a slightly higher level of underlying claims. The expense ratio was 12.6%.

Commercial

Commercial encompasses the sale of insurance products to small- and medium-sized businesses in Denmark, Sweden, and Norway and under the brand 'Tryg Garanti' (Tryg's credit & surety business) in selected European countries. Sales are distributed via Tryg's own sales force, brokers, online sales (particularly in Sweden), Alka in Denmark, franchisees in Norway, Trygg-Hansa in Sweden, and Danske Bank branches. The business area accounts for 25% of the Group's total insurance revenue.

Insurance service results

Commercial reported an insurance service result of DKK 523m (DKK 477m) and a combined ratio of 77.2 (79.4). The higher insurance service result was positively impacted by an improvement in the underlying claims ratio due to a continued focus on smaller commercial customers and price adjustments.

Insurance revenue

Insurance revenue amounts to DKK 2,286m (DKK 2,319m), corresponding to growth of 4.9% measured in local currencies. The development was predominantly driven by price adjustments and a portfolio transfer from Commercial Norway to Corporate Norway. Adjusted for the transfer, growth for the segment was approximately 6%. In Denmark, Tryg reported solid top-line growth impacted by price increases and a positive net inflow of new customers. The business unit continued to focus on smaller commercial customers and price adjustments. In Norway, Tryg reported negative top-line growth that was impacted by the transfer of customers from Commercial to Corporate, as a high proportion of the customers in Codan Norway are defined as Corporate customers according to Tryg's definition. Adjusting for this, Commercial Norway saw positive growth predominantly driven by price adjustments. In Sweden, Trygg-Hansa reported good top-line growth as the business unit reported a positive inflow of smaller customers through Trygg-Hansa's own sales force and online sales, whilst price adjustments also had an impact. Tryg also reported healthy growth in the credit and surety business (Tryg Garanti). All geographical areas in the Commercial segment continued to adjust prices to mitigate inflation with a high level of acceptance. Retention rates remained high but deteriorated slightly, primarily due to customer reaction to price adjustments, as the retention rate was 87.8 (88.6) in Denmark, 89.4 (89.6) in Norway and 88.8 (89.3) in Sweden.

Key figures – Commercial

DKKm	Q2 2023	Q2 2022	H1 2023	H1 2022 pro-forma	H1 2022	FY 2022
Insurance revenue	**2,286**	**2,319**	**4,559**	**4,636**	**3,748**	**8,408**
Gross claims	-1,506	-1,513	-2,901	-2,984	-2,491	-5,551
Total insurance operating costs	-351	-370	-712	-754	-606	-1,337
Insurance service expense	**-1,856**	**-1,883**	**-3,613**	**-3,738**	**-3,097**	**-6,889**
Profit/loss on gross business	430	436	946	898	651	1,519
Net expense from reinsurance contracts	92	40	-23	-108	-93	-66
Insurance service result	**523**	**477**	**924**	**790**	**558**	**1,453**
Run-off gains/losses, net of reinsurance	84	153	119	190	44	264
Key ratios						
Premium growth in local currencies (%)	4.9	6.6*	3.8*		6.2*	8.6*
Gross claims ratio	65.9	65.2	63.6	64.4	66.5	66.0
Net reinsurance ratio	-4.0	-1.7	0.5	2.3	2.5	0.8
Claims ratio, net of reinsurance	61.8	63.5	64.1	66.7	68.9	66.8
Gross expense ratio	15.3	16.0	15.6	16.3	16.2	15.9
Combined ratio	**77.2**	**79.4**	**79.7**	**83.0**	**85.1**	**82.7**
Combined ratio exclusive of run-off	80.8	86.0	82.4	87.1	86.3	85.9
Run-off, net of reinsurance (%)	-3.7	-6.6	-2.6	-4.1	-1.2	-3.1
Large claims, net of reinsurance (%)	5.4	8.8	4.8	6.2	5.7	7.2
Weather claims, net of reinsurance (%)	1.7	1.0	2.1	1.5	1.8	1.6

*) Based on pro-forma figures

Financial highlights Q2 2023

4.9%
Premium growth (local currencies)

523m
Insurance service result (DKK)
Q2 2022: 477m

77.2
Combined ratio
Q2 2022: 79.4

Claims
The claims ratio, net of reinsurance, was 61.8 (63.5), and was positively impacted by a significantly lower level of large claims at 5.4% (8.8% impacted by a number of larger claims in all countries). Weather claims came in at 1.7 (1.0), impacted by the landslide in Halden in Norway hitting a factory, whilst a lower level of run-off at 3.7% (6.6%) had a negative impact. The underlying claims ratio improved, driven by price adjustments and by focusing on growing the smaller commercial customer segment, as this segment displays higher profitability. The increase in claims costs was highest for the property line of business (buildings) and for Commercial motor comprehensive. The development in motor was predominantly driven by higher prices for automotive spare parts following a weakening of the SEK and NOK exchange rates. Motor comprehensive is a short-tailed line of business which Tryg is currently monitoring and increasing prices to offset the negative developments.

Expenses
The expense ratio saw a modest improvement to come in at 15.3 (16.0). In general, the segment is focused on lowering distribution costs through the use of more efficient sales channels.

H1 2023 results
The insurance service result was DKK 924m (DKK 790m) compared to the H1 2022 pro-forma figures (including Trygg-Hansa and Codan for Q1-2022 as opposed to the reported figures for H1). In general, the business saw solid growth. The claims ratio, net of reinsurance, was 64.1, driven by a noticeably higher level of interest rates and price initiatives. The expense ratio was 15.6%.

Corporate

Corporate encompasses the sales of insurance products to corporate customers in Denmark and in Norway under the brand 'Tryg' and in Sweden under 'Trygg-Hansa'. Sales are distributed via Tryg's own sales force and insurance brokers. Moreover, customers with international insurance products are serviced through Tryg's cooperation with the RSA Global network. The business area accounts for 10% of the Group's total insurance revenue.

Insurance service result

Corporate reported an insurance service result of DKK 131m (DKK 289m) and a combined ratio of 84.4 (69.1). The lower insurance service result was predominantly impacted by large claims, whilst the underlying claims ratio improved for the segment. The Corporate segment maintained a strong focus on rebalancing the portfolio and price adjustments.

Insurance revenue

Insurance revenue amounts to DKK 844m (DKK 934m), corresponding to growth of negative 2.4% measured in local currencies. Growth was predominantly driven by a portfolio transfer from Commercial Norway to Corporate Norway. Adjusted for the transfer, growth was approximately negative 4%, which is in line with expectations. In Denmark, Tryg reported negative growth as the business unit continues to rebalance its portfolio and reduce volatility and exposure. In Norway, Tryg reported positive top-line growth that was impacted by the transfer of customers from Commercial to Corporate, as a high proportion of the customers in Codan Norway are defined as Corporate customers according to Tryg's definition. Adjusting for this, Corporate Norway saw negative growth. In Sweden, Trygg-Hansa reported negative top-line growth as the business unit continues to rebalance its portfolio and reduce volatility and exposure.

Claims

The claims ratio, net of reinsurance, was 71.9 (57.9), and was predominantly impacted by large claims at 30.3% (4.2%) following a significant claims event related to Tryg's Scandinavian exposure. The total expected cost is approximately DKK 225m net. Weather claims also increased due to a landslide hitting a factory building in Halden in Norway. The incident is covered by the Natural Perils Pool. Run-off was slightly higher at 21.8% (16.9%) than the same period last year. The underlying claims ratio improved, driven mainly by profitability initiatives in all countries and the segment's continued focus on rebalancing the portfolio and reducing volatility by cutting exposure to international property and US liability.

Key figures – Corporate

DKKm	Q2 2023	Q2 2022	H1 2023	H1 2022 pro-forma	H1 2022	FY 2022
Insurance revenue	**844**	**934**	**1,758**	**1,810**	**1,810**	**3,631**
Gross claims	-985	-480	-1,369	-1,363	-1,363	-2,724
Total insurance operating costs	-106	-104	-209	-203	-203	-451
Insurance service expense	**-1,091**	**-584**	**-1,577**	**-1,566**	**-1,566**	**-3,175**
Profit/loss on gross business	-247	350	181	244	244	456
Net expense from reinsurance contracts	378	-61	196	-50	-50	-177
Insurance service result	**131**	**289**	**377**	**194**	**194**	**278**
Run-off gains/losses, net of reinsurance	184	158	305	79	79	137
Key ratios						
Premium growth in local currencies (%)	-2.4	7.5	2.8		3.3	-0.8
Gross claims ratio	116.7	51.4	77.8	75.3	75.3	75.0
Net reinsurance ratio	-44.8	6.5	-11.2	2.7	2.7	4.9
Claims ratio, net of reinsurance	71.9	57.9	66.7	78.1	78.1	79.9
Gross expense ratio	12.6	11.2	11.9	11.2	11.2	12.4
Combined ratio	**84.4**	**69.1**	**78.6**	**89.3**	**89.3**	**92.3**
Combined ratio exclusive of run-off	106.2	86.0	95.9	93.6	93.6	96.1
Run-off, net of reinsurance (%)	-21.8	-16.9	-17.3	-4.4	-4.4	-3.8
Large claims, net of reinsurance (%)	30.3	4.2	17.1	8.4	8.4	10.7
Weather claims, net of reinsurance (%)	1.3	0.4	1.1	0.7	0.7	1.0

Financial highlights Q2 2023

-2.4%
Premium growth (local currencies)

131m
Insurance service result (DKK)
Q2 2022: 289m

84.4
Combined ratio
Q2 2022: 69.1

Expenses

The expense ratio was slightly higher at 12.6 (11.2). In general, a lower expense ratio should be expected for the Corporate segment, as acquisition costs in the broker channel are paid by customers via a commission to the brokers.

H1 2023 results

The insurance service result was DKK 377m (DKK 194m). The claims ratio, net of reinsurance, was 66.7, driven by further profitability initiatives and a reduction in customers with international exposure, especially to property and liability. The expense ratio was 11.9%.

Investment activities

The total market value of Tryg's investment portfolio was DKK 61bn at 30 June 2023. The investment portfolio consists of a match portfolio of DKK 44bn and a free portfolio of DKK 17bn. The match portfolio is composed of low-risk fixed income assets (Scandinavian covered bonds) that mirror the Group's insurance liabilities, so fluctuations resulting from interest rate changes are therefore offset to the greatest possible extent. The free portfolio reflects the Group's capital and is invested in a global multi-asset low risk portfolio strategy predominantly in fixed.-income securities of relatively short duration but also in equities and properties.

The investment return for the quarter was DKK 53m (DKK -948m including both Tryg standalone investment result and the income from RSA) driven by positive returns both on the free and the match portfolio, the corresponding quarter in 2022 saw equity markets plummeting with Tryg's equity portfolio returning -14.1% (or DKK -536m). The free portfolio totaled DKK 100m (DKK -944m), the match portfolio totaled DKK 155m (DKK -144m) while other financial income and expenses totaled DKK -202m (DKK -73m). Other financial income and expenses is clearly more negative compared to normalized assumption, in this quarter the inflation swap value change was DKK -69m while the exchange rates adjustments were DKK -38m, this item includes different balance sheet items adjustments and related hedges, it can be somewhat volatile in quarters with large currencies movements.

