

Q2

Half-Year Financial Report

January-June 2024
7 August 2024

SAMPO  GROUP

Contents

Summary	3
Group CEO's comment	4
Outlook	5
Outlook for 2024.....	5
The major risks and uncertainties for the Group in the near-term.....	5
Financial highlights	6
Second quarter 2024 in brief	8
Business areas	10
If.....	10
Topdanmark.....	13
Hastings.....	14
Holding.....	15
Financial position	16
Group solvency.....	16
Financial leverage position.....	16
Ratings.....	16
Other developments	17
Public exchange offer for Topdanmark.....	17
Sale of holding in Saxo Bank.....	17
Shares and shareholders.....	18
Remuneration.....	18
Personnel.....	19
Events after the end of the reporting period.....	19
Key figures	22
Calculation of key figures.....	24
Tables	27
Group quarterly result.....	27
Statement of profit and other comprehensive income.....	28
Consolidated balance sheet.....	29
Statement of changes in equity.....	30
Statement of cash flows.....	31
Notes	32
Accounting principles.....	32
Result by segment for six months ended 30 June 2024.....	34
Result by segment for six months ended 30 June 2023.....	35
Balance sheet by segment at 30 June 2024.....	36
Balance sheet by segment at 31 December 2023.....	37
Other notes	38
1 Insurance service result.....	38
2 Net investment income.....	39
3 Net finance income or expense from insurance contracts.....	40
4 Other income.....	40
5 Intangible assets.....	40
6 Financial assets.....	41
7 Determination and hierarchy of fair values.....	42
8 Movements in level 3 financial instruments measured at fair value.....	48
9 Insurance contract liabilities.....	50
10 Financial liabilities.....	50
11 Discontinued operations.....	51
12 Contingent liabilities and commitments.....	52
13 Subsequent events after the balance sheet date.....	53

Sampo Group's results for January-June 2024

- Sampo Group achieved top line growth of 11 per cent in the first half on a currency adjusted basis, driven by continued strong development in all business areas
- The underwriting result decreased to EUR 580 million (598) and the combined ratio increased to 85.8 per cent (83.8) due to harsh Nordic winter conditions and elevated large claims experience
- The Group underlying combined ratio improved by 1.5 percentage points, driven by positive development across the Nordics and the UK only partly offset by a weakening in Topdanmark
- Profit before taxes increased to EUR 909 million (722), supported by strong investment returns and robust underwriting performance in the UK, while operating EPS was up 2 per cent to EUR 1.09 (1.07)
- Solvency II coverage remained strong at 179 per cent, net of announced capital deployment and dividend accrual, and financial leverage amounted to 26.1 per cent
- On 17 June 2024, Sampo announced a recommended public exchange offer for Topdanmark and a related EUR 800 million deployment of capital in share buybacks and a potential squeeze-out

Key figures

EURm	1-6/2024	1-6/2023	Change, %	4-6/2024	4-6/2023	Change, %
Profit before taxes	909	722	26	444	363	22
If	735	657	12	379	320	18
Topdanmark	112	105	7	49	42	17
Hastings	71	27	163	45	17	155
Holding	-10	-60	—	-29	-15	—
Net profit for the equity holders	653	575	13	310	304	2
Operating result	549	546	1	296	285	4
Underwriting result	580	598	-3	321	306	5
			Change, %			Change, %
Earnings per share (EUR)	1.30	1.13	15	0.62	0.60	3
Operating EPS (EUR)	1.09	1.07	2	0.59	0.56	5

Net profit for the equity holders and earnings per share for January-June 2023 include result from life operations. The figures in this report have not been audited.

Sampo Group key financial targets for 2024-2026

Target	1-6/2024
Operating EPS growth: over 7% (period average)	2%
Group combined ratio: below 85%	85.8%
Solvency ratio: 150-190%	179% (including dividend accrual)
Financial leverage: below 30%	26.1%

Financial targets for 2024-2026 announced at the Capital Markets Day on 6 March 2024.

Group CEO's comment

Sampo's solid second quarter performance ran along the now-familiar themes of strong premium growth and positive underlying margin development, driven by underwriting discipline and execution on our key operational initiatives. Profit before taxes was up 22 per cent year-on-year. The announced offer for the remaining shares in Topdanmark is another milestone on our journey that unlocks new levers for operational value creation.

The second quarter saw a continuation of the bifurcation in performance amongst the Nordic P&C insurers, with the large, pan-regional groups, including Sampo, delivering strong results despite pockets of challenging claims trends. It is tempting to attribute of our strength squarely to scale and diversification, but these qualities only provide a firm basis for value creation when paired with operational excellence. As I explain below, our success rests on long-term investments into our operational capabilities and customer offering, and on the underwriting and customer service cultures that we foster.

Let me start with growth. Sampo delivered FX-adjusted top line growth of 11 per cent in the quarter, despite continued low new car sales volumes, on the back of investments made into areas such as the UK, personal insurance and SME. Premium growth was also supported by continued very high retention, reflecting the competitiveness of our prices and services and the stability of the Nordic market. Notably, customers with claims are often amongst our most satisfied. We work closely with our claims partners and invest heavily in our cooperation with these to enable us to fulfil our customer promise with speed and efficiency. On the sales side, we continue to leverage our unique capabilities to win major motor insurance distribution partnerships as these come up for renewal, including one of the largest agreements in Sweden in the second quarter.

Turning to margins, P&C insurance growth requires technical excellence, so I am pleased to report another set of solid underwriting results. In the Nordics, it is the stability of margins across business areas that really stands out; despite a harsh winter and heavy large claims burden, the first half combined ratios of our four business areas fit within 5 percentage points. This reflects the constant focus that we have in every part of the business on ensuring technical excellence. For example, we have been early to adjust prices and deductibles in Norway in response to shifting claims trends. Our stable result further illustrates our commitment to giving customers the right price, which we see as key to building long term relationships.

The second quarter underlying combined ratio improved by almost 2 percentage points, despite softening in Topdanmark, helped by strong development in the UK, where we grew the underwriting result by 37 per cent. Our UK business is benefiting from early rate increases in response to claims inflation and investments in anti-fraud and enhanced risk mix that, together with benign weather, have reduced claims frequency. However, please remember that our objective in the UK is to drive higher profits through customer and premium growth at attractive returns, not by widening margins. I am therefore delighted to see that the UK motor book returned to customer growth in the quarter. Looking ahead, underlying UK margins could both rise and fall as we adjust rates to grow profits.

Ending on a strategic note, we expect to initiate the acceptance period on the offer for Topdanmark on 9 August. The transaction would complete our transformation from a financial conglomerate to a unified P&C insurance group and represents an operational investment that enables us to improve our competitive positioning in Denmark. We aim to deliver annual pre-tax synergies of EUR 95 million that neither company can realise on its own, and to sharpen our customer proposition through complementary product and distribution expertise. The deal represents another avenue for operational value creation, to be enriched by our scale and diversification, and our financial strength will remain comfortably within target-levels, even after adjusting for the related deployment of EUR 800 million into buybacks and the potential squeeze-out.

Torbjörn Magnusson

Group CEO

Outlook

Outlook for 2024

Following the first half result, Sampo has maintained its 2024 outlook for a Group combined ratio of 83–85 per cent. The outlook excludes potential one-off integration costs related to the realisation of synergies with Topdanmark.

Sampo Group's combined ratio is subject to volatility driven by, among other factors, seasonal weather patterns, large claims and prior year development. The net financial result will be significantly influenced by capital markets' developments.

The major risks and uncertainties for the Group in the near-term

In its current day-to-day business activities Sampo Group is exposed to various risks and uncertainties, mainly through its major business units. Major risks affecting the Group companies' profitability and its variation are market, credit, insurance and operational risks. At the Group level, sources of risks are the same, although they are not directly additive due to the effects of diversification.

