

2 May 2024

Announcement no. 26/2024

Interim report for Q1 2024

Alm. Brand Group upgrades guidance for pre-tax profit by DKK 100 million

- Alm. Brand Group's insurance service result was a profit of DKK 295 million (Q1 2023: DKK 205 million), driven in particular by sustained favourable trends in Commercial Lines
- Insurance revenue grew at a highly satisfactory rate of 5.6% to DKK 3,012 million (Q1 2023: DKK 2,853 million), driven in particular by strong growth of 8.6% in Personal Lines
- The underlying claims experience improved by 3.0 percentage points to 61.0, driven by a strong performance in Commercial Lines and favourable developments in Personal Lines despite a sustained high frequency of motor claims
- The implementation of synergy initiatives is progressing according to plan and generated a positive accounting effect of DKK 98 million in Q1 2024. The expense ratio was 19.1 (Q1 2023: 20.0)
- Highly satisfactory investment result of DKK 167 million (Q1 2023: DKK 149 million) supported by favourable financial market developments
- The guidance for profit before tax and special costs is lifted by DKK 100 million to DKK 1.63-1.83 billion based on the strong investment result. The guidance for the insurance service result for 2024 is maintained at DKK 1.40-1.60 billion excluding the run-off result for Q2-Q4.

CEO Rasmus Werner Nielsen considers the Q1 performance satisfactory with highly satisfactory growth of 5.6% in insurance revenue:

"I'm extremely pleased that more and more customers are choosing Alm. Brand Group as their insurance provider and that our existing customers are increasing their business with us. I'm also pleased that we were able to post a significantly higher Q1 profit than last year despite another winter characterised by snow and windstorms where we assisted a very large number of affected customers. This once again shows that we have a robust business."

"The increase in profit was driven in particular by our Commercial Lines business, and we saw the strong momentum of recent quarters continue into 2024, whereas our Personal Lines business was adversely affected by weather-related claims and a sustained high level of motor claims."

"We are on track with the business combination of Alm. Brand Forsikring and Codan Forsikring and completed the legal merger of the two companies in the first quarter, positioning us even better to develop and offer new products for our customers across all of our brands."

Details on Q1 performance

The insurance service result was a profit of DKK 295 million (Q1 2023: DKK 205 million), driven mainly by sustained favourable trends in Commercial Lines.

The development in insurance revenue was driven in particular by highly satisfactory growth of 8.6% in Personal Lines, which, besides a higher inflow of new customers, stronger customer retention and an increase in sales to existing customers, was due to higher indexations and price increases.

Overall, the claims experience improved in Q1 2024 as compared with the year-earlier period. However, the quarter was still impacted by high expenses for weather-related claims, which were offset by a lower level of major claims expenses.

The favourable profitability performance continued in Q1 2024 with an improvement in the underlying claims ratio of 3.0 percentage points, driven by a significant improvement in Commercial Lines. In line with previous quarters, there was a high frequency of motor claims in Q1 2024, particularly in Personal Lines. However, the effect is gradually being offset by the scheduled profitability-enhancing initiatives.

The expense ratio was 19.1 in Q1 2024 (Q1 2023: 20.0) and developed according to plan, supported by a tight cost focus and continued realisation of synergies. The combined ratio was 90.2 in Q1 2024 (Q1 2023: 92.8).

The SCR ratio was 193% at 31 March 2023. Alm. Brand Group aims to have an SCR ratio of at least 170% and will, with due consideration to this target, be able to distribute a high proportion of future earnings to its shareholders.

Link to the Q1 interim report on the website: [Q1 2024](#)

Webcast and conference call

Alm. Brand will host a conference call for investors and analysts today, Thursday 2 May 2024 at 11:00 a.m. The conference call and presentation will be available on Alm. Brand's investor website [here](#).

Conference call dial-in numbers for investors and analysts (pin: 978854):

Denmark: +45 8987 5045

UK: +44 20 3936 2999

USA: +1 646 664 1960

Link to webcast: [Alm. Brand Group Q1 2024](#)

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