The free portfolio return of DKK 100m (DKK -944m) was driven primarily by positive returns on equities and corporate bonds partly offset by

Return - Investments

DKKm	Q2 2023	Q2 2022	H1 2023	H1 2022	FY 2022
Free portfolio, gross return	100	-944	251	-917	-945
Match portfolio, regulatory deviation and performance	155	-144	166	-230	207
Other financial income and expenses	-202	-73	-197	306	263
Income from RSA Scandinavia	0	213	0	53	34
Total investment return	**53**	**-948**	**220**	**-788**	**-441**

Return - match portfolio

DKKm	Q2 2023	Q2 2022	H1 2023	H1 2022	FY 2022
Return, match portfolio	33	-1,420	652	-2,230	-2,433
Value adjustments, changed discount rate	377	1,462	63	2,233	3,418
Transferred to insurance technical interest	-255	-186	-549	-233	-780
Match, regulatory deviation and performance	**155**	**-144**	**166**	**-230**	**207**
Hereof:					
Match, regulatory deviation	20	31	25	6	219
Match, performance	135	-175	141	-236	-12

Return - free portfolio

									Investment assets	
DKKm	Q2 2023	Q2 2023 (%)	Q2 2022	Q2 2022 (%)	H1 2023	H1 2023 (%)	H1 2022	H1 2022 (%)	30.06.2023	31.12.2022
Government and Covered Bonds	**4**	**0.1**	**-266**	**-4.2**	**58**	**1.1**	**-341**	**-6.5**	**5,310**	**6,034**
Corporate and Emerging Market Bonds	**32**	**1.0**	**-279**	**-9.8**	**89**	**2.8**	**-405**	**-16.3**	**3,066**	**2,979**
Investment grade credit	12	1.0	-102	-10.4	36	3.0	-147	-16.9	1,167	1,199
Emerging market bonds	13	1.0	-71	-9.6	32	2.7	-115	-16.5	1,189	1,039
High-yield bonds	7	1.0	-106	-9.3	21	2.7	-144	-15.7	710	742
Diversifying Alternatives [a]	**24**	**1.9**	**16**	**1.2**	**42**	**3.4**	**17**	**1.6**	**1,329**	**1,239**
Equity	**159**	**4.6**	**-536**	**-14.1**	**273**	**7.9**	**-634**	**-19.3**	**3,520**	**3,182**
Real Estate	**-119**	**-3.1**	**121**	**2.0**	**-211**	**-5.3**	**446**	**10.8**	**3,728**	**4,222**
Total	**100**	**0.6**	**-944**	**-5.4**	**251**	**1.4**	**-917**	**-6.0**	**16,953**	**17,656**

[a] Diversifying Alternatives concists of CAT Bonds and hedging instrumetns

negative returns on real estate. The total return of the free portfolio was 0.6% in the quarter. The three months from the beginning of April to the end of June continue to see a volatile newsflow characterized by a difficult geopolitical situation but also by inflations expectations (measured by CPI) gradually lower compared to previous months.

Free portfolio

Financial markets developments remain volatile with mixed newsflow, but slightly lower inflation expectations had a positive impact helping equity markets performance in the last three months. The asset mix of the free portfolio remained broadly unchanged in the quarter. The performance was helped by good returns from equities 4.6% and credit bonds 1.0% while properties produced a negative return of -3.1% driven by a challenging macroeconomic environment with prevailing high interest rates.

Match portfolio

The match portfolio reported a robust result of DKK 155m in the quarter, this was split between a so called "regulatory deviation" of DKK 20m and a so called "performance" of DKK 135m. The regulatory deviation result of DKK 20m was driven by a narrowing yield spread between Denmark and EU. The performance result of DKK 135m was provided by the fact that credit spreads of Danish covered bonds narrowed producing a good return.

Other financial income and expenses

Other financial income and expenses were DKK -202m (DKK -73m). Other financial income and expenses include various items, the largest being the interest expenses associated with Tryg loans (Tier 1 and Tier 2 loans – the hedging of foreign currencies exposure and expenses related to the investment management team, additionally the value change of the inflation swap is also booked against this line under IFRS 17. The Tier 1 and Tier 2 loans interest expenses were DKK 50m in Q2, the value change of the inflation swap was DKK -69m, while Tryg also booked negative exchange rates adjustments to different balance sheet items totaling DKK -38m.

Solvency and dividend

The reported solvency ratio (based on Tryg's partial internal model) was at 199 at the end of Q2, virtually at the same level as the end of Q1. Both Own Funds and the Solvency Capital Requirement were broadly stable during the quarter. Own Funds were DKK 15,690m (15,900m) and the solvency capital requirement was DKK 7,873m (7,943m). Tryg will pay a quarterly dividend of DKK 1.85 per share in Q1 corresponding to DKK 1,174m. That amount has already been deducted from the overall Own Funds level.

Own Funds

Own Funds amount to DKK 15,690m at the end of Q2 2023 (DKK 15,900m at the end of Q1 2023). The movement in Own Funds from Q1 to Q2 has primarily been driven by the operating profit and the dividend paid (already deducted from Own Funds). It is important to remember that the Own Funds include DKK 200m in Tier 1 loans that is temporary (the difference between the new Tier 1 issue and the partial buyback of an old loan) and will not help the solvency ratio at year-end, this represents approximately 200-300bps of the solvency ratio.

The sale of Codan Denmark was closed at the beginning of May 2022. Tryg received approximately DKK 6.3bn from Alm. Brand for its 50% ownership of Codan Denmark and launched a share buyback of DKK 5bn immediately thereafter. The buyback ended in mid-June and a total of 31,324,571m of shares have been bought back. Tryg's Own Funds predominantly consist of shareholders' equity and subordinated loans. These items should be adjusted for the total amount of intangibles on the balance sheet (fully deducted in Solvency 2).

Solvency Capital Requirement

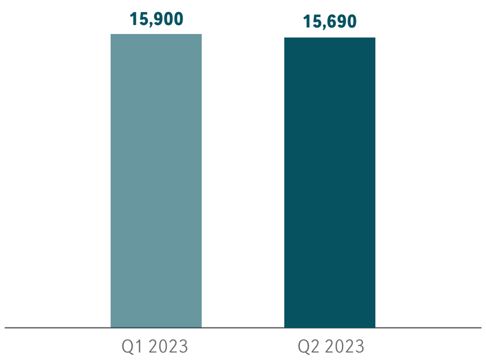
Tryg calculates its individual solvency capital requirement based on a partial internal model in accordance with the Danish FSA's Executive Order on Solvency and Operating Plans for Insurance Companies. The model is based on the structure of the Standard formula. The solvency capital requirement calculation is based on a partial internal model, where the insurance risk is internally modelled, while other risks are calculated using the Standard formula.

The solvency capital requirement, calculated using the partial internal model, was DKK 7,873m (DKK 7,943m at the end of Q1). The modest reduction in the solvency capital requirement is primarily driven by the SEK and NOK drop as capital charges for premiums and claims translated from local currencies in DKK result in a lower charge.

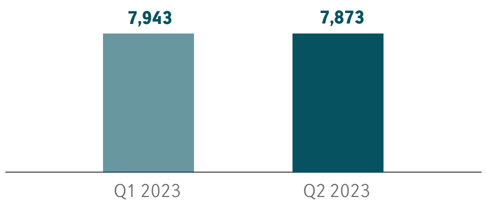
Moody's rating

Tryg has an 'A1' (stable outlook) insurance financial strength rating (IFSR) from Moody's. The rating agency highlights Tryg's strong position in the Nordic P&C market, robust profitability, very good asset quality and relatively low financial leverage. Moody's also assigned an 'A3' rating to Tryg's subordinated debt and a 'Baa3' rating to the Tier 1 notes. All ratings were confirmed following the announcement of the RSA Scandinavia assets acquisition and the recent bond issues.

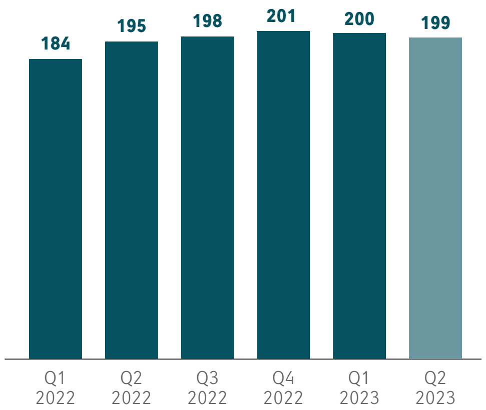
Own Funds (DKKm)



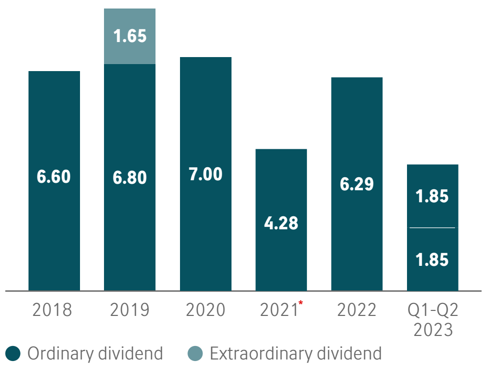
Solvency Capital Requirement (DKKm)



Solvency Ratio Development (%)



Shareholders' remuneration (DKK per share)



* During 2021, Tryg launched a DKK 37bn rights issue to fund the RSA Scandinavia acquisition. The number of shares was 653m after the rights issue compared to 302m before the rights issue. The higher number of shares explains the drop in the DPS in 2021.

Financial outlook

Tryg hosted a Capital Markets Day in London in November 2021 to launch its new strategy and updated financial targets for the new Group that includes Codan Norway and Trygg-Hansa. At the time, Tryg announced a target for the insurance service result in 2024 of between DKK 7.0 and 7.4bn, driven by a combined ratio at or below 82 and an expense ratio around 14. The overall insurance service result target is underpinned by DKK 900m in synergies from the Codan Norway and Trygg-Hansa acquisition and by Tryg's 2024 strategy "Growing a successful core while shaping the future", with initiatives impacting the insurance service result by approximately DKK 1.6bn. Tryg also introduced a new profitability measure, return on own funds (ROOF), which is targeted at or above 25%, also in 2024.

The introduction of IFRS 17 from the beginning of 2023 is driving some accounting reclassifications and Tryg has therefore decided to update its 2024 insurance service result target. Tryg is now disclosing an insurance service result target of between DKK 7.2 and DKK 7.6bn under IFRS 17 (as per November 2021), driven solely by the movement of approximately DKK 200m of educational and development costs from insurance operating expenses to the "Other income and costs" line. The expense ratio target is therefore updated to approximately 13.5%, while the combined ratio target remains at or below 82%.