Uncertainties in the form of major unforeseen events may have an immediate impact on the Group's profitability. The identification of unforeseen events is easier than the estimation of their probabilities, timing, and potential outcomes. Macroeconomic and financial market developments affect Sampo Group primarily through the market risk exposures it carries via its insurance company investment portfolios and insurance liabilities and through strategic investments. Over time, adverse macroeconomic effects could also have an impact on Sampo's operational business, for example by reducing economic growth or increasing claims costs.

Inflation has fallen in 2024 with euro-area headline inflation being already relatively close to the central bank target. However, the fall in inflation has largely come from lower goods inflation and a decline in energy prices. Whereas the fall in goods inflation has been supported by easing supply-chain frictions, energy prices continue to be vulnerable to geopolitical events. Furthermore, the continued strength of Europe's labour market and rapid wage growth has kept services inflation high and could keep price pressures elevated. This creates uncertainty on whether central banks will be keeping interest rates elevated longer than expected. This may lead to both a significant slowdown in economic growth and a deterioration in the debt service capacity of businesses, households and governments, raising the risk of abrupt asset repricing in financial markets. Furthermore, the potential escalation of wars in Ukraine and the Middle East represent a major economic risk. These developments are currently causing significant uncertainties in economic and capital market development. At the same time rapidly evolving hybrid threats create new challenges for states and businesses. There are also a number of widely identified macroeconomic, political and other sources of uncertainty which can, in various ways, affect the financial services industry in a negative manner.

Sampo Group's insurance exposures in Russia or Ukraine are limited to certain Nordic industrial line clients, with coverage subject to war exclusions. On the asset side, Sampo has no material direct investments in Russia or Ukraine. Given the limited direct exposure, the biggest risk from the war in Ukraine to Sampo relates to the second order capital markets and macroeconomic effects outlined above.

Other sources of uncertainty are unforeseen structural changes in the business environment and already identified trends and potential wide-impact events. These external drivers may have a long-term impact on how Sampo Group's business will be conducted. Examples of identified trends are demographic changes, climate change, and technological developments in areas such as artificial intelligence and digitalisation including threats posed by cybercrime.

Financial highlights for January–June 2024

Sampo Group's top line growth continued to be robust throughout the first half of 2024, supported by strong development across the group. Underlying margin development remained positive but headline underwriting profitability was affected by a harsh Nordic winter in the first quarter and elevated large claims experience in the second quarter. The result benefited from a strong investment result on the back of higher interest rates and positive equity markets.

Gross written premiums and brokerage income increased by 11 per cent on a currency adjusted basis and by 10 per cent on a reported basis to EUR 5,631 million (5,097) in January-June 2024. In the Nordics, currency adjusted GWP growth amounted to 7.3 per cent, driven by high and stable retention and pricing exceeding claims inflation. Private saw 6.7 per cent currency adjusted GWP growth with continued positive development in personal insurance and property. The UK enjoyed 22 per cent top line growth on a local currency basis, supported by policy growth in both motor and home, while the large price increases taken during the second half of 2023 in response to significant claims inflation continued to earn through the P&L. Corporate lines showed healthy top line growth, with Commercial growing 5.9 and Industrial 10.4 per cent on a currency adjusted basis, driven by successful 1 January renewals and rate increases.

The underlying margin trend was positive in the first half of 2024, with 1.5 percentage point improvement in the Group underlying combined ratio on the back of positive development in both the Nordics and the UK, albeit partly offset by a weakening in Topdanmark. If reported an undiscounted adjusted risk ratio improvement of 0.3 percentage points year-on-year, supported by disciplined underwriting and rate actions to mitigate Nordic claims inflation, which remained in the lower end of the 4-5 per cent range. In the UK, motor pricing has been stable over 2024 while loss cost development has benefited from benign claims frequency trends that have offset continued elevated severity inflation. The UK operating ratio stood at 89.6 per cent (90.8) and the underwriting result grew by 49 per cent.

The first half of 2024 was affected by severe Nordic winter weather and several large property claims, leading to an adverse severe weather and large claims-effect of 5.0 percentage points on If's first half risk ratio. As this was only partly offset by the robust performance in the UK, the group underwriting result decreased by 2 per cent on a currency adjusted basis and by 3 per cent to EUR 580 million (598) on a reported basis. The Group combined ratio amounted to 85.8 per cent (83.8). The outlook for the 2024 Group combined ratio has been kept at 83–85 per cent.

Sampo Group underlying combined ratio development for January–June 2024

	1-6/2024	1-6/2023	Change
Combined ratio, %	85.8	83.8	2.0
Large claims, %	0.4	0.2	0.2
Severe weather, %	3.3	2.4	0.9
Prior year development, risk adjustment and other technical effects, %	-0.8	-3.0	2.2
Discounting effect, current year, %	-2.9	-3.2	0.3
Undiscounted underlying combined ratio, current year, %	85.8	87.3	-1.5

Large claims measured against budget but severe weather claims are reported in full; negative figures indicate a positive outcome. Severe weather includes natural catastrophes.

Negative figures for prior year development indicate positive reserve run-off. The discounting effect represents the impact of discounting of current year claims reserves on the underlying combined ratio.

The net financial result increased to EUR 445 million (229), driven by strong investment returns and positive effect from changes in discount rates. Net investment income increased to EUR 478 million (362), supported by strong fixed income and equity returns. The Group fixed income running yield stood at 4.0 per cent and mark-to-market yield at 4.7 per cent at the end of June 2024. Insurance finance income or expense (IFIE) amounted to EUR -33 million (-133), including a negative effect from unwind of discounting of EUR -120 million (-113) and a positive effect of EUR 88 million (9) from changes in discount rates.

Operating EPS increased to EUR 1.09 (1.07), as strong investment returns and capital management actions to reduce the share count offset lower underwriting results in the Nordics. Sampo targets more than 7 per cent operating EPS growth on average over 2024–2026.

The Group Solvency II ratio, net of announced capital deployment of EUR 800 million and dividend accrual, stood at 179 per cent, broadly unchanged compared to 180 per cent (pro forma) at the end of March 2024. Financial leverage amounted to 26.1 per cent, up from 24.6 per cent at the end of the first quarter mainly due to the dividend payment. Sampo targets a solvency ratio of 150–190 per cent and a financial leverage of below 30 per cent.

On 17 June 2024, Sampo announced that Sampo and Topdanmark have entered into a combination agreement, pursuant to which Sampo will make a recommended best and final public exchange offer to acquire Topdanmark. The offer is summarised in section [Other developments](#).

Sampo Group results for January–June 2024

EURm	If Topdanmark	Hastings	Holding	Elim.	Sampo Group	
GWP & brokerage income	3,502	929	1,222	—	-23	5,631
Insurance revenue, net (incl. brokerage)	2,587	722	768	—	0	4,077
Claims incurred and claims handling costs, net	-1,802	-483	-441	—	0	-2,725
Operating expenses	-395	-129	-248	—	0	-772
Underwriting result	390	110	80	—	0	580
Net investment income	381	29	24	48	-4	478
Insurance finance income or expense, net	-27	6	-12	—	0	-33
Net financial result	354	35	12	48	-4	445
Other items	-9	-34	-21	-57	4	-117
Profit before taxes	735	112	71	-10	0	909
Net profit for the equity holders						653
- of which from life operations*						-13
Combined ratio, %	84.9	84.7	89.6			85.8

Sampo Group results for January–June 2023

EURm	If Topdanmark	Hastings	Holding	Elim.	Sampo Group	
GWP & brokerage income	3,273	846	977	—	—	5,097
Insurance revenue, net (incl. brokerage)	2,466	635	584	—	—	3,686
Claims incurred and claims handling costs, net	-1,659	-403	-330	—	—	-2,392
Operating expenses	-380	-115	-200	—	—	-695
Underwriting result	427	117	54	—	—	598
Net investment income	339	37	-2	-4	-7	362
Insurance finance income or expense, net	-101	-28	-4	—	—	-133
Net financial result	238	9	-6	-4	-7	229
Other items	-8	-21	-21	-56	1	-105
Profit before taxes	657	105	27	-60	-6	722
Net profit for the equity holders						575
- of which from life operations*						70
Combined ratio, %	82.7	81.5	90.8			83.8

*) Net profit from life operations in January–June 2024 includes Topdanmark's extraordinary cost related to the sale of life business to Nordea. Net profit from life operations in January–June 2023 includes Mandatum's result.

