

P/F reg. nr. 6115

P/F NORDIKLÍV LÍVSTRYGGINGARFELAG

HÁLVÁRSFRÁSØGN
INTERIM REPORT

1. HÁLVÁR 2023
H1 2023

NORDIKLÍV

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Notes to users of the English version of this document:

- This document contains a Faroese version as well as an English version. In the event of any dispute regarding the interpretation of any part of the document, the Faroese version of the document shall prevail
- To ensure the greatest possible applicability of the English version of the document, British English terminology has been used

Upplýsingar um felagið / Company information**Felagið / The company**

Navn / Name: P/F Nordiklív Lívstryggingarfelag
Heimstaður / Domicile: Oknarvegur 5, Postboks 3048, 110 Tórshavn

Skrásetingarnúmer / Registration number: 6115
Roknskaparár / Fiscal year: 9

Nevnd / Board of directors

Turið F. Arge, nevndarforkvinna / chairwoman of the board
Christian Clemmensen, nevndarlimur / board member
Jákup Arnhold Olsen, nevndarlimur / board member

Stjórn / CEO

Anna Mohr Holm

Grannskoðarar / Auditors

PricewaterhouseCoopers, Statsautoriseret Revisionspartnerselskab
JANUAR, løggilt grannskoðanarvirki P/F

Arndis Poulsen
Innanhýsis grannskoðan / Internal auditor

5 ára yvirlit / 5-year financial highlights

Hövuðstöl kr. 1.000 / Key figures 1.000 DKK

Rakstur / Income statement

Rakstur	1. hálfvár 2023	1. hálfvár 2022	1. hálfvár 2021	1. hálfvár 2020	1. hálfvár 2019
Tryggingargjöld / Insurance premiums	9.250	7.241	7.438	6.599	6.451
Tryggingarveitingar / Insurance claims	3.836	727	2.700	3.423	1.416
Úrslit av flöguvirksemi / Result from investment activities	482	-948	-243	-174	-71
Rakstrarkostnaðir av tryggingarvirksemi / Operational cost from insurance	3.373	2.678	2.585	2.429	2.173
Úrslit av endurtrygging / Result from business ceded	-261	-433	-103	-282	-274
Tryggingartekniðskt úrslit / Technical result	2.229	2.834	1.979	137	1.124
Tryggingartekniðskt úrslit av sjúkra- og vanlukkuþrygging / Technical result from health and accident insurance	1.036	670	545	520	224
Ársúrslit / Result	3.073	2.096	1.871	171	1.047

Fígjarstöða / balance sheet

Avsetingar til tryggingar- og flöguaftalur í alt / Provisions for insurance and investment contracts Total	5.192	5.964	4.077	4.387	4.406
Eiginogn í alt / Equity Total	35.559	34.835	33.794	31.988	34.818
Ogn í alt / Assets Total	46.096	44.420	41.403	44.562	41.429

Lyklatöl / Ratios

Úrslit av flöguvirksemi í prosent av marknaðarentuþögn / Result of investment in percent of market rate products	5,9%	-13,9%	8,9%	-6,2%	10,4%
Váði á úrsliti av flöguvirksemi av marknaðarentuþögn / Risk on result of investment of market rate products	3,25	3,50	3,25	2,00	2,00
Kostnaðarprosent av avsetingum	32,5%	22,7%	34,2%	27,7%	24,7%
Kostnaðir fyrri hvönn tryggjaðan, við niðurskalering upp á 0,1 av samlagstryggingum / Cost per insured with downscaling of 0,1% of Group insurance	5.120	4.059	3.986	3.788	3.402
Kostnaðir fyrri hvönn tryggjaðan - / Cost per insured -	512	406	399	379	340
Renting av eiginogn eftir skatt / Return on equity after tax	8,8%	6,1%	5,7%	0,5%	2,9%
Solvensdeknigunur / Solvency coverage	136,3%	133,8%	130,1%	122,4%	120,9%