2023 Outlook

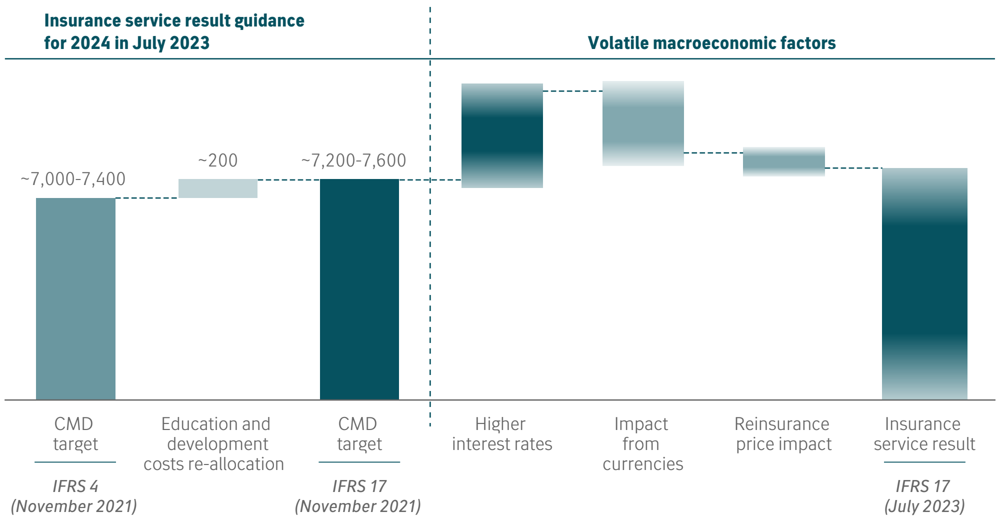
In the first quarter of 2022, Codan Norway, Trygg-Hansa and 50% of Codan Denmark were reported as "equity accounting", so the quarterly net profit has been booked in Tryg's investment result. Tryg started to fully consolidate Codan Norway and Trygg-Hansa in Q2 2022. Q1 2023 was therefore the last quarter where comparison figures (as reported) do not show full consolidation of the acquired assets.

Tryg identified synergies from the acquisition of Codan Norway and Trygg-Hansa of DKK 350m in 2022, growing to DKK 650m in 2023 and DKK 900m in 2024. Tryg booked the final DKK 180m of integration costs from the RSA Scandinavia acquisition in Q2. These are booked against the "other income and costs" line.

The intangibles amortisation of customer relations for Trygg-Hansa and Codan Norway is booked against the "other income and costs" line. As previously disclosed, this will be approximately DKK 900m per annum, the quarterly development can be slightly more volatile driven by currencies movements. Intangibles amortisation from the RSA Scandinavia acquisition was DKK 202m in Q2, while intangibles amortisation from the Alka acquisition was DKK 32m. These are non-cash items that do not impact the dividend capacity of the company.

The "other income and costs" line will always include (as previously disclosed) approximately DKK 50m-60m of quarterly costs from general operating expenses (including holding company costs not related to insurance activities and bancassurance commissions) and additionally

Insurance service result



2024 updated targets with IFRS 17

Insurance service result	Combined ratio	Expense ratio	Return on Own Funds	RSA Scandinavia Synergy target	Ordinary dividends and extraordinary buybacks
DKK 7.2-7.6	≤ 82%	~13.5%	≥25%	DKK 900m	DKK ~17-19bn in 2022-2024

approximately DKK 50m-60m of educational and development costs transferred from insurance operating expenses under IFRS 17.

Tryg published ***a newsletter on IFRS 17*** in April 2022 followed by a detailed investor update in March 2023 that included Group quarterly figures for 2022 under IFRS 17 together with Business segment figures and Geographical figures. Additionally, a new Group underlying claims and a new Private-segment-only underlying claims ratio have been published to allow capital markets participants to continue to monitor progress transparently under the new accounting standard.

Tryg has previously disclosed that annual expectations for large and weather claims for the enlarged Group are DKK 800m. Tryg's reserves position remains strong. At the Capital Markets Day in November 2021, it was disclosed that run-off gains are expected to be between 3% and 5% in 2024. Tryg's systematic claims reserving approach still includes a margin of approximately 3% at best estimate. Claims inflation remains a key topic in capital markets discussions and Tryg is adjusting prices accordingly in selected lines of business. Macroeconomic uncertainty prevails and inflation levels are at 40-year highs, which could result in slightly increased volatility in results between quarters, although the long term trends remain unchanged. Higher interest rates will generally help Tryg's financial results in the short- to mid-term (all else being equal) via increased discounting of claims reserves, while currency developments (SEK & NOK) are producing a material headwind to the insurance service result. The SEK and NOK are down some 15% from November 2021 when Tryg hosted its CMD, all else being equal this represents a drag of DKK 600m on the insurance service result.

As written in the solvency and dividend section, Tryg is reporting a solvency ratio of 199 as per Q2, which is considered robust in light of capital markets developments year-to-date. The development of the solvency ratio during 2023 will primarily be driven by the operating earnings of the company and by payment of the quarterly dividends.

The overall tax rate for the full year 2023 is expected to be approximately 24%. The full consolidation of Trygg-Hansa's Swedish earnings will reduce the tax rate due to the lower corporate tax rate in Sweden, whereas a new financial sector tax (the so-called "Arne skat") in Denmark will tend to increase the corporate tax rate.

Financial calendar 2023

12 July 2023 Tryg shares are traded ex-dividend

14 July 2023 Payment of Q2 dividend*

13 Oct. 2023 Interim report Q1-Q3

16 Oct. 2023 Tryg shares are traded ex-dividend

18 Oct. 2023 Payment of Q3 dividend*

* Supervisory Board approval is required

For further information

If you have questions about Tryg's activities, results, the share or other matters, please visit www.tryg.com or contact Investor Relations:





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Financial statements

Tryg's Group consolidated financial statements are prepared in accordance with IFRS.

Statement by the Supervisory Board and the Executive Board

The Supervisory Board and the Executive Board have today considered and adopted the interim report for H1 2023 of Tryg A/S and Q2 2023 and H1 2023 of the Tryg Group.

The Financial statements, which is unaudited and has not been reviewed by the company's auditors, is presented in accordance with IAS 34 Interim Financial Reporting, the Danish Financial Business Act and the requirements of the NASDAQ Copenhagen for the presentation of financial statements of listed companies.

The Financial statements for the parent company is prepared in accordance with the executive order on financial reports presented by insurance companies and lateral pension funds issued by the Danish FSA.

In our opinion, the report gives a true and fair view of the Group and the parent company's assets, liabilities and financial position at 30 June 2023 and of the results of the Group and the parent company's activities and cash flows for the period for the Group.

We are furthermore of the opinion that the management's review includes a fair review of the developments in the activities and financial position of the Group and the parent company, the results for the period and of the Group and the parent company's financial position in general and describes the principal risks and uncertainties that the Group and the parent company face.

Ballerup, 11 July 2023

Executive Board

Johan Kirstein Brammer
Group CEO

Barbara Plucnar Jensen
Group CFO

Lars Bonde
Group COO

Alexandra Bastkær Winther
Group CCO

Mikael Kärrsten
Group CTO

Supervisory Board

Jukka Pertola
Chairman

Steffen Kragh
Deputy Chairman

Mari Thjømøe

Thomas Peider Hofman-Bang

Carl-Viggo Östlund

Mengmeng Du

Claus Wistoft

Anne Kaltoft

Jørn Rise Andersen

Tina Snejbjerg

Charlotte Dietzer

Elias Bakk

Mette Osvold

Lena Darin

Financial highlights

DKKm	Q2 2023	Q2 2022	H1 2023	H1 2022	2022
NOK/DKK, average rate for the period	63.54	75.52	66.23	75.05	73.95
SEK/DKK, average rate for the period	65.25	71.68	65.89	71.46	70.33
Insurance revenue	**9,722**	**11,273**	**19,521**	**17,842**	**38,365**
Insurance service expenses	-8,428	-9,149	-16,371	-15,161	-32,156
Net expense from reinsurance contracts	465	-104	83	-303	-576
Insurance service result	**1,759**	**2,021**	**3,233**	**2,378**	**5,636**
Total Investment return [a]	53	-948	220	-787	-441
Other income and costs	-583	-566	-1,038	-881	-2,143
Profit/loss before tax	**1,229**	**507**	**2,416**	**711**	**3,051**
Tax	-307	-77	-609	-172	-804
Profit/loss for the period	**922**	**430**	**1,807**	**539**	**2,247**
Other comprehensive income					
Other comprehensive income which cannot subsequently be reclassified as profit or loss	0	0	0	0	-2
Other comprehensive income which can subsequently be reclassified as profit or loss	-1,081	-1,146	-1,490	-1,139	-1,828
Other comprehensive income	**-1,081**	**-1,146**	**-1,490**	**-1,139**	**-1,830**
Comprehensive income	**-159**	**-716**	**316**	**-600**	**417**
Run-off gains/losses, net of reinsurance	293	412	510	286	759
Run-off gains/losses, Gross	243	474	696	437	1,120
Statement of financial position					
Total provisions for insurance contracts	48,684	51,542	48,684	51,542	49,063
Assets from reinsurance contracts	3,133	2,190	3,133	2,190	2,823
Total equity	39,862	45,948	39,862	45,948	42,504
Total assets	108,758	116,826	108,758	116,826	113,387
Key ratios					
Gross claims ratio	72.7	64.3	69.6	70.0	68.7
Net reinsurance ratio	-5.0	1.1	-0.4	1.9	1.7
Claims ratio, net of reinsurance	67.6	65.4	69.2	71.8	70.3
Gross expense ratio	13.3	13.3	13.3	13.3	13.5
Combined ratio	**80.9**	**78.7**	**82.4**	**85.2**	**83.8**
Return on equity after tax (%)	8.8	3.7	8.8	2.3	4.9

[a] Following demerger, Tryg has started full consolidation of Trygg-Hansa and Codan Norway from 1. April 2022. Income from RSA Scandinavia for Q1 2022 is included in the Investment return.

