

# GARD MARINE & ENERGY INSURANCE (EUROPE) AS

## Statement of comprehensive income

	Q2		YTD 30.06	
	Current year 01.04.24 to 30.06.24	Previous year 01.04.23 to 30.06.23	Current year 01.01.24 to 30.06.24	Previous year 01.01.23 to 30.06.23
Amounts in USD 000's				
<b>Technical account</b>				
Gross written premium	57,352	60,732	113,847	111,144
Gross earned premium	50,589	45,528	97,621	84,549
Ceded reinsurance	(37,624)	(33,042)	(71,947)	(61,618)
<b>Earned premium for own account</b>	<b>12,965</b>	<b>12,486</b>	<b>25,674</b>	<b>22,932</b>
<b>Other insurance related income</b>	<b>130</b>	<b>96</b>	<b>266</b>	<b>178</b>
Gross incurred claims	32,653	35,843	73,826	71,778
Reinsurers' share of gross incurred claims	(20,209)	(23,778)	(47,084)	(48,025)
<b>Claims incurred for own account</b>	<b>12,444</b>	<b>12,066</b>	<b>26,741</b>	<b>23,753</b>
Acquisition costs	1,963	2,603	4,200	5,601
Agents' commission	4,933	4,320	10,000	8,745
Commission received	(7,767)	(5,914)	(14,307)	(14,240)
<b>Insurance related expenses for own account</b>	<b>(871)</b>	<b>1,010</b>	<b>(107)</b>	<b>106</b>
<b>Other insurance related expenses</b>	<b>235</b>	<b>331</b>	<b>503</b>	<b>709</b>
<b>Technical result</b>	<b>1,287</b>	<b>(824)</b>	<b>(1,197)</b>	<b>(1,458)</b>
<b>Non-technical account</b>				
Interest and similar income/(expenses)	(115)	662	(810)	1,511
Change in unrealised gain (loss) on investments	495	(1,191)	502	726
Other expenses	(3)	1	(7)	(17)
<b>Non-technical result</b>	<b>790</b>	<b>(528)</b>	<b>99</b>	<b>2,220</b>
<b>Profit before tax</b>	<b>2,077</b>	<b>(1,352)</b>	<b>(1,098)</b>	<b>762</b>
Corporate income tax	739	(88)	908	(412)
<b>Net result</b>	<b>1,339</b>	<b>(1,264)</b>	<b>(2,007)</b>	<b>1,174</b>

# GARD MARINE & ENERGY INSURANCE (EUROPE) AS

## Balance sheet

Amounts in USD 000's	As at 30.06.24	As at 31.12.23
<b>Assets</b>		
<b>Investments</b>		
<i>Financial investments at fair value through profit or loss</i>		
Equities and investment funds	3,275	3,070
Interest-bearing securities and funds	132,856	134,548
Other financial investments	1	1
<b>Total investments</b>	<b>136,132</b>	<b>137,619</b>
<b>Reinsurers' share of technical provisions</b>		
Reinsurers' share of gross premium reserve	72,993	59,751
Reinsurers' share of gross claims reserve	138,223	137,242
<b>Total reinsurers' share of technical provisions</b>	<b>211,216</b>	<b>196,994</b>
<b>Receivables</b>		
<i>Receivables from direct insurance operations</i>		
Policyholders	1,029	1,008
Intermediaries	91,371	91,079
<i>Receivables from reinsurance operations</i>		
Receivables from reinsurance operations	0	126
<i>Other receivables</i>		
Other receivables	394	0
Other receivables from group companies	10,711	883
<b>Total receivables</b>	<b>103,506</b>	<b>93,095</b>
<b>Other assets</b>		
Cash and cash equivalents	12,917	12,023
Other financial assets	6,735	6,587
<b>Total other assets</b>	<b>19,652</b>	<b>18,610</b>
<b>Prepayments and accrued income</b>		
Accrued income and other prepayments	9,516	10,126
<b>Total prepayments and accrued income</b>	<b>9,516</b>	<b>10,126</b>
<b>Total assets</b>	<b>480,021</b>	<b>456,443</b>

