

26 June 2025

## **Tryg A/S – Q2 2025 pre-silent newsletter**

Tryg will conduct pre-close analyst calls and meetings starting on 26 June, ahead of the Q2 2025 results, which will be released on 11 July. This newsletter aims to inform capital market participants of the key factors influencing the company's recent financial performance.

### **Insurance revenue growth**

Tryg maintains a balanced distribution of insurance revenue across the Scandinavian countries, with approximately 50% of revenue generated in Denmark, 30% in Sweden, and 20% in Norway. In Q2 2024, Tryg reported insurance revenue of DKK 9,545m.

The commercial segment will experience a smaller spillover effect into 2025 of the derisking of the corporate portfolio carried out in 2024. In general, the group revenue development remains in line with recent development. Tryg reported a growth measured in local currencies of 3.7% in Q1 2025.

When converting earnings from local currencies to DKK, Tryg's reporting currency, the expected average value of SEK 100 is DKK 68.5 (64.5 Q2 2024), and NOK 100 is DKK 64.5 (64.2 Q2 2024).

### **Claims environment**

#### **Underlying claims development**

Tryg operates a stable business and recent trends in underlying performance should thus be considered reliable indicators for short-term trends. The Group's underlying claims ratio was 66.8% in Q2 2024. At the capital markets day (CMD) on 4 December 2024, Tryg mentioned that it expects a broadly stable to slightly improving underlying performance in the new strategy period towards 2027. In Q1 2025, the Group underlying claims ratio improved 30 basis points and the Private underlying claims ratio improved 10 basis points.

#### **Weather claims**

For Q2, normalised weather claims amount to 10% of the annual DKK 800m guidance, equating to DKK 80m. As a reminder, the annual expectation for weather claims is split as follows (in percentages terms): 40% in Q1, 10% in Q2, 20% in Q3 and 30% in Q4. At the time of writing, weather claims expectations for the quarter remain in line with the guidance for the second quarter of the year.

### **Large claims**

On an annual basis, Tryg provides guidance for large claims amounting to DKK 800m, evenly distributed across quarters. Occasionally, information about large claims may be available in mass media or local press.

### **Interest rates development**

For Q2, it is expected an approximate discount rate of 2.5%. The discounting percentage was reported at 2.3% in Q1 2025.

### **Run-off expectations towards 2027**

At the 2024 CMD, Tryg stated a long-term run-off expectation of ~2% towards 2027.

## **Investment activities**

Tryg has divided its investment activities into a match portfolio (approx. DKK 46bn at Q1 2025) and a free portfolio (approx. DKK 16bn as per Q1 2025). As announced at the 2024 CMD, the free portfolio was derisked during Q4 2024 and now mainly consists of Scandinavian covered bonds and government bonds (approx. DKK 12bn) and the real estate portfolio (approx. DKK 3bn). As a rule of thumb, the return on bonds can be modelled with the following Bloomberg tickers, 50% NYKRCMB2 and 50% NYKRCMG2. For the real estate portfolio, a normalised annual return of 6.5% is assumed. The buyback program of DKK 2bn started in December will impact the size of the free portfolio accordingly over the quarter.

The return of the match portfolio mainly consists of the return on premium provisions, which is expected at DKK 75m per quarter with the current level of interest rates.

Additionally, the line 'Other financial income and expenses' is guided at DKK -90m per quarter and mainly consists of costs related to currency hedges, general balance sheet items and costs related to running the investment operation.

## **Other income and costs**

Other income and costs are originally guided between DKK -350m and DKK -370m on a quarterly basis. This is primarily driven by amortisation of intangibles related to the RSA Scandinavia acquisition. The intangibles are booked in SEK and converted to DKK (the reporting currency of Tryg). The SEK strengthening experienced this year (while positive for the insurance service result and thus the overall Group result) impacts this line negatively, and therefore an additional FX-related impact of approx. DKK 15m should be added to the original guidance.

## Number of shares

At the end of Q1 2025, Tryg reported 607,059,826 outstanding shares. In the second quarter, Tryg bought back a total of 4,091,106 shares, thus lowering the number of outstanding shares during the quarter. The DKK 2bn share buyback programme ended on 19 June 2025.

## Outlook statement from annual report 2024

Tryg reported an insurance service result, adjusted for the more favourable-than-normal large and weather claims outcome, of around DKK 7.2bn in 2024 and it is now targeting its highest ever insurance service result of DKK 8.0-8.4bn in 2027. The insurance service result is expected to increase gradually throughout the strategy period.

**As announced in the newsletter dated March 2025, please note that 2024 financials have been restated due to changed inflation hedging. The newsletter can be found here:**

<https://tryg.com/en/downloads-2025>

**Tryg will publish the Group's Q2 results for 2025 on 11 July 2025 at around 7:30 CET.**

Conference call

Tryg will host a conference call on the day of the release at 10:00 CET. CEO Johan Kirstein Brammer, CFO Allan Kragh Thaysen, CTO Mikael Kärrsten and SVP Gianandrea Roberti will present the results in brief, followed by a Q&A session.

The conference call will be held in English.

Date	11 July 2025
Time	10:00 CET
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Pin code	560768



You can sign up for an e-mail reminder on [tryg.com](https://tryg.com). The conference call will also be broadcast on this site. An on-demand version will be available shortly after the conference call has ended.

All Q2 2025 material can be downloaded on [tryg.com](https://tryg.com) shortly after the time of release.