Income statement

Note	DKKm	H1 2023	H1 2022	2022
Note	Insurance revenue	19,521	17,842	38,365
	Insurance service expenses	-16,371	-15,161	-32,156
	Net expense from reinsurance contracts	83	-303	-576
1	**Insurance service result**	**3,233**	**2,378**	**5,636**
	Investment activities			
	Profit/Loss from associates	-34	52	-19
	Income from investment property	24	27	48
	Interest income and dividends	705	391	918
2	Value adjustments	173	-3,071	-3,675
	Interest expenses	-150	-74	-154
	Administration expenses in connection with investment activities	-96	-51	-145
	Investment return	**622**	**-2,726**	**-3,028**
	Net finance income/expense from insurance contracts	-462	1,999	2,621
	Net finance income/expense from reinsurance contracts	60	-59	-34
	Total Investment return	**220**	**-787**	**-441**
3	Other income	71	72	150
3	Other costs	-1,109	-954	-2,293
	Profit/loss before tax	**2,416**	**711**	**3,051**
	Tax	-609	-172	-804
	Profit/loss for the period	**1,807**	**539**	**2,247**

Statement of comprehensive income

DKKm		H1 2023	H1 2022	2022
Note	**Profit/loss for the period**	**1,807**	**539**	**2,247**
	Other comprehensive income which cannot subsequently be reclassified as profit or loss			
	Actuarial gains/losses on defined-benefit pension plans	0	0	-2
	Tax on actuarial gains/losses on defined-benefit pension plans	0	0	1
		0	0	-2
	Other comprehensive income which can subsequently be reclassified as profit or loss			
	Deferred tax related to receivable balance	0	0	-50
	Exchange rate adjustments of foreign entities	-1,871	-1,365	-2,217
	Exchange rate adjustments of foreign material associates	0	0	52
	Hedging of currency risk in foreign entities	509	290	496
	Tax on hedging of currency risk in foreign entities	-128	-64	-109
		-1,490	-1,139	-1,828
	Total other comprehensive income	**-1,490**	**-1,139**	**-1,830**
	Comprehensive income	**316**	**-600**	**417**

Statement of financial position

DKKm		30.06.2023	30.06.2022	31.12.2022
Note	**Assets**			
	Intangible assets	**30,730**	**34,095**	**32,716**
	Operating equipment	188	181	178
	Group-occupied property	901	723	693
	Total property, plant and equipment	**1,089**	**904**	**871**
	Investment property	**1,085**	**1,074**	**1,017**
	Equity investments in associates	41	34	222
	Total investments in associates	**41**	**34**	**222**
	Equity investments	3,163	4,670	4,647
	Unit trust units	10,655	8,634	8,330
	Bonds	52,078	59,344	55,800
	Other lending	75	90	75
	Derivative financial instruments	1,879	1,294	1,763
	Reverse repurchase lending	50	0	194
	Total other financial investment assets	**67,900**	**74,032**	**70,810**
4	**Total investment assets**	**69,026**	**75,140**	**72,049**
	Assets from reinsurance contracts	**3,133**	**2,190**	**2,823**
	Other receivables	1,524	1,431	414
	Total receivables	**1,524**	**1,431**	**414**
	Current tax assets	801	637	854
	Cash at bank and in hand	1,318	1,464	2,662
	Other	1	1	1
	Total other assets	**2,120**	**2,102**	**3,516**
	Interest and rent receivable	311	176	231
	Other prepayments and accrued income	825	788	769
	Total prepayments and accrued income	**1,136**	**964**	**1,000**
	Total assets	**108,758**	**116,826**	**113,387**

DKKm		30.06.2023	30.06.2022	31.12.2022
Note	**Equity and liabilities**			
	Equity	**39,862**	**45,948**	**42,504**
5	**Subordinated loan capital**	**3,050**	**4,263**	**4,154**
	Total provisions for insurance contracts	**48,684**	**51,542**	**49,063**
	Pensions and similar obligations	62	79	85
	Deferred tax liability	3,273	3,299	3,542
	Other provisions	120	150	94
	Total provisions	**3,456**	**3,528**	**3,721**
	Amounts owed to credit institutions	1,182	1,249	1,305
4	Debt relating to repos	2,628	1,889	4,287
4	Derivative financial instruments	2,534	2,136	2,398
	Current tax liabilities	404	201	83
	Other debt	6,889	6,043	5,820
	Total debt	**13,636**	**11,518**	**13,893**
	Accruals and deffered income	**70**	**27**	**52**
	Total equity and liabilities	**108,758**	**116,826**	**113,387**

6 **Earnings per share**
7 **Related parties**
8 **Contingent Liabilities**
9 **Accounting policies**

Statement of changes in equity

DKKm	Share capital	Reserve for exchange rate adjustment	Other reserves[a]	Retained earnings	Proposed dividend	Non-controlling interest	Share-holders of Tryg	Additional Tier 1 capital	Total
Equity at 31 December 2022	**3,273**	**-1,789**	**4,724**	**35,247**	**1,047**	**1**	**42,504**	**0**	**42,504**
Changes in impairment owing to implementation of IFRS 9				-2			-2		-2
Changes in taxes due to owing to implementation of IFRS 9				1			1		1
Equity at 1 January 2023	**3,273**	**-1,789**	**4,724**	**35,245**	**1,047**	**1**	**42,502**	**0**	**42,502**
H1 2023									
Profit/loss for the period			-299	-298	2,385		1,788	19	1,807
Other comprehensive income		-1,490		0			-1,490		-1,490
Total comprehensive income	0	-1,490	-299	-299	2,385	0	297	19	316
Nullification of own shares	-99			99			0		0
Dividend paid					-2,259		-2,259		-2,259
Dividend, own shares				90			90		90
Interest paid on additional Tier 1 capital				0			0	-19	-19
Purchase and sale of own shares				-1,779			-1,779		-1,779
Issue of additional Tier 1 capital								987	987
Share-based payment				24			24		24
Total changes in equity in H1 2023	**-99**	**-1,490**	**-299**	**-1,866**	**127**	**0**	**-3,626**	**987**	**-2,639**
Equity at 30 June 2023	**3,174**	**-3,279**	**4,425**	**33,379**	**1,174**	**1**	**38,876**	**987**	**39,862**

[a] Other reserves contains Norwegian Natural Perils Pool and contingency fund provisions. The provisions can be used to cover losses in connection with the settlement of insurance provisions or otherwise for the benefit of the insured and are not available for dividends.

Statement of changes in equity

DKKm	Share capital	Reserve for exchange rate adjustment	Other reserves[a)]	Retained earnings	Proposed dividend	Non-controlling interest	Share-holders of Tryg
Equity at 31 December 2021	**3,273**	**-11**	**1,735**	**43,309**	**700**	**1**	**49,008**
H1 2022							
Profit/loss for the period			2,907	-4,403	2,036		539
Other comprehensive income		-1,139					-1,139
Total comprehensive income		-1,139	2,907	-4,403	2,036		-600
Dividend paid					-1,715		-1,715
Dividend, own shares				3			3
Purchase and sale of own shares				-774			-774
Share-based payment				27			27
Non-controling interest							
Total changes in equity in H1 2022	**0**	**-1,139**	**2,907**	**-5,148**	**321**	**0**	**-3,060**
Equity at 30 June 2022	**3,273**	**-1,150**	**4,642**	**38,161**	**1,021**	**1**	**45,948**

DKKm	Share capital	Reserve for exchange rate adjustment	Other reserves[a)]	Retained earnings	Proposed dividend	Non-controlling interest	Share-holders of Tryg
Equity at 31 December 2021	**3,273**	**-11**	**1,735**	**43,309**	**700**	**1**	**49,008**
2022							
Profit/loss for the year			2,989	-4,860	4,118	0	2,247
Other comprehensive income		-1,778		-52		0	-1,830
Total comprehensive income	0	-1,778	2,989	-4,912	4,118	0	417
Dividend paid					-3,771		-3,771
Dividend, own shares				38			38
Purchase and sale of own shares				-3,253			-3,253
Share-based payment				65			65
Total changes in equity in 2022	**0**	**-1,778**	**2,989**	**-8,062**	**347**	**0**	**-6,504**
Equity at 31 December 2022	**3,273**	**-1,789**	**4,724**	**35,247**	**1,047**	**1**	**42,504**

a) Other reserves contains Norwegian Natural Perils Pool and contingency fund provisions. The provisions can be used to cover losses in connection with the settlement of insurance provisions or otherwise for the benefit of the insured and are not available for dividends.

Cash flow statement

DKKm	H1 2023	H1 2022	2022
Cash flow from operating activities			
Insurance revenue	19,960	15,982	33,433
Insurance service expenses	-17,512	-9,197	-30,235
Net expenses from reinsurance contracts	-25	-212	-1,126
Cash flow from insurance activities	**2,422**	**6,573**	**2,071**
Interest income	464	249	567
Interest expenses	-150	-74	-149
Dividend received	89	78	152
Taxes	-140	-61	-1,039
Other income and costs	-562	-545	-1,359
Total cash flow from operating activities	**2,123**	**6,221**	**243**
Cash flow from investment activities			
Purchase/sale of equity investments and unit trust units (net)	-880	-428	-222
Purchase/sale of bonds (net)	56	-3,523	1,810
Deposits with credit institutions	0	-15	0
Purchase/sale of operating equipment (net)	-2	-37	-50
Acquisitions/sale of associate	165	0	6,340
Hedging of currency risk	509	290	496
Total cash flow from investment activities	**-153**	**-3,713**	**8,375**

DKKm	H1 2023	H1 2022	2022
Cash flow from financing activities			
Purchase and sale of own shares (net)	-1,779	-774	-3,253
Subordinated loan capital	987	0	0
Dividend paid	-2,259	-1,715	-3,771
Change in lease liabilities	-108	-87	-194
Change in amounts owed to credit institutions	-124	414	471
Total cash flow from financing activities	**-3,282**	**-2,163**	**-6,747**
Change in cash and cash equivalents, net	**-1,312**	**345**	**1,871**
Additions relating to acquisition of activities		323	0
Exchange rate adjustment of cash and cash equivalents, 1 January	-31	-6	-11
Change in cash and cash equivalents, gross	**-1,344**	**662**	**1,860**
Cash and cash equivalents at 1 January	2,662	802	802
Cash and cash equivalents at end of period	**1,318**	**1,464**	**2,662**

Notes

H1 2023

DKKm		Insurance service result in Management´s Review	Reclassification[a]	Income statement
1	**Insurance revenue**	**18,390**	**1,132**	**19,521**
	Gross claims	-12,800	-1,132	-13,931
	Insurance operating costs	-2,440	0	-2,440
	Total Insurance service expenses	**-15,240**	**-1,132**	**-16,371**
	Expenses from reinsurance contracts held	-869	0	-869
	Income from reinsurance contracts held	951	0	951
	Net expense from reinsurance contracts	**83**	**0**	**83**
	Insurance service result	**3,233**	**0**	**3,233**

H1 2022

DKKm		Insurance service result in Management´s Review	Reclassification[a]	Income statement
1	**Insurance revenue**	**16,050**	**1,792**	**17,842**
	Gross claims	-11,228	-1,792	-13,021
	Insurance operating costs	-2,140	0	-2,140
	Total Insurance service expenses	**-13,369**	**-1,792**	**-15,161**
	Expenses from reinsurance contracts held	-665	0	-665
	Income from reinsurance contracts held	362	0	362
	Net expense from reinsurance contracts	**-303**	**0**	**-303**
	Insurance service result	**2,378**	**0**	**2,378**

[a] IFRS 17 requires that claims provisions acquired shall be presented as Insurance revenue. The reclassification refers to Insurance revenue and Gross claims relating to Claims provisions from the Trygg-Hansa and Codan Norway acquisition. The presentation would have resulted in an artificially high Insurance revenue and Gross claims with no impact on the Insurance service result. Therefore Tryg presents Insurance revenue and Gross claims in "Management´s review" without the above reclassification as it gives a fair view of insurance revenue, Gross claims and Insurance service result as well as key ratios. This explains the difference between "Management's review" and the Financial statements. Key ratios are calculated on the basis of the figures used in "Management's Review".

