



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2025 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 938 419 531
Organisasjonsform: Gjensidig forsikringselskap
Foretaksnavn: Assuranceforeningen SKULD
(Gjensidig)
Forretningsadresse: Rådhusgata 27
0158 OSLO

Regnskapsår

Årsregnskapets periode: 21.02.2024 - 20.02.2025

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Shamsa Majid
Dato for fastsettelse av årsregnskapet: 08.05.2025

Grunnlag for avgivelse

År 2025: Årsregnskapet er elektronisk innlevert
År 2024: Tall er hentet fra elektronisk innlevert årsregnskap fra 2025

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 24.10.2025



Resultatregnskap

Beløp i: USD	Note	2025	2024
TEKNISK REGNSKAP FOR SKADEFORSIKRING			
Opptjente bruttopremier	6	574 750 000	513 983 000
Gjenforsikringsandel av opptjente bruttopremier		317 557 000	272 374 000
Sum premieinntekter for egen regning	4	257 193 000	241 609 000
Erstatningskostnader			
Brutto erstatningskostnader		488 757 000	272 163 000
Gjenforsikringsandel av brutto erstatningskostnader		250 849 000	101 166 000
Sum erstatningskostnader for egen regning	4,5	237 908 000	170 997 000
Forsikringsrelaterte driftskostnader			
Salgskostnader	7	58 926 000	57 615 000
Forsikringsrelaterte administrasjonskostnader inkl. provisjoner for 7,10,1 mottatt gjenforsikring	3	23 974 000	22 746 000
Sum forsikringsrelaterte driftskostnader		82 900 000	80 361 000
Andre forsikringsrelaterte driftskostnader			
Resultat av teknisk regnskap		-63 615 000	-9 749 000
IKKE-TEKNISK REGNSKAP			
Netto Inntekter fra investeringer			
Renteinntekt og utbytte m.v. på finansielle eiendeler		21 991 000	14 953 000
Verdiendringer på investeringer		59 218 000	42 568 000
Realisert gevinst og tap på investeringer		-61 000	3 650 000
Administrasjonskostnader knyttet til investeringer, herunder rentekostnader		1 272 000	1 174 000
Sum netto inntekter fra investeringer		79 876 000	59 997 000
Resultat av ikke-teknisk regnskap		79 876 000	59 997 000
Resultat før skattekostnad		16 261 000	50 248 000
Skattekostnad	11	-65 000	6 537 000
Resultat før andre inntekter og kostnader		16 326 000	43 711 000



Resultatregnskap

Beløp i: USD	Note	2025	2024
Estimatendringer knyttet til ytelsesbaserte pensjonsordninger	10	-4 000	-723 000
Øvrige andre inntekter og kostnader		1 411 000	5 830 000
Skatt på andre inntekter og kostnader som kan bli omklassifisert	11	352 000	1 276 000
Totalresultat		17 381 000	47 542 000



Balanse

Beløp i: USD	Note	2025	2024
BALANSE - EIENDELER			
Immaterielle eiendeler			
Andre immaterielle eiendeler	8	7 078 000	4 501 000
Sum immaterielle eiendeler		7 078 000	4 501 000
Investeringer			
Bygninger og andre faste eiendommer		0	0
Aksjer og andeler i datterforetak, tilknyttede foretak og felleskontrollerte foretak	9	8 701 000	18 708 000
Fordringer på og verdipapirer utstedt av datterforetak, tilknyttede foretak og felleskontr. foretak	15	2 369 000	472 000
Datterforetak, tilknyttede foretak og felleskontrollerte foretak		11 070 000	19 180 000
Finansielle eiendeler som måles til amortisert kost		0	0
Aksjer og andeler (inkl. aksjer og andeler målt til kost)	2,9	301 211 000	250 908 000
Rentebærende verdipapirer	2,9	622 002 000	587 712 000
Finansielle derivater	2,9	156 000	
Andre finansielle eiendeler	2,9	33 757 000	30 954 000
Finansielle eiendeler som måles til virkelig verdi		957 126 000	869 574 000
Sum investeringer		968 196 000	888 754 000
Gjenforsikringsandel av brutto forsikringsforpliktelser			
Gjenforsikringsandel av ikke opptjent bruttopremie			
Gjenforsikringsandel av brutto erstatningsavsetning		633 466 000	482 162 000
Sum gjenforsikringsandel av brutto forsikringsforpliktelser		633 466 000	482 162 000
Fordringer			
Forsikringstakere		81 035 000	82 980 000
Fordringer i forbindelse med direkte forretninger		81 035 000	82 980 000
Fordringer i forbindelse med gjenforsikring		21 609 000	16 681 000
Andre fordringer		4 191 000	4 423 000
Sum fordringer	2,6,9	106 835 000	104 084 000
Andre eiendeler			
Anlegg og utstyr	8	4 957 000	5 277 000
Kasse, bank	2,9,16	141 996 000	120 544 000
Sum andre eiendeler		146 953 000	125 821 000



Balanse

Beløp i: USD	Note	2025	2024
Forskuddsbetalte direkte salgskostnader		13 057 000	12 705 000
Andre forskuddsbetalte kostnader og opptjente ikke mottatte inntekter		33 702 000	19 789 000
Sum forskuddsbetalte kostnader og opptjente ikke mottatte inntekter		46 759 000	32 494 000
SUM EIENDELER		1 909 287 000	1 637 816 000
EGENKAPITAL OG FORPLIKTELSER			
Innskutt egenkapital			
Selskapskapital		0	0
Sum innskutt egenkapital		0	0
Opptjent egenkapital			
Fond m.v.			
Annen opptjent egenkapital		439 135 000	421 754 000
Sum opptjent egenkapital		439 135 000	421 754 000
Sum egenkapital		439 135 000	421 754 000
Sum ansvarlig lånekapital m.v.		0	0
Brutto forsikringsforpliktelser			
Avsetning for ikke opptjent bruttopremie		100 797 000	95 174 000
Brutto erstatningsavsetning		1 036 263 000	920 673 000
Sum brutto forsikringsforpliktelser	5	1 137 060 000	1 015 847 000
Avsetninger for forpliktelser			
Pensjonsforpliktelser o.l.	10	9 559 000	9 400 000
Forpliktelser ved skatt			
Forpliktelser ved periodeskatt	11	8 110 000	39 349 000
Forpliktelser ved utsatt skatt	11	47 276 000	50 591 000
Sum avsetninger for forpliktelser		64 945 000	99 340 000
Forpliktelser i forbindelse med direkte forsikring	6	21 308 000	19 221 000
Forpliktelser i forbindelse med gjenforsikring		222 736 000	50 284 000



Balanse

Beløp i: USD	Note	2025	2024
Finansielle derivater	2,9		347 000
Andre forpliktelser	15	18 448 000	18 804 000
Sum forpliktelser		262 492 000	88 656 000
Påløpte kostnader og mottatte ikke opptjente inntekter			
Mottatte, ikke opptjente leieinntekter		5 655 000	12 219 000
Sum påløpte kostnader og mottatte ikke opptjente inntekter		5 655 000	12 219 000
SUM EGENKAPITAL OG FORPLIKTELSER		1 909 287 000	1 637 816 000



Konsernets resultatregnskap

Beløp i: USD	Note	2025	2024
TEKNISK REGNSKAP FOR SKADEFORSIKRING			
Opptjente bruttopremier	6	577 506 000	516 596 000
Gjenforsikringsandel av opptjente bruttopremier		110 167 000	91 590 000
Sum premieinntekter for egen regning	4	467 339 000	425 006 000
Erstatningskostnader			
Brutto erstatningskostnader		532 500 000	279 832 000
Gjenforsikringsandel av brutto erstatningskostnader		95 338 000	1 573 000
Sum erstatningskostnader for egen regning	4,5	437 162 000	278 259 000
Forsikringsrelaterte driftskostnader			
Salgskostnader	7	77 489 000	74 054 000
Forsikringsrelaterte administrasjonskostnader inkl. provisjoner for 7,10,1 mottatt gjenforsikring	3	23 733 000	22 579 000
Sum forsikringsrelaterte driftskostnader		101 222 000	96 633 000
Andre forsikringsrelaterte driftskostnader			
Resultat av teknisk regnskap		-71 045 000	50 114 000
IKKE-TEKNISK REGNSKAP			
Netto Inntekter fra investeringer			
Inntekter fra investeringer i datterforetak, tilknyttede foretak og felleskontrollerte foretak			0
Renteinntekt og utbytte m.v. på finansielle eiendeler		29 011 000	21 242 000
Verdiendringer på investeringer		63 364 000	45 297 000
Realisert gevinst og tap på investeringer		-24 000	3 715 000
Administrasjonskostnader knyttet til investeringer, herunder rentekostnader		1 262 000	1 167 000
Sum netto inntekter fra investeringer		91 089 000	69 087 000
Resultat av ikke-teknisk regnskap		91 089 000	69 087 000
Resultat før skattekostnad		20 044 000	119 201 000
Skattekostnad	11	453 000	6 859 000



Konsernets resultatregnskap

Beløp i: USD	Note	2025	2024
Resultat før andre inntekter og kostnader		19 591 000	112 342 000
Estimatendringer knyttet til ytelsesbaserte pensjonsordninger	10	102 000	-694 000
Øvrige andre inntekter og kostnader		1 346 000	5 568 000
Skatt på andre inntekter og kostnader som kan bli omklassifisert	11	386 000	1 276 000
Totalresultat		20 653 000	115 940 000



Konsernets balanse

Beløp i: USD	Note	2025	2024
BALANSE - EIENDELER			
Immaterielle eiendeler			
Andre immaterielle eiendeler	8	7 078 000	4 501 000
Sum immaterielle eiendeler		7 078 000	4 501 000
Investeringer			
Bygninger og andre faste eiendommer		0	0
Aksjer og andeler i datterforetak, tilknyttede foretak og felleskontrollerte foretak	9	20 000	20 000
Datterforetak, tilknyttede foretak og felleskontrollerte foretak		20 000	20 000
Finansielle eiendeler som måles til amortisert kost		0	0
Aksjer og andeler (inkl. aksjer og andeler målt til kost)	2,9	301 210 000	250 908 000
Rentebærende verdipapirer	2,9	820 742 000	755 744 000
Finansielle derivater	2,9	156 000	
Andre finansielle eiendeler	2,9	33 757 000	30 954 000
Finansielle eiendeler som måles til virkelig verdi		1 155 865 000	1 037 606 000
Sum investeringer		1 155 885 000	1 037 626 000
Gjenforsikringsandel av brutto forsikringsforpliktelser			
Gjenforsikringsandel av ikke opptjent bruttopremie		408 046 000	399 300 000
Sum gjenforsikringsandel av brutto forsikringsforpliktelser		408 046 000	399 300 000
Fordringer			
Forsikringstakere		81 191 000	83 139 000
Fordringer i forbindelse med direkte forretninger		81 191 000	83 139 000
Fordringer i forbindelse med gjenforsikring		21 609 000	16 680 000
Andre fordringer		6 754 000	6 160 000
Sum fordringer	2,6,9	109 554 000	105 979 000
Andre eiendeler			
Anlegg og utstyr	8	5 410 000	5 688 000
Kasse, bank	2,9,16	189 831 000	166 713 000
Sum andre eiendeler		195 241 000	172 401 000
Forskuddsbetalte direkte salgskostnader		13 074 000	12 724 000
Andre forskuddsbetalte kostnader og opptjente ikke mottatte		12 900 000	10 866 000



Konsernets balanse

Beløp i: USD	Note	2025	2024
inntekter			
Sum forskuddsbetalte kostnader og opptjente ikke mottatte inntekter		25 974 000	23 590 000
SUM EIENDELER		1 901 778 000	1 743 397 000
EGENKAPITAL OG FORPLIKTELSER			
Innskutt egenkapital			
Selskapskapital		0	0
Sum innskutt egenkapital		0	0
Opptjent egenkapital			
Fond m.v.			
Annen opptjent egenkapital		538 071 000	517 418 000
Sum opptjent egenkapital		538 071 000	517 418 000
Sum egenkapital		538 071 000	517 418 000
Sum ansvarlig lånekapital m.v.		0	0
Brutto forsikringsforpliktelser			
Avsetning for ikke opptjent bruttopremie		100 953 000	95 331 000
Brutto erstatningsavsetning		1 121 621 000	986 650 000
Sum brutto forsikringsforpliktelser	5	1 222 574 000	1 081 981 000
Avsetninger for forpliktelser			
Pensjonsforpliktelser o.l.	10	9 990 000	9 999 000
Forpliktelser ved skatt			
Forpliktelser ved periodeskatt	11	8 300 000	39 358 000
Forpliktelser ved utsatt skatt	11	47 112 000	50 385 000
Sum avsetninger for forpliktelser		65 402 000	99 742 000
Forpliktelser i forbindelse med direkte forsikring	6	21 308 000	19 221 000
Forpliktelser i forbindelse med gjenforsikring		36 198 000	
Finansielle derivater	2,9		347 000
Andre forpliktelser		11 893 000	11 920 000
Sum forpliktelser		69 399 000	31 488 000



Konsernets balanse

Beløp i: USD	Note	2025	2024
Påløpte kostnader og mottatte ikke opptjente inntekter			
Andre påløpte kostnader og mottatte ikke opptjente inntekter		6 332 000	12 768 000
Sum påløpte kostnader og mottatte ikke opptjente inntekter		6 332 000	12 768 000
SUM EGENKAPITAL OG FORPLIKTELSER		1 901 778 000	1 743 397 000
POSTER UTENOM BALANSEN			
Betingede forpliktelser	12	1 008 134 000	863 171 000



ASSURANCEFORENINGEN

SKULD (GJENSIDIG)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD 21 FEBRUARY 2024 - 20 FEBRUARY 2025

SKULD



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DIRECTORS' REPORT

ASSURANCEFORENINGEN SKULD (GJENSIDIG)

2024/25

Assuranceforeningen Skuld (Gjensidig) ("the Association") was established in Oslo in 1897 as a Protection & Indemnity (P&I) insurance association for Scandinavian shipowners. Since then, the Association has grown into a diversified marine insurer and caters to the needs of shipowners, the offshore and energy sector, charterers and traders, and the superyacht community worldwide.

The Association offers bespoke P&I and physical damage covers. The P&I covers offered include mutual P&I insurance, commercial fixed P&I, yacht liability cover, offshore cover, charterers liability and more. Physical damage covers are hull and machinery, energy, war and loss of hire. P&I is the Association's largest line of business, protecting the members against third-party losses and liabilities.

CORPORATE STRUCTURE

The Association's head office is located in Oslo, Norway, with branches in Singapore, Hong Kong, London, Tokyo and Copenhagen. In addition, the Association has offices in Bergen, Hamburg, Piraeus and New York.

The consolidated statutory accounts include the Association's subsidiaries in addition to the Association's affiliated club in Bermuda, Skuld Mutual Protection and Indemnity Association (Bermuda) Ltd., Hamilton, and its subsidiaries. In accordance with these two associations' bylaws, their members enjoy joint membership in both associations, which act as co-insurers on a joint basis with equal insurance conditions and bylaws, whereas Bermuda Association retains 1% of the risk on most P&I policies.

The number of votes per member is determined on the basis of total gross tonnage entered with the Association and Estimated Total Call. No member currently holds more than a 10% vote in the General Meeting or exercises a significant influence over the management.

The two Associations participate jointly in the International Group of P&I Clubs' pooling arrangements and excess loss reinsurance contracts entered via the pooling reinsurance arrangement.