Sjúkra- og vanlukkuþryggingarvirksemi / Health and accident insurance

Bruttoendurgjaldsprosent / Claim ratio	24,2%	41,2%	32,4%	38,4%	47,5%
Bruttokostnaðarprosent / Gross expense ratio	21,2%	18,2%	23,4%	20,2%	33,7%
Combined Ratio / Combined Ratio	45,4%	59,4%	55,8%	58,6%	81,2%
Operating Ratio / Operating Ratio	45,4%	59,4%	55,8%	58,6%	81,2%
Lutfalsligt úrslit av endurgjaldsavsetingum brutto / Relative Run-off gains/losses, brutto	-	-	-	-	-

5 árayvirlitið er gjört við stöði í kunngerð um ársfrásagnir hjá tryggingarfelögum og tryggingarhaldfelagsskapum, (kunngerð nr. 4).

5-year highlights is done based on Order (kunngerð) of Annual Reports for insurance companies and insurance holding companies, (order no 4).

Leiðslufrágreiðing

Eigaraviðurskipti

P/F NordikLív Lívstryggingarfelag rekur pensjóns- og lívstryggingarvirksemi á færoyska marknaðinum. P/F NordikLív Lívstryggingarfelag er dóttirfelag hjá P/F BankNordik, sum eigur allan partapeningin í felagnum.

Gongdin í fyrra hálvári

Gongdin í fyrra hálvári 2023 var góð. Inntøkurnar eru hækkandi, men raksturinn hevur eisini verið merktur av øktum skaðaendurgjöldum.

Bruttotryggingargjöldini eru nú 9.250 tkr. í mun til 7.241 tkr. fyrra hálvár í 2022.

Skaðaútreiðslurnar vóru væl hægri enn í fyrra hálvári 2022. Skaðaútreiðslurnar vóru 3.836 tkr. samanborið við 727 tkr. sama tíðarskeið í fjør.

Tryggingartekniska úrslitið gjørdist 2.229 tkr. samanborið við 2.834 tkr. sama tíðarskeiði í 2022.

Úrslitið áðrenn skatt gjørdist 3.748 tkr., sum er betri enn væntað og betri enn sama tíðarskeið í fjør. Til samanberingar var úrslitið 2.556 tkr. áðrenn skatt í fyrra hálvári 2022.

Fíggjarstöðan

Fíggjarstöðan javnvigaði við 46.096 tkr. tann 30. juni 2023. Við árslok 2022 var fíggjarstöðan 42.990 tkr. Lívstryggingaravsetingar vóru 5.192 tkr. ímóti 5.800 við árslok 2022. Eginpeningurin tann 30. juni 2023 var 35.559 tkr., ímóti 34.485 tkr. við árslok 2022.

Útlitini fyri seinna hálvár 2023

Útlitini fyri restina av 2023 eru góð um verandi gongd heldur fram. Leiðslan roknað við, at úrslitið verður millum 2.000 tkr. og 4.000 tkr. Ein stór óvissa er í mun til órógvu á altjóða fíggjarmarknaðinum, sum ger at tað kann vera stórar broytingar í t.d. íløggu felagsins.

Aðrar upplýsingar

Ongar hendinger eru farnar fram síðani 30. juni 2023, sum hava avgerðandi ávirkan á rakstur og fíggjarligu stöðu felagsins.

Útveiting og vitanartilfeingi

Allar umsitingarligar uppgávur eru útveittar við útveitingaravtalum. Felagið hevur gjøgnum útveitingaravtalurnar tryggja sær, at øll sum taka sær av uppgávum felagsins hava holla vitan innan øki.

Styring av váða

Váði er í øllum viðurskiptum, sum ávirka møguleikar felagsins á ein hátt, sum gera tað truplari at rækka settu málunum. Settar eru í verk yvirskipaðar leiðreglur, sum leiðslan ansar eftir vera fylgdar.