2022

DKKm		Insurance service result in Management´s Review	Reclassification[a]	Income statement
1	**Insurance revenue**	**34,814**	**3,551**	**38,365**
	Gross claims	-23,904	-3,551	-27,455
	Insurance operating costs	-4,701	0	-4,701
	Total Insurance service expenses	**-28,605**	**-3,551**	**-32,156**
	Expenses from reinsurance contracts held	-1,447	0	-1,447
	Income from reinsurance contracts held	871	0	871
	Net expense from reinsurance contracts	**-576**	**0**	**-576**
	Insurance service result	**5,636**	**0**	**5,636**

Notes

DKKm	Private	Commercial	Corporate	Other*	Group
1 **Operating segments**					
H1 2023					
Insurance revenue	**12,072**	**4,559**	**1,758**	**1,132**	**19,521**
Gross claims	-8,530	-2,901	-1,369	-1,132	-13,931
Insurance operating costs	-1,520	-712	-209	0	-2,440
Insurance service expenses	**-10,050**	**-3,613**	**-1,577**	**-1,132**	**-16,371**
Net expense from reinsurance contracts	-90	-23	196	0	83
Insurance service result	**1,932**	**924**	**377**	**0**	**3,233**
Investment return					220
Other income and costs					-1,038
Profit/loss before tax					**2,416**
Tax					-609
Profit/loss for the period					**1,807**
Run-off gains/losses, net of reinsurance	85	119	305	0	510
Intangible assets	27,048	2,540	0	1,142	30,730
Equity investments in associates				41	41
Assets from reinsurance contracts	348	1,066	1,651	69	3,133
Other assets				74,853	74,853
Total assets					**108,758**
Total provision for insurance contracts	28,596	12,539	9,752	-2,203	48,685
Other liabilities				20,212	20,212
Total liabilities					**68,896**

Description of segments
Please refer to the accounting policies for a description of operating segments.

* The other segment in the profit/loss includes insurance revenue and gross claims arising from the RSA Scandinavia acquisition. Please refer to Accounting policies for further description. The assets from reinsurance contracts and provisions for insurance contracts allocated to the segment pertain to debts and receivables from insurance contracts.

Other assets and liabilities are managed at Group level and are not allocated to the individual segments but are included under ‘Other’.

Notes

DKKm		Private	Commercial	Corporate	Other*	Group
1	**Operating segments (continued)**					
	H1 2022					
	Insurance revenue	**10,492**	**3,748**	**1,810**	**1,792**	**17,842**
	Gross claims	-7,375	-2,491	-1,363	-1,792	-13,021
	Insurance operating costs	-1,332	-606	-203	0	-2,140
	Insurance service expenses	**-8,707**	**-3,097**	**-1,566**	**-1,792**	**-15,161**
	Net expense from reinsurance contracts	-159	-93	-50	0	-303
	Insurance service result	**1,625**	**558**	**194**	**0**	**2,378**
	Investment return					-787
	Other income and costs					-881
	Profit/loss before tax					**711**
	Tax					-172
	Profit/loss for the period					**539**
	Run-off gains/losses, net of reinsurance	163	44	79	0	286
	Intangible assets	30,014	3,025	0	1,055	34,095
	Equity investments in associates				34	34
	Assets from reinsurance contracts	230	900	1,208	-149	2,190
	Other assets				80,507	80,507
	Total assets					**116,826**
	Total provision for insurance contracts	30,128	14,064	9,224	-1,875	51,542
	Other liabilities				19,336	19,336
	Total liabilities					**70,878**

Description of segments
Please refer to the accounting policies for a description of operating segments.

* The other segment in the profit/loss includes insurance revenue and gross claims arising from the RSA Scandinavia acquisition. Please refer to Accounting policies for further description. The assets from reinsurance contracts and provisions for insurance contracts allocated to the segment pertain to debts and receivables from insurance contracts.

Other assets and liabilities are managed at Group level and are not allocated to the individual segments but are included under 'Other'.

Notes

DKKm		Private	Commercial	Corporate	Other*	Group
1	**Operating segments (continued)**					
	2022					
	Insurance revenue	**22,776**	**8,408**	**3,631**	**3,551**	**38,365**
	Gross claims	-15,625	-5,551	-2,724	-3,551	-27,451
	Insurance operating costs	-2,913	-1,337	-451	0	-4,702
	Insurance service expenses	**-18,538**	**-6,889**	**-3,175**	**-3,551**	**-32,153**
	Net expense from reinsurance contracts	-332	-66	-177	0	-576
	Insurance service result	**3,906**	**1,453**	**278**	**0**	**5,636**
	Investment return					-441
	Other income and costs					-2,143
	Profit/loss before tax					**3,051**
	Tax					-804
	Profit/loss for the year					**2,247**
	Run-off gains/losses, net of reinsurance	357	264	137	0	759
	Intangible assets	28,793	2,809	0	1,114	32,716
	Equity investments in associates				222	222
	Assets from reinsurance contracts	164	967	1,320	372	2,823
	Other assets				77,626	77,626
	Total assets					**113,387**
	Total provision for insurance contracts	28,678	12,682	8,428	-724	49,063
	Other liabilities				21,819	21,819
	Total liabilities					**70,882**

Description of segments
Please refer to the accounting policies for a description of operating segments.

* The other segment in the profit/loss includes insurance revenue and gross claims arising from the RSA Scandinavia acquisition. Please refer to Accounting policies for further description. The assets from reinsurance contracts and provisions for insurance contracts allocated to the segment pertain to debts and receivables from insurance contracts.

Other assets and liabilities are managed at Group level and are not allocated to the individual segments but are included under 'Other'.

Notes

DKKm	Q2 2023	Q2 2022	H1 2023	H1 2022	2022
1 Geographical segments					
Danish general insurance					
Insurance revenue	**4,361**	**4,102**	**8,628**	**8,181**	**16,430**
Insurance service result	**1,001**	**762**	**1,782**	**1,007**	**2,110**
Run-off gains/losses, net of reinsurance	204	202	308	-13	109
Key ratios					
Gross claims ratio	64.5	67.7	65.2	72.1	72.5
Net reinsurance ratio	-0.9	-0.2	0.8	2.1	1.3
Claims ratio, net of reinsurance	63.6	67.5	66.1	74.2	73.8
Gross expense ratio	13.5	13.9	13.3	13.5	13.3
Combined ratio	**77.0**	**81.4**	**79.3**	**87.7**	**87.2**
Run-off, net of reinsurance (%)	-4.7	-4.9	-3.6	0.2	-0.7
Number of full-time employees, end of period	3,449	3,163	3,449	3,163	3,345
Norwegian general insurance					
NOK/DKK, average rate for the period	63.54	75.52	66.23	75.05	73.95
Insurance revenue	**1,905**	**2,231**	**3,955**	**4,133**	**8,445**
Insurance service result	**366**	**516**	**441**	**578**	**1,266**
Run-off gains/losses, net of reinsurance	69	44	110	142	324
Key ratios					
Gross claims ratio	66.7	61.1	71.7	70.2	67.6
Net reinsurance ratio	1.1	3.5	3.9	3.0	4.1
Claims ratio, net of reinsurance	67.8	64.6	75.6	73.2	71.7
Gross expense ratio	13.0	12.3	13.3	12.8	13.3
Combined ratio	**80.8**	**76.9**	**88.9**	**86.0**	**85.0**
Run-off, net of reinsurance (%)	-3.6	-2.0	-2.8	-3.4	-3.8
Number of full-time employees, end of period	1,385	1,312	1,385	1,312	1,344

Notes

DKKm	Q2 2023	Q2 2022	H1 2023	H1 2022	2022
1 **Geographical segments (continued)**					
Swedish general insurance					
SEK/DKK, average rate for the period	65.25	71.68	65.89	71.46	70.33
Insurance revenue	**2,873**	**3,097**	**5,685**	**3,637**	**9,730**
Insurance service result	**391**	**714**	**1,002**	**758**	**2,219**
Run-off gains/losses, net of reinsurance	18	143	87	132	298
Key ratios					
Gross claims ratio	88.7	62.6	75.3	65.9	62.8
Net reinsurance ratio	-15.3	1.0	-5.9	-0.2	0.6
Claims ratio, net of reinsurance	73.4	63.7	69.3	65.8	63.4
Gross expense ratio	13.0	13.3	13.0	13.4	13.8
Combined ratio	**86.4**	**76.9**	**82.4**	**79.2**	**77.2**
Run-off, net of reinsurance (%)	-0.6	-4.6	-1.5	-3.6	-3.1
Number of full-time employees, end of period	1,947	1,764	1,947	1,764	1,781
Other European counties[a)]					
Insurance revenue	**61**	**50**	**122**	**98**	**209**
Insurance service result	**0**	**28**	**8**	**36**	**41**
Run-off gains/losses, net of reinsurance	2	23	5	25	27
Number of full-time employees, end of period	55	45	55	45	49
Other[b)]					
Insurance revenue	**521**	**1,792**	**1,132**	**1,792**	**3,551**
Insurance service expenses	-521	-1,792	-1,132	-1,792	-3,551
Insurance service result	0	**0**	0	**0**	**0**

a) Comprises credit and surety insurance (Tryg Garanti) in European countries besides Denmark, Norway and Sweden and amounts relating to one-off items.

b) Reclassification relating to claims provisions from the Trygg-Hansa and Codan Norway acquisition. Please refer to Accounting policies for further description.