SAFEGUARDING OUR MARITIME COMMUNITY

Skuld's role is reflected in our purpose statement "Safeguarding our maritime community today and for generations to come". It is grounded in care, responsibility and our commitment to the long-term well-being of the maritime industry, emphasising both immediate protection and future sustainability. Our environmental, social and governance (ESG) efforts consist of a wide range of activities that demonstrate our commitment to sustainability. Skuld provides financial protection and risk assessments of new technology and fuels and advises on emerging regulations and policies.

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Skuld's sustainability platform outlines the principles and commitments that embody the governing elements of sustainability in Skuld. These include the UN Sustainable Development Goals, the UN Global Compact (UNGC), the UN Women's Empowerment Principles, and the Global Reporting Initiative (GRI).

ENVIRONMENT

Achieving net-zero emissions stands as a principal challenge for the maritime industry. Skuld stands ready to support its customers through the ongoing transition and continues to invest in knowledge-building initiatives and learn from our members and maritime clusters around the world. Strategic initiatives include supporting the industry by leveraging growing in-house expertise in alternative fuels. During 2024/25 Skuld has further strengthened the Decarbonisation Competence Hub by enhancing focus and allocating additional resources. The competence hub was established within Skuld in the autumn of 2023, with a mandate to map, build and share competence internally and externally as we continue to support our members and clients in the transition to net zero. In addition, the head of renewables role was established this year to strengthen the expertise in the renewables sector, driving strategic growth and innovation.

This year, Skuld has partnered with the Norwegian R&D Centre for Maritime Energy Transition (FME MarTrans) and is currently involved in a nuclear-powered merchant ship pilot under the Green Shipping Programme (GSP). Additionally, Skuld is a mission ambassador for the Maersk Mc-Kinney Moller Center for Zero Carbon Shipping and reports to the Poseidon Principles for Marine Insurance (PPMI).

By assessing and surveying shipping risks, conducting comprehensive casualty response services, and delivering extensive loss prevention programmes, Skuld works actively to safeguard against casualties and prevent injury to people, the environment and property.

GOVERNANCE

Corporate governance

Skuld's Board of Directors and the Executive Management are committed to maintaining high ethical standards and contributing to good corporate governance that aligns with regulatory requirements in all jurisdictions where Skuld operates. Skuld has developed a comprehensive system of internal governance documents regulating its activities and ensuring compliance with applicable legislation. The system is anchored with the Board of Directors that approves the relevant policies. The documents are subject to regular review and updates to ensure Skuld remains on top of any material developments.

Skuld is committed to fostering open and transparent communication with both internal and external stakeholders and regularly publishes relevant information to members, clients, brokers, staff, and other stakeholders.

Anti-corruption, anti-money-laundering and counter-terrorism financing

Bribery and corruption undermine the Sustainable Development Goals and have severe adverse effects on society at large. Skuld is firmly opposed to bribery and corruption in all its manifestations and is committed to conducting business in a way that is sustainable and beneficial to the community.

Skuld has also committed to contribute to the collective action to tackle corruption in the maritime industry and is a member of the Maritime Anti-Corruption Network ("MACN"). MACN is comprised of like-minded companies dedicated to promoting compliance with anti-corruption laws and eliminating corrupt practices. This commitment is echoed in Skuld's Supplier Code of Conduct, which requires all suppliers to conduct their business with the highest ethical standards, integrity and transparency.

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Skuld applies systematic measures to identify and assess potential money laundering, terrorism financing, and sanctions risks faced through Skuld's underwriting portfolio. The integrated system screens all customers, their ownership structures and associated individuals through a series of checks that Skuld has defined to identify sanctions and financial crime risks, including corruption. Skuld has risk assessments and procedures in place to manage the different risk classes, in addition to case-by-case and manual assessments to ensure even the most complex cases will be correctly handled.

Skuld's dedicated Anti-Financial Crime Officer oversees our ongoing efforts to enhance our due diligence measures and controls. This includes a continuous initiative to fortify our anti-money laundering and counter-terrorism measures by reassessing all Skuld's operations. Further activities involve ensuring relevant training for employees and revising related written procedures.

Human rights and employment conditions

Skuld is dedicated to upholding and advancing human rights, labour rights, and decent working conditions. As a global business, we prioritise respecting human rights not only within our own operations but also throughout our supply chain and in our interactions with business partners. Skuld maintains zero tolerance for modern slavery or forced labour of any kind, a point made clear to all employees in Skuld's Code of Conduct.

Skuld's cross-functional Human Rights Working Group ensures our commitment to human rights is embedded in the organisation. The group works to assess how Skuld, suppliers, and business partners adhere to fundamental human rights, and whether employees enjoy decent working conditions in all our international offices. Our board-approved Human Rights Policy outlines Skuld's commitment to respect, support, and promote human rights. Further information about what Skuld has done to comply with the Norwegian Transparency Act is published in the Annual Report 2024/25 on Skuld's website.

Regulatory supervision

The Association and the consolidated group are subject to the Norwegian Financial Supervisory Authority (Finanstilsynet) supervision. Skuld Mutual Protection and Indemnity Association (Bermuda) Ltd is subject to Bermuda Monetary Authority's supervision and reporting. Further, each of Skuld's branches is subject to separate supervision by local supervisory authorities.

Directors' and Officers' liability insurance

Skuld has worldwide Directors and Officers liability insurance covering all directors and officers. The insurance includes cover for management liability, certain legal fees, and costs, as well as pre-claim inquiry costs with a limit of NOK 75 million in the aggregate.

PEOPLE AND WORK ENVIRONMENT

As approved by the Board, one of Skuld's four strategic objectives is to foster a diverse, competent, and innovative culture and attract top talents. Skuld is also committed to contributing to a safer life at sea and raising awareness to support the good health and well-being of seafarers.

Diversity and inclusion

Skuld aims to be an inclusive and diverse employer that offers equal opportunities unbiased by gender, age, nationality, sexual orientation, race, religion, or other personal factors. To ensure diversity, equity, and non-discrimination, Skuld continues to focus on clearly defined recruitment and compensation processes, promotions and opportunities for development, adjustments to accommodate individual needs, and fostering a positive working environment that supports non-discrimination, health and safety, and work-life balance for all. Skuld continues the long-term commitments to the UN Women Empowerment Principles, reporting to the SHE Index and being a signatory to WISTA Norway's '40 by 30'

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pledge, promoting diversity in the maritime industry. The results from the SHE Index 2024 were recently published, and Skuld achieved a score of 69 this year.

As of 20 February 2025, Skuld's workforce comprises 51% women and 49% men. The gender equality rate in managerial and key positions is 39%, up from 33% in 2019, with the goal of achieving 40 % gender equality by 2025. Additionally, salary equality, for all levels (excluding CEO), is 71 %. Skuld remains dedicated to achieving salary equality at all levels (excluding the CEO) by 2025.

Further detailed information about Skuld's work with the activity and reporting obligation in compliance with the Gender Equality and Discrimination Act §26, is published in the Annual Report 2024/25 on Skuld's website.

Employee well-being

Skuld prioritises employee well-being and has implemented several initiatives to support mental health, engagement and work-life balance. A new, more frequent engagement survey was introduced in 2024/25 with strong indications that employees are content with their work-life balance. Additionally, company-wide workshops were conducted to gather employee feedback on values and benefits, resulting in a review of insurance offerings for all our offices.

Skuld continues its flexible work culture with the 3+2 hybrid model, allowing employees to work from home up to 2 days a week with 3 days in the office. Additionally, Skuld has developed global principles – Care, Flex, Collaborate, and Plan – to support an inclusive and effective work environment as part of the Future Way of Work initiative.

At the end of the financial year 2024/25, Skuld had 335 permanent full-time employees. The global sickness absence rate was 1,5% for women and 0,7% for men in 2024/25, and no work-related incidents leading to significant personal injury or damage to property were reported during the year.

RESULTS AND STATEMENT OF FINANCIAL POSITION

The consolidated contribution to Members' funds for 2024/25 ended at USD 21 million (USD 116 million for 2023/24). The technical result ended at USD -71 million (USD 50 million for 2023/24) with a net combined ratio of 115% (88% for 2023/24). The Association's contribution to Members' funds ended at USD 17 million (USD 48 million for 2023/24).

Skuld has a strong capital adequacy that is well above the capital requirements set by the Solvency II regulation. Skuld has a clean A rating by Standard & Poor's.

Premiums and calls

The consolidated gross earned premiums and calls have increased compared to 2023/24 and ended at USD 577.5 million (USD 517 million for 2023/24). Driven by a strong P&I renewal with new tonnage entering the Association during the year, significant premium growth is seen in both mutual and commercial P&I, while physical damage has experienced a more modest growth due to the soft cycle for this financial year.

Claims incurred and reinsurance

The consolidated net claims incurred ended at USD 437 million, an increase from USD 278 million in 2023/24. Gross incurred claims was USD 532 million, with corresponding reinsurance recoveries of USD 95 million (USD 280 million and USD 2 million last year).

The financial year 2024 saw a return to a normalized claims environment, which was accelerated in the second half of the year. The final month saw an unusual high number of claims being reported, especially within P&I, making 2024 a historically challenging year. This adverse development was driven mainly by a surge in reported claims in the band from USD 0.5 million to USD 2 million.

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In addition, the claims reported through the International Group pooling system increased and more than doubled the pool cost year-on-year. In total the international group (IG) pool cost affected the total claims cost with USD 55 million, an increase of USD 31 million from 2023/24. Skuld reported two new pool claims this year.

Operating expenses

Net operating expenses increased by USD 4 million to USD 101 million, compared to last year (USD 97 million). Acquisition costs made up USD 3 million of the increase in operating expenses, mainly explained by increased commission driven by premium increase. The remaining increase is related to increased administrative expenses, mainly personnel costs.

Investment income

Total investment income was USD 92 million for 2024/25, with an investment portfolio return of 7.3% (USD 75.5 million and 7.2% for 2023/24). This includes fair value changes through other comprehensive income (OCI). Equities and fixed income both contributed positively to investment income, while the currency effect was negative.

Skuld's investments are allocated across several asset classes, regions, and currencies. The performance of the investment portfolio has been in line with the main indices it follows. A substantial part of the portfolio uses sovereign debt to match liabilities in terms of duration and currency.

Most of the positive performance-contribution came from the global equity exposure and the continued investor appetite for US large tech and AI-related capital expenditure. Nvidia's market capitalisation nearly doubled during the year, surpassed other giants at peak and was only challenged towards the end of the year when the startup DeepSeek claimed to be able to provide AI-modelling without the need for large data centres.

Fixed income also contributed positively as mid-term yields came down and US cash yields averaged 5%. The strong labour market in the US made the Fed postpone interest rate decreases until the fall. Inflation came under control, recession-fear faded, and the long-term growth outlook improved. Although yield volatility remained very high, as in the previous year, the US yield curve eventually normalised. The US dollar also fluctuated but appreciated over the 12-month period. It contributed negatively to portfolio performance.

The run-up towards the US election and inauguration of Trump as President has driven headlines and caused sudden market reactions. The new administration has so far disrupted World order by challenging conventional macro-economic implications, stretching geopolitical ties and reversed sustainable initiatives. Whether the goals of the new administration can be reached with the kind of measures that are being tested remains to be experienced, but uncertainty and instability will likely persist in global financial markets and economies.

Taxes

Skuld had a tax expense of USD 0.8 million in 2024/25, of which USD 0.4 million related to OCI.

Total deferred tax is USD 47 million (USD 50 million for 2023/24), mainly consisting of deferred tax on unrealised profit on investments and historical contingency reserve that will be payable over a 10-year period. Refer to the section "Change in tax regulations" below for further information.

Equity

As at 20 February 2025 Members' funds stand at USD 538 million compared to USD 517 million as at 20 February 2024.

SKULD



Cash flow

The cash flow statement shows a net cash flow in the group from operational activities of USD 57 million in 2024/25 compared to USD 54 million in 2023/24. The net cash flow from investment activities is negative USD 34 million in 2024/25. Net change in cash and cash equivalents is USD 23 million in 2024/25 compared to USD -10 million in 2023/24. The group's liquidity is considered very strong. The investment portfolio contains an overweight of liquid assets to enable large claims payments on short notice.

Statutory accounts

The description of results and statement of financial position as explained above is also applicable for the statutory accounts of the Association. In addition, quota share reinsurance agreements between the Norwegian Association and the Bermuda Association affect the statutory accounts. These quota share reinsurance agreements, together with increase in gross premium, explains the increase in reinsurance premium in the statutory accounts.

CHANGE IN TAX REGULATIONS

The term Contingency Reserve has been the measurement of the Association's risk-carrying ability in previous years. As part of the implementation of Solvency II, Contingency Reserve was discontinued in the Norwegian regulatory framework and accounting standards in 2016 and reclassified to equity in the financial statement and to eligible capital in Solvency II. In parallel with the changes in Solvency II and the accounting standards, the Norwegian Ministry of Finance has worked on harmonising the tax regulations with the new standards. In 2018, new tax regulations for Norwegian insurance companies were approved. Skuld and the marine insurance industry have challenged these new regulations, and Skuld has disputed the taxation of historical contingency reserve in tax papers since 2018. In 2022, a notice of adjustment of tax assessment was received, which has been challenged by Skuld to the Norwegian Tax Appeals Committee.

The Financial Statements of the Association for 2024/25 are presented in accordance with the general tax regulations for insurance companies.

For comparison purposes, the Contingency Reserve for the Group is estimated to USD 562 million as at 20 February 2025, compared to USD 551 million as at 20 February 2024.

RISK MANAGEMENT

Financial risk

Market risk

Skuld's functional currency is USD, but it faces significant currency risk due to obligations in various currencies. To mitigate this, assets are kept in the same currencies as liabilities. Operating costs in NOK are occasionally hedged with forward rate contracts. Interest rate risk arises from delays between loss and settlement dates (about 2.5 years), impacting solvency calculations. Changes in general interest rates affect the present value of claims and Skuld's financial situation. This risk is mitigated by matching assets and liabilities to fluctuate in opposite directions (duration matching). While interest rate changes impact financial accounts quickly, affecting asset values without adjusting liabilities' nominal value, the overall real economic impact remains modest.

Through its investments, the Association runs considerable risk relating to various financial markets. At the end of financial year 2024/25, 64.3 % of the investment portfolio was in global fixed income. The vast

SKULD



majority of these were government bonds and investment-grade corporate bonds. 23.6 % were in global equity funds, 9.4 % in cash, 2.6 % in thematic investments.

The diversified portfolio leads to less volatility in the investment portfolio over time, but the Association has a notable part of the portfolio invested in asset classes of high volatility, which may lead to considerable future losses if the markets fall dramatically.

Credit risk

In addition to the investment portfolio, the Association carries credit risk relating to its members and reinsurers. The organisation has a high focus on collecting premiums and protecting itself against bad debt losses, thereby avoiding any significant increase.

The Association has awarded its reinsurance contracts to companies with a minimum A- rating with Standard & Poor's. Apart from this, the Association has outstanding claims on the other P&I clubs in the International Group. The credit risk here is considered limited as all the clubs provide a bank guarantee for their obligations.

The Liquidity risk

Skuld considers its liquidity to be good and has not considered introducing measures to change the liquidity risk apart from the minimum requirements regarding a constant liquidity reserve.

Other risks

To minimise the risk of losses arising from inadequate or failed internal processes, or from personnel and systems, operational processes are monitored, and people's behaviours and decisions are guided toward desired norms through Skuld's Code of Conduct.

Skuld risks facing breaches of legal or regulatory sanctions, financial loss, or reputational damage from non-compliance with laws and regulations.