Second quarter 2024 in brief

Strong top line growth and solid underlying performance drove the underwriting result growth in the second quarter, offsetting the negative effect from an elevated large claims outcome.

Gross written premiums and brokerage income increased by 11 per cent on a currency adjusted basis and by 12 per cent on a reported basis to EUR 2,333 million (2,081) in April-June 2024. The Nordics saw 6.7 per cent GWP growth on a currency adjusted basis, supported by all business areas. In Private, currency adjusted growth remained robust at 6.2 per cent, driven by growth in key areas such as personal insurance and property, and continued high retention. In the UK, top line growth amounted to 22 per cent on a local currency basis, while the operating environment enabled healthy policy growth of 6 per cent year-on-year. This was driven by 2 per cent growth in motor, which returned to growth in the second quarter, and 26 per cent growth in home. Commercial saw 8.4 per cent currency adjusted growth, supported on the back of price increases and strong performance within the SME portfolio, while growth in Industrial amounted 6.0 per cent, primarily driven by rate increases.

After a favourable large claims outcome at the beginning of the year, large claims had a 4.4 percentage points negative effect on If's risk ratio but this was offset by continued solid underlying development and strong top line growth, particularly in the UK. Hence, the underwriting result increased by 5 per cent on a currency adjusted and a reported basis to EUR 321 million (306), even though the Group combined ratio softened to 84.4 per cent (83.5). The Group underlying combined ratio improved by 1.9 percentage points, driven mainly by the UK, and If's undiscounted adjusted risk ratio by 0.3 percentage points year-on-year.

Sampo Group underlying combined ratio development for April-June 2024

	4-6/2024	4-6/2023	Change
Combined ratio, %	84.4	83.5	0.9
Large claims, %	2.7	2.3	0.4
Severe weather, %	0.6	2.9	-2.3
Prior year development, risk adjustment and other technical effects, %	-0.4	-4.5	4.0
Discounting effect, current year, %	-2.8	-3.5	0.7
Undiscounted underlying combined ratio, current year, %	84.3	86.3	-1.9

Large claims measured against budget but severe weather claims are reported in full; negative figures indicate a positive outcome. Severe weather includes natural catastrophes.

Negative figures for prior year development indicate positive reserve run-off. The discounting effect represents the impact of discounting of current year claims reserves on the underlying combined ratio.

The net financial result increased to EUR 180 million (106). This was primarily driven by net investment income of EUR 183 million (108), as the fixed income portfolios continued to benefit from higher running yields. IFIE was stable at EUR -3 million (-2), as the EUR -62 million (-54) negative effect from unwind of discounting was offset by EUR 54 million (70) positive effect from changes in discount rates.

Operating EPS increased to EUR 0.59 (0.56), driven by underwriting result and capital management actions.

Sampo Group results for April-June 2024

EURm	If	Topdanmark	Hastings	Holding	Elim.	Sampo Group
GWP & brokerage income	1,407	276	662	—	-12	2,333
Insurance revenue, net (incl. brokerage)	1,297	361	399	—	0	2,057
Claims incurred and claims handling costs, net	-876	-242	-221	—	1	-1,338
Operating expenses	-202	-67	-130	—	0	-399
Underwriting result	219	52	48	—	0	321
Net investment income	167	7	13	-2	-2	183
Insurance finance income or expense, net	-2	6	-6	—	0	-3
Net financial result	165	13	7	-2	-2	180
Other items	-5	-16	-10	-27	2	-57
Profit before taxes	379	49	45	-29	0	444
Net profit for the equity holders						310
- of which from life operations*						-13
Combined ratio, %	83.1	85.5	87.9			84.4

Sampo Group results for April-June 2023

EURm	If	Topdanmark	Hastings	Holding	Elim.	Sampo Group
GWP & brokerage income	1,307	242	532	—	—	2,081
Insurance revenue, net (incl. brokerage)	1,231	317	309	—	—	1,857
Claims incurred and claims handling costs, net	-830	-200	-168	—	—	-1,198
Operating expenses	-191	-57	-106	—	—	-353
Underwriting result	210	61	35	—	—	306
Net investment income	100	10	-16	18	-4	108
Insurance finance income or expense, net	13	-18	3	—	—	-2
Net financial result	112	-8	-12	18	-4	106
Other items	-2	-11	-6	-33	2	-50
Profit before taxes	320	42	17	-15	-2	363
Net profit for the equity holders						304
- of which from life operations*						41
Combined ratio, %	82.9	80.8	88.6			83.5

*) Net profit from life operations in April-June 2024 includes Topdanmark's extraordinary cost related to the sale of life business to Nordea. Net profit from life operations in April-June 2023 includes Mandatum's result.

Business areas

If

If P&C is the leading property and casualty insurer in the Nordic region, where it offers solutions in all major lines of business through its four business areas; Private, Commercial, Industrial and Baltic. If P&C's business model is based on high customer satisfaction, best in class underwriting and leveraging the scale benefits that its unified Nordic model offers. Excellent digital sales and service capabilities are a core part of If's strategy, particularly in the Private and SME Commercial market segments.

Results

EURm	1-6/2024	1-6/2023	Change, %	4-6/2024	4-6/2023	Change, %
Gross written premiums	3,502	3,273	7	1,407	1,307	8
Insurance revenue, net	2,587	2,466	5	1,297	1,231	5
Claims incurred, net	-1,660	-1,520	9	-806	-761	6
Operating expenses and claims handling costs	-537	-519	3	-272	-260	4
Insurance service result / underwriting result	390	427	-9	219	210	4
Net investment income	381	339	13	167	100	68
Insurance finance income or expense, net	-27	-101	-73	-2	13	0
Net financial result	354	238	49	165	112	47
Other items	-9	-8	10	-5	-2	119
Profit before taxes	735	657	12	379	320	18

Key figures

	1-6/2024	1-6/2023	Change	4-6/2024	4-6/2023	Change
Combined ratio, %	84.9	82.7	2.2	83.1	82.9	0.2
Cost ratio, %	20.8	21.0	-0.3	21.0	21.1	-0.2
Risk ratio, %	64.2	61.6	2.5	62.2	61.8	0.4
Large claims	0.8	0.2	0.6	4.4	3.1	1.3
Severe weather	4.2	2.6	1.5	0.4	4.0	-3.6
Risk adjustment and other technical effects, current year %	1.5	1.1	0.3	1.2	0.7	0.4
Prior year development, %	-4.0	-4.1	0.2	-3.8	-6.0	2.2
Adjusted risk ratio, current year, %	61.7	61.8	-0.1	60.0	59.8	0.1
Discounting effect, current year, %	-3.0	-3.2	0.2	-3.0	-3.4	0.4
Undiscounted adjusted risk ratio, current year, %	64.7	65.0	-0.3	62.9	63.2	-0.3
Loss ratio, %	69.7	67.3	2.4	67.6	67.4	0.1
Expense ratio, %	15.3	15.4	-0.1	15.6	15.5	0.1

All key figures in the table above are calculated on a net basis. Key ratios are based on SEK figures.

Large claims measured against budget but severe weather claims are reported in full; negative figures indicate a positive outcome. Severe weather includes natural catastrophes.

Negative figures for prior year development indicate positive reserve run-off. The discounting effect represents the impact of discounting of current year claims reserves on the risk ratio.

Underwriting performance

If reported an insurance service result of EUR 390 million (427) and a combined ratio of 84.9 per cent (82.7) for the first half of 2024. The underlying margin trend remained positive with an undiscounted adjusted risk ratio improvement of 0.3 percentage points and a reduction in the cost ratio. The second quarter was affected by several large claims in Industrial and Commercial, while severe weather claims were limited. If delivered a second quarter insurance service result of EUR 219 million (210) and the combined ratio stood at 83.1 per cent (82.9). The undiscounted adjusted risk ratio improved by 0.3 percentage points and the cost ratio reduced compared to the second quarter last year.