Notes

DKKm		Q2 2023	Q2 2022	H1 2023	H1 2022	2022
1	**Geographical segments (continued)**					
	Tryg (total)					
	Insurance revenue	**9,722**	**11,273**	**19,521**	**17,842**	**38,365**
	Insurance service result	**1,759**	**2,021**	**3,233**	**2,378**	**5,636**
	Investment return	53	-948	220	-787	-441
	Other income and costs	-583	-566	-1,038	-881	-2,143
	Profit/loss before tax	1,229	507	2,416	711	3,051
	Run-off gains/losses, net of reinsurance	293	412	510	286	759
	Key ratios					
	Gross claims ratio	72.7	64.3	69.6	70.0	68.7
	Net reinsurance ratio	-5.0	1.1	-0.4	1.9	1.7
	Claims ratio, net of reinsurance	67.6	65.4	69.2	71.8	70.3
	Gross expense ratio	13.3	13.3	13.3	13.3	13.5
	Combined ratio	**80.9**	**78.7**	**82.4**	**85.2**	**83.8**
	Run-off, net of reinsurance (%)	-3.2	-4.3	-2.8	-1.8	-2.2
	Number of full-time employees, end of period	6,836	6,283	6,836	6,283	6,518

Notes

DKKm		H1 2023	H1 2022	2022
2	**Value adjustments**			
	Value adjustments concerning financial assets or liabilities at fair value with value adjustment in the income statement:			
	Equity investments	12	858	704
	Unit trust units	117	-907	-1,481
	Bonds	95	-1,779	-2,117
	Derivatives (equity, interest, currency and inflation)	217	-708	-738
		441	**-2,537**	**-3,632**
	Value adjustments concerning assets or liabilities that cannot be attributed to IFRS 9:			
	Investment property	128	52	9
	Other statement of financial position items	-395	-587	-52
		-267	-535	-43
		173	**-3,071**	**-3,675**

Exchange rate adjustments concerning financial assets or liabilities which cannot be stated at fair value total DKK 113m (DKK 111 in H1 2022 and DKK 5m in 2022)

3	**Other income and costs**			
	Include income and costs which cannot be directly ascribed to the insurance portfolio or investment assets.			
	Other income			
	Income related to the sale of non-insurance products	57	62	126
	Other income	15	11	24
		71	**72**	**150**
	Other costs			
	Depreciations of customer relations and trademarks	-476	-290	-786
	Integration and restructuring costs related to RSA acquisition	-300	-368	-949
	Costs related to the sale of non-innsurance products	-75	-46	-100
	Other costs [a]	-258	-250	-458
		-1,109	-954	-2,293
		-1,038	**-881**	**-2,143**

[a] Hereof DKK 50m related to bankruptcy of Gefion in H1 2022

DKKm		H1 2023	H1 2022	2022
4	**Tryg's investment portfolio**			
	Total investment assets	69,026	75,140	72,048
	Other, hereof financial instrument in liabilities[a]	-5,979	-4,168	-7,387
	External customers	-1,915	-2,066	-1,972
	Tryg's investment portfolio[b]	61,132	68,906	62,688
	Match portfolio	44,178	50,715	45,032
	Tryg's investment portfolio[b]	16,954	18,191	17,656

[a] Primarily debt relating to repos and derivatives.
[b] The setup of Tryg Invest is impacting Tryg's balance sheet as external customers investments are booked under "Total other financial investments" with opposing liabilities entries such as "Debt to group undertakings" and "Other debt"

Valuation of investment assets

Investment assets are measured at fair value with value adjustment in the income statement. Listed bonds and shares, parts of unit trusts as well as derivative financial instruments are measured at the quoted price at the balance sheet date.

The valuation of the investment assets can be distributed in the fair value hierarchy model, which is determined in accordance with IFRS 13. The model distributes the total investments assets based on the price at which the investment assets are set. Reference is made to the annual report 2022, note 15, for further description of the fair value hierarchy.

The main part of Tryg's investment assets are classified as level 1 and 2 and are valuated based on listed prices. This involves the bond portfolio, the main part of shares and unit trust units as well as the statement of financial instruments. Assets, which can be classified as level 3, can be attributed to unlisted assets, specific unlisted Unit trusts and investment property.
As these investment assets are not valued based on observable input, there will be a discretionary element in this hierarchy. On 30 June 2023, the value amounts to DKK 1,207m (DKK 1,215m on 30 June 2022 and DKK 1,145m on 31 December 2022).

Transfers between categories

Transfers between the categories Quoted market prices/consolidated reference prices and Observable inputs mainly result from bonds that are reclassified either due to traded volume or the number of days between last transaction and the time of determination. As at 30 June 2023, financial assets of DKK 2.2 billion have been transferred from Quoted market prices/consolidated reference prices to Observable inputs and DKK 5.4 billion from Observable inputs to Quoted market prices/consolidated reference prices.

Notes

5 **Subordinated loan capital**

Tryg Forsikring A/S has issued a new restricted Tier 1 Capital notes for the amount of SEK 900m. The value of the loan is recognised at initial recognition with 598m DKK in Equity. Costs related to the issue and interest payments are deducted in equity as well.

Lender	Listed bonds
Issue date	20 March 2023
Maturity date	Perpetual
Loan may be called by lender as from	20 March 2028
Repayment profile	Interest-only
Interest structure	3.5% above STIBOR 3M

Tryg Forsikring A/S has issued a new restricted Tier 1 Capital notes for the amount of NOK 600m. The value of the loan is recognised at initial recognition with 394m DKK in Equity. Costs related to the issue and interest payments are deducted in equity as well.

Lender	Listed bonds
Issue date	20 March 2023
Maturity date	Perpetual
Loan may be called by lender as from	20 March 2028
Repayment profile	Interest-only
Interest structure	3.45% above NIBOR 3M

Tryg Forsikring A/S has purchased SEK 414m of its outstanding SEK 700m Floating Rate Perpetual Restricted Tier 1 Capital Notes with ISIN DK0030418249 at a price of 101%.

A subordinated loan of the amount of NOK 800m has been paid out in full in March 2023.

For information on other subordinated loans, please refer to annual report 2022, note 1.

The total share of loan capital amounts to DKK 4,038m of which 987m is recognized in equity. The loans are recognized after deduction of transaction costs.

The total share of loan capital included in the calculation of the own funds totals DKK 4.0bn.

DKKm	H1 2023	H1 2022	2022
6 Earnings per share			
Profit/loss from continuing business	1.807	539	2,247
Profit/loss for the period	1.807	539	2,247
Depreciation on intangible assets related to Brands and Customer relations after tax	376	229	622
Operating Profit/loss for the period	2.182	769	2,870
Average number of shares (1,000)	627.761	652,785	646,977
Diluted number of shares (1,000)	627.761	652,785	646,977
Diluted average number of shares (1,000)			
Earnings per share, continuing business	2,88	0.83	3.47
Diluted earnings per share, continuing business	2,88	0.83	3.47
Earnings per share	2,88	0.83	3.47
Diluted earnings per share	2,88	0.83	3.47
Operating earnings per share	**3,48**	**1.18**	**4.43**

7 **Related parties**

In H1 2023, a dividend for Q4 2022 and Q1 2023 total DKK 2,259m was paid to shareholders of which 45% has been paid to TryghedsGruppen SMBA.

In H1 2023 dividend of DKK 3,781m has been paid from Tryg Forsikring A/S to Tryg A/S.

There have been no other significant transactions.

Notes

8 **Contingent Liabilities**

Price adjustments 2016-2020

At the end of October (2020) Tryg received the Forbrugerombudsmand's (FO or Consumer Ombudsman) assessment of the case. In FO's opinion Tryg was not complying with regulations on price adjustments for residential customers when increasing prices above indexation between March 2016 and February 2020. The case is related to a part of the private portfolio in Denmark. Based on this assessment the FO is concluding that certain customers may have a recovery claim against Tryg. Tryg does not agree with the FO's assessment as the company believes it has followed the guidelines stated by the Danish FSA in terms of price increases. The FO has now decided that the case should be decided in Court.

Management has decided not to disclose an estimated amount but this is deemed immaterial.

Other

Companies in the Tryg Group are party to a number of other disputes in Denmark, Norway and Sweden, which management believes will not affect the Group's financial position significantly beyond the obligations recognized in the statement of financial position at 30 June 2023.

9 **Accounting policies**

Tryg's interim report for H1 2023 is presented in accordance with IAS 34 Interim Financial Reporting and the requirements of the NASDAQ Copenhagen for the presentation of financial statements of listed companies. The interim report of the parent company has been prepared in accordance with the executive order issued by the Danish FSA's regulations on financial reports for insurance companies and transverse pension funds.

The application of IAS 34 means that the report is limited relative to the presentation of a full annual report and that the valuation principles are in accordance with International Financial Reporting Standards (IFRS).

Changes in accounting policies

This is the first set of the Group's interim report in which IFRS 17 Insurance Contracts and IFRS 9 Financial Instruments have been applied.

As a result, Tryg has restated comparative amounts and the presentation of the Profit and loss and the balance sheet as at 1 January 2023.

Except for the changes mentioned; the accounting policies have been applied consistently for all periods presented in this interim report.

As mentioned in the Annual Report for 2022 (note 30), IFRS 9 and IFRS 17 has been implemented with effect from 1 January 2023.

9 **Accounting policies (continued)**

IFRS 9 Financial instruments

IFRS 9 includes new provisions governing "classification and measurement of financial assets", "impairment of financial assets" and "hedge accounting".

Classification and measurement

The general principles for measurement of financial assets and liabilities have changed following implementation of IFRS 9. But at Group level, the implementation has not given rise to significant changes in the presentation and classification.

After initial recognition, financial assets must continue to be measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss. The measurement is based on classification of the individual financial assets in accordance with Tryg's business model.

Going forward, classification of financial instruments will be based on the following business models:

- The asset is held to collect cash flows from payments of principal and interest (hold to collect business model). Measured at amortised cost (AMC).
- The asset is held to collect cash flows from payments of principal and interest and selling the asset (hold to collect and sell business model). Measured at fair value with changes recognised through other comprehensive income with reclassification to the income statement on realisation of the assets (FVOCI).
- Other financial assets are measured at fair value through profit or loss (FVPL). These include assets managed on a fair value basis, held in the trading book or assets, where contractual cash flows do not solely comprise interest and principal of the receivable. It is also still possible to measure financial assets at fair value with value adjustment through profit or loss, when such measurement significantly reduces or eliminates an accounting mismatch that would otherwise have occurred on measurement of assets and liabilities or recognition of losses and gains on different bases.

The principles of financial liabilities follow the accounting policies applied so far.

The Group's financial assets and business models were reviewed in 2022 to ensure correct classification thereof. The review included an assessment of whether collecting cash flows is a significant element, including whether the cash flows only consist of interest and principal.

The assessment has not led to significant changes to the measurement and classification of financial assets.

Notes

9 Accounting policies (continued)

In particular, it should be noted that Tryg does not have a business model that implies recognising fair value adjustments in other comprehensive income. Thus, bank loans and deposits are essentially still measured at amortised cost.

Impairment for expected credit losses
According to IAS 39, impairment was based on objective impairment criteria. Implementation of IFRS 9 means that going forward impairment charges for loans and advances measured at amortised cost will be based on expected credit losses and that already at the time of granting (stage 1), loans and advances are subject to impairment charges corresponding to the expected credit losses arising from default within 12 months. This has led to minor increased impairment provisions on bank loans. Expected credit loss at IFRS 9 transition is recorded directly in equity at 1 January 2023.

IFRS 17 Insurance Contracts
IFRS 17 – Insurance contracts, as adopted by EU, establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts and reinsurance contracts held. It replaces IFRS 4 – Insurance contracts.