Risks arising from events outside Skuld that are beyond its influence and control, also affect the Association. Notable risks include risks connected to changes in current regulation (or imposition of new regulation) and to political changes.

Skuld faces risks from environmental, social, and governance factors. Environmental risks include the effects of climate change and transitioning to a lower carbon economy, impacting pricing and underwriting. Social risks involve the impact on employees within Skuld and its value chain. Governance risks include greenwashing, which poses reputational, regulatory, and liability threats.

Current risk landscape

The financial year 2024 saw a return to a normalized claims environment, which was accelerated in the second half of the year. The final month saw an unusual high number of claims being reported, especially within P&I, making 2024 a historically challenging year. This adverse development was driven mainly by a surge in reported claims in the band from USD 0.5 million to USD 2 million, along with substantial increase in cost from poolable claims.

The global geopolitical situation remains volatile, with an increased likelihood and impact of disruptive events. Shifting US policies complicates international political navigation, making business planning challenging. A key long-term trend is the conflictual relationship between the US and China, which will

SKULD



shape the future geopolitical landscape. Europe will increasingly need to rely on its own defense capabilities as US presence diminishes, emphasizing European unity and independence. This rivalry may also disrupt global supply chains, rewire trade flows, and increase costs for businesses and consumers, potentially slowing the global economy.

Rapid technological advancements amid escalating global tensions heighten cybersecurity risks. State-sponsored threat actors are likely to develop technology faster than open democracies can protect themselves.

Sanctions against Russia are extensive, creating substantial regulatory burdens. The parallel fleet of tankers, developed due to these sanctions, has faced several incidents over the past year. The future of both the sanctions regime and the parallel fleet is uncertain, particularly with the possibility of a peace treaty in the Russia-Ukraine war.

GOING CONCERN

In accordance with section 3-3a of the Norwegian Accounting Act, the Board of Directors confirms that prerequisites for the going concern assumption exist and that the annual accounts have been prepared on the assumption that the Association is a going concern. The assumption is based on the income projections for 2025, 2026, and 2027 and the Association's long-term strategic projections. The Association is in a healthy economic and financial position. The Board concludes that all factors for a going concern are in place.

FUTURE OUTLOOK

Skuld will continue to focus on future growth by further diversifying and growing revenues across different products, segments, regions, and both traditional and new revenue streams.

The enhanced focus on cross-promotion, global broker support and local service within all lines of business is part of the strategic approach to achieve financially sustainable growth and performance. The shipping market continues to grow, and significant investments are being made in new vessels which will enter the world fleet over the coming years. With the fully diversified portfolio of products and covers Skuld offers, with offshore liability, charterers liability, fixed P&I, Skuld Yachts and physical damage, we are well positioned to take advantage of this growth and further increase our market share.


In 2024, the claims environment turned from benign to abnormally active, with multiple large losses across several business lines. Looking ahead, Skuld expects the claims environment to return to more normalised levels. World turmoil with the war in Europe and Gaza, the new US administration combined with potential trade wars on the horizon presents a challenging backdrop. The long-term effects on the maritime industry and the global economy are still to be determined, however - Skuld will strive to continue the mission of safeguarding the maritime community today - and for generations to come.


Skuld's financial position is still strong and a continued focus on capital strength together with holistic portfolio management will remain a priority to cater for future volatility in claims Skuld is exposed to, and the financial markets Skuld is invested in.

SKULD




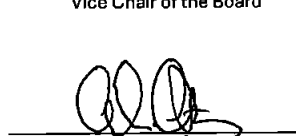
Paris, 8 May 2025

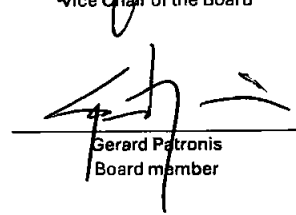

Klaus Kjerulff
Chair of the Board


Martin Larsen
Vice Chair of the Board


Terje H. Michelsen
Vice Chair of the Board


Catherine Cheung
Board member


Ann-Marie Åström
Board member


Gerard Patronis
Board member


Ufa Urbaniak-Sage
Board member


Morten Bjerregaard
Employee Representative


Daria Avdeeva
Employee Representative


Ståle Hansen
President and CEO

SKULD



All figures in USD 1,000

CONSOLIDATED		ASSOCIATION		
20.02.25	20.02.24	Note	20.02.25	20.02.24
EQUITY AND LIABILITIES				
Equity				
538,071	517,418		439,135	421,754
538,071	517,418		439,135	421,754
Technical provisions				
100,953	95,332		100,797	95,174
1,121,621	986,650		1,036,263	920,673
1,222,574	1,081,981	5	1,137,060	1,015,847
Provisions for liabilities				
9,990	9,999	10	9,559	9,400
Tax				
47,111	50,385	11	47,276	50,591
8,300	39,358	11	8,109	39,350
65,402	99,742		64,945	99,340
Other liabilities				
21,308	19,221	6	21,308	19,221
36,198	0		222,736	50,284
0	0	15	8,119	8,046
0	347	2,9	0	347
11,893	11,920		10,329	10,758
69,399	31,488		262,492	88,656
Accruals and deferred income				
6,333	12,768		5,655	12,218
6,333	12,768		5,655	12,218
1,901,778	1,743,397		1,909,287	1,637,816
Off-balance sheet items				
1,008,134	863,171	12	1,008,134	863,171

Paris, 8 May 2025

Klaus Kjær Ulff
Chair of the Board

Martin Larsen
Vice Chair of the Board

Jørgen H. Michelsen
Vice Chair of the Board

Catherine Cheung
Board member

Ann-Marie Ástjörn
Board member

Gerard Patrois
Board Member

Uka Urbaniak-Sage
Board member

Morten Bjerregaard
Employee Representative

Daria Avdeeva
Employee Representative

Ståle Hansen
President and CEO



CASH FLOW STATEMENT

All figures in USD 1,000

CONSOLIDATED			ASSOCIATION	
2024/25	2023/24		2024/25	2023/24
		Cash flow from operational activities		
579,454	513,784	Premiums received	576,695	511,192
-385,644	-387,401	Paid claims	-355,423	-359,524
-78,897	-96,790	Reinsurance premiums paid	-153,146	-255,284
86,593	101,458	Reinsurance recovery received	99,546	186,679
-34,784	600	Paid tax	-34,490	1,016
-109,431	-77,884	Operational expenses/change in accruals	-97,281	-64,249
57,290	53,766	Net cash flow from operational activities	35,900	19,830
		Cash flow from investment activities		
29,011	21,242	Interests and dividends received	21,991	14,953
-7,157	-8,018	Investments in fixed and intangible assets	-6,929	-7,857
-56,025	-77,099	Net financial investments	-29,511	-66,694
-34,172	-63,876	Net cash flow from investment activities	-14,449	-59,598
23,118	-10,110	Net change in cash and cash equivalents	21,452	-39,768
166,713	176,822	Cash and cash equivalents at the beginning of the period	120,544	160,312
189,831	166,713	Cash and cash equivalents at the end of the period	141,996	120,544



STATEMENT OF CHANGES IN EQUITY

All figures in USD 1,000

CONSOLIDATED

	Members' funds	Total Equity
Equity as of 20.02.23	401,205	401,205
Result before other comprehensive income	112,342	112,342
Net gain/(loss) on financial assets measured at fair value through OCI	5,830	5,830
Exchange differences on subsidiaries	-263	-263
Remeasurement of defined benefit pension plan	-694	-694
Taxes on other comprehensive income	-1,276	-1,276
Total other comprehensive income	3,598	3,598
Total comprehensive income	115,940	115,940
Other change in equity	272	272
Equity as of 20.02.24	517,418	517,418
Result before other comprehensive income	19,591	19,591
Net gain/(loss) on financial assets measured at fair value through OCI	1,411	1,411
Exchange differences on subsidiaries	-65	-65
Remeasurement of defined benefit pension plan	102	102
Taxes on other comprehensive income	-386	-386
Total other comprehensive income	1,062	1,062
Total comprehensive income	20,653	20,653
Equity as of 20.02.25	538,071	538,071

ASSOCIATION

	Members' funds	Total Equity
Equity as of 20.02.23	374,211	374,211
Result before other comprehensive income	43,711	43,711
Net gain/(loss) on financial assets measured at fair value through OCI	5,830	5,830
Remeasurement of defined benefit pension plan	-723	-723
Taxes on other comprehensive income	-1,276	-1,276
Total other comprehensive income	3,832	3,832
Total comprehensive income	47,542	47,542
Equity as of 20.02.24	421,754	421,754
Result before other comprehensive income	16,326	16,326
Net gain/(loss) on financial assets measured at fair value through OCI	1,411	1,411
Remeasurement of defined benefit pension plan	-4	-4
Taxes on other comprehensive income	-352	-352
Total other comprehensive income	1,055	1,055
Total comprehensive income	17,381	17,381
Equity as of 20.02.25	439,135	439,135



NOTE 1

ACCOUNTING PRINCIPLES

1.1 Basis for preparation

The financial statements are prepared according to the Norwegian Accounting Act and the regulation for preparing annual accounts for insurance companies ("Forskrift om årsregnskap for skadeforsikringsselskaper").

The accounts consist of the consolidated accounts for Skuld group (Skuld) and separate accounts for Assuranceforeningen Skuld (Gjensidig) (the Association). In accordance with the regulation, the applied principles for recognition and measurements are based on IFRS[®] Accounting Standards as adopted by the EU with the exceptions for medium-sized entities.

The accounting year covers the period from 21 February to 20 February.

The Financial Supervisory Authority of Norway has approved the use of USD as functional currency for the Association, hence the financial statements are presented in USD.

1.1.1 Changes in accounting principles

For the year 2024/25 no changes in accounting principles have been implemented.

Skuld have applied the eligibility not to implement IFRS 17 insurance contracts and IFRS 16 Leases.

1.2 Basis of consolidation

The consolidated financial statement includes the financial statements of Assuranceforeningen Skuld (Gjensidig) and affiliated Skuld Mutual P&I Association (Bermuda) Ltd, and entities controlled by Assuranceforeningen Skuld (Gjensidig) and Skuld Mutual P&I Association (Bermuda) Ltd. Skuld Mutual P&I Association (Bermuda) Ltd is owned and controlled by the same members as Assuranceforeningen Skuld (Gjensidig).

An entity is considered to be controlled by Skuld when Skuld is exposed or has rights, to variable returns from its involvement in that undertaking, and have the opportunity to influence these returns. It is presumed that Skuld has control when the ownership interests in another company represent more than 50%. Assessments are made for each investment. Entities are consolidated when control is transferred to the group until control is ceased.

All entities in Skuld applies uniform accounting policies and principles. For those entities that have a different financial closure date, the latest available monthly financial statements prior to the reporting period for Skuld is used for consolidation. When preparing the consolidated accounts, intra-group transactions and balances, along with profit and losses on transactions between group entities, are eliminated.

1.3 Shares in subsidiaries

Shares in subsidiaries are carried at historical cost less any impairment losses in the financial statement of the Association.

1.4 Investments in associated companies

An associate is an entity in which Skuld has a significant influence but does not control the management of its finances and operations. The consolidated financial statement includes Skuld's share of the profit/loss from associates, accounted for using the equity method from significant influence is achieved and until such influence ceases. Accounting principles in associated companies are adjusted for when there are differences from Skuld's accounting principles. When an investment is classified as held for sale it is measured at carrying amount.

1.5 Transactions in foreign currencies

Income and expenses in foreign currencies are initially recorded at the functional currency rate at the date of the transaction. Monetary assets and liabilities in foreign currencies and those assets and liabilities carried at fair value, are converted to the functional currency at the exchange rate at the date of the balance sheet. Changes in valuations, due to changes in exchange rates between the transaction date and the date of the balance sheet, are recognised in the income statement.

When consolidating, the assets and liabilities of foreign operations are converted to USD with the exchange rate at the date of reporting. Income statement transactions are converted using exchange rates at the transaction date. The exchange differences arising, are recognised as other result components.

1.6 Income and cost recognition principles

The premium income is recognised pro-rata over the period that risk is obtained. The premium is calculated and recognised according to the number of days that Skuld has obtained risk. Unearned premiums are presented as deferred income. Claims are recognised in the income statement the period they incur. Gross claims include an allocated portion of direct and indirect claims handling costs.



Insurance related receivables and payables, not in scope of IFRS 9, are assessed for impairment at individual level based on historical experience and other relevant information.

1.7 Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The most significant estimates are case estimates, IBNR and pensions. Refer to note 2, 5 and 10 for further information on such estimates.

1.8 Technical provisions

Technical provisions are valued in accordance with relevant accounting regulations. The provisions also include a reserve for Unallocated Loss Adjustment Expenses (ULAE). The technical provisions have not been discounted.

1.8.1 Provision for unearned premiums

The provision for unearned premiums is an accrual for premiums written. Premiums written are distributed over the risk period at a linear basis. The provision relates to the unearned part of the premiums written.

1.8.2 Provisions for outstanding claims

Provisions for outstanding claims are expected compensation for damages that are reported but not settled and incurred damages that has not yet been reported at the end of the accounting period. The provision as of 20 February therefore consists of both reported (RBNS) and not reported claims (IBNR). Both IBNR and RBNS are provided for using the Association's own assessment. The provision for IBNR is calculated using experience data. Provisions for RBNS are assessed individually by the claims handlers, and IBNR provision is based on empirical data for estimating the extent of subsequent claims based on statistical models.

Computation of IBNR uses statistical methods on historical claims data, and expert judgements from actuaries. Skuld applies the Chain Ladder method, the Bornhuetter-Ferguson method, and the Generalised Cape Cod model. The methods are validated periodically by computing ultimate claims costs for historical periods and measuring their ability to project the claims development.

1.8.3 Reinsurers' share

Reinsurers' share of technical gross provision is presented as an asset in the balance sheet and represents the settlements that Skuld expects to receive from the reinsurer according to signed contracts.

1.8.4 Pool

Skuld's participation in the International Group of P&I clubs' (IG) pooling arrangement is treated as coinsurance.

1.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1.9.1 Financial assets

Financial assets are classified as being subsequently measured in one of the following categories: Amortised cost, Fair value through other comprehensive income (FVOCI), Fair value through profit or loss (FVTPL). The group and the Association determine the classification of financial assets at initial recognition.

Financial assets are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way purchases) are recognised on the trade date, i.e. the date that the group or Association commits to purchase or sell the asset. Derecognition of a financial asset when the contractual rights to the cash flow from the financial asset expire or it transfers the financial asset and that transfer qualify for derecognition.

According to IFRS 9, the general principle is that financial assets are classified and measured at FVTPL. However, based on the business model under which the financial assets are managed, and the characteristics of the contractual cash flows of the asset, the financial assets can fall under the other measurement categories. The following factors are considered:

- i) The business model for the portfolio of the corresponding financial asset, and
- ii) whether the characteristics of the contractual cash flow to the financial asset is solely payment of principal and interest (the "SPPI-criteria").

In determining the business model Skuld have considered portfolios of financial assets and how the entity manages that portfolio to meet the business objectives. Skuld's primary business objective is met in a business model where financial assets are held to collect and for sale.

The cash flow characteristics of the financial assets are evaluated in order to evaluate the SPPI criteria. The SPPI criteria is met if the contractual cash flows from a financial asset is solely payment of principal and interest on that principal. The characteristics of such assets are similar to those in a basic lending agreement. For assets that satisfy the SPPI criteria is measured at fair value with changes in



fair value of those investment are recognised in other comprehensive income.