Marknaðarváðar

Týðningarmestu váðarnir	Val í mun til váðar	Váðalækkandi virksemi
Rentuváði	<p>Málið við ílögurvirkssemi felansins er at fáa sum mest avkast við einum ásettum váðastøði, sum nevndin ásetur</p> <p>Miðað verður eftir eini skilagóðari spjaðing av íløgnum</p>	<p>Nevndin í NordikLív hevur samtykt ein ílögupolitikk, sum ásetir karmarnar fyri ílögur felagsins. Ílögupolitikkurin verður dagfærdur eftir tørvi ella í minsta lagi árliga.</p> <p>Spjaðingarváðin er avmarkaður við at spjaða ílögur felagsins í ymisk lánsbrøv.</p> <p>Gjaldfærisváðin verður avmarkaður við at hava munandi partar av íløgnum í tøkum peningi og í lánsbrøvum, sum eru skrásett í keypsskálum.</p> <p>Mótpartsváðin verður m.a. avmarkaður við at hava mørk fyri, hvussu stór íløg kann gerast í einstøkum mótparti.</p>

Tryggingarváðar

Týðningarmestu váðarnir	Val í mun til váðar	Váðalækkandi virksemi
<p>Livitið</p> <p>Deyðstíttleiki</p> <p>Avlamistíttleiki</p> <p>Spjaðing</p>	<p>Lønandi virkssemi á øllum tryggingarproduktum.</p> <p>Váðaspjaðing millum tryggingar- og kundabólkar</p> <p>Avmarkandi úrslitsávirkan frá einstøkum skaðahendingum við endurtrygging</p>	<p>Felagið brúkar prísásetingaramboð, sum taka hædd fyri váðunum og marknaðar-støðuni.</p> <p>Greiðar inntekningarreglur.</p> <p>Váðajavning við endurtrygging og við hámmørkum fyri ymsum tryggingardekningum.</p> <p>Gott dátugrundarlag</p>

Operasjonellur váði

Týðningarmestu váðarnir	Val í mun til váðar	Váðalækkandi virksemi
<p>KT-váðar</p> <p>Løgfrøðiligir váðar</p> <p>Umsitingarligir váðar</p> <p>Svik</p> <p>Umdømi</p> <p>Strategi</p>	<p>Ásannað verður, at ikki slepst undan rakstrarligum váðum, men hesir skulu avmarkast til støðið, sum nevndin góðtekur.</p>	<p>Felagið avmarkar operasjonella váðan við leiðreglum, innaneftirliti og funksjónskilnaði. Hetta verður alsamt endurskoðað og dagført.</p> <p>Harumframt fylgir felagið neyvt við gongdini á marknaðinum fyri at tryggja, at prísir og tænaustøði eru kappingarfør.</p> <p>Stórir dentur verður lagdur á góða kundatænastu umframt opinleika og gjøgnumskygni í samskiftinum við kundan.</p>

Kapitalur

Kapitalstyrkin hjá NordikLív í mun til tryggingarskyldurnar er sæst í yvirlitinum niðanfyri:

DKK 1.000	30. juni 2023	30. juni 2022
Eginogn	35.559	34.835
Grundarfæfeingi	37.559	36.835
Fæfeingiskrav	27.555	27.525
Kapitalstyrki	10.003	9.310

Tann 30. juni 2023 var kapitalstyrkin hjá felagnum 10,0 mió.kr. í mun til 9,3 mió.kr. tann 30. juni 2022. Mett verður, at felagið hevur neyðugu fíggjarligu styrkina við atliti til galdandi lógarkrøv. Fæfeingiskravið er 3,7 mió evrur umroknað til 27.555 tkr.

Solvensur

Individueella solvenskravið tann 30.06.2023 var 18.123 tkr., meðan kapitalgrundarlagið til at lúka solvenskrøvini var 37.559 tkr. Hetta vísir, at solvensurin er lutfalsliga góður og á einum støði, ið leiðslan er nøgd við.

Solvensdekingurin pr. 30.06.2023 var 1,36. Solvensdekingurin pr. 30.06.2022 var 1,34.

Management's review

Purpose

The purpose of the company is to conduct pension and insurance activities on the Faroese market.