In IFRS 17 a general measurement model measures groups of contracts based on the estimates of the present value of future cash flows that are expected as the contracts are fulfilled. The general model is based on present value of future cash flows, adjusted to reflect the time value of money, including a risk adjustment and a contractual service margin. The contractual service margin represents the unearned profit to be recognised in the statement of profit or loss when services are provided in future periods. At each reporting date, the fulfilment cash flows are remeasured using current assumptions.

IFRS17 requires that a risk margin is estimated. Tryg uses a cost of capital approach, which is also prescribed under Solvency II. A cost of capital approach estimates the capital which a third party would need to hold, in order to protect itself from the underlying risks, and which cannot be mitigated in the market. IFRS 17 requires that the risk margin is split into both a gross margin and a ceded margin. The effect of this split increases the gross claims and has a positive impact on ceded result and thereby no impact on the net result.
The gross margin does not play a role in Trygs internal management of capital and reserves, and is constructed for reporting purposes only.

Tryg's business is entirely focused on non-life insurance and it is relatively short-tail. This makes Tryg eligible to use the premium allocation approach as simplification for measurement. In some cases e.g. when Tryg in the future acquire portfolios the premium allocation model may not be applied.
In these cases the general model will apply.

9 Accounting policies (continued)

The premium allocation model is similar to Tryg's previous accounting principles. Tryg has in line with the current accounting principle chosen to expense acquisition cost as they incur. This means that the financial effect of implementing IFRS 17 will be limited.

The main impact will be on presentation of profit and loss compared to previously:
- Insurance revenue

Insurance revenue is the amount recognised for services provided in the period. Predominantly on the basis of the passage of time. The previous top-line 'gross earned premium' was measured in the same way.

- Insurance service expenses

Insurance service expenses comprise 'Acquisition costs', 'claims costs' and 'administration expenses'. Previously,
(i) 'Bonus and premium discounts' were off set in 'Gross earned premium'. Under IFRS 17 it will be presented as 'Claims costs'
(ii) 'Onerous contracts' were off set in 'Gross earned premiums' as 'unexpired risk'. Under IFRS 17 it will be presented as 'Claims costs'
(iii) Movement in inflation swaps were included in 'claims costs'. Going forward the movements will be included in 'Investment activities'.

- Net expenses from reinsurance contracts

Net expenses from reinsurance contracts comprise payments to and recoveries from reinsurance contracts held. Under IFRS 17 these will be presented in profit and loss as a single net amount including changes in a specific risk adjustment. Previously, amounts recovered from reinsurers and reinsurance expenses were presented separately and off set in insurance contracts.
'Insurance service result' is the result of 'Insurance revenue', 'Insurance service expenses' and 'Net expenses from reinsurance contracts'.
Statement of financial position presentation has been changed following IFRS 17.

The carrying amount of portfolios of
- reinsurance contracts held that are assets

Compromises reinsurer's share of premiums and claims provisions and receivables and debt relating to reinsurance

- insurance contracts issued that are liabilities

Compromises provisions for premium, claims, bonuses and premium discounts and receivables and debt relating to policyholders

Notes

9 Accounting policies (continued)

Acquired portfolios

The amendment to IFRS 3 Business Combinations introduced by IFRS 17 that requires a entity to classify contracts acquired as insurance contracts based on the contractual terms and other factors at the date of acquisition. Claims reserves acquired before the initial application date 1 January 2023 will be presented as insurance revenue based on the expected cash flows as of the acquisition date. The Purchase Price Allocation made under IFRS 3 Business Combinated prior to the application date is fixed and will not change. Hence no changes has been made to Equity and Goodwill.

DKKm	01.01.23 IFRS 17 & IFRS 9	Change	31.12.22 IFRS 4 & IAS 39
Changes opening balance 01.01.23 related to IFRS 17 and IFRS 9			
Assets			
Total other financial investment assets	**70,810**	**424**	**70,386**
- Of which held at fair value through profit or loss	70,616	424	70,192
- Of which held at amortised cost	194	0	194
Assets from reinsurance contracts	**2,823**	**971**	**1,851**
- Reinsurers' share of premium provisions			264
- Reinsurers' share of claims provisions			1,587
Receivables from policyholders	**0**	**-1,621**	**1,621**
Receivables from insurance enterprises	**0**	**-498**	**498**
Other asset positions	**39,755**	**-1**	**39,756**
Total assets	**113,387**	**726**	**114,113**
Equity and liabilities			
Equity	**42,502**	**-2**	**42,504**
Total provisions for insurance contracts	49,063	292	48,770
- Premium provisions			7,700
- Claims provisions			39,227
- Provisions for bonuses and premium discounts			1,843
Debt relating to direct insurance	**0**	**-896**	**896**
Debt relating to reinsurance	**0**	**-123**	**123**
Other liability positions	**21,822**	**3**	**21,820**
Total equity and liabilities	**113,387**	**-726**	**114,113**

9 Accounting policies (continued)

DKKm	2022 IFRS 17 & IFRS 9	Change	2022 IFRS 4 & IAS 39
Change in income statement due to IFRS 17			
Gross premiums written			34,658
Change in premium provisions			157
Insurance revenue	**38,365**	**3,551**	**34,815**
Insurance technical interest, net of reinsurance	**0**	**-152**	**152**
Claims paid			-22,046
Change in claims provisions			-361
Bonus and premium discounts			-877
Acquisition costs and administration expenses			-4,783
Insurance service expenses	**-32,156**	**-4,090**	**-28,067**
Ceded insurance premiums			-1,673
Change in reinsurers' share of premium provisions			-3
Reinsurance cover received			399
Change in the reinsurers' share of claims provisions			325
Reinsurance commissions and profit participation from reinsurers			229
Net expense from reinsurance contracts	**-576**	**147**	**-723**
Insurance service result/Technical result	**5,636**	**-541**	**6,177**

Notes

9 Accounting policies (continued)

DKKm	2022 IFRS 17 & IFRS 9	Change	2022 IFRS 4 & IAS 39
Investment activities			
Profit/Loss from associates	-19		-19
Income from investment property	48		48
Interest income and dividends	918		918
Value adjustments	-3,675	-2,763	-913
Interest expenses	-154		-154
Administration expenses in connection with investment activities	-145		-145
Total investment return	**-3,028**	**-2,763**	**-265**
Return on insurance provisions	0	928	-928
Net finance income from reinsurance contracts	2,621	2,621	0
Net finance expenses from insurance contracts	-34	-34	0
Total investment return after insurance technical interest	**-441**	**752**	**-1,193**
Other income	150		150
Other costs	-2,293	-210	-2,083
Profit/loss before tax	**3,051**	**0**	**3,051**
Tax	-804		-804
Profit/loss on continuing business	**2,247**	**0**	**2,247**
Profit/loss on discontinued and divested business	0		0
Profit/loss for the year	**2,247**	**0**	**2,247**

Quarterly outline

DKKm	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Private										
Insurance revenue	**6,070**	**6,002**	**6,010**	**6,274**	**6,228**	**4,264**	**4,217**	**4,232**	**4,141**	**3,964**
Insurance service result	**1,104**	**828**	**1,027**	**1,254**	**1,255**	**370**	**709**	**641**	**764**	**512**
Key ratios										
Gross claims ratio	69.1	72.2	67.6	66.8	65.8	76.8	71.0	70.6	67.1	73.0
Net reinsurance ratio	0.1	1.4	2.8	0.1	1.3	1.8	1.6	1.7	1.8	1.4
Claims ratio, net of reinsurance	69.2	73.6	70.3	66.9	67.2	78.6	72.5	72.3	68.9	74.4
Gross expense ratio	12.6	12.6	12.6	13.1	12.7	12.7	10.6	12.6	12.7	12.7
Combined ratio	**81.8**	**86.2**	**82.9**	**80.0**	**79.9**	**91.3**	**83.2**	**84.8**	**81.6**	**87.1**
Combined ratio exclusive of run-off	82.2	87.2	84.1	81.9	81.5	92.8	85.4	86.8	83.6	89.8

A further detailed version of the presentation can be downloaded from
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Quarterly outline

DKKm	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Commercial										
Insurance revenue	**2,286**	**2,273**	**2,306**	**2,354**	**2,319**	**1,429**	**1,370**	**1,351**	**1,329**	**1,301**
Insurance service result	**523**	**401**	**414**	**481**	**477**	**82**	**40**	**211**	**209**	**159**
Key ratios										
Gross claims ratio	65.9	61.4	70.4	61.1	65.2	68.4	72.7	61.7	68.4	68.1
Net reinsurance ratio	-4.0	5.1	-4.7	3.4	-1.7	9.3	5.0	7.1	-0.5	3.0
Claims ratio, net of reinsurance	61.8	66.5	65.7	64.5	63.5	77.8	77.7	68.9	67.9	71.1
Gross expense ratio	15.3	15.9	16.4	15.1	16.0	16.5	19.4	15.5	16.4	16.7
Combined ratio	**77.2**	**82.3**	**82.0**	**79.6**	**79.4**	**94.3**	**97.1**	**84.4**	**84.3**	**87.7**
Combined ratio exclusive of run-off	80.8	83.9	87.5	83.6	86.0	86.7	97.4	86.6	87.3	86.5

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Quarterly outline

DKKm	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Corporate										
Insurance revenue	**844**	**914**	**904**	**917**	**934**	**876**	**854**	**870**	**865**	**875**
Insurance service result	**131**	**246**	**30**	**54**	**289**	**-95**	**-49**	**20**	**134**	**-14**
Key ratios										
Gross claims ratio	116.7	42.0	75.0	74.4	51.4	100.8	91.6	78.4	59.8	83.4
Net reinsurance ratio	-44.8	19.9	6.6	7.4	6.5	-1.3	0.5	7.8	14.2	7.9
Claims ratio, net of reinsurance	71.9	61.9	81.5	81.9	57.9	99.6	92.1	86.2	74.0	91.3
Gross expense ratio	12.6	11.2	15.1	12.2	11.2	11.3	13.7	11.5	10.6	10.3
Combined ratio	**84.4**	**73.1**	**96.6**	**94.1**	**69.1**	**110.8**	**105.8**	**97.7**	**84.6**	**101.6**
Combined ratio exclusive of run-off	106.2	86.4	95.9	101.2	86.0	101.8	102.7	93.5	89.0	105.1
Other [a]										
Insurance revenue	**521**	**610**	**749**	**1,010**	**1,792**	**0**	**0**	**0**	**0**	**0**
Insurance service result	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**2**

[a] Amounts relating to RSA Scandinavia acquisitions. Please refer to Accounting policies.