Impairment of financial assets (Expected credit loss)

According to IFRS 9.5.5 it is required to recognise a loss allowance for expected credit losses (ECL) on a financial asset that is classified and measured at amortized cost or fair value through other comprehensive income. Other financial assets are, based on SPPI criteria and business model, measured and classified at fair value through profit or loss and no ECL assessment is performed.

For instruments that are determined to have low credit risk at the reporting date it can be assumed that the credit risk on the financial instrument has not increased significantly since initial recognition. The credit risk is considered low if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

All financial assets measured and classified at fair value through other comprehensive income are considered to be low credit risk financial assets, and simplified method is applied. Thus, on each reporting date, Skuld measure the 12-month credit loss using a probability-weighted estimate of credit losses over the expected life of the financial instrument, using reasonable and supportable information available.

Since the relevant investments have high credit quality the calculations show no material ECL, hence no such loss allowance is recognised.

Financial assets measured at amortised cost, such as cash at bank and other debtors, are considered to have insignificant credit risk and no ECL is recognised.

1.9.2 Financial liabilities

Skuld determines the classification of its financial liabilities at initial recognition. Financial liabilities are recognised initially at fair value. The group and Association's financial liabilities include trade and other payables, together with financial guarantee contracts. After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gain and loss are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process. Derecognition of a financial liability is when the contractual liability has been expired, cancelled, or fulfilled.

Financial guarantee contracts issued by the group and Association are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the balance sheet date and the amount recognised less cumulative amortisation.

1.10 Fixed assets

Fixed assets are measured on initial recognition at cost. Following initial recognition, the assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. An item of fixed assets is derecognised upon disposal, and any gain or loss arising on derecognition of the asset is included in the income statement.

1.11 Intangible assets

Intangible assets are measured on initial recognition at cost, being the fair value at the date of acquisition. After initial recognition, intangible assets are measured at cost less accumulated amortisation. Intangible assets are amortised over the useful economic life, and the amortisation expense on intangible assets is recognised in the income statement in the expense category that is consistent with the function of the intangible assets. Software is classified and presented as intangible asset.

1.12 Pensions

The group operate various pension schemes, which all comply with local laws and regulations in each country in which Skuld operates. All pension schemes are recognised in accordance with the IFRS (IAS 19). Changes in the pension obligations for the defined benefit pension scheme as a result of changes in the actuary assumptions and variations between actual and anticipated return on pension funds, are recognised in the balance sheet immediately, through other income and expense. These schemes are: defined benefit scheme, defined contribution scheme and hybrid pension scheme.

1.12.1 Defined benefit scheme

The liability recognised in the statement of financial position is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

The change in the net defined obligation is recognised within administrative expenses. Remeasurements, comprising of actuarial gains and losses and the return on plan assets are recognised in other comprehensive income in the period in which they occur.

1.12.2 Defined contribution scheme

The group has a commitment to pay a yearly contribution for each employee to privately administered pension insurance plans. The cost is recognised within administrative expenses.



1.12.3 Hybrid pension scheme

The employees in Norway are members of a hybrid pension scheme. In the member's accumulation period the Association has a commitment to pay a yearly contribution for each employee, in addition to a cost for future administration. The Association hence has no obligation when the employee becomes a pensioner or choose to leave Skuld. This cost is recognised within administrative expenses. In the member's payment period, the life insurance company obtains the obligation to pay the members their yearly pension, in addition to guarantee the member a minimum return of 0 per cent.

1.13 Tax

Following the implementation of Solvency II, a new accounting regulation came into force in 2016, regulating amongst others the technical presentation of contingency reserve in the financial statements. For accounting purposes, the contingency reserve should no longer be treated as an element of technical provisions. In December 2018, new tax regulations for Norwegian insurance companies were approved with impact from financial year 2018. Skuld and the marine insurance industry have challenged these new regulations. In the meantime the tax regulations for other non-life insurers will also apply for the mutual marine associations. The treatment is consistent with the treatment applied from 2017 where 75% of the contingency reserve was reclassified as equity, and 25% was recognised as deferred cessation tax. This deferred tax will be payable with 1/10 each year over a 10 years period.

With the exception of the changes in the accounting and tax regulations described above, there are no changes to the principles of presenting taxes: deferred tax assets are recognised when it is probable that the Association or group will have a sufficient profit for tax purposes in subsequent periods to utilise the tax asset. The Association or group recognise previously unrecognised deferred tax assets to the extent it has become probable that the Association or group can utilise the deferred tax asset. Similarly, the company will reduce a deferred tax asset to the extent that the Association or group no longer regard it as probable that it can utilise the deferred tax asset. Deferred tax and deferred tax assets are measured on the basis of the expected future tax rates applicable to the companies in the group where temporary differences have arisen.

The Association is subject to wealth tax to the Norwegian state. The tax is assessed on the Associations net wealth (taxable asset value – taxable debt value), adjusted for valuation discounts.



NOTE 2

RISK MANAGEMENT

All figures in USD 1,000

2.1 Introduction

Skuld's core business is marine insurance, and underwriting (UW) risk is Skuld's main risk. Skuld also faces financial risks like market and liquidity risks from investment activities. Internal risks, particularly sanctions risk, arise within the organisation, while external factors contribute to Skuld's risk landscape. Additionally, how Skuld manages these risks can impact its reputation.

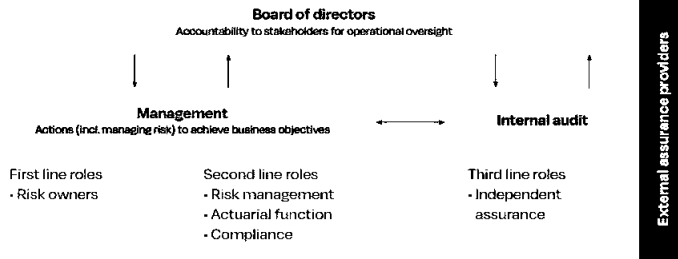


Skuld's primary business is marine insurance, with underwriting risk being its main concern. In this note, the risk management system is described first. A description of the main risks and their management follows. Details on technical provisions and the calculation of regulatory capital requirement are shown in separate notes.

2.2 Risk management system

The Board ensures Skuld has an effective risk management system, aligning total risk exposure with its capacity. It defines Risk Appetite and sets consistent Risk Limits. The Board's Risk and Compliance Committee assists in managing aggregated risk and evaluates if governance and control measures match the risk levels and activities.

The distribution of responsibilities with regard to risk management follows a three lines model.



Risk owners and their organisations are responsible for identifying, managing, and assessing risks within their business units. They also establish appropriate risk controls.

Second line roles include risk management, compliance, and actuarial functions. The Chief Risk Officer (CRO) heads risk management and actuarial functions, creating an integrated risk management framework and reporting to the Board. The actuarial function ensures Solvency II regulations governing calculation of technical provisions are met. The Chief Compliance Officer develops and maintains compliance with internal and external regulations.

The third line is an outsourced internal audit function that reports directly to the Board's Audit Committee. It reviews the efficiency of the Association's risk management framework.

Skuld has also established an advisory internal risk committee. The committee is responsible for reviewing Skuld's risk management framework and the ORSA.

The risk management department submits a monthly report to CEO and the Board, describing the development in calculated risk capital for the main



risk types, as well as the development in overall risk profile and in risk limits. The CRO submits a report to each meeting of the Board's Risk Committee, giving an overview of Skuld's risk picture and an assessment of the risk level.

2.3 Underwriting risk

Underwriting risk is the risk of loss or of adverse change in the value of insurance liabilities due to a deviation of the actual claims payments from the expected amount of claims payments (including expenses), and consists of reserve risk, premium risk and catastrophe risk.

2.3.1 Reserve risk

Reserve risk is the risk that the current claims provisions are not sufficient to cover the development of already incurred claims and related expenses. Reserve risk reflects principally the emergence of uncertainty related to actual claims' size (for reported, but not yet settled claims, i.e. RBNS) being higher than expected, and claims incurred but not reported (IBNR) being greater than expected.

The cost of RBNS is estimated by a claims handler for each individual claim and is based on relevant information available from claims reports, loss adjusters and information about the costs of settling claims with similar characteristics in previous periods.

Statistical methods are used for calculating IBNR provisions. IBNR provisions and provisions for outstanding claims are initially estimated at a gross level, and a separate calculation is carried out to estimate the size of reinsurance recoveries. The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified, where information about the claim is available.

2.3.2 Premium risk

Premium risk relates to future exposures, future claims and their related expenses. Exposure arises on unexpired risk from contracts already underwritten (i.e. the "unearned" exposure) and from future underwritten contracts.

2.3.3 Catastrophe risk

Catastrophe risk refers to the risk of financial losses related to unlikely events with high severity (natural, economic and man-made disasters with immediate impact).

2.4 Risk mitigation

To manage underwriting risk, Skuld participates in the International Group of P&I clubs' pooling arrangement, where claims above a certain retention level are shared. This agreement offers a robust reinsurance program that distributes losses among the clubs, ensuring solvency after significant events and years with many minor claims. Reinsurance helps keep underwriting risk within acceptable levels.

The clubs in the pooling arrangement retain part of the exposure but purchase reinsurance in the market to reduce the total exposure. The P&I clubs have through IG established Hydra, a segregated account company, where each of the clubs have their own segregated cell, reinsuring part of the exposure in the pool. Skuld also writes other covers with high vertical limits of cover. These covers are reinsured in the market based on a risk assessment of the desired risk level.

2.5 Managing underwriting risk

Underwriting policy outlines the management of underwriting risk, further regulated by instructions and guidelines. Each written policy must include a reinsurance program. Offering limits beyond current reinsurance limits is not allowed. Skuld's reinsurance policy details the reinsurance process management.

Underwriting is the process of classifying, selecting and pricing the insured risks to be accepted. The underwriter analyses the specific risk and related risk category, and determines the pricing per risk, cost and market conditions. Pricing is based on pricing models and acceptable deviation from the models are given in underwriting instructions.

All new/renewal risks and policy amendments are subject to Skuld's Underwriting Control Framework, where consideration must be given to each part of the framework.

Skuld's Underwriting Committee meets on a quarterly basis to monitor all underwriting activities in Skuld. The committee's terms of reference specify its responsibilities.

Underwriting risk is monitored monthly by calculating SCR using the standard formula. If needed, Skuld can reduce underwriting risk by terminating coverages. Skuld currently has exposure to various fixed lines of business. To lower total risk without impacting core mutual P&I business, exposure to one or more of these lines could be reduced or eliminated.

2.6 Financial risk

Financial risk consists of market risk, counterparty default risk and liquidity risk. Skuld is exposed to these types of risk through investment activities. The primary purpose of the investments is to support the insurance business by securing the value of insurance liabilities against fluctuations in market variables. Funds beyond this will be invested to help achieve Skuld's overall financial goals, with a controlled downside risk.

2.6.1 Market risk

Market risk refers to the risk of loss or of adverse change in the financial situation resulting, directly or indirectly, from fluctuations in the level and in the volatility of market prices of assets, liabilities and financial instruments. Within market risk, Skuld's main exposure is towards equity risk, interest rate risk and currency risk. Skuld is to a lesser degree exposed to spread risk, property risk and concentration risk.

Equity risk

Equity risk is the possibility that an asset or liability's value will change due to market price fluctuations. Skuld primarily invests in internationally diversified funds, focusing on the US and developed markets, as well as private equity and hedge funds. See note 9 for details on equity investments.



Interest rate risk and currency risk

Interest rate risk is the potential for asset or liability values to change due to variations in interest rates. Currency risk arises from fluctuations in exchange rates. Skuld's real economic position is stable against interest rate changes, but these shifts impact the financial statement because claims are valued nominally, not at their net present value. Thus, higher interest rates could reduce Skuld's assets while liabilities remain constant.

The net present value of the liabilities will have the same drop, and the total effect will be limited. Surplus assets will be exposed to the same risks, as they include fixed income instruments and holdings in other currencies than USD.

The following table shows the group's interest rate sensitivity to assets as the rate increases and decreases by 0.5 % and 1.0 %:

	Adjustments in interest rate level	Effect on profit before tax
2024/25	0.50 %	-10,060
	1.00 %	-20,121
	-0.50 %	10,060
2023/24	-1.00 %	20,121
	0.50 %	-7,596
	1.00 %	-15,192
	-0.50 %	7,596
	-1.00 %	15,192

Spread risk

Spread risk arises from the sensitivity of the value of assets and liabilities to changes in the level or in the volatility of credit spreads over the risk-free interest rate term structure. Increased spreads will result in a loss in fixed income instruments. An increase in the spread 100 basis points (bps) would have the following effect on the market value of fixed income securities:

	20.02.25	20.02.24
Sensitivity at +100 bps	-4,849	-2,786

2.6.2 Counterparty default risk

Counterparty default risk is the risk that a counterparty fails to meet its obligations. Bond issuers, account receivables, bank deposits and reinsurers represent key counterparty risks. Most bond holdings are highly rated, with an average rating of AA. Minimum ratings are applied to reinsurers and banks for effective control of counterparty risk. Bank guarantees issued to the group must be rated at least A investment grade.

20.02.25	AAA	AA	A	BBB/BB/B	Not rated	Total
Fixed Income valued at fair value*	401,240	236,031	122,250	41,334	19,887	820,742
Total financial assets valued at fair value	401,240	236,031	122,250	41,334	19,887	820,742
Members and clients					81,191	81,191
Reinsurers			21,609			21,609
Other debtors					6,753	6,753
Total debtors	0	0	21,609	0	87,944	109,554
Cash at bank			189,831			189,831
Total cash at bank	0	0	189,831	0	0	189,831

*Fixed income valued at fair value in Skuld Mutual P&I Association (Bermuda) Ltd and Hydra Skuld Cell amounts to USD 198.7 million as of 20.02.25 with following rating: USD 66.7 million with rating AAA, USD 73.9 million with AA rating, USD 52.8 million with A rating, USD 4.4 with BBB rating and USD 0.8 million not rated. Look-through approach used for Funds.

20.02.24	AAA	AA	A	BBB/BB/B	Not rated	Total
Fixed Income valued at fair value*	350,250	224,624	92,674	38,091	50,105	755,744
Total financial assets valued at fair value	350,250	224,624	92,674	38,091	50,105	755,744
Members and clients					83,139	83,139
Reinsurers			16,681			16,681
Other debtors					6,160	6,160
Total debtors	0	0	16,681	0	89,298	105,979
Cash at bank			166,713			166,713
Total cash at bank	0	0	166,713	0	0	166,713

*Fixed income valued at fair value in Skuld Mutual P&I Association (Bermuda) Ltd and Hydra Skuld Cell amounts to USD 168.0 million as of 20.02.24 with following rating: USD 49.5 million with rating AAA, USD 71.5 million with AA rating, USD 36.6 million with A rating and USD 10.4 million not rated. Look-through approach used for Funds.



Solvency capital requirements for counterparty risk are given in note 3. Refer to note 6 for bad debt accruals for members and clients. According to the Association's statutes, Skuld may terminate the entry of any vessels entered on three days' notice, where the member is in breach of his obligations in respect of the payments of premiums of other sums due to the Association.

2.6.3 Liquidity risk

Liquidity risk is the risk of Skuld not meeting payment obligations. This risk is managed by investing in highly liquid financial instruments. A separate portfolio with liquid bank deposits ensures enough cash for daily obligations.

The table below shows the realisation time that applies to investment assets.