Premium development

If reported gross written premiums, GWP, of EUR 3,502 million (3,273) in the first six months of 2024. Excluding currency effects, premiums grew by 7.3 per cent year-on-year. Growth was robust across business areas and countries and driven primarily by rate increases exceeding Nordic claims inflation. The strong development benefited from successful 1 January renewals in business areas Industrial and Commercial with continued rate increases, and high retention. Currency adjusted premium growth in the second quarter stood at 6.7 per cent.

In January-June 2024 business area Private's currency adjusted premium growth was 6.7 per cent mainly driven by rate increases to cover claims inflation. The positive development was supported by 12 per cent growth in personal insurance, and 6 per cent growth in property insurance. Growth in the motor product was dampened by continued low new car sales volumes and stood at 5 per cent. Geographically, growth was particularly strong in Norway. Currency adjusted premium growth in the second quarter amounted to 6.2 per cent.

The retention rate in Private in the second quarter of 2024 remained at 89 per cent, despite rate adjustments. Private digital sales growth momentum continued to be strong, with an increase of 6 per cent year-on-year.

In the first six months, new car sales remained weak across the region, with numbers down by 6 per cent year-on-year for both the Nordics and If's largest market Sweden. Excluding the impact of the Swedish mobility business, currency adjusted GWP growth January-June was 7.5 per cent for Private and 7.6 per cent for If.

Currency adjusted GWP growth in Commercial for January-June 2024 was 5.9 per cent. The positive development was supported by healthy growth in all countries, with Sweden and Norway being particularly strong. Successful renewals and rate actions in line with claims inflation supported the growth. Second quarter currency adjusted GWP growth stood at 8.4 per cent and benefited from SME segment growth of 8 per cent. Commercial digital sales increased by 18 per cent year-on-year, driven by increased usage of self-service solutions and an expansion of the digital offerings.

In the first six months of 2024 Industrial saw GWP growth of 10.4 per cent on a currency adjusted basis. Inflation driven rate increases, particularly in the property segment, and a good outcome in renewals at the beginning of the year contributed to the positive development. Currency adjusted premium growth in the second quarter stood at 6.0 per cent.

If's Baltic business delivered GWP growth of 8.7 per cent in January-June 2024. The positive development was mainly driven by an increase in policy numbers and repricing initiatives to mitigate claims inflation. Growth was strong across the Baltics, particularly in Latvia and Estonia. Second quarter premium growth was 8.9 per cent.

Combined ratio development

If reported combined ratios of 84.9 per cent (82.7) and 83.1 per cent (82.9) for the first half and second quarter, respectively.

After a favourable large claims outcome in the first quarter, the second quarter saw several large claims affecting both Industrial and Commercial. Conversely, the first quarter was adversely affected by an unusually severe Nordic winter, while second quarter severe weather claims were limited. If's large claims outcome is reported as a deviation against budget, while severe weather and natural catastrophe effects are disclosed in full.

Prior year gains in the first six months stood at 4.0 per cent (4.1) and the risk adjustment and other technical effects had an impact of 1.5 percentage points (1.1). In the second quarter, prior year gains amounted to 3.8 per cent (6.0) and the risk adjustment and other technical effects amounted to 1.2 per cent (0.7). The discounting effect was 3.0 per cent (3.2), and 3.0 per cent (3.4) for the first half of the year and the second quarter respectively.

In total, the risk ratio deteriorated by 2.5 percentage points year-on-year to 64.2 per cent (61.6) in the first half of 2024. The undiscounted adjusted risk ratio improved by 0.3 percentage points year-on-year. In the second quarter the risk ratio was 62.2 (61.8), while the undiscounted adjusted risk ratio improved by 0.3 percentage points.

The cost ratio developed in line with If P&C's target for 2024-2026 of a -20 basis point yearly cost ratio reduction, both for the quarter and half-year. Education and development costs are included in the cost ratio.

	Combined ratio, %			Risk ratio, %		
	1-6/2024	1-6/2023	Change, %	1-6/2024	1-6/2023	Change, %
Private	84.6	81.9	2.6	64.0	61.0	3.0
Commercial	85.9	82.2	3.6	64.4	60.4	4.0
Industrial	86.9	88.3	-1.5	67.6	69.4	-1.8
Baltic	87.6	88.0	-0.3	61.8	61.9	-0.1
Sweden	79.0	84.1	-5.1	59.5	64.9	-5.3
Norway	84.0	86.9	-3.0	64.0	66.4	-2.3
Finland	87.5	76.4	11.2	66.1	54.2	11.9
Denmark	105.3	79.8	25.5	80.2	54.5	25.7

	Combined ratio, %			Risk ratio, %		
	4-6/2024	4-6/2023	Change, %	4-6/2024	4-6/2023	Change, %
Private	79.9	81.8	-1.9	59.2	60.8	-1.6
Commercial	87.9	80.6	7.4	66.5	58.6	7.9
Industrial	90.3	95.5	-5.2	70.4	75.9	-5.5
Baltic	85.1	85.9	-0.8	58.6	59.9	-1.3
Sweden	69.1	87.7	-18.6	49.2	68.2	-19.0
Norway	79.8	87.8	-8.0	59.9	67.3	-7.4
Finland	89.7	74.0	15.8	68.2	51.6	16.7
Denmark	129.7	74.8	54.9	104.1	49.1	55.0

Net financial result

For the first half of 2024, If reported a net financial result of EUR 354 million (238). The mark-to-market return on investments stood at 3.4 per cent (3.2), driven by increased interest rates and positive development in equity markets. The corresponding numbers for the second quarter were EUR 165 million (112) and 1.6 per cent (0.9).

The investment portfolio has gradually been reinvested at higher rates. At the end of June, fixed income running yield was 4.3 per cent (3.8), broadly unchanged from the first quarter.

In January-June 2024 the unwind of discounting amounted to EUR -87 million (-83) and changes in discount rates had an impact of EUR 64 million (-10). The second quarter the unwind of discounting was EUR -44 million (-38), and effects from changes in discount rates amounted to EUR 40 million (54).

Topdanmark

Topdanmark is one of the largest P&C insurance companies in Denmark. It focuses on the private, agricultural, and SME markets. The company is listed on Nasdaq Copenhagen.

Results

EURm	1-6/2024	1-6/2023	Change, %	4-6/2024	4-6/2023	Change, %
Gross written premiums	929	846	10	276	242	14
Insurance revenue, net	722	635	14	361	317	14
Claims incurred and claims handling costs, net	-483	-403	20	-242	-200	21
Operating expenses	-129	-115	12	-67	-57	18
Insurance service result / underwriting result	110	117	-6	52	61	-14
Net investment income	29	37	-21	7	10	-34
Insurance finance income or expense, net	6	-28	—	6	-18	—
Net financial result	35	9	311	13	-8	—
Other items	-34	-21	60	-16	-11	46
Profit before taxes	112	105	7	49	42	17

Key figures

	1-6/2024	1-6/2023	Change	4-6/2024	4-6/2023	Change
Combined ratio, %	84.7	81.5	3.2	85.5	80.8	4.6
Loss ratio, %	66.8	63.4	3.4	67.0	62.9	4.1
Expense ratio, %	17.9	18.1	-0.2	18.5	17.9	0.6

All key figures in the table above are calculated on a net basis.

Sampo plc held 44.0 million shares in Topdanmark at 30 June 2024. The holding remains unchanged from the end of March 2024 and corresponds to approximately 49.5 per cent of all outstanding shares and votes in Topdanmark (excluding Topdanmark treasury shares). The market value of the holding was EUR 2,171 million on 30 June 2024.

The first half of 2024 was marked by a high frequency of weather-related claims and a deterioration in the underlying claims ratio, with the combined ratio for Topdanmark increasing to 84.7 per cent (81.5) and underwriting result decreasing to EUR 110 million (117) in January–June 2024.