Result for the period

Developments in the first half of 2023 have been positive and are characterised by increasing income but also by higher number of claims.

Gross premium written has been steadily increasing these last years, and are now DKK 9.250t compared to DKK 7.241t in the first half of 2022.

Claims are significantly higher than in the corresponding period in 2022. Claims are DKK 3.836t in H1 2023 compared to DKK 727t in the same period last year.

The technical result was DKK 2.229t in H1 2023 compared to DKK 2.834t in the same period in 2022.

Profit before tax was DKK 3.748t, which is higher than in the same period last year, which was expected. In terms of comparison, the H1 2022 Profit before tax was DKK 2.556t.

Balance sheet

The balance was DKK 46.096 at 30 June 2023. At year-end 2022, the balance was DKK 42,990. Provisions for insurance and investment agreements was DKK 5.192. At year-end 2022 the provisions were DKK 5.800. Equity was DKK 35,559 at 30 June 2023. At year-end 2022 Equity was 34,485.

Outlook

The 2023 outlook is positive if the trends from the first half of the year continue. Premiums are expected to increase and a profit is expected to be around DKK 2,000 and DKK 4,000. The current financial turmoil can cause the financial results on investments to have an uncertain effect on the final results.

Other information

No events have occurred since 30 June 2023, which are of material significance to the company's financial or operating position.

Outsourcing and knowledge base

All administrative tasks have been outsourced under outsourcing contracts. In these outsourcing contracts, the company has ensured that everyone who is responsible for the company's tasks have thorough knowledge within these areas.

Risk management

An element of risk exists in all circumstances that affect the company's possibilities in such a way to make it difficult to reach the objectives set. General guidelines have been put into effect under the supervision and responsibility of the management.

Market risks

Most significant risks	Efforts regarding risk	Risk reducing activities
Interest risk	<p>The purpose of the company's investment activities is to achieve the best possible return with a risk level determined by the board</p> <p>A sound diversification of the investments is the target.</p>	<p>The board of directors of NordikLív have adopted an investment policy, which sets the foundation for the company's investments. The investment policy is updated when necessary or at least annually.</p> <p>Diversification risk is limited by diversifying the company's investments in various bonds.</p> <p>The liquidity risk is limited by maintaining a significant part of the investments in cash and listed bonds.</p> <p>Counterparty risk is limited e.g. by having limits on the size of an investment in individual counterparty.</p>

Insurance risks

Most significant risks	Efforts regarding risk	Risk reducing activities
<p>Life duration</p> <p>Mortality rate</p> <p>Rate of disability</p> <p>Diversification</p>	<p>Profitable activities on all insurance products.</p> <p>Risk diversification between insurance and customer groups</p> <p>Limited result effect from single damage events using reinsurance.</p>	<p>The company uses pricing tools that take risk and market situation into account.</p> <p>Clear rules for drawing-up.</p> <p>Risk diversification using reinsurance and by maintaining limits on different insurance coverage.</p> <p>Sound data foundation</p>

Operational risk

Most significant risks	Efforts regarding risk	Risk reducing activities
<p>IT-risks</p> <p>Legal risks</p> <p>Administrative risks</p> <p>Irregularities</p> <p>Reputation</p> <p>Strategy</p>	<p>There is no avoiding operational risks, however, these must be limited to a level approved by the board of directors.</p>	<p>The company limits operational risk through guidelines, internal supervision and separation of functions. This is continuously reassessed and updated.</p> <p>In addition to this, the company closely monitors market developments in order to make sure that prices are service level remain competitive.</p> <p>Great emphasis is placed on good customer service in addition to openness and transparency in communication with customers.</p>

Capital strength

NordikLív's capital strength in relation to insurance obligations is detailed in the overview below:

DKK 1,000	30 June 2023	30 June 2022
Equity	35.559	34.835
Base capital	37.559	36.835
Capital requirement	27.555	27.525
Capital strength	10.003	9.310

At 30 June 2023, the company's capital strength was DKK 10.0m compared to DKK 9.3m at 30 June 2022. It is assessed that the company has the necessary financial strength in relation to current judicial requirements. The capital requirement is EUR 3.7m, converted: DKK 27,555 thousand.