20.02.25

Assets	Market value	%	Realisation time
Cash and Equivalents	189,831	14.1%	Daily
Equities	301,211	22.4%	Maximum 20 days
Fixed Income*	820,742	61.0%	1 to 6 days
Hedge funds	15,233	1.1%	Monthly
Private Equity	2,584	0.2%	Uncertain
Infrastructure	15,940	1.2%	Quarterly
Strategic Investments in associated companies	20	0.0%	Uncertain
Total	1,345,561	100.0 %	

*Skuld Mutual P&I Association (Bermuda) Ltd and Hydra Skuld Cell's share of this investment is USD 198.7 million.

20.02.24

Assets	Market value	%	Realisation time
Cash and Equivalents	166,713	13.8%	Daily
Equities	250,908	20.8%	Maximum 20 days
Fixed Income*	755,744	62.8%	1 to 6 days
Hedge funds	13,767	1.1%	Monthly
Private Equity	3,551	0.3%	Uncertain
Infrastructure	13,636	1.1%	Quarterly
Strategic Investments in associated companies	20	0.0%	Uncertain
Total	1,204,339	100.0 %	

*Skuld Mutual P&I Association (Bermuda) Ltd and Hydra Skuld Cell's share of this investment is USD 168.0 million.

Equities and fixed income investments make up the major part of the investment portfolio. Passively managed bonds can be realised within 6 business days, and passively managed equities and commodities at mid-month and month end. Hedge funds are less liquid and have monthly openings. Private Equity funds are investments where capital is committed for a longer period of time, normally around ten years. Realisation of the invested capital before the end of the agreed life cycle implies that the invested capital must be sold in a secondary market.

The below table divides fixed income instruments, debtors and bank deposits by duration.

20.02.25	0-1 month	1-3 months*	3-12 months	1-3 years**	3-5 years	5 years <	Total
Fixed Income valued at fair value*	138,076	96,906	96,877	223,863	117,832	147,187	820,742
Total financial assets valued at fair value	138,076	96,906	96,877	223,863	117,832	147,187	820,742
Members and clients		81,191					81,191
Reinsurers			21,609				21,609
Other debtors		6,753					6,753
Total debtors	0	87,944	21,609	0	0	0	109,554
Cash at bank	189,831						189,831
Total cash at bank	189,831	0	0	0	0	0	189,831

*Fixed income valued at fair value in Skuld Mutual P&I Association (Bermuda) Ltd and Hydra Skuld Cell amounts to USD 198.7 million as of 20.02.25 with USD 171.8 within duration interval 0-3 years, and USD 27.0 million with duration over 3 years. Look-through approach used for Funds.

**Fixed income valued at fair value in Hydra Skuld Cell amounts to USD 110.1 million as of 20.02.25 with USD 108.4 within duration interval 0-3 years, and USD 1.7 million with duration over 3 years



20.02.24	0-1 month	1-3 months	3-12 months	1-3 years**	3-5 years	5 years <	Total
Fixed Income valued at fair value*	128,009	64,429	196,260	179,992	91,991	95,063	755,744
Total financial assets valued at fair value	128,009	64,429	196,260	179,992	91,991	95,063	755,744
Members and clients		83,139					83,139
Reinsurers			16,681				16,681
Other debtors		6,160					6,160
Total debtors	0	89,298	16,681	0	0	0	105,979
Cash at bank	166,713						166,713
Total cash at bank	166,713	0	0	0	0	0	166,713

*Fixed income valued at fair value in Skuld Mutual P&I Association (Bermuda) Ltd and Hydra Skuld Cell amounts to USD 103.8 million as of 20.02.24 with duration interval 0-3 months. Look-through approach used for Funds.

**Fixed income valued at fair value in Hydra Skuld Cell amounts to USD 64.2 million as of 20.02.24 with duration interval 1-3 years.

2.7 Managing financial risk

The main risk mitigation objective concerning financial risk is to reduce the likelihood of risk materialising, and to reduce the impact, should the risk materialise.

Skuld's risk appetite statement defines total risk tolerance for market risk. Investment mandates respect these limits. The investment and liquidity policy assigns clear responsibilities and ensures compliance with regulations. The investment strategy operationalises investment beliefs, policy, and mandates.

The Investment department, supported by Risk management, executes this strategy. Financial assets are managed according to market risk limits and investment strategy criteria. They serve to mitigate risk and maximize returns within set restrictions.

Funds are invested in various asset classes to improve the risk/return ratio. Fund of fund vehicles mitigate manager risk in private equity. Most equity holdings are in passively managed index tracking funds, benchmarked against an adjusted Bloomberg World Large & Mid Cap Total Return Index. This ensures a global equity market risk profile without focusing on specific sectors, countries, or regions. The index is diversified across developed and emerging countries and includes large- and mid-cap stocks.

Asset Liability Management (ALM) reduces interest and currency risks for claims liabilities through a separate portfolio of government bonds and bills issued by low-risk states. The portfolio's value changes are matched by revaluations of claims liabilities. Interest risk is managed by aligning the portfolio's duration with that of the claims liabilities, while currency risk is minimized by matching the currency composition. Derivatives like futures and forward contracts may be used to enhance matching.

The primary method for managing market risk is calculating capital requirements using the standard formula, calculated and monitored monthly by the Risk management team. To reduce risk, Skuld can reallocate assets in the investment portfolio, shifting from high-risk to low-risk classes quickly in financial markets.

Counterparty default risk is treated in the investment and liquidity process through investment and liquidity mandates, and investment and liquidity strategies. Risk limits and restrictions in these guiding documents are based on Skuld's risk appetite.

Skuld's liquidity strategy outlines the framework for managing cash to meet liabilities promptly. The risk appetite statement sets a minimum liquidity tolerance of 3% of the total investment portfolio, which is monitored by the risk management function.

In addition to the daily monitoring of the cash situation, a liquidity assessment describing monitoring activities and assessing the tolerance limit is prepared at least annually. A monthly mandate control covering the liquidity situation is also carried out.

2.8 Operational risk

Operational risk is the risk of loss from failed internal processes, personnel, or systems. The goal is to avoid or eliminate these risks. Skuld's Code of Conduct guides behaviour and decisions to control operational risk through active prevention. Risk owners ensure adequate internal controls, while Executive Management provides instructions, guidelines, and procedures for managing risk across all operations.

Operational risk management includes a bi-annual assessment process. The CRO supports risk owners and monitors activities to identify deficiencies and recommend corrective actions. Regulations require risk capital calculations for operational risk, but these do not indicate actual risk levels. Incident reporting and follow-up are crucial for controlling operational risk. The CRO and Chief Compliance Officer manage the incident reporting framework, maintain records of incidents, and monitor mitigation actions.

2.9 Other risk types

Compliance risk is the potential for financial loss or damage to reputation due to non-compliance with laws, regulations, rules, standards, and codes of conduct.

Sanctions risk is the risk of non-compliance with applicable sanctions regimes, which may result in monetary and civil penalties.

The main mitigation objective for these risk types is to avoid or eliminate occurrence.

2.10 External risks

External risks are risks arising from events outside Skuld and that are beyond its influence and control.

Regulatory risk are changes in current regulation (or imposition of new regulation) that will materially increase the cost of doing business.



External financial crime risk results from acts of a type intended to defraud, misappropriate property or circumvent the law, by a third party; includes money laundering.

Political risk is any political change that alters the expected outcome and value of a given economic action by changing the probability of achieving business objectives.

Emerging risks are new or future risks whose hazard potential is not yet reliably known and whose implications are difficult to assess.

ICT risk is defined as any reasonably identifiable circumstance in relation to the use of network and information systems which, if materialised, may compromise the security of the network and information systems, of any technology dependent tool or process, of operations and processes, or of the provision of services by producing adverse effects in the digital or physical environment. ICT risk includes the risk from pre-meditated attacks from outside parties and may lead to financial loss, business disruption and damage to reputation.

2.11 ESG risk

ESG risks refer to potential negative impacts on Skuld arising from environmental, social, and governance factors.

- I. The environmental aspect of ESG concerns the impact of Skuld's business practices on the environment and vice versa. Climate change risks, comprising physical impact and the transition to a lower carbon economy, must be considered in pricing and underwriting.
- II. The social aspect of ESG considers the impact of Skuld's operations on its employees, value chain workers, and local communities.
- iii. The governance aspect of ESG involves Skuld's operations, management, and promotion of sustainability. The primary risk here is greenwashing, which occurs when sustainability claims do not accurately represent Skuld's actual practices. Greenwashing poses reputational, regulatory, and liability risks.

2.12 Reputational risk

Reputational risk is the risk that adverse publicity regarding Skuld's business practices and associations, whether accurate or not, will cause a loss of confidence in the integrity of Skuld. The main mitigation objective for reputational risk is to avoid or eliminate occurrence.

2.13 Current risk landscape

The financial year 2024 saw a return to a normalized claims environment, which was accelerated in the second half of the year. The final month saw an unusual high number of claims being reported, especially within P&I, making 2024 a historically challenging year. This adverse development was driven mainly by a surge in reported claims in the band from USD 0.5 million to USD 2 million, along with substantial increase in cost from poolable claims.

The global geopolitical situation remains volatile, with an increased likelihood and impact of disruptive events. Shifting US policies complicate international political navigation, making business planning challenging. A key long-term trend is the conflictual relationship between the US and China, which will shape the future geopolitical landscape. Europe will increasingly need to rely on its own defense capabilities as US presence diminishes, emphasizing European unity and independence. This rivalry may also disrupt global supply chains, rewire trade flows, and increase costs for businesses and consumers, potentially slowing the global economy.

Rapid technological advancements amid escalating global tensions heighten cybersecurity risks. State-sponsored threat actors are likely to develop technology faster than open democracies can protect themselves.

Sanctions against Russia are extensive, creating substantial regulatory burdens. The parallel fleet of tankers, developed due to these sanctions, has faced several incidents over the past year. The future of both the sanctions regime and the parallel fleet is uncertain, particularly with the possibility of a peace treaty in the Russia-Ukraine war.



NOTE 3

SOLVENCY REQUIREMENTS

All figures in USD 1,000

Skuld's level of capitalisation should at all times ensure reaching strategic targets within the adopted risk appetite, as well as fulfil regulatory requirements.

The Solvency Capital Requirement (SCR) is the amount of funds Skuld is required to hold in order to operate without regulatory intervention. The absolute minimum level of own funds that is required to protect policyholders is represented by the Minimum Capital Requirement (MCR).

Capital requirements are calculated based on the standard formula specified in the Solvency II regulation.

The current solvency ratio, i.e. the ratio of available own funds to SCR, calculated with the standard formula is 190 %. The Board expects the solvency ratio to lie within 150 % to 235 %, and with a target of 200 %.

Calculation of solvency ratio is based on requirements given in the regulations, which in some instances are open to interpretation. In addition, calculations per 20 February 2025 are based on the tax framework applicable to general non-life insurers.

Skuld has based the calculation of the Group's solvency ratio per 20 February 2025 on assumptions that represent the management's best judgement at the time the financial statement is prepared, and which are reviewed on an ongoing basis. Changes to interpretations of the regulations or the proposed tax framework may lead to changes in the solvency ratio.

Solvency Capital

Skuld's eligible solvency capital includes Basic Own Funds and Ancillary Own Funds. Basic Own Funds are assets in excess of liabilities, calculated according to Solvency II principles. The main difference between the Solvency II and IFRS balance sheet is the addition of risk margin, premium provision and discounting and the exclusion of intangible assets. Skuld's Ancillary Own Funds is calculated based on Skuld's ability to levy supplementary calls on its mutual members. Ancillary Own Funds may cover up to 50% of the solvency capital requirement.

CONSOLIDATED		Eligible own funds to cover SCR	ASSOCIATION	
20.02.25	20.02.24		20.02.25	20.02.24
552,204	524,534	Tier 1	436,631	422,420
197,769	166,819	Tier 2	142,768	126,101
749,973	691,353	Total eligible own funds to meet the SCR	579,399	548,522

CONSOLIDATED		Eligible own funds to cover MCR	ASSOCIATION	
20.02.25	20.02.24		20.02.25	20.02.24
552,204	524,534	Tier 1	436,631	422,420
0	0	Tier 2	0	0
552,204	524,534	Total eligible own funds to meet the MCR	436,631	422,420



The SCR is based on different sources of risks. The main risks for Skuld are underwriting risk and market risk. Counterparty default risk and operational risk also contribute to the capital requirement. These risks are described in note 2, "Risk Management". A diversification benefit is accounted for as all risks will not occur at the same time.

CONSOLIDATED			ASSOCIATION	
20.02.25	20.02.24		20.02.25	20.02.24
307,378	272,312	Underwriting risk	175,677	179,236
171,726	130,490	Market risk	171,001	133,935
57,331	56,741	Counterparty risk	58,533	55,136
-116,679	-97,160	Diversification	-98,881	-87,804
419,756	362,382	BSCR	306,330	280,502
28,367	24,913	Operational risk	26,409	23,413
-52,584	-53,656	Loss-absorbing capacity of deferred taxes	-47,204	-51,712
395,539	333,638	SCR	285,536	252,203
749,973	691,353	Total eligible own funds to meet the SCR	579,399	548,522
354,434	357,714	Capital surplus	293,863	296,319
189.6%	207.2%	SCR margin / Solvency Ratio	202.9%	217.5%

Regulatory Minimum Capital Requirement

MCR represents the minimum level of capital required to be able to continue business going forward. In practice, authorities would intervene long before this level is reached.

CONSOLIDATED			ASSOCIATION	
20.02.25	20.02.24		20.02.25	20.02.24
552,204	524,534	Total eligible own funds to meet the MCR	436,631	422,420
131,142	113,187	MCR	74,778	75,521
421,062	411,347	Capital surplus	361,853	346,899
421.1%	463.4%	MCR margin	583.9%	559.3%

Contingency Reserve

The term Contingency Reserve has in previous years been the measurement for the Associations risk-carrying ability. As part of the implementation of Solvency II, Contingency Reserve, was discontinued in the Norwegian regulatory framework and accounting standards in 2016 and reclassified to equity in the financial statement and to eligible capital in Solvency II. Parallel with the changes in Solvency II and the accounting standards, the Norwegian Ministry of Finance has worked on harmonising the tax regulations with the new standards. In 2018, new tax regulations for Norwegian insurance companies were approved, resulting in 25 % contingency reserve recognised as deferred cessation tax and payable over a 10-year period. Skuld and the marine insurance industry have challenged these new regulations, but since the outcome is uncertain the financial statement is presented in accordance with the general tax regulations for insurance companies. At 20 February 2025 Contingency Reserve amounts to USD 562 million, while the corresponding figure per 20 February 2024 was USD 551 million.