# GARD MARINE & ENERGY INSURANCE (EUROPE) AS

## Balance sheet

Amounts in USD 000's	As at 30.06.24	As at 31.12.23
<b>Equity and liabilities</b>		
<b>Equity</b>		
Statutory reserve	63,262	63,262
Other equity	25,654	27,661
<b>Total equity</b>	<b>88,916</b>	<b>90,923</b>
<b>Technical provisions</b>		
Gross premium reserve	100,694	84,468
Gross claims reserve	202,196	196,878
<b>Total technical provisions</b>	<b>302,890</b>	<b>281,345</b>
<b>Provisions for other liabilities</b>		
Income tax payable	0	312
Deferred tax	1,862	1,079
<b>Total provisions for other liabilities</b>	<b>1,862</b>	<b>1,391</b>
<b>Payables</b>		
Payables arising out of direct insurance operations	3,049	10,739
Payables arising out of reinsurance operations	2,746	1,575
Payables arising out of reinsurance operations - group companies	65,189	57,291
Payables to group companies	78	510
Other payables	1,110	478
<b>Total payables</b>	<b>72,172</b>	<b>70,594</b>
<b>Accruals and deferred income</b>		
Accruals and deferred income	14,182	12,191
<b>Total accruals and deferred income</b>	<b>14,182</b>	<b>12,191</b>
<b>Total liabilities</b>	<b>391,105</b>	<b>365,521</b>
<b>Total equity and liabilities</b>	<b>480,021</b>	<b>456,443</b>

# GARD MARINE & ENERGY INSURANCE (EUROPE) AS

## Statement of changes in equity

Amounts in USD 000's	Statutory reserve	Other equity	Total
<b>Equity as at 01.01.2023</b>	<b>63,262</b>	<b>22,641</b>	<b>85,903</b>
Net result	0	5,020	5,020
<b>Equity as at 31.12.2023</b>	<b>63,262</b>	<b>27,661</b>	<b>90,923</b>
<b>Equity as at 01.01.2024</b>	<b>63,262</b>	<b>27,661</b>	<b>90,923</b>
Net result	0	(2,007)	(2,007)
<b>Equity as at 30.06.2024</b>	<b>63,262</b>	<b>25,654</b>	<b>88,916</b>

# GARD MARINE & ENERGY INSURANCE (EUROPE) AS

## Statement of cash flow

Amounts in USD 000's	01.01.24 to 30.06.24	01.01.23 to 30.06.23
<b>Cash flow from operating activities</b>		
Profit (loss) before tax	(1,098)	762
Tax (paid)/refunded	(706)	(411)
Change in unrealised gain/(loss) on investments	(502)	(96)
Change in receivables and payables	(8,980)	10,777
Change in technical provisions and other accruals	9,923	17,778
Financial investments	1,989	(24,222)
Change in valuation due to change in exchange rates	265	0
<b>Net cash flow from operating activities</b>	<b>890</b>	<b>4,588</b>
<b>Net cash flow from investment activities</b>	<b>0</b>	<b>0</b>
<b>Net cash flow from financial activities</b>	<b>0</b>	<b>0</b>
Net change in cash and cash equivalents	890	4,585
Cash and cash equivalents at beginning of period	12,023	11,495
<b>Cash and cash equivalents at end of period</b>	<b>12,917</b>	<b>16,084</b>

# GARD MARINE & ENERGY INSURANCE (EUROPE) AS

## Notes to the accounts

### Note 1 - Accounting policies

#### Corporate information

Gard Marine & Energy Insurance (Europe) AS ("the Company") is a wholly owned subsidiary of Gard Marine & Energy Ltd ("Gard M&E Ltd."). The Company is registered and domiciled in Norway and licensed by the Norwegian Ministry of Finance to carry out direct insurance of Marine and Energy risks.

Gard Marine & Energy Insurance (Europe) AS is consolidated into the accounts of Gard M&E Ltd. and the consolidated accounts are available at the office of Gard M&E Ltd's management company Lingard Ltd in Bermuda.

The Company has established a branch in UK and Finland.

#### Basis of preparation of the Accounts

The quarterly accounts includes activity from 1 January 2024 to 30 June 2024.

The quarterly accounts have been prepared in accordance with Regulations for annual accounts for general insurance companies approved by the Norwegian Ministry of Finance.