Solvency and Individual solvency requirements

The individual solvency requirement was DKK 18,123t on 30 June 2023 while the company's eligible Base Capital was DKK 37,559t. This confirms the company's relatively strong solvency ratio, of which the management is satisfied.

Solvency Ratio relative to the Capital requirement at 30 June 2023 was 1.36 and at 30 June 2022 it was 1.34.

Ownership

NordikLív is a subsidiary of BankNordik P/F, which holds all the share capital.

Rakstrarroknskapur / Income statement

Nota DKK 1.000	H1 2023	H1 2022
Tryggingargjöld brutto / Gross premiums written	9.250	7.241
Endurtryggingargjöld / Ceded insurance premiums	261	433
Tryggingargjöld fyri egna rokning í alt / Earned premiums, net of reinsurance	8.989	6.808
Rentuinntøkur og vinningsbýti vm / Interest and dividends, etc.	184	182
Virðisjavningar / Value adjustments of investment assets	391	-1.045
Rentuútreiðslur / Interest expenses	79	66
Fyrisitingarkostnaðir av fløguvirksemi / Administration cost related to investment activity	14	19
Úrslit av fløguvirksemi í alt / Total return on investments	482	-948
Útgoldnar veitingar / Claims paid	3.836	727
Tryggingarveitingar fyri egna rokning í alt / Claims incurred, net of reinsurance	3.836	727
Broyting í lívstryggingaravsetingum / Change in gross provisions for life insurance	-450	568
Broyting í lívstryggingaravsetingum fyri egna rokning í alt / Change in gross provisions for life insurance	-450	568
Útveganarkostnaðir / Acquisition costs	2.317	1.865
Fyrisitingarkostnaður / Administrative expenses	1.056	813
Rakstrarkostnaður av tryggingarvirksemi fyri egna rokning í alt / Total insurance operating expenses, net of reinsurance	3.373	2.678
Flutt úrslit av fløguvirksemi / Total return on investments	-482	948
Tryggingartekniðskt úrslit / Technical result	2.229	2.834
Tryggingartekniðskt úrslit av sjúkra- og vanlukku tryggingarvirksemi / Technical result of health and accident insurance	1.036	670
Íløguúrslit av eginognini / Return on investment allocated to equity	482	-948
Úrslit áðrenn skatt / Profit before tax	3.748	2.556
Skattur / Tax	675	460
Ársúrslit / Profit for the year	3.073	2.096
Harav tilmælt vinningsbýti / Proposed dividends	0	0
At flyta til eginogn / Retained earnings	3.073	2.096

Fíggjarstöða / Balance**Ogn / Assets**

	30. juni	31. des
Nota DKK 1.000	2023	2022
Ílöguprógv / Unit trust certificates	22.798	10.817
Lánsbrøv / Bonds	13.921	25.250
Innlán í kreditfeløgum / Cash and cash equivalents	5.434	3.975
Aðrar fíggjarligar íløgugnir í alt / Investment assets	42.153	40.043
Íløgugn í alt / Total investment assets	42.153	40.043
Íløgugn tengd at marknaðarrentuproduktum í alt / Investment certificates linked to marked interest rate products	2.850	2.688
Áogn hjá atknýttum virkjum / Receivables from affiliated parties	1.056	57
Áogn í alt / Receivables	1.056	57
Rentur tilgóðar og innvunnin leiga / Outstanding interest and rent	36	202
Tíðaravmarkingar í alt / Prepayments	36	202
Ogn í alt / Total assets	46.096	42.990