NOTE 4

PREMIUMS AND CLAIMS

All figures in USD 1,000

CONSOLIDATED			ASSOCIATION	
2024/25	2023/24		2024/25	2023/24
		Total		
583,764	527,499	Written gross premiums*	581,007	524,741
-6,258	-10,903	Change in unearned premium provision	-6,257	-10,759
-110,167	-91,590	Reinsurance premiums	-317,557	-272,374
467,339	425,006	Premiums and calls for own account	257,193	241,609
492,215	267,759	Gross claims incurred, current policy year	455,870	284,239
40,285	12,073	Gross claims incurred, earlier policy years	32,887	-12,076
532,500	279,832	Gross claims incurred	488,757	272,163
95,339	1,574	Reinsurers' share of gross claims incurred	250,849	101,166
437,162	278,259	Claims incurred for own account	237,907	170,997
2024/25	2023/24		2024/25	2023/24
		P&I		
406,980	353,960	Written gross premiums*	404,362	351,471
493	-2,410	Change in unearned premium provision	491	-2,389
-92,732	-75,530	Reinsurance premiums	-214,726	-173,052
314,741	276,019	Premiums and calls for own account P&I	190,127	176,031
404,651	196,946	Gross claims incurred, current policy year	365,027	197,139
-5,612	-35,227	Gross claims incurred, earlier policy years	-9,737	-59,366
399,039	161,718	Gross claims incurred P&I	355,290	137,773
84,975	1,825	Reinsurers' share of gross claims incurred	163,186	31,851
314,064	159,893	Claims incurred for own account P&I	192,104	105,922
2024/25	2023/24		2024/25	2023/24
		Physical damage, FD&D and other		
176,785	173,539	Written gross premiums	176,645	173,270
-6,751	-8,493	Change in unearned premium provision	-6,748	-8,370
-17,435	-16,060	Reinsurance premiums	-102,831	-99,322
152,598	148,987	Premiums and calls for own account	67,066	65,579
87,564	70,814	Gross claims incurred, current policy year	90,843	87,100
45,897	47,300	Gross claims incurred, earlier policy years	42,624	47,290
133,461	118,114	Gross claims incurred	133,467	134,390
10,363	-252	Reinsurers' share of gross claims incurred	87,663	69,315
123,098	118,366	Claims incurred for own account	45,804	65,075

* 2023/24 after deduction of Members' Credit of 5% (USD 10 million) to Skuld's mutual members.



NOTE 5

TECHNICAL PROVISIONS

All figures in USD 1,000

CONSOLIDATED			ASSOCIATION	
2024/25	2023/24		2024/25	2023/24
986,650	1,107,176	Gross provision for outstanding claims at 21 February	920,673	1,022,687
-351,168	-308,120	Claims paid	-326,512	-306,099
447,587	203,443	Gross claims incurred, current policy year	410,799	219,296
40,285	-18,787	Gross claims incurred, earlier policy years	32,887	-18,611
-1,732	2,938	Exchange gains/losses	-1,584	3,401
1,121,621	986,650	Gross provision for outstanding claims as at 20 February	1,036,263	920,673
408,046	399,300	Reinsurers' share of provision for outstanding claims	633,466	482,162
713,575	587,349	Net provision for outstanding claims as at 20 February	402,798	438,511
100,953	95,332	Net provision for unearned premium income as at 20 February	100,797	95,174

CONSOLIDATED			ASSOCIATION	
2024/25	2023/24		2024/25	2023/24
228,422	180,732	Gross claims - International Group of P&I Clubs	226,719	179,400
129,931	113,469	Net claims - International Group of P&I Clubs	128,962	112,632

Actuarial methods

The contract with the pool and the pools reinsurers is renewed at balance date, so there is no provision for unearned premiums at the balance date.

The insurance provisions are related to claims incurred before the balance date, including provisions for both claims that are known but unsettled (RBNS) and claims incurred but not yet known (IBNR). The liabilities are undiscounted, and include both allocated and unallocated loss adjustment expenses.

Computation of IBNR uses statistical methods on historical claims data, and expert judgements from actuaries. For P&I, Skuld applies the Chain Ladder method and the Bornhuetter-Ferguson method. For some products with little historical data Skuld use a frequency-severity approach. The methods are validated periodically by computing ultimate claims costs for historical periods and measuring their ability to project the claims development. For Hull & Machinery, Skuld uses a Generalized Cape Cod model. The model is chosen because Skuld wants to calibrate against exposure and the model has flexibility in how to add expert judgements towards data observations or assumptions given. The IBNR is modelled on gross basis, disregarding the net perspective.

The booked premium provision is the difference between written and earned premium. Premium is earned linearly and is booked monthly. The average duration of the group's insurance liabilities are 3 years.

Reserve calculations for solvency purposes

The same basic principles for claims provisions are applied to the Solvency II claims provisions. These are discounted using the EIOPA risk free rates. The risk margin is added, being computed according to Solvency II regulations.

For Solvency II the premium provision is computed as the future cashflow between the Group and the member or customer, for contracts within the contract boundaries as described in Solvency II regulations. Future instalments of premiums are considered as an outgoing liability.



NOTE 6

GROSS EARNED PREMIUMS AND CALLS

All figures in USD 1,000

GROSS EARNED PREMIUMS AND CALLS BY GEOGRAPHICAL AREAS

CONSOLIDATED			ASSOCIATION	
2024/25	2023/24		2024/25	2023/24
61,016	55,256	Norway	60,565	54,833
158,899	159,974	European Economic Area (EEA)	157,927	159,024
357,592	301,366	Other areas	356,257	300,126
577,506	516,596	Total gross earned premiums and calls	574,750	513,983

BAD DEBT ACCRUALS MEMBERS AND CLIENTS

CONSOLIDATED			ASSOCIATION	
2024/25	2023/24		2024/25	2023/24
2,795	2,961	Accruals bad debt opening balance	2,795	2,961
18	-63	Realised loss during the year	18	-63
878	-102	Change accruals	878	-102
3,692	2,795	Accruals bad debt closing balance	3,692	2,795

Potential losses on reinsurers

The credit risk on reinsurers are closely monitored and all reinsurers are rated by a recognised agency. All reinsurers have a strong financial position with no ratings below A-. There has not been booked any provision for potential loss on reinsurers.



NOTE 7

OPERATING EXPENSES

All figures in USD 1,000

ACQUISITION COSTS

CONSOLIDATED			ASSOCIATION	
2024/25	2023/24		2024/25	2023/24
47,587	45,303	Commission	30,295	30,200
25,632	24,385	Underwriting expenses	25,892	24,566
4,269	4,367	Other acquisition costs	2,740	2,849
77,489	74,055	Acquisition costs	58,926	57,615

ADMINISTRATIVE EXPENSES

CONSOLIDATED			ASSOCIATION	
2024/25	2023/24		2024/25	2023/24
2,062	2,046	Facilities and services	1,433	1,478
2,052	1,809	IT	1,927	1,670
1,975	1,726	Operational expenses	9,091	7,464
17,195	16,604	Personnel costs	11,099	11,770
450	393	Other administrative expenses	425	364
23,734	22,579	Administrative expenses	23,974	22,746

The Association buys services from regional offices within Skuld group. These services are subject for a mark-up according to local transfer pricing legislations. In the consolidated figures the mark-up is eliminated.

Other administration expenses in the Association includes reallocation of expenses to the different activities within the group.



NOTE 8

FIXED- AND INTANGIBLE ASSETS

All figures in USD 1,000

CONSOLIDATED

	Intangible assets	Fixtures, cars and equipment	Real estate	Other fixed assets	Total
Cost at 20.02.24	10,527	8,895	3,313	161	22,895
Purchase / adjustment cost	4,073	509	-2	0	4,580
Sales / Scrapping	267	675	0	0	943
Cost at 20.02.25	14,332	8,728	3,311	161	26,532
Accumulated depreciation	7,254	6,791	0	0	14,045
Net book value 20.02.25	7,078	1,938	3,311	161	12,488
Depreciation this year	632	780	0	0	1,412
Depreciation period	3 - 10 Years	7 - 15 Years			
Depreciation method	Linear	Linear			

Skuld has offices in 11 locations. The lease period for these offices range from 1 to 10 years.
Rental expenses 2024/25 for these offices are USD 5.5 million.

ASSOCIATION

	Intangible assets	Fixtures, cars and equipment	Real estate	Other fixed assets	Total
Cost at 20.02.24	10,524	5,896	3,313	161	19,893
Purchase / adjustment cost	4,073	280	-2	0	4,351
Sales / Scrapping	267	609	0	0	875
Cost at 20.02.25	14,330	5,567	3,311	161	23,369
Accumulated depreciation	7,252	4,083	0	0	11,334
Net book value 20.02.25	7,078	1,485	3,311	161	12,035
Depreciation this year	620	599	0	0	1,219
Depreciation period	3 - 10 Years	7 - 15 Years			
Depreciation method	Linear	Linear			

Rental expenses 2024/25 for the Association amounts to USD 4.7 million including offices in Oslo, Bergen, Singapore, Hong Kong, Tokyo, London and Copenhagen.



NOTE 9

FINANCIAL ASSETS

CLASSIFICATION OF FINANCIAL INSTRUMENTS INTO CATEGORIES

All figures in USD 1,000

CONSOLIDATED

As of 20.02.25

Main line	Classes of financial instruments	Financial assets at FVTPL	Financial liabilities at FVTPL held for trading	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial assets at FVOCI
Equities, fixed income instruments, financial derivatives and thematic investments	Equities	301,211				
	Derivatives	156				
	Hedge funds	15,233				
	Fixed income	596,240				224,502
	Private equity	2,584				
	Infrastructure	15,940				
Other debtors	Debtors			6,753		
Creditors	Other creditors				11,893	
Other assets	Cash at bank			189,831		

As of 20.02.24

Main line	Classes of financial instruments	Financial assets at FVTPL	Financial liabilities at FVTPL held for trading	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial assets at FVOCI
Equities, fixed income instruments and thematic investments	Equities	250,908				
	Hedge funds	13,767				
	Fixed income	513,302				242,442
	Private equity	3,551				
	Infrastructure	13,636				
Other debtors	Debtors			6,160		
Creditors	Other creditors				11,920	
	Derivatives		347			
Other assets	Cash at bank			166,713		

ASSOCIATION

As of 20.02.25

Main line	Classes of financial instruments	Financial assets at FVTPL	Financial liabilities at FVTPL held for trading	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial assets at FVOCI
Equities, fixed income instruments and financial derivatives and thematic investments	Equities	301,211				
	Derivatives	156				
	Hedge funds	15,233				
	Fixed income	397,501				224,501
	Private equity	2,584				
	Infrastructure	15,940				
Other debtors	Debtors			4,191		
Creditors	Other creditors				10,329	
	Other liabilities				8,119	
Other assets	Cash at bank			141,996		

As of 20.02.24

Main line	Classes of financial instruments	Financial assets at FVTPL	Financial liabilities at FVTPL held for trading	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial assets at FVOCI
Equities, fixed income instruments and thematic investments	Equities	250,908				
	Hedge funds	13,767				
	Fixed income	345,271				242,441
	Private equity	3,551				
	Infrastructure	13,636				
Other debtors	Debtors			4,423		
Creditors	Other creditors				10,758	
	Other liabilities				8,046	
	Derivatives		347			
Other assets	Cash at bank			120,544		



FINANCIAL INSTRUMENTS AT FAIR VALUE

All figures in USD 1,000

The following hierarchy is used for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Assets measured at fair value	20.02.25	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss				
Equities	301,211	301,211		
Fixed income	596,240	596,240		
Hedge funds	15,233		15,233	
Derivatives	156		156	
Available for sale financial assets				
Private equity	2,584			2,584
Infrastructure	15,940			15,940
Financial assets measured at fair value through other comprehensive income				
Bonds	224,502	224,502		
Total	1,155,865	1,121,952	15,389	18,524

Assets measured at fair value	20.02.24	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss				
Equities	250,908	250,908		
Fixed income	513,303	513,303		
Hedge funds	13,767		13,767	
Private equity	3,551			3,551
Infrastructure	13,636			13,636
Financial assets measured at fair value through other comprehensive income				
Fixed income	242,442	242,442		
Total	1,037,606	1,006,652	13,767	17,187

Financial liability as of 20.02.24 comprise derivatives measured at level 2 fair value of USD 347 thousand.

A description of valuation of the various levels is described in more detail in note 1. Shares and units classified as level 3 include private equity funds. Fair value for the funds are mainly based on reported values from the general partner. For private equity funds the general partner usually use cash-based models or multiples in estimating the fair value. The company does not have full access to information about all elements of these valuations and therefore has no basis for determining alternative values for alternative assumptions. Private equity funds have invested in a number of underlying companies and this significantly reduces the uncertainty associated with valuation of individual fund units. There is uncertainty associated with fixed values and in the realisation of underlying investments there can be both profit and loss.

Reconciliation of movements in Level 3 of fair value measurements:

20.02.25	Private equity	Infrastructure
Financial assets		
Opening balance	3,551	13,636
Change in unrealised gains or losses	-446	804
Purchases in period	12	1,500
Disposals in period	-533	0
Closing balance	2,584	15,940



EQUITIES

All figures in USD 1,000

	Underlying currency	Purchase cost	Market / Book value
MSCI NOK Indx	NOK	137	173
MSCI ATS Indx	EUR	36	63
MSCI AUD Indx	AUD	1,212	2,142
MSCI BEF Indx	EUR	212	285
MSCI BRL Indx	BRL	683	623
MSCI CAD Indx	CAD	2,035	3,722
MSCI CAD Small Cap Indx	CAD	353	522
MSCI CHF Indx	CHF	1,329	2,865
MSCI CLP Indx	CLP	89	61
MSCI CNY Indx	CNY	3,973	4,020
MSCI COP Indx	COP	22	18
MSCI CZK Indx	CZK	13	20
MSCI DEM Indx	EUR	1,535	2,826
MSCI DKK Indx	DKK	258	767
MSCI EAFE Small Cap Indx	USD	2,483	4,597
MSCI EGP Indx	EGP	14	10
MSCI Emg Mkts Small Cap Indx	USD	1,379	2,125
MSCI ESP Indx	EUR	517	874
MSCI FIM Indx	EUR	198	298
MSCI FRF Indx	EUR	1,559	3,329
MSCI GRD Indx	EUR	69	73
MSCI HKD Indx	HKD	427	558
MSCI HUF Indx	HUF	19	39
MSCI IDR Indx	IDR	194	180
MSCI IEP Indx	EUR	56	104
MSCI INR Indx	INR	1,500	2,301
MSCI Israel Indx	ILS	184	267
MSCI ITL Indx	EUR	399	856
MSCI JPY Indx	JPY	3,227	6,435
MSCI KRW Indx	KRW	1,099	1,315
MSCI Kuwait Indx	KWD	64	105
MSCI MXN Indx	MXN	228	255
MSCI MYR Indx	MYR	202	185
MSCI NLG Indx	EUR	507	1,355
MSCI NZD Indx	NZD	35	50
MSCI PEN Indx	PEN	22	42
MSCI PHP Indx	PHP	69	67
MSCI PLN Indx	PLN	125	131
MSCI PTE Indx	EUR	51	44
MSCI Qatar Indx	QAR	96	108
MSCI RUR Indx	RUB	545	5
MSCI Saudi Arabia Indx	SAR	374	514
MSCI SEK Indx	SEK	620	1,089
MSCI SGD Indx	SGD	308	496
MSCI THB Indx	THB	169	170
MSCI TRL Indx	TRY	92	81
MSCI TWD Indx	TWD	718	2,543
MSCI UAE Indx	AED	131	186
MSCI UK Indx	GBP	2,530	4,274
MSCI ZAR Indx	ZAR	351	424
State Street World Screened	USD	90,440	148,907
USTotal Market Indx	USD	22,686	98,713
Total equities		145,577	301,211



FIXED INCOME

All figures in USD 1,000

	Underlying currency	Purchase cost	Market / Book value
Foreign fixed income			
Money Market Fund*	USD	264,383	262,546
U.S. Treasury 1-3 Year Index CTF**	USD	67,017	76,792
U.S. Treasury 3-10 Year Index CTF	USD	70,385	83,205
Long U.S. Treasury Index CTF	USD	1,492	1,782
Treasury bonds and bills		218,286	221,570
SPDR BC Emerging Markets Local Bond ETF	EUR	5,529	3,100
SPDR BC Emerging Markets Local Bond ETF	USD	1,000	724
Emerging Markets Bond Fund	USD	4,991	8,424
SSGA Global Aggregate Bond Index Fund	USD	28,735	28,033
SSGA Global Aggregate Bond Index Fund Dollar Hedged	USD	60,017	61,315
Vanguard Global Aggregate Bond ETF	USD	43,578	46,014
Pareto ESG Global Corporate Bonds	NOK	10,000	10,745
Pareto Nordic Cross Credit Fund	NOK	6,279	6,321
Alfred Berg Nordic Bond Fund	NOK	8,808	7,240
Total foreign fixed income		790,500	817,810

Norwegian fixed income

Treasury bonds and bills		2,949	2,931
Total Norwegian fixed income		2,949	2,931

Total fixed income

793,449 **820,742**

*Skuld Mutual P&I Association (Bermuda) Ltd and Hydra Skuld Cell part of this investment is USD 131.5 million

**Hydra Skuld Cell part of this investment is USD 67.3 million

THEMATIC INVESTMENTS

All figures in USD 1,000

	Underlying Currency	Committed Capital	Committed Capital USD	Purchase Cost	Market / Book value
Hedge funds					
Nordkinn fixed income macro fund (USD)	USD			4,536	6,807
Nordkinn fixed income macro fund (NOK)	NOK			8,865	8,426
Total hedge funds				13,401	15,233
Infrastructure					
JP Morgan Infrastructure Fund	USD			10,000	14,440
HPS Offshore Sustainability and Energy Transition Fund	USD	15,000	15,000	1,500	1,500
Blackrock Evergreen Infrastructure Fund	USD	15,000	15,000		
Total infrastructure				11,500	15,940
Private equity*					
Pantheon Asia Fund V LP	USD	4,000	4,000	1,868	126
Pantheon Europe Fund V 'A' LP	EUR	4,500	4,714	995	343
Pantheon Europe Fund VI LP	EUR	3,000	3,142	1,124	584
Pantheon USA Fund VII LP	USD	9,000	9,000	1,616	671
Pantheon USA Fund VIII LP	USD	4,000	4,000	525	859
Total private equity				6,129	2,584
Total thematic investments			24,856	31,030	33,757

*Totally USD 47.0 million and EUR 7.5 million has been committed to private equity. Of this USD 17.4 million and EUR 7.1 million has been called and paid.