The financial statements of insurance companies with operation in Norway are subject to regulations established by the Norwegian Ministry of Finance. According to a resolution from the Financial Supervisory Authority of Norway the Company has been given dispensation to present the financial statements in the English language and in USD currency.

The accounts as at 30 June 2024 has not been audited.

#### Use of accounting estimates when preparing the accounts

The preparation of the accounts requires management to make estimates and assumptions that affect assets, liabilities, revenues, expenses and contingent liabilities. Due to unforeseen circumstances, these estimates may change in the future. Estimates and their assumptions are considered continuously, and accounts adjusted accordingly.

Insurance contract liabilities are the main items in the balance sheet based upon judgements and estimates. Estimates have to be made both for the expected total cost of claims reported and for the expected total cost of claims incurred but not reported at the balance sheet date. Standard actuarial methods are used in estimating the total cost of outstanding claims. The actuarial method uses historical data as one of the elements in the model to estimate the future claims costs. It can take a significant period of time before the ultimate claims cost can be established with certainty.

### Note 2 – Related party transactions

#### Reinsurance agreements

The Company cedes to Gard M&E Ltd by way of reinsurance 70 per cent of the Company's Marine & Energy risk underwritten by the Company that is not reinsured elsewhere.

#### Insurance agency agreement

The operations and insurance activities of the Company are carried out by the insurance intermediaries Gard AS, Gard (UK) Ltd., and Oy Gard Baltic Ab. Gard (UK) Ltd. and Oy Gard Baltic Ab are fully owned by Gard AS. Gard AS is a fully owned subsidiary of Gard P. & I. (Bermuda) Ltd.

# GARD MARINE & ENERGY INSURANCE (EUROPE) AS

## Notes to the accounts

### Note 3 – Capital Requirements

Amounts in USD 000's	As at 30.06.24	As at 31.03.24
<b>Own funds</b>		
Ordinary share capital	62,385	62,385
Share premium account	26,531	25,192
Reconciliation reserve	3,448	5,543
Net deferred tax assets	0	0
<b>Excess of assets over liabilities</b>	<b>92,364</b>	<b>93,120</b>
Tier 1 - Unrestricted	92,364	93,120
Tier 1 - Restricted	0	0
Tier 3 - Net deferred tax assets	0	0
<b>Total basic own funds / (equal to Excess of assets over liabilities)</b>	<b>92,364</b>	<b>93,120</b>
Total available own funds to meet the SCR	92,364	93,120
Total available own funds to meet the MCR	92,364	93,120
Total eligible own funds to meet the SCR	92,364	93,120
Total eligible own funds to meet the MCR	92,364	93,120
SCR	40,955	38,642
MCR	16,344	15,680
<b>Ratio of eligible own funds to SCR</b>	<b>226%</b>	<b>241%</b>
<b>Ratio of eligible own funds to MCR</b>	<b>565%</b>	<b>594%</b>
<b>Minimum Capital Requirement (MCR)</b>		
Linear MCR	16,344	15,680
SCR	40,955	38,642
MCR cap (45% of SCR)	18,430	17,389
MCR floor (25% of SCR)	10,239	9,660
Combined MCR	16,344	15,680
Absolute floor of the MCR	4,248	4,248
<b>MCR</b>	<b>16,344</b>	<b>15,680</b>
<b>Solvency Capital Requirement (SCR)</b>		
Market risk	2,806	1,600
Counterparty default risk	15,245	14,924
Non-life underwriting risk	44,374	42,259
Diversification	(16,788)	(14,822)
<b>Basic SCR</b>	<b>45,637</b>	<b>43,961</b>
<b>Calculation of SCR</b>		
Adj - Loss Absorbing Capacity of Deferred Tax	(12,612)	(12,561)
Operational risk	7,930	7,242
<b>SCR</b>	<b>40,955</b>	<b>38,642</b>

The eligible own funds are calculated based on a partial internal model approved by the Financial Supervisory Authority of Norway (Finanstilsynet).

Board of Directors

**Gard Marine & Energy Insurance (Europe) AS**

30 September 2024

Trond Eilertsen

Chairman

Turid Grotmoll

Nils Aden

Ian Beveridge

Marit Lunde