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Quarterly outline

DKKm	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Tryg										
Insurance revenue	**9,722**	**9,799**	**9,969**	**10,555**	**11,273**	**6,569**	**6,441**	**6,452**	**6,335**	**6,140**
Insurance service result	**1,759**	**1,474**	**1,472**	**1,785**	**2,021**	**358**	**700**	**872**	**1,106**	**660**
Investment return	53	167	549	-203	-948	161	958	630	-686	466
Other income and costs	-583	-455	-644	-618	-566	-315	-200	-301	-147	-104
Profit/loss before tax	1,229	1,187	1,377	964	507	204	1,458	1,201	274	1,022
Tax	-307	-302	-296	-336	-77	-95	-85	-165	-337	-208
Profit/loss, continuing business	922	885	1,081	628	430	109	1,373	1,037	-63	814
Profit/loss	922	885	1,081	628	430	109	1,370	1,037	-63	814
Key ratios										
Gross claims ratio	72.7	66.5	69.0	66.2	64.3	78.2	74.1	69.8	66.4	73.4
Net reinsurance ratio	-5.0	4.2	1.3	1.6	1.1	3.0	2.1	3.7	3.0	2.6
Claims ratio, net of reinsurance	67.6	70.7	70.3	67.8	65.4	81.2	76.2	73.4	69.4	76.1
Gross expense ratio	13.3	13.3	13.8	13.5	13.3	13.3	12.9	13.0	13.2	13.2
Combined ratio	**80.9**	**84.0**	**84.0**	**81.3**	**78.7**	**94.6**	**89.1**	**86.5**	**82.5**	**89.3**
Combined ratio exclusive of run-off	84.1	86.2	86.1	84.2	83.0	92.6	90.3	87.7	85.1	91.3

A further detailed version of the presentation can be downloaded from
tryg.com/uk>investor>Downloads>tables

Income statement for Tryg A/S (parent company)

DKKm		H1 2023	H1 2022	2022
Note	**Investment activities**			
	Income from subsidiaries	2,194	542	2,570
	Income from associates	0	53	34
	Interest income	-459	0	5
	Value adjustment	11	-14	-18
	Interest expenses	0	0	-365
	Investment management charges	-4	-2	-5
	Total return on investment activities	**1,743**	**578**	**2,222**
	Other expenses	-70	-55	-96
	Profit before tax	**1,673**	**523**	**2,126**
	Tax	115	16	121
	Profit for the period	**1,788**	**539**	**2,247**

DKKm	H1 2023	H1 2022	2022
Statement of comprehensive income			
Profit/loss for the period	**1,788**	**539**	**2,247**
Other comprehensive income			
Other comprehensive income which cannot subsequently be reclassified as profit or loss			
Actuarial gains/losses on defined-benefit pension plans	0	0	-2
Tax on actuarial gains/losses on defined-benefit pension plans	0	0	1
	0	0	-2
Other comprehensive income which can subsequently be reclassified as profit or loss			
Deferred tax related to receivable balance	0	0	-50
Exchange rate adjustments of foreign entities	-1,871	-1,365	-2,217
Exchange rate adjustments of foreign material associates	0	0	52
Hedging of currency risk in foreign entities	509	290	496
Tax on hedging of currency risk in foreign entities	-128	-64	-109
	-1,490	-1,139	-1,828
Total other comprehensive income	**-1,490**	**-1,139**	**-1,830**
Comprehensive income	**297**	**-600**	**417**

Statement of financial position (parent company)

DKKm		30.06.2023	30.06.2022	31.12.2022
Notes	**Assets**			
	Equity investments in Group undertakings	45,480	71,166	72,524
	Equity investments in associates	20	0	185
	Total investments in associates and Group undertakings	**45,500**	**71,166**	**72,709**
	Total investment assets	**45,500**	**71,166**	**72,709**
	Receivables from subsidiaries	0	4,537	65
	Total receivables	**1**	**4,537**	**65**
	Current tax assets	220	0	106
	Other	1	0	1
	Total other assets	**221**	**0**	**107**
	Total prepayments and accrued income	**46**	**229**	**34**
	Total assets	**45,768**	**75,933**	**72,915**

DKKm	30.06.2023	30.06.2022	31.12.2022
Equity and Liabilities			
Share capital	3,174	3,273	3,273
Revaluation reserves	402	2,127	3,462
Total reserves	**402**	**2,127**	**3,463**
Proposed dividends	1,174	1,021	1,047
Retained earnings	34,124	39,527	34,720
Non-controlling interest	1	1	1
Equity	**38,874**	**45,948**	**42,504**
Debt to subsidiaries	6,869	29,966	30,331
Current tax liabilities	0	17	0
Other debt	24	2	81
Total debt	**6,894**	**29,985**	**30,412**
Total liabilities and equity	**45,768**	**75,933**	**72,915**

1 **Related parties**
Please refer to note 7 in Tryg Group

2 **Contingent Liabilities**
Please refer to note 8 in Tryg Group

3 **Accounting policies**
Please refer to note 9 in Tryg Group

4 **Reconciliation of profit/loss and equity**
The executive order on application of international financial reporting standards for companies subject to the Danish Financial Business Act issued by the Danish FSA requires disclosure of differences between the format of the annual report under international financial reporting standards and the rules issued by the Danish FSA.

No differences are recognised.

Glossary, key ratios and alternative performance measures

The financial highlights and key ratios of Tryg have been prepared in accordance with the executive order issued by the Danish Financial Supervisory Authority on the financial reports for insurance companies and multi-employer occupational pension funds, and also comply with 'Recommendations & Ratios' issued by the CFA Society Denmark.

Claims ratio, net of reinsurance
Gross claims ratio + net reinsurance ratio.

Combined ratio
The sum of the gross claims ratio, the net reinsurance ratio and the gross expense ratio.

Danish general insurance
Comprises the legal entities Tryg Forsikring A/S, Tryg Livsforsikring A/S, Forsikrings-Aktieselskabet Liv II and excluding the Norwegian and Swedish branches.

Diluted average number of shares
Average number of shares adjusted for number of share options which may potentially dilute.

Discounting
Expresses recognition in the financial statements of expected future payments at a value below the nominal amount, as the recognised amount carries interest until payment. The size of the discount depends on the market-based discount rate applied and the expected time to payment.

Dividend per share

$$\frac{\text{Proposed dividend}}{\text{Number of shares at year-end}}$$

Earnings per share

$$\frac{\text{Profit or loss for the year}}{\text{Average number of shares}}$$

Earnings per share of continuing business
Diluted earnings from continuing business after tax
Diluted average number of shares

Gross claims ratio

$$\frac{\text{Gross claims x 100}}{\text{Insurance revenue}}$$

Gross expense ratio without adjustment

$$\frac{\text{Gross insurance operating costs x 100}}{\text{Insurance revenue}}$$

Insurance revenue
Calculated as insurance revenue adjusted for change in gross premium provisions.

Market price/net asset value

$$\frac{\text{Share price}}{\text{Net asset value per share}}$$

Net asset value per share

$$\frac{\text{Equity at year-end}}{\text{Number of shares at year-end}}$$

Net reinsurance ratio

$$\frac{\text{Net expense from reinsurance contracts x 100}}{\text{Insurance revenue}}$$

Norwegian general insurance
Comprises Tryg Forsikring A/S, Norwegian branch.

Other insurance
Comprises Finnish, Dutch, Austrian, Swiss, Belgian, German, United Kingdom and credit & surety insurance and amounts relating to one-off items and reclassification relating to business combinations. from RSA Scandinavia transaction.

Own funds
Equity plus share of qualifying solvency debt and profit margin (solvency purpose), less intangible assets, tax asset and proposed dividend.

Price/Earnings

$$\frac{\text{Share price}}{\text{Earnings per share}}$$

Return on equity after tax (%)

$$\frac{\text{Profit or loss for the year after tax}}{\text{Weighted average equity}}$$

Run-off gains/losses
The difference between the claims provisions at the beginning of the financial year (adjusted for foreign currency translation adjustments and discounting effects) and the sum of the claims paid during the financial year and the part of the claims provisions at the end of the financial year pertaining to injuries and damage occurring in earlier financial years.

Solvency II
Solvency requirements for insurance companies issued by the EU Commission.

Solvency ratio
Ratio between own funds and capital requirement.

Swedish general insurance
Comprises Tryg Forsikring A/S, Swedish branc

Total reserve ratio
Reserve ratio, claims provisions + premium provisions divided by insurance revenue

Unwinding
Unwinding of discounting takes place with the passage of time as the expected time to payment is reduced. The closer the time of payment, the smaller the discount. This gradual increase of the provision is not recognised under claims, but under investment return in the income statement.

Large claims, net of reinsurance
Large claims, net of reinsurance, as calculated by the Tryg Group, represents

Large claims, net of reinsurance is defined as single claims or claims events gross above 10m in local currencies adjusted for reinsurance.

$$\frac{\text{Large claims, net of reinsurance}}{\text{Insurance revenue}}$$

Weather claims, net of reinsurance
Weather claims, net of reinsurance, as calculated by the Tryg Group, represents:

Weather claims, net of reinsurance, is defined as claims related to storm, cloudbursts, natural perils and winter, adjusted for reinsurance.

$$\frac{\text{Weather claims, net of reinsurance}}{\text{Insurance revenue}}$$

Run-off, net of reinsurance
Run-off, net of reinsurance, as calculated by the Tryg Group, represents

$$\frac{\text{Run-off, net of reinsurance}}{\text{Insurance revenue}}$$

Premium proforma growth in local currencies
Premium proforma growth in local currencies is based on proforma figures that includes Trygg-Hansa and Codan Norway. As calculated by the Tryg Group, represents:

$$\frac{\text{(Insurance revenue including Trygg-Hansa and Codan Norway pro-forma in year X - Insurance revenue including Trygg-Hansa and Codan Norway pro-forma in year X-1)}}{\text{Insurance revenue including Trygg-Hansa and Codan Norway pro-forma in year X-1}}$$

Return On Own Funds (ROOF)

$$\frac{\text{Profit for the year after tax x 100}}{\text{(Own Funds Primo + Own Funds Ultimo)/2}}$$

Return On Tangible Equity (ROTE)

$$\frac{\text{Profit for the year after tax x 100}}{\text{(Tangible Equity primo + Tangible Equity Ultimo)/2}}$$

Tangible Equity
Tangible Equity is defined as weighted average equity excluding intangible assets and deferred tax related to intangible assets

Disclaimer

Certain statements in this financial report are based on the beliefs of our management as well as assumptions made by and information currently available to management. Statements regarding Tryg's future operating results, financial position, cash flows, business strategy, plans and future objectives other than statements of historical fact can generally be identified by the use of words such as 'targets', 'believes', 'expects', 'aims', 'intends', 'plans', 'seeks', 'will', 'may', 'anticipates', 'would', 'could', 'continues' or similar expressions.

A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in this financial report, including but not limited to general economic developments, changes in the competitive environment, developments in the financial markets, extraordinary events such as natural disasters or terrorist attacks, changes in legislation or case law and reinsurance.

Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, Tryg's actual financial condition or results of operations could materially differ from that described herein as anticipated, believed, estimated or expected. Tryg is not under any duty to update any of the forward-looking statements or to conform such statements to actual results, except as may be required by law.

Read more in the Annual report 2022 in the chapter of Capital and risk management on ***pages 33-36***, and in Note 1 on ***page 66***, for a description of some of the factors which may affect the Group's performance or the insurance industry.