FINANCIAL DERIVATIVES

All figures in USD 1,000

Contract description	Value date	NOK bought	USD sold	Market value
NOK/USD bought/sold with SEB	12.03.2025	30,000	2,679	19
"	11.04.2025	11,500	1,027	7
"	12.05.2025	25,500	2,277	16
"	11.06.2025	27,500	2,456	18
"	10.07.2025	26,500	2,367	17
"	12.08.2025	11,500	1,027	7
"	10.09.2025	30,000	2,681	19
"	10.10.2025	11,500	1,028	7
"	10.11.2025	25,000	2,236	15
"	02.12.2025	18,000	1,610	10
"	12.01.2026	25,500	2,282	14
"	10.02.2026	12,000	1,075	6
Total financial derivatives				156

SUBSIDIARIES

Shares in subsidiaries

The tables below set forth the Association's ownership interest in subsidiaries.
The Association controls 100% of voting rights in all subsidiaries.

Book values in USD 1,000

		Currency	Share cap.	Shares	Percent	Par value	Book value
Skuld Far East Ltd	Hong Kong	HKD	3,701,000	370,100	100 %	10	476
Skuld Services Ltd - A-shares	London	USD	1,225,000	625	100 %	1,960	1,019
Skuld Services Ltd - B-shares	London	USD		292	100 %	1	0
Vika Management AS	Oslo	NOK	35,000	100	100 %	350	0
Skuld Hellas Ltd	Piraeus	USD	40,000	500	100 %	80	0
Skuld Germany GmbH	Hamburg	EUR	25,000	1	100 %	25,000	236
Skuld North America Inc	New York	USD	1,000	10	100 %	0	1,970
Skuld Prosjekt AS	Oslo	NOK	30,000	30	100 %	1,000	0
Book value as of 20.02.25							3,701

Shares in subsidiaries owned by Skuld Mutual P&I Association (Bermuda) Ltd

			Ownership interest	
	Office	Currency	20.02.25	20.02.24
Hydra Insurance Company (Skuld Cell)	Hamilton	USD	100 %	100 %
Skuld Holding Ltd	Hamilton	USD	100 %	100 %
Skuld RE Ltd	Hamilton	USD	100 %	100 %
Skuld Investments Ltd - A-shares	London	GBP	100 %	100 %
Skuld Investments Ltd - B-shares	London	GBP	100 %	100 %

Other Investments

Assuranceforeningen Skuld (Gjensidig) is an Association Class Member of Skuld Mutual P&I Association (Bermuda) Ltd and has in accordance with the bylaws preference to receive distributions or other payments, but have no voting rights at the general meeting.



NOTE 10 PENSION

All figures in USD 1,000

The current pension scheme is a hybrid pension scheme. A hybrid pension scheme has elements from defined contribution schemes as well as from defined benefit schemes. In the member's accumulation period, the hybrid pension scheme is similar to a defined contribution scheme, while in the member's payment period it's similar to a defined benefit scheme. The association has a commitment to pay a yearly contribution for each employee of 7% of salary up to 12 times the base amount (G), and 18,1% between 7,1G and 12G. The scheme also includes entitlement to disability and children's pensions. The retirement age is 70 years. The yearly contribution is recognised as cost within administrative expenses. Number of employees in the hybrid pension scheme per 20 February 2025 is 183.

The association in Norway also has an early retirement pension agreement with the employees (born before 1952), which will pay out 85% of the salary between 66-67 years of age (65 for directors). This is a non-funded obligation, and includes 1 employee. The association in Norway also has non-funded obligations for the President & CEO. This includes early retirement pension and pension for salaries exceeding 12G. In 2022 Skuld Marine Agency AS (SMA) merged with the association and the employees included in the hybrid pension scheme was transferred to the association with the same terms.

The defined benefit pension scheme in Skuld North America Inc. only effects the net pension obligations for secured pensions, and per 28 February 2025 the scheme included 5 employees and 4 pensioners. Starting 31 December 2020 there was a plan freeze and no new employees will be added to this pension scheme.

The pension schemes for Skuld North America Inc. is included in the consolidated figures.

Investment profile of pension assets in Storebrand Livsforsikring AS:

	31.12.21	31.12.22	31.12.23	31.12.24
Shares	12.0 %	4.0 %	4.0 %	10.0 %
Bonds	9.3 %	6.0 %	7.0 %	9.0 %
HTM Bonds	39.4 %	41.0 %	45.0 %	47.0 %
Real Estate	13.3 %	14.0 %	14.0 %	11.0 %
Loan	16.5 %	18.0 %	15.0 %	12.0 %
Commercial Loans	0.0 %	0.0 %	0.0 %	2.0 %
Alternative investments & other	2.1 %	1.0 %	2.0 %	3.0 %

Value adjusted capital return in Storebrand Livsforsikring AS:

	31.12.21	31.12.22	31.12.23	31.12.24
	3.7 %	-3.1 %	1.8 %	4.8 %

	CONSOLIDATED		ASSOCIATION	
	20.02.25	20.02.24	20.02.25	20.02.24
Net pension costs				
Defined benefit pension plan:				
Current service cost	349	317	349	317
Net interest expense / (income)	235	223	220	184
Social Security Tax (SST)	109	96	109	96
Administration Cost	1	0	1	0
Past service cost	0	0	0	0
Remeasurements	0	0	0	0
Net benefit pension costs (income)	694	636	679	598
Contribution pension plan cost	3,492	3,809	2,347	2,824
Total pension costs charged to the income statement for the year	4,186	4,445	3,026	3,422
Changes in pension assumptions charged to other comprehensive income	102	-694	-4	-723
Secured Pensions	20.02.25	20.02.24	20.02.25	20.02.24
Estimated pension obligations	1,154	1,327	723	728
Pension plan assets (at market value)	-34	-39	-34	-39
Social Security Tax (SST)	0	0	0	0
Unrecognised past service cost	0	0	0	0
Unrecognised effects of actuarial gains/losses	0	0	0	0
Net pension obligations	-1,121	-1,288	-689	-689



	CONSOLIDATED		ASSOCIATION	
	20.02.25	20.02.24	20.02.25	20.02.24
Unsecured Pensions				
Estimated pension obligations	7,447	7,314	7,447	7,314
Pension plan assets (at market value)	0	0	0	0
Social Security Tax (SST)	1,422	1,397	1,422	1,397
Unrecognised effects of actuarial gains/losses	0	0	0	0
Net pension obligations	8,870	8,711	8,870	8,711
Net pension assets	-34	-39	-34	-39
Net pension obligations	10,024	10,038	9,592	9,439
Net pension obligations	9,990	9,999	9,559	9,400
Assumptions used to determine benefit obligation	20.02.25	20.02.24	20.02.25	20.02.24
Discount rate	3.90 %	3.10 %	3.90 %	3.10 %
Wage growth	4.00 %	3.50 %	4.00 %	3.50 %
Yearly increase in pension payments	2.40 % / 3.75 %	1.80 % / 3.25 %	2.40 % / 3.75 %	1.80 % / 3.25 %
Yearly increase in G	3.75 %	3.25 %	3.75 %	3.25 %
Yield on pension assets	5.30 %	4.80 %	5.30 %	4.80 %
Average turnover members over/under 40 years old	0-8 %	0-8 %	0-8 %	0-8 %
Industry tariff basis of mortality prepared by Finansnæringens Fellesorganisasjon	K2013/KU	K2013/KU	K2013/KU	K2013/KU



NOTE 11

TAXES

All figures in USD 1,000

CONSOLIDATED

Tax expense	2024/25	2023/24
Tax payable and Branch taxation	633	10,998
Change in tax previous year	-879	0
Change in deferred tax	-770	-2,449
Exchange rate differences	-4,902	-1,690
Tax expense/(income) on ordinary result	-5,917	6,859
Corporate wealth tax estimates*	6,370	
Total tax expense/(income)	453	6,859
Tax expense/(income) on other comprehensive income	-386	-1,276

Specification of tax effects resulting from temporary differences:	20.02.25		20.02.24	
	Asset	Liability	Asset	Liability
Non-current assets		463		375
Bad debt accruals	3,692		2,795	
Pensions	9,369		9,382	
Gains and losses		227		302
Other temporary differences	255		273	
Contingency reserve		95,968		135,878
Financial assets		111,795		77,218
Accumulated deficit	7,200		0	
Total	20,515	208,453	12,450	213,773
Deferred tax asset (liability)		-47,111		-50,385
Total deferred tax liability balance sheet		-47,111		-50,385

ASSOCIATION

Tax expense	2024/25	2023/24
Tax payable and branch taxation	80	10,689
Change in tax previous year	-879	0
Change in deferred tax	-734	-2,459
Exchange rate differences	-4,902	-1,693
Tax expense/(income) on ordinary result	-6,435	
Corporate wealth tax estimates*	6,370	
Total tax expense/(income)	-64	6,538
Tax expense/(income) on other comprehensive income	-352	-1,276

Tax base calculation	2024/25	2023/24
Profit before income tax	17,590	55,537
Permanent differences	-59,661	-47,263
Difference in estimated tax, previous years	-459	-730
Change in accumulated deficit	7,200	0
Change in temporary differences	32,714	34,841
Exchange rate differences	2,616	-345
Tax base	0	42,039



Specification of tax effects resulting from temporary differences:	20.02.25		20.02.24	
	Asset	Liability	Asset	Liability
Non-current assets		553		466
Bad debt accruals	3,692		2,795	
Pensions	8,865		8,707	
Gains and losses		227		302
Other temporary differences		0		0
Contingency reserve		95,968		135,878
Financial assets		111,795		77,218
Accumulated deficit	7,200		0	
Total	19,757	208,543	11,502	213,864
Deferred tax asset (liability)		-47,276		-50,591
Total deferred tax liability balance sheet		-47,276		-50,591
Spesification of tax expense on ordinary result		2024/25		2023/24
25 % tax on profit before tax		4,397		13,884
Tax effect from permanent differences		-14,915		-11,816
Changes in deferred tax		8,644		7,277
Difference in estimated tax previous years		-115		-183
Currency effect		1,924		-2,626
Tax expense for the period		-64		6,538

From 2018/19 The Association has disputed the taxation of historical contingency reserve in tax return papers. In 2022 a notice of adjustment of tax assessment was received, which has been challenged by Skuld to the Norwegian Tax Appeals Committee. No further development or change in treatment in 2024. Refer to note 1 (1.13) for further information.

*Due to uncertainty regarding wealth tax on contingency reserve, the Association has accrued for estimated potential wealth tax for the current year and certain prior years.



NOTE 12

OFF-BALANCE SHEET ITEMS

GUARANTEES

Bank Guarantees and "Club Letter of Guarantees" amounting in total to USD 1,008.1 million have been issued to claimants in connection with claims, of which the latter makes up by far the greater part. The face value of these guarantees greatly exceeds the expected payments from the related claims. The expected payments from these claims are fully covered in the provisions made for outstanding claims.



NOTE 13

SALARIES AND OTHER ADMINISTRATIVE EXPENSES

All figures in USD

	Board remuneration	Salary	Bonus	Benefits in kind	Pension cost	Total remuneration
Executive Management						
Ståle Hansen (President and CEO)		1,025,663	920,888	66,779	592,121	2,605,451
Kristian Dekke Løberg (Chief Financial Officer)		358,499	172,407	31,808	50,463	613,177
Lars Dueled (Chief Underwriting Officer)		337,798	119,951	39,822	97,328	594,899
Hilde Søbstad Løvskar (Chief Legal Officer)		224,552	81,634	29,504	42,106	377,796
Gregory Thomas (Chief Business Development Officer)		357,214	145,600	52,803	51,764	607,381
Alem Jasarevic (Chief Operating Officer)		237,175	79,245	26,892	40,213	383,524
Mattias Hedqvist (Chief Claims Officer)		287,001	100,138	29,261	50,089	466,489
Anna Erlandsen (Chief Strategy and Sustainability Officer)		219,252	42,375	35,176	40,325	337,128
Erik Myrind (Chief People Officer)		220,530	42,375	25,794	38,721	327,420
Members of the Board						
Klaus Kjærulff (Chair of the Board)	75,020					75,020
Martin Larsen (Vice Chair of the Board)	30,250					30,250
Terje Hj Michelsen (Vice Chair of the Board)	36,300					36,300
Ann-Marie Åström (Board member)	27,225					27,225
Catherine Cheung (Board member)	30,250					30,250
Gerard Patronis (Board member)	30,250					30,250
Uta Urbaniak (Board member)	30,250					30,250
Morten Bjerregaard (Employee representative)	30,250					30,250
Daria Avdeeva (Employee representative)	30,250					30,250
Total remuneration	320,045	3,267,685	1,704,612	337,838	1,003,131	6,633,310

Corporate guidelines for remunerations in Skuld apply to remunerations for all employees. The guidelines determine that total remunerations shall be given based on an overall assessment of the group's results as well as the unit's and each employee's contribution. Remuneration shall be designed in such a way that it does not contribute to cause Skuld unwanted risk. The remuneration shall be competitive, but at the same time cost-effective for Skuld. The guidelines also determine that monetary remuneration shall consist of a basic salary as well as a variable portion where appropriate. The basic salary shall be remuneration for the responsibility, demands and complexity associated with the position, while variable salary shall encourage additional performance and desired behaviour. The scheme is designed in accordance with Skuld's Reward and Recognition policy and general guidelines adopted by the Board's remuneration committee. The President and CEO has the overall responsibility for Skuld's scheme in accordance with the prevailing guidelines. The corporate guidelines for variable remuneration shall ensure that Skuld's schemes prevent excessive risk-taking as well as achieve and maintain an adequate and robust solvency ratio and long-term profitability. The scheme shall support Skuld's strategy and interest and ensure compliance with Skuld defined risk appetite.