Fígjarstöða / Balance**Skyldur / Equity and liabilities**

Nota DKK 1.000	30. júní 2023	31. des 2022
Partapeningur ella ábyrgdarpeningur / Share capital	20.000	20.000
Yvirkursur við partabævaútgávu / Additional paid in capital	10.000	10.000
Framflutt úrslit / Retained earnings	5.559	2.485
Uppskot til vinningsbýti / Proposed dividends	0	2.000
Eginogn í alt / Equity	35.559	34.485
Onnur ábyrgdarlán / Other subordinated loan capital	2.000	2.000
Ábyrgdarlán í alt / Total other subordinated loan capital	2.000	2.000
Lívstryggingaravsetingar / Life insurance provisions	5.117	5.405
Avsett til skaðaendurgjöld / Gross provisions for claims	75	395
Avsetingar til tryggingar- og ílögúavtalur í alt / Total provisions for insurance and investment contracts	5.192	5.800
Skuld til atknýtt virkir / Debt to related parties	2.129	129
Beinleiðis skattur / Tax	1.058	383
Onnur skuld / Other payables	158	192
Skuld í alt / Total debt	3.345	705
Skyldur í alt / Total equity and liabilities	46.096	42.990

Notur / Notes

Nota 1 - Nýttur roknskaparháttur

Hálvársfrásøgnin hjá P/F Nordiklív Lívstryggingarfelag er gjørd sambært Løgtingslóg um tryggingarvirksemi og kunngerð nr. 4 frá 27. juni 2018 um ársfrásagnir hjá tryggingarfeløgum og haldsfelagsskapum.

Nýtti roknskaparhátturin er óbroyttur í mun til ársroknskapin fyri 2022. Víst verður tí eisini til brotið um nýttan roknskaparhátt í ársroknskapi felagsins fyri 2022.

Granskoðan ella gjøgnumgongd

Hálvársfrásøgnin er ikki granskoðað ella gjøgnumgingin

Note 1 - Basis of preparation of the H1 financial statements

The interim financial statement of P/F Nordiklív Lívstryggingarfelag has been prepared in accordance with The Insurance Act (Tryggingarlógin) and Executive Orders no. 4 from 27 June, 2018 on financial reports presented by insurance companies and holding companies.

The accounting policies are unchanged in respect to the Annual Report for 2022. For reference see also the section with Accounting Policies in the 2022 Annual Report.

Audit and review

No audit or review has been done to this interim report by the internal or external auditors.

Leiðsluátekning

Nevnd og stjórn hava í dag viðgjørt og góðkent hálvársfrásøgnina fyri 2023 hjá P/F NordikLív Lívstryggingarfelag.

Hálvársfrásøgnin er gjørd í samsvari við lóg um tryggingarvirksemi.

Vit meta, at hálvársroknskapurin gevur eina rættvísandi mynd av felagsins ognum og skyldum, fíggarstøðuni tann 30. juni 2023 og úrsliti av virksemi felagsins fyri tíðarskeiðið 1. januar 2023 til 30. juni 2023.

Okkara fatan er, at leiðslufrágreiðingin inniheldur eina rættvísandi frágreiðing um gongdina í P/F NordikLív Lívstryggingarfelag og fíggarligu støðuni og eina lýsing av teim týðningarmestu váðunum og óvissu tættunum, sum kunnu koma at ávirka felagið.

Tórshavn, tann 25. august 2023

Stjórn:

Anna Mohr Holm

Nevnd:

Turið F. Arge
Forkvinna

Christian Clemmensen

Jákup Arnhold Olsen

Statement by the management

The Board of Directors and the Management Board have today considered and approved the interim report of P/F NordikLív Lívstryggingarfelag for the six months ended 30 June 2023.

The interim financial statements have been prepared in accordance to the regulatory requirements.

In our opinion, the management's report includes a true and fair view of the company's assets and liabilities, and the balance sheet at 30 June 2023 and of the result of the company's operations for the period 01 January 2023 to 30 June 2023.

We consider the management's report to give a fair representation of the development of P/F NordikLív Lívstryggingarfelag and describes significant risks and elements of uncertainty that it faces.

Tórshavn 25 August 2023

Executive Board: _____
Anna Mohr Holm

Board of Directors: _____ _____ _____
Turið F. Arge Christian Clemmensen Jákup Arnhold Olsen
Chairwoman of the board