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Announcement no. 4/2025

Guidance for 2025 in line with ambitious target set in 2022

This announcement contains Alm. Brand Group's profit guidance for 2025 and information about the realised financial results for 2024. The interim report for Q4 2024 will be released as announced on 5 February 2025.

Alm. Brand Group is set to continue the positive performance in 2025 and expects to report an insurance service result of DKK 1.5-1.7 billion excluding run-off gains or losses. The profit guidance includes synergies in an amount of DKK 600 million. The expected increase relative to the result realised in 2024 is driven by improved profitability in both Personal Lines and Commercial Lines due to the implementation of profitability-enhancing initiatives.

The expense ratio is expected to be about 17% in 2025, and the combined ratio excluding run-offs is expected to be about 85.5-87.5.

The target for 2025 of generating an insurance service result including run-offs of DKK 1,850 million and a combined ratio of 84.5% is unchanged. The guidance for 2025 excluding run-offs is in line with the target for 2025 including run-offs at a long term expected level for run-offs of about 2% of premium income. This is despite a lower interest rate level and a generally higher level of motor claims than when the target was set in 2022.

The investment result is expected to be about DKK 200 million based on the current structural returns on the portfolio not allocated to hedging of provisions. Other activities are expected to record a loss of about DKK 125 million.

For 2025, Alm. Brand Group thus expects to report a consolidated pre-tax profit of DKK 1.58-1.78 billion excluding special costs.

Special costs for completing the integration programme for Codan and separating divested business are expected to total about DKK 175 million, of which DKK 25 million is related to the separation of divested business. In addition, Alm. Brand will recognise amortisation of intangible assets in an amount of close to DKK 335 million.

Alm. Brand Group expects to generate a profit of about DKK 250 million after tax on discontinuing activities in 2025, composed of accounting gains from the divestment of the Energy & Marine business and the operating profit generated in the period until expected closing at the beginning of March 2025. The accounting gains represent the difference between the selling price and the net assets, including the disposals of goodwill and other intangible assets related to the discontinued activities.

Results for 2024

Alm. Brand Group's continuing activities realised insurance revenue of DKK 11.1 billion in 2024. The insurance service result was DKK 1.44 billion including run-off gains. This made for a combined ratio of about 87.0 for 2024. The full-year insurance service result is generally considered to be satisfactory despite high motor-related claims expenses. The insurance service result reflected a sustained positive trend towards realising the financial targets in 2025. The investment result for the year was DKK 0.44 billion, which is considered highly satisfactory. Other income

and expenses were largely in line with expectations, leading to a profit of DKK 1.75 billion before special items and tax for 2024.

Distribution in 2025

The Board of Directors recommends that an ordinary dividend of DKK 0.6 per share be paid in respect of the 2024 financial year. In addition to the already completed share buyback programme of DKK 150 million, Alm. Brand Group expects to launch a new DKK 100 million share buyback programme related to the profit for 2024, in aggregate corresponding to an adjusted payout ratio of 96% for 2024. At 31 December 2024, Alm. Brand Group had an SCR ratio in the level of 180% after deduction of the total amount distributed in respect of 2024.

Alm. Brand Group still expects to distribute DKK 1.6 billion related to the divestment of the Energy & Marine business. This distribution is expected to take place in the form of a share buyback programme to be initiated immediately after closing of the transaction. The share buyback programme is expected to run for 12 months.

Alm. Brand Group thus expects to effect a total distribution of DKK 2.6 billion in 2025.

Alm. Brand Group has received an indication from the company's majority shareholder, Foreningen Alm. Brand af 1792 fmba, that it intends to participate proportionately in the share buybacks. Foreningen Alm. Brand af 1792 fmba currently holds 47.8% of the shares in Alm. Brand A/S when adjusting for shares already acquired by Alm. Brand A/S for the purpose of subsequent cancellation.

Rasmus Werner Nielsen (CEO):

"In 2024, we assisted exceptionally many customers with motor claims and claims resulting from increased travel activity among Danish travellers. We're pleased that, with a strong finish to the year, we were able to report a satisfactory insurance service result.

Our performance provides a strong platform going into 2025, in which we expect to continue the positive trend. This means that, this year, we're finally able to realise our long-term objectives for the integration of Codan, despite falling interest rates and a significant increase in the number of motor claims in the period since the merger in 2022," said CEO Rasmus Werner Nielsen.

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