For employees subject to regulations on remuneration, a minimum of 50 per cent of the accrued variable remuneration is divided into 3 parts with a holding period (deferred and conditional) with 1/3 each year over three years. The deferred and conditional payment will follow the provisions of the remuneration regulation. Total deferred bonus for employees subject to regulations on remuneration is USD 1,830,510.

Total remuneration for the Committee, Audit-, Election-, Risk- and Remuneration Committee is USD 238,005.

Number of employees in Skuld as of 20 February 2025 was 335.

AUDITOR'S REMUNERATION

All figures in USD

	2024/25		2023/24	
	Consolidated	Association	Consolidated	Association
Audit fee	384,666	297,085	325,337	253,866
Further assurance services	0	0	22,339	22,339
Other services	6,390	6,390	129,092	129,092
Tax services	13,247	8,489	20,632	16,041

All amounts exclusive VAT.



NOTE 14

MORTGAGES AND OTHER LOANS TO EMPLOYEES, BOARD AND OTHER

All figures in USD 1,000

Loans to Executive Management:	20.02.25
Ståle Hansen (President and CEO)	439
Kristian Dekke Løberg (Chief Financial Officer)	101
Lars Dueled (Chief Underwriting Officer)	64
Gregory Thomas (Chief Business Development Officer)	79
Alem Jasarevic (Chief Operating Officer)	43
Mattias Hedqvist (Chief Claims Officer)	54
Hilde Søbstad Løvskar (Chief Legal Officer)	43
Anna Erlandsen (Chief Strategy and Sustainability Officer)	22
Erik Myrind (Chief People Officer)	22
Total	867

There are no other loan or guarantee issued to member of the board, control committee or other bodies.

Conditions:

Interest rate:	Norwegian authorities minimum tax free interest rate
Term:	Max 3 years
Collateral:	Withheld granted bonus payment

NOTE 15

INTERCOMPANY ACCOUNTS AND TRANSACTIONS

All figures in USD 1,000

ASSOCIATION	Receivables		Payables	
	20.02.25	20.02.24	20.02.25	20.02.24
Intercompany accounts	2,369	472	8,119	8,046
	Sales		Interests	
	2024/25	2023/24	2024/25	2023/24
Skuld Hellas Ltd	2,705	2,394		
Skuld Far East Ltd	7,655	6,175		
Skuld Germany GmbH	4,039	3,626		
Skuld North America Inc	4,858	4,154	-101	-101
Skuld Services Ltd	11,750	8,558		
Skuld Investment Ltd				61
Intercompany transactions	31,007	24,907	-101	-39



NOTE 16

CASH AND BANK HOLDINGS

All figures in USD 1,000

Part of Skuld's cash holdings are restricted funds to cover employers' tax and future claim payments.

	20.02.25
Association	64,670
Consolidated	64,670

NOTE 17

SUBSEQUENT EVENTS

No subsequent events considered to have any effect on the financial statement.



To the General Meeting of Assuranceforeningen Skuld (Gjensidig)

Independent Auditor's Report

Opinion

We have audited the financial statements of Assuranceforeningen Skuld (Gjensidig), which comprise:

- the financial statements of the parent company Assuranceforeningen Skuld (Gjensidig) (the Association), which comprise the statement of financial position as at 20 February 2025, the statement of total comprehensive income, cash flow statement and statement of changes in equity for the year then ended, and notes to the financial statements, including material accounting policy information, and
- the consolidated financial statements of Assuranceforeningen Skuld (Gjensidig) and its subsidiaries (the Group), which comprise the statement of financial position as at 20 February 2025, the statement of total comprehensive income, cash flow statement and statement of changes in equity for the year then ended, and notes to the financial statements, including material accounting policies information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Association as at 20 February 2025, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 20 February 2025, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of Assuranceforeningen Skuld (Gjensidig) for 5 years from the election by the general meeting of the shareholders on 3 September 2020 for the accounting year 2020/21.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



The Group's business activities are largely unchanged compared to last year. We have not identified regulatory changes, transactions or other event that qualified as a new Key Audit Matters for our audit of the 2024/2025 financial statements. Furthermore, *Valuation of gross provision for outstanding claims* has the same characteristics and risks as in the prior year, and therefore continues to be an area of focus this year.

Key Audit Matters

How our audit addressed the Key Audit Matter

Estimation of gross provision for outstanding claim liabilities is complex and require application of management judgement. The liabilities are based on the estimated ultimate cost of all claims incurred but not settled at 20 February 2025, whether reported or not, together with the Unallocated Loss Adjustment Expenses (ULAE).

A range of methods, including statistical models, were used to determine these provisions. Underlying these methods are a number of explicit or implicit assumptions relating to the expected settlement amount and settlement patterns of claims.

We focused on this area because of management's use of judgement and the inherent complexities necessary to determine the provision for gross outstanding claims.

See note 1.8 and note 5 to the consolidated financial statements, where management explains their provisions.

To assess the calculated gross provision for outstanding claims, we performed the following procedures:

- Understood and tested both the governance process and internal controls related to the determined provisions for gross outstanding claims.
- Tested the underlying data to source documentation on a sample basis.
- Used our own actuarial specialist and applied our industry knowledge and experience to compare the methodology, models and applied assumptions to recognised actuarial practices.
- Used our own actuarial specialist to independently estimate the reserves on selected classes of business. For the selected classes, we compared our estimated reserves to those determined by management, and sought to understand any significant differences.
- For the remaining classes, we evaluated the methodology and assumptions applied, and compared the historical loss developments to reported provisions to discover any abnormality in the applied methodology.

No significant deviations were identified as a result of our audit procedures.

We also assessed and found the disclosures provided in the notes to the consolidated financial statements to be adequate and appropriate.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors'



report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events



in a manner that achieves a true and fair view.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Oslo, 8 May 2025

PricewaterhouseCoopers AS

Erik Andersen
State Authorised Public Accountant



FINANSTILSYNET
THE FINANCIAL SUPERVISORY
AUTHORITY OF NORWAY

Assuranceforeningen Skuld (gjensidig)
Postboks 1376 Vika
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26.01.2012

SAKSBEHANDLER:
Jan Erik Bakke

VÅR REFERANSE:
12/878

DERES REFERANSE:

DIR.TLF:
22 93 99 80

ARKIVKODE:
452.5

Dispensasjon - presentasjonsvaluta

Det vises til søknad av 17. januar 2012 om dispensasjon fra kravet om å presentere årsregnskapet i norske kroner iht. forskrift om årsregnskap m.m. for forsikringsselskaper § 2-7, jf. § 7-1.¹

Finanstilsynet kan dispensere fra kravet om at årsregnskapet skal presenteres i norske kroner i det enkelte tilfellet, jf. forskriften § 7-1.

Kravet om presentasjonsvaluta i NOK er begrunnet med at bruk av en annen valuta vil kunne svekke årsregnskapet som grunnlag for kontroll, analyse og statistikk for norske myndigheter. Det følger av dette at det kreves særlige grunner for å dispensere fra kravet.

Assuranceforeningen Skuld (Gjensidig) (heretter "Skuld" eller "foreningen") viser til at foreningen driver i en svært internasjonal bransje der amerikanske dollar er den valutaen som generelt benyttes. Alle regnskapstall for konkurrentene presenteres i USD noe som gjør det enklere for markedet å sammenligne finansiell status mellom foretakene. Det vises også til at den andre norske aktøren i bransjen, Assuranceforeningen Gard (Gjensidig), presenterer årsregnskapet i USD.

Skuld oppgir at 3 prosent av premieinntektene, 0,4 prosent av kravskostnadene og 0,6 prosent av forsikringstekniske avsetninger for 2011 er knyttet til NOK. Premieinntekter, kravskostnader og forsikringstekniske avsetninger i USD utgjør henholdsvis 86 prosent, 77 prosent og 78 prosent, hvilket innebærer at USD er den mest sentrale valutaen for foreningen.

Skuld viser videre til at ved omregning til NOK som presentasjonsvaluta vil verdiene i resultat og balanse i stor grad kunne variere med endringer i valutakursene. Bruk av hovedvalutaen USD som presentasjonsvaluta vil gi et mer rettviseende bilde av foreningens økonomiske stilling sammenlignet med norske kroner.

¹ FOR 1998-12-16 nr. 1241



Finanstilsynet finner at det i dette konkrete tilfellet kan gjøres unntak fra kravet om presentasjonsvaluta i norske kroner. Anførselene viser at virksomheten er internasjonal, med hovedsakelig utenlandske kunder. Alle inntekter og kostnader er hovedsakelig knyttet til andre valutaer enn den norske. Det legges til grunn at presentasjonsvaluta i USD, etter foretakets vurdering, vil gi et mer rettviseende bilde av virksomheten.

Finanstilsynet har i medhold av forskrift om årsregnskap m.m. for forsikringsselskaper § 7-1, jf. § 2-7, fattet følgende vedtak om dispensasjon:

Assuranceforeningen Skuld (Gjensidig) gis dispensasjon fra kravet om å presentere årsregnskapet i norsk valuta. Årsregnskapet skal presenteres i United States dollar (USD).

Det understrekes at dispensasjonen kun gjelder finansregnskapet og ikke myndighetsrapportering, f.eks. Forsikringsselskapenes offentlige regnskaps- og tilsynsrapportering (FORT).

For Finanstilsynet

Terje Nilsen
spesialrådgiver

Jan Erik Bakke
seniorrådgiver



DET KONGELIGE
FINANSDEPARTEMENT

Assuranseforeningen Skuld
ved Douglas Jacobsohn
Postboks 1376 Vika
0114 Oslo

Deres ref

Vår ref
06/2925 FM MHe

Dato
21.06.2007

Søknad om engelsk som regnskapsspråk

Finansdepartementet viser til Deres brev 1. juni 2006, epost 2. februar 2007 samt telefonsamtale 9. februar 2007 om søknad om dispensasjon fra regnskapslovens krav til å utarbeide årsregnskap og årsberetning på norsk språk, og om å utarbeide disse på engelsk. Det vises også til Skattedirektoratets tilrådning i brev 28. august 2006.

Departementet legger til grunn at søknaden kun gjelder dispensasjon fra krav til norsk språk i årsregnskap og årsberetning, og ikke selskapets mulighet til å utarbeide regnskapet i funksjonell valuta, jf. regnskapsloven § 3-4 første og andre ledd.

1. SKATTEDIREKTORATETS TILRÅDING

I Skattedirektoratets brev 26. juni 2006 uttales blant annet følgende om de generelle hensyn som bør være relevant ved vurderingen av dispensasjonssøknader:

"Praksis fram til nå har etter vår erfaring vært restriktiv til å benytte annet språk enn norsk i årsregnskapet. Vedrørende årsberetningen, så er adgangen til å søke om dispensasjon av nyere dato.

Ved evalueringen av regnskapsloven ble regnskapsspråk vurdert, jf. NOU 2003:23 Evaluering av regnskapsloven punkt 5.2 og Ot. prp. nr. 39 2004-2004 om endringer i regnskapsloven. Det ble gitt en forskriftadgang i § 3-4 tredje ledd som åpner for at det kan lages forskrift som tillater at et annet språk benyttes. Dette ble begrunnet med at EU-kommisjonen har foreslått et nytt "transparency" direktiv som dersom det blir vedtatt, vil begrense norske myndigheters muligheter til å stille krav om norsk språk.

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Saksbehandler
Markus Heistad
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Skattedirektoratet mener på generelt grunnlag at det fortsatt bør følges en restriktiv linje. Men andre momenter kan tale for en oppmykning av praksis. En eventuell vedtakelse av EU-kommisjonen sitt forslag til "transparency" direktiv, vil åpne for adgangen til å benytte annet språk enn norsk. Dessuten er engelsk også et språk som stadig flere av de aktuelle regnskapsbrukerne er fortrolig med.

Brukergruppen til det aktuelle regnskapet må vurderes ved en eventuell dispensasjon. Forhold som bør hensyntas kan være; norske eller utenlandske eiere, tilbys aksjene til en stor krets (børs) eller er det privateid, inngår selskapet i internasjonale forpliktende samarbeid, er virksomheten først og fremst rettet mot utlandet, hvor finansieres virksomheten mv.

Fra vårt ståsted som kontrollinstans og regnskapsbruker foretrekker vi norsk, men har ingen sterke innsigelser mot at det kan gis dispensasjon til bruk av svensk, dansk eller engelsk.

Etter Skattedirektoratets syn er det ingen sterke grunner for at dispensasjonspraksisen for årsberetningen ikke bør følge årsregnskapet.

For øvrig skal selvangivelse og ligningspapirer utarbeides på norsk språk."

Når det gjelder denne konkrete saken uttales det blant annet følgende:

"I den konkrete sak er det opplyst at 75 % av eierne er utenlandske. Søker er et gjensidig P & I forsikringsselskap med profesjonelle eiere med engelsk som arbeidsspråk. Skattedirektoratet har ingen sterke innvendinger mot at søker gis dispensasjon til å benytte engelsk språk i årsregnskapet og årsberetningen."

2. DEPARTEMENTETS VURDERING

Etter regnskapsloven § 3-4 tredje ledd skal "[å]rsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot.prp. nr. 42 (1997-1998) *Om lov om årsregnskap m.v.*, er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."



Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, kfr. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet. Offentlige myndigheter må også anses som en sentral regnskapsbruker, idet ulike myndigheter, som lignings- og tilsynsmyndigheter, benytter regnskapene som sentrale verktøy i sin kontrollvirksomhet.

Det er etter departementets vurdering derfor avgjørende at spørsmål om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, ikke på vesentlige områder fraviker fra hensynet til sentrale brukere av regnskapsinformasjon. Søkeren må dessuten som et utgangspunkt for vurderingen ha en særlig interesse i å kunne utarbeide årsregnskap og/eller årsberetning på et annet språk enn norsk. Departementet slutter seg i det vesentligste til Skattedirektoratets vurdering av hvilke momenter som vil være relevante i en slik vurdering.

Assuranseforeningen Skuld er et gjensidig forsikringsselskap som tilbyr sjøforsikring. Den største delen av selskapets virksomhet retter seg mot utlandet. Foretaket har engelsk som arbeidsspråk, og 75 % av eierne er utenlandske. Foretaket er ikke børsnotert og de særskilte reglene i gjeldende børsforskrift § 23-5 kommer ikke til anvendelse, jf. også tilsvarende regler i ny verdipapirhandellov § 5-13.

Skattedirektoratet har i brev 28. august 2006 gitt uttrykk for at det, som kontrollinstans og regnskapsbruker, ikke har vesentlige innvendinger mot at det kan gis dispensasjon til bruk av svensk, dansk eller engelsk i årsregnskap og årsberetning.

Finansdepartementets anser på denne bakgrunn ut fra en helhetsvurdering at Assuranseforeningen Skuld kan utarbeide årsregnskap og årsberetning på engelsk.

3. KONKLUSJON

Finansdepartementet gir Assuranseforeningen Skuld adgang til å utarbeide årsregnskap og årsberetning på engelsk, jf. regnskapsloven § 3-4 tredje ledd.

Med hilsen

Erling G. Rikheim e.f.
avdelingsdirektør

Markus Heistad
førstekonsulent

Gjenpart: Skattedirektoratet
Kredittilsynet