With the support of increased net financial result, Topdanmark's profit before taxes increased to EUR 112 million (105) for January–June 2024 in Sampo Group's profit and loss account. The result included one-off costs of DKK 195 million (EUR 26 million) after tax related to the agreement Topdanmark entered with Nordea on 1 May 2024 on the completion of the IT separation of Topdanmark Liv Holding A/S. At the same time, Topdanmark renewed the distribution agreement with Nordea by up to five years.

On 17 June 2024, Topdanmark and Sampo entered into a combination agreement pursuant to which Sampo will make a recommended public tender offer (share exchange offer) to the shareholders of Topdanmark. The offer period is expected to be launched on 9 August 2024. Further details on the offer are available at section [Other developments](#).

Further information on Topdanmark A/S and its January–June 2024 result is available at www.topdanmark.com.

Hastings

Hastings is one of the leading digital P&C insurance providers in the UK predominantly focused on serving UK car, van, bike and home insurance customers. Hastings has over 3 million customers and operates via its two main trading subsidiaries, Hastings Insurance Services Limited in the UK and Advantage Insurance Company in Gibraltar.

Results

EURm	1-6/2024	1-6/2023	Change, %	4-6/2024	4-6/2023	Change, %
Gross written premiums	1,028	798	29	562	435	29
Brokerage revenue	194	179	8	101	97	4
Insurance revenue, net (incl. brokerage)	768	584	32	399	309	29
Claims incurred and claims handling costs, net	-441	-330	33	-221	-168	32
Operating expenses	-248	-200	24	-130	-106	23
Underwriting result	80	54	49	48	35	37
Net investment income	24	-2	—	13	-16	—
Insurance finance income or expense, net	-12	-4	216	-6	3	—
Net financial result	12	-6	—	7	-12	—
Other items	-21	-21	0	-10	-6	86
Profit before taxes	71	27	163	45	17	155

Key figures	1-6/2024	1-6/2023	Change	4-6/2024	4-6/2023	Change
Operating ratio, %	89.6	90.8	-1.2	87.9	88.6	-0.7
Live customer policies (millions)	3.6	3.4	0.2			

All key figures in the table above are calculated on a net basis.

Hastings' gross written premium for the period increased 26 per cent year-on-year on a constant currency basis to EUR 1,028 million (798), reflecting rate increases implemented during 2023 in response to significant claims inflation, together with increases in live customer policies (LCP). Total LCP increased to 3.6 million, up 6 per cent year-on-year, as consumer usage of price comparison websites ('PCWs') remained strong. Motor policies increased by 2 per cent year-on-year after solid growth in the second quarter, while home LCP grew by 26 per cent year-on-year.

In the first six months of 2024, Hastings has observed a moderate slow-down in claims cost inflation in comparison to the prior year, with ongoing increases in settled claims costs offset by reduced claims frequencies. The reduction in claims volumes reflect both a benign weather experience and the impact of pricing and claims initiatives. The ongoing uncertainty in claims trends has been prudently reflected in the assumptions used to book the loss ratio for the first half of 2024.

The underwriting result for the first half increased by 49 per cent year-on-year to EUR 80 million (54). Operating expenses increased at a slower rate than revenue growth, predominantly driven by acquisition expenses related to higher levels of new business, alongside investment in customer service and digital initiatives. Hastings' operating ratio for the first six months of the year improved to 89.6 per cent (90.8), with an operating ratio of 87.9 per cent (88.6) for the second quarter, driven mainly by a stronger loss ratio.

The net financial result improved to EUR 12 million (-6) as a result of the higher earned interest rates on invested assets, partially offset by a higher discounting impact in 2024.

As a result of both the higher underwriting and higher net financial result, Hastings' profit before taxes increased to EUR 71 million (27). Included within other items is EUR 23 million (19) of non-operational amortisation related to intangible assets identified on acquisition of the Hastings Group by Sampo plc in 2020, without which profit before taxes would have been EUR 94 million (45).

Holding

Sampo plc is the parent company of Sampo Group and responsible for the Group's strategy and capital management activities. In addition to the Group's insurance subsidiaries, a small number of direct investments are held in the holding company.

Results

EURm	1-6/2024	1-6/2023	Change, %	4-6/2024	4-6/2023	Change, %
Net investment income	48	-4	—	-2	18	—
Other income	0	0	110	0	0	858
Other expenses	-24	-20	-20	-11	-12	11
Finance expenses	-34	-36	8	-16	-20	21
Profit before taxes	-10	-60	84	-29	-15	-93

Holding segment's profit before taxes for January-June 2024 was EUR -10 million (-60), as net investment income increased to EUR 48 million (-4) in the first half of 2024. The second quarter net investment income included a valuation change of EUR -40 million on Nexi, broadly offsetting the valuation gain of EUR 41 million on the first quarter. The second quarter valuation loss on Nexi was partly offset by gains on FX and hedging instruments.

The holding in Saxo Bank was sold to Mandatum at EUR 302 million on a transaction finalized in May. Further details on the transaction are available at [Other developments](#).

Financial position

Group solvency

Sampo Group's Solvency II ratio, net of EUR 800 million capital deployment announced on 17 June 2024 and dividend accrual based on the regular dividend of EUR 1.60 per share for 2023, amounted to 179 per cent at the end of June 2024. The Solvency II coverage stood broadly unchanged compared to 180 per cent (pro forma of demerger related transactions) at the end of the first quarter. Sampo targets a Solvency II ratio of 150-190 per cent.

During the second quarter, Sampo received approval for its Group Partial Internal Model (PIM) from the Swedish FSA (Finansinspektionen). The adoption of PIM in the Group's Solvency II calculation had a 17 percentage points positive effect on Solvency II coverage. In addition, solvency was supported by solid second quarter results and favourable market movements. Combined with the positive effect from PIM, these offset the effect of from the EUR 800 million capital deployment being deducted from own funds.

The regulatory Solvency II ratio, excluding dividend accrual, amounted to 192 per cent based on own funds of EUR 5,695 million and solvency capital requirement of EUR 2,962 million at the end of June 2024.

Financial leverage position

Sampo Group's financial leverage is calculated as Group financial debt divided by the sum of IFRS shareholders' equity and financial debt. The Group targets financial leverage of below 30 per cent.

The Group's shareholders' equity amounted to EUR 7,349 million and financial debt to EUR 2,599 million at the end of June 2024, translating into a financial leverage of 26.1 per cent, up from 24.6 per cent at the end of March 2024. The increase was driven by the dividend payment for 2023 in May. Adjusted for the dividend payment, the financial leverage improved 0.7 percentage points from 26.8 per cent, driven by second quarter results.

More information on Sampo Group's outstanding debt issues is available at www.sampo.com/debtfinancing.

Ratings

Relevant ratings for Sampo Group companies remained unchanged during the second quarter. The ratings on 30 June 2024 are presented in the table below.

Rated company	Moody's		Standard & Poor's	
	Rating	Outlook	Rating	Outlook
Sampo plc - Issuer Credit Rating	A2	Stable	A	Stable
If P&C Insurance Ltd - Insurance Financial Strength Rating	Aa3	Stable	AA-	Stable
If P&C Insurance Holding Ltd (publ) - Issuer Credit Rating	-	-	A	Stable

Other developments

Public exchange offer for Topdanmark

On 17 June 2024, Sampo announced that Sampo and Topdanmark have entered into a combination agreement, pursuant to which Sampo will make a recommended best and final public exchange offer to acquire all of the outstanding shares in Topdanmark not already owned by Sampo.

Under the terms of the offer, Topdanmark shareholders will receive 1.25 newly issued Sampo A shares in exchange for each share held in Topdanmark. Based on Sampo's closing share price of EUR 39.29 on Nasdaq Helsinki on 14 June 2024, the offer represents a value per Topdanmark share of DKK 366.38, valuing the entire outstanding share capital of Topdanmark at DKK 33 billion. The consideration represents a premium of 27 per cent to the closing share price of Topdanmark on Nasdaq Copenhagen on 14 June 2024 of DKK 289.60.

In aggregate, up to a total of 57,468,782 new A shares in Sampo will be issued as share consideration. Subject to all Topdanmark shares (not including Topdanmark shares already owned by Sampo) being tendered in the offer, the Topdanmark shareholders will receive new A shares representing in aggregate an approximate ownership of up to 10.3 per cent of Sampo.

The offer period is expected to be launched on 9 August 2024 and to expire on 9 September 2024. Sampo reserves the right to extend the offer period. Settlement and completion of the offer are expected to occur during September.

Following completion of the offer, Sampo intends to integrate Topdanmark into If P&C to strengthen its position as one of the leading insurers in the Danish P&C insurance market and to consolidate Sampo Group's leadership position in the Nordics.

The total annual pre-tax run-rate cost and revenue synergies are expected to amount to approximately EUR 95 million and expected to drive EPS accretion of approximately 6 per cent, based on 2025 consensus earnings expectations. Approximately two-thirds of the EPS accretion relates to the EUR 800 million deployed to offset share count dilution through buybacks, and for the potential squeeze out, and approximately one-third relates to pure transaction effects. The realization of synergies is expected to be phased in until 2028 and one-off integration costs are estimated at approximately EUR 150 million and expected to be incurred upfront (pending closing). Additional potential net savings from lower one-off IT investments related to Topdanmark's ongoing digital transformation (not included in run-rate synergies), may also be possible.

After the end of the reporting period, Sampo's Extraordinary General Meeting held on 9 July 2024 authorised the Board to resolve on a share issue to acquire Topdanmark shares. In addition, Sampo announced on 8 July that all necessary regulatory approvals have been obtained for the exchange offer.

Further information on the offer is available at www.sampo.com/topdanmark.

Sale of holding in Saxo Bank

On 13 May 2024, Sampo completed the sale of its 19.8 per cent stake in Saxo Bank to Mandatum, as agreed in connection with the partial demerger completed in 2023. The transaction price was EUR 302 million, representing the price agreed in the demerger adjusted for dividends received. Mandatum opted to settle the transaction in cash rather than to utilise the vendor loan of EUR 280 million offered by Sampo.

Shares and shareholders

On 17 June 2024, Sampo announced a EUR 800 million capital deployment through a new share buyback programme and potential squeeze-out of Topdanmark minority shares.

As the first step of the capital deployment, Sampo launched a buyback programme of EUR 400 million, which started on 18 June 2024 and will end no later than 31 October 2024. The maximum number of shares that can be repurchased is 20 million, corresponding to 4 per cent of the total number of shares in Sampo. The repurchased shares will be cancelled.

In January-June 2024, Sampo repurchased 857,830 own A shares through the buyback programme announced on 17 June 2024, representing 0.17 per cent of the total share count. Sampo's total share count, excluding the repurchased shares held by the company, amounted to 500,938,922 shares at the end of June 2024.

Further details on the company's share buyback programmes is available at www.sampo.com/sharebuyback.

Share count development

	A shares	of which held by the company	B shares	Total
2020	554,151,850		1,200,000	555,351,850
2021	554,151,850	-8,539,956	1,200,000	546,811,894
2022	516,379,512	-2,210,197	200,000	514,369,315
2023	501,596,752		200,000	501,796,752
3/2024	501,596,752		200,000	501,796,752
6/2024	501,596,752	-857,830	200,000	500,938,922

Repurchased own shares that were not yet cancelled at the end of each reporting period have been deducted from the total share count in the table above.

Sampo did not receive any flagging notifications of change in holding pursuant to Chapter 9, Section 5 of the Securities Markets Act in January-June 2024. The latest notifications are available at www.sampo.com/flaggings.

Remuneration

A total of EUR 59 million (63), including social costs, was paid as short-term incentives in January-June 2024 in Sampo Group. In the same period, a total of 3 million (17) was paid as long-term incentives, all of which was paid out in Hastings and Topdanmark. The long-term incentive schemes in force in Sampo Group produced a negative result impact of EUR 10 million (-1). The terms of the long-term incentive schemes based on the financial instruments of Sampo plc are available www.sampo.com/incentiveterms.

Personnel

Sampo Group's average number of employees (FTE) was 13,787 (13,148) in January–June 2024. On 30 June 2024, the total number of staff was 13,976 (13,272).

Sampo Group personnel	Average personnel (FTE) 1-6/2024	%	Average personnel (FTE) 1-6/2023	%
By company				
If	8,001	58	7,793	59
Hastings	3,558	26	3,154	24
Topdanmark	2,167	16	2,149	16
Sampo plc	60	0.4	53	0.4
Total	13,787	100	13,148	100
By country				
United Kingdom	3,533	26	3,129	24
Denmark	2,740	20	2,751	21
Sweden	2,479	18	2,441	19
Finland	1,953	14	1,916	15
Norway	1,649	12	1,592	12
Other countries	1,432	10	1,319	10
Total	13,787	100	13,148	100

Events after the end of the reporting period

Regulatory approvals for the exchange offer for Topdanmark

On 8 July 2024, Sampo announced that it has received the necessary authorisation from the Danish Business Authority to complete the exchange offer for Topdanmark pursuant to the Danish Investment Screening Act. Following this, all regulatory approvals upon which the offer will be conditioned have been obtained.

Extraordinary General Meeting

Sampo's Extraordinary General Meeting, held on 9 July 2024, authorised the Board of Directors to resolve on a share issue in accordance with the proposal of the Board of Directors.

In order to enable the issuance of Sampo plc A shares to holders of Topdanmark shares as consideration for the acquisition of shares in Topdanmark in the exchange offer announced on 17 June 2024 (including in the exchange offer, in a subsequent compulsory acquisition of the remaining minority Topdanmark shares pursuant to sections 70 to 72 of the Danish Companies Act and otherwise), the Board of Directors was authorised to resolve, on one or several occasions, upon the issuance of up to a maximum of 57,468,782 new Sampo A shares which corresponds to approximately 11.5 per cent of all Sampo A shares on the date of the General Meeting's notice, 17 June 2024, in deviation from the shareholders' pre-emptive rights (directed share issue).

The authorisation remains valid until 30 June 2025, and it does not revoke the authorisation to resolve upon a share issue without payment granted to the Board of Directors of Sampo plc by the Annual General Meeting held on 25 April 2024.

Share buyback programme

Sampo's share buyback programme announced on 17 June 2024 continued after the end of the reporting period. By 2 August 2024 market close, the company had bought in total 3,591,673 Sampo A shares representing 0.72 per cent of the total share count. The progress of the buyback programme can be followed on www.sampo.com/sharebuyback.

SAMPO PLC

Board of Directors

Conference call

A conference call for investors and analysts will be arranged at 2:30 pm Finnish time (12:30 pm UK time). Please call tel. +1 786 697 3501, +44 (0) 33 0551 0200, +46 (0) 8 5052 0424, or +358 9 2319 5437.

Conference passcode: Sampo Q2

The conference call can also be followed live at www.sampo.com/result. A recorded version will later be available at the same address.

For more information, please contact

Knut Arne Alsaker, Group CFO, tel. +358 10 516 0010

Sami Taipalus, Head of Investor Relations, tel. +358 10 516 0030

Maria Silander, Communications Manager, Media Relations, tel. +358 10 516 0031

The Investor Presentation and a video review with Group CEO Torbjörn Magnusson are available at www.sampo.com/result.

Sampo will publish the Interim Statement for January-September 2024 on 6 November 2024.

Distribution:

Nasdaq Helsinki

Nasdaq Stockholm

London Stock Exchange

FIN-FSA

The principal media

www.sampo.com

Key figures >

Financial highlights		1-6/2024	1-6/2023
Group			
Gross written premiums & brokerage income	EURm	5,631	5,097
Insurance revenue, net	EURm	4,011	3,620
Insurance service result, net	EURm	614	608
Underwriting result	EURm	580	598
Net financial result	EURm	445	229
Profit before taxes (P&C operations)	EURm	909	722
Net profit for the equity holders	EURm	653	575
Operating result	EURm	549	546
Combined ratio	%	85.8	83.8
Undiscounted underlying combined ratio, current year, %	%	85.8	87.3
Solvency ratio ¹	%	192	224
Financial leverage	%	26.1	26.7
Return on own funds	%	19.0	18.3
Return on equity	%	17.9	10.1
Average number of staff		13,787	13,148
If			
Gross written premiums	EURm	3,502	3,273
Insurance revenue, net	EURm	2,587	2,466
Insurance service result/underwriting result	EURm	390	427
Net financial result	EURm	354	238
Profit before taxes	EURm	735	657
Combined ratio	%	84.9	82.7
Cost ratio	%	20.8	21.0
Risk ratio	%	64.2	61.6
Adjusted risk ratio, current year, % ³	%	61.7	61.8
Undiscounted adjusted risk ratio, current year, % ⁴	%	64.7	65.0
Loss ratio	%	69.7	67.3
Expense ratio	%	15.3	15.4
Return on equity	%	29.7	19.8
Average number of staff		8,001	7,793
Topdanmark			
Gross written premiums	EURm	929	846
Insurance revenue, net	EURm	722	635
Insurance service result/underwriting result	EURm	110	117
Net financial result	EURm	35	9
Profit before taxes	EURm	112	105
Combined ratio	%	84.7	81.5
Loss ratio	%	66.8	63.4
Expense ratio	%	17.9	18.1
Average number of staff		2,167	2,149

> Key figures

		1-6/2024	1-6/2023
Hastings			
GWP & brokerage income	EURm	1,222	977
Insurance revenue, net	EURm	702	518
Insurance service result, net	EURm	114	64
Underwriting result	EURm	80	54
Net financial result	EURm	12	-6
Profit before taxes	EURm	71	27
Operating ratio	%	89.6	90.8
Loss ratio	%	62.7	63.8
Return on equity	%	18.6	17.5
Average number of staff		3,558	3,154
Holding			
Profit before taxes	EURm	-10	-60
Average number of staff		60	53
Per share key figures			
Earnings per share	EUR	1.30	1.13
Earnings per share, continuing operations	EUR	1.30	0.99
Earnings per share, discontinuing operations	EUR	—	0.14
Operating result per share	EUR	1.09	1.07
Equity per share	EUR	13.91	16.45
Net asset value per share	EUR	15.27	17.42
Adjusted share price, high ²	EUR	41.80	49.73
Adjusted share price, low ²	EUR	37.38	40.64
Market capitalisation ²	EURm	20,088	20,744

¹ The Group solvency is calculated according to the consolidation method defined in the Solvency II Directive (2009/138/EC).

² Share prices for 2023 have been adjusted to reflect the separation of Mandatum Group in the partial demerger.

³ Adjusted risk ratio illustrates the underlying underwriting performance as it excludes certain volatile effects such as large and severe weather and prior year development on risk ratio.

⁴ Undiscounted adjusted risk ratio excludes the effect from current year discounting on adjusted risk ratio and illustrates the underlying current year underwriting performance.

The number of shares used at the reporting date was 500,938,922 and the average number during the financial period 501,760,937.

In calculating the key figures the tax corresponding to the result for the accounting period has been taken into account.

In the net asset value per share, the Group valuation difference on the listed subsidiary Topdanmark has been taken into account.

Calculation of key figures

Return on equity, %

$$\frac{\begin{array}{l} + \text{ total comprehensive income attributable to owners of the parent (annualised)} \\ + \text{ total equity attributable to owners of the parent} \\ \text{(average of values 1 Jan. and the end of reporting period)} \end{array}}{\text{total equity attributable to owners of the parent}} \times 100 \%$$

Return on Own funds, %

$$\frac{\begin{array}{l} + \text{ operating result (annualised)} \\ + \text{ SII own funds} \\ \text{(average of values 1 Jan. and the end of reporting period)} \end{array}}{\text{SII own funds}} \times 100 \%$$

Financial leverage

$$\frac{\text{financial debt}}{\text{equity + financial debt}} \times 100 \%$$

Insurance revenue, net

$$\begin{array}{l} + \text{ insurance revenue, gross} \\ - \text{ reinsurers' share of insurance revenue} \\ - \text{ quota share premium expense (Hastings)} \\ \hline \text{insurance revenue, net} \end{array}$$

Underwriting result

$$\begin{array}{l} + \text{ insurance revenue, net} \\ + \text{ other income (Hastings)} \\ - \text{ claims incurred} \\ - \text{ operating expenses} \\ \hline \text{underwriting result} \end{array}$$

Operating result

$$\begin{array}{l} + \text{ P\&C operations' (incl. Sampo plc) profit after tax} \\ - \text{ non-controlling interest in P\&C operations} \\ - \text{ unrealised gains/losses on investments (excl. derivatives) in P\&C operations} \\ - \text{ result effect from changes in discount rates in P\&C operations} \\ - \text{ non-operational amortisations in P\&C operations} \\ - \text{ non-recurring items} \\ - \text{ adjustment on taxes} \\ \hline \text{operating result} \end{array}$$

Combined ratio for P&C insurance, %

$$\frac{\begin{array}{l} + \text{ claims incurred} \\ + \text{ operating expenses} \\ + \text{ insurance revenue, net} \\ + \text{ other revenue (Hastings)} \end{array}}{\text{insurance revenue, net}} \times 100 \%$$

Risk ratio for P&C insurance, %

$$\frac{\begin{array}{l} + \text{ claims incurred} \\ - \text{ claims settlement expenses} \end{array}}{\text{insurance revenue, net}} \times 100 \%$$

Cost ratio for P&C insurance, %

$$\frac{\begin{array}{l} + \text{ operating expenses} \\ + \text{ claims settlement expenses} \end{array}}{\text{insurance revenue, net}} \times 100 \%$$

Loss ratio for P&C insurance, %

$$\frac{\begin{array}{l} + \text{ claims incurred} \end{array}}{\text{insurance revenue, net}} \times 100 \%$$

Expense ratio for P&C insurance, %

$$\frac{\begin{array}{l} + \text{ operating expenses} \end{array}}{\text{insurance revenue, net}} \times 100 \%$$

Operating ratio for Hastings, %

$$\frac{\begin{array}{l} + \text{ claims incurred} \\ + \text{ acquisition costs} \\ + \text{ other operating expenses} \\ + \text{ depreciation and operational amortisation} \end{array}}{\begin{array}{l} + \text{ insurance revenue, net} \\ + \text{ other revenue} \end{array}} \times 100 \%$$

Per share key figures**Earnings per share**

profit for the financial period attributable to owners of the parent

adjusted average number of shares

Operating result per share

operating result

adjusted average number of shares

Equity per share

equity attributable to owners of the parent

adjusted number of shares at the balance sheet date

Net asset value per share

+ equity attributable to owners of the parent

± valuation differences on listed Group companies

adjusted number of shares at balance sheet date

Market capitalisation

number of shares at the balance sheet date x closing share price at the balance sheet date

Exchange rates used in reporting

	1-6/2024	1-3/2024	1-12/2023	1-9/2023	1-6/2023
EURSEK					
Income statement (average)	11.3945	11.2814	11.4745	11.4787	11.3310
Balance sheet (at end of period)	11.3595	11.5250	11.0960	11.5325	11.8055
DKKSEK					
Income statement (average)	1.5274	1.5127	1.5406	1.5411	1.5219
Balance sheet (at end of period)	1.5232	1.5453	1.4888	1.5465	1.5852
NOKSEK					
Income statement (average)	0.9912	0.9880	1.0048	1.0116	1.0013
Balance sheet (at end of period)	0.9968	0.9851	0.9871	1.0248	1.0087
EURDKK					
Income statement (average)	7.4579	7.4562	7.4510	7.4486	7.4464
Balance sheet (at end of period)	7.4575	7.4580	7.4529	7.4571	7.4474
EURGBP					
Income statement (average)	0.8547	0.8563	0.8697	0.8707	0.8764
Balance sheet (at end of period)	0.8464	0.8551	0.8691	0.8646	0.8583

Group quarterly result

EURm	4-6/2024	1-3/2024	10-12/2023	7-9/2023	4-6/2023
GWP & brokerage income	2,333	3,297	1,864	1,909	2,081
Insurance revenue, net (incl. brokerage)	2,057	2,020	1,939	1,911	1,857
Claims incurred, net	-1,338	-1,387	-1,282	-1,278	-1,198
Operating expenses	-399	-373	-376	-348	-353
Underwriting result	321	260	281	284	306
Net investment income	183	295	517	127	108
Insurance finance income or expense, net	-3	-30	-342	29	-2
Net financial result	180	265	175	156	106
Other items	-57	-60	-88	-50	-50
Profit before taxes	444	465	368	391	363
Income taxes	-101	-96	-88	-79	-81
Profit from the continuing operations	343	369	280	312	281
Discontinued operations, net of tax	—	—	111	71	41
Divested operations, net of tax	-26	—	—	—	—
Net profit	317	369	391	383	323
Other comprehensive income					
Items reclassifiable to profit or loss					
Exchange differences	70	-87	87	51	-76
Cash flow hedges	1	1	-2	-1	2
Total items reclassifiable to profit or loss, net of tax	71	-87	85	50	-74
Items not reclassifiable to profit or loss					
Actuarial gains and losses from defined pension plans	-3	3	-25	1	18
Taxes	1	-1	5	0	-4
Total items not reclassifiable to profit or loss, net of tax	-3	2	-20	1	14
Other comprehensive income total, net of tax	68	-84	65	51	-60
Total comprehensive income	385	285	457	433	263
Profit attributable to					
Owners of the parent	310	343	382	366	304
Non-controlling interests	7	26	9	17	18
Total comprehensive income attributable to					
Owners of the parent	378	259	447	417	245
Non-controlling interests	7	26	9	17	18

In the comparative year 2023, Mandatum subgroup is presented as discontinued operations in one line. For further information, please see note 11.

Statement of profit and other comprehensive income

EURm	Note	1-6/2024	1-6/2023
Insurance revenue		4,593	4,093
Insurance service expenses		-3,811	-3,355
Reinsurance result		-169	-130
Insurance service result	1	614	608
Net investment income	2	478	362
Net finance income or expense from insurance contracts	3	-33	-133
Insurance finance income or expense, gross		-44	-128
Insurance finance income or expense, reinsurance		11	-5
Net financial result		445	229
Other income	4	158	139
Other expenses		-258	-208
Finance expenses		-52	-47
Profit before taxes		909	722
Income taxes		-196	-172
Profit from the continuing operations		712	550
Discontinued operations, net of tax	11	—	70
Divested operations, net of tax	12	-26	—
Net profit		686	619
Other comprehensive income			
Items reclassifiable to profit or loss			
Exchange differences		-17	-139
Cash flow hedges		1	1
Total items reclassifiable to profit or loss, net of tax		-16	-137
Items not reclassifiable to profit or loss			
Actuarial gains and losses from defined pension plans		0	17
Taxes		0	-4
Total items not reclassifiable to profit or loss, net of tax		0	14
Other comprehensive income total, net of tax		-16	-124
Total comprehensive income		670	496
Profit attributable to			
Owners of the parent		653	575
Non-controlling interests		33	44
Total comprehensive income attributable to			
Owners of the parent		637	452
Non-controlling interests		33	44
Earnings per share (EPS), EUR		1.30	1.13
Earnings per share, continuing operations, EUR		1.30	0.99

In the comparative period 2023, Mandatum subgroup was segregated from the Group in a partial demerger and is presented as discontinued operations in one line. For further information, [please see note 11](#).

Consolidated balance sheet

EURm	Note	6/2024	12/2023
Assets			
Property, plant and equipment		299	318
Intangible assets	5	3,637	3,637
Investments in associates		13	12
Financial assets	6,7,8	15,882	15,757
Deferred income tax		1	3
Reinsurance contract assets	9	2,511	2,282
Other assets		907	800
Cash and cash equivalents		1,487	1,415
Total assets		24,739	24,225
Liabilities			
Insurance contract liabilities	9	12,418	11,716
Subordinated debts	10	1,642	1,645
Other financial liabilities	10	1,303	1,269
Deferred income tax		570	567
Other liabilities		1,457	1,342
Total liabilities		17,390	16,538
Equity			
Share capital		98	98
Reserves		1,530	1,530
Retained earnings		6,099	6,378
Other components of equity		-760	-743
Equity attributable to owners of the parent		6,967	7,263
Non-controlling interests		382	424
Total equity		7,349	7,687
Total equity and liabilities		24,739	24,225

Statement of changes in equity

EURm	Share capital	Legal reserve	Invested unres-tricted equity	Retained earnings ¹	Transla-tion of foreign opera-tions	Available-for-sale financial assets	Cash flow hedges	Total	Non-control-ling interest	Total
Equity at 31 December 2022 (IFRS 17)	98	4	1,527	8,482	-741	248	0	9,618	560	10,178
Impact of IFRS 9 transition 1 January 2023	—	—	—	248	—	-248	—	—	—	—
Restated equity at 1 January 2023	98	4	1,527	8,730	-741	0	0	9,618	560	10,178
Changes in equity										
Dividends	—	—	—	-1,321	—	—	—	-1,321	-187	-1,508
Acquisition of own shares	—	—	—	-448	—	—	—	-448	—	-448
Other changes in equity	—	—	—	-2	—	—	—	-2	-5	-8
Profit for the reporting period	—	—	—	575	—	—	—	575	44	619
Other comprehensive income for the period	—	—	—	14	-139	—	1	-124	—	-124
Total comprehensive income	—	—	—	589	-139	—	1	452	44	496
Equity at 30 June 2023	98	4	1,527	7,548	-880	—	2	8,298	411	8,709
Equity at 1 January 2024	98	4	1,527	6,378	-742	—	-1	7,263	424	7,687
Changes in equity										
Dividends	—	—	—	-903	—	—	—	-903	-69	-972
Acquisition of own shares	—	—	—	-34	—	—	—	-34	—	-34
Other changes in equity	—	—	—	6	—	—	0	5	-6	-1
Profit for the reporting period	—	—	—	653	—	—	—	653	33	686
Other comprehensive income for the period	—	—	—	0	-17	—	1	-16	—	-16
Total comprehensive income	—	—	—	653	-17	—	1	637	33	670
Equity at 30 June 2024	98	4	1,527	6,099	-759	—	-1	6,967	382	7,350

¹ IAS 19 Pension benefits had a net effect of -0 million (14) on retained earnings.

Statement of cash flows

EURm	1-6/2024	1-6/2023
Operating activities		
Profit before tax	882	809
Adjustments		
Depreciation and amortisation	87	63
Unrealised gains and losses arising from valuation	-113	-229
Realised gains and losses on investments	-73	-283
Change in liabilities for insurance and investment contracts	595	1,548
Other adjustments	-56	271
Adjustments total	439	1,369
Change (+/-) in assets of operating activities		
Investments ¹	-112	-427
Other assets	-121	-112
Total	-233	-540
Change (+/-) in liabilities of operating activities		
Financial liabilities	34	57
Other liabilities	92	-62
Paid taxes	-156	-114
Paid interest	-41	-47
Total	-71	-166
Net cash from (or used in) operating activities	1,017	1,473
Investing activities		
Net investment in equipment and intangible assets	-5	9
Net cash from (or used in) investing activities	-5	9
Financing activities		
Dividends paid	-903	-1,321
Dividends paid to non-controlling interests	-69	-187
Acquisition of own shares	-34	-448
Issue of debt securities	84	71
Repayments of debt securities in issue	-25	-127
Net cash used in (or from) financing activities	-947	-2,012
Total cash flows	65	-530
Cash and cash equivalents at the beginning of reporting period	1,415	3,073
Effects of exchange rate changes	7	-26
Cash and cash equivalents at the end of reporting period	1,487	2,517
Net change in cash and cash equivalents	65	-530

¹ Investments include investment property and financial assets.

Both in the financial year and the comparative year, the statement of cash flows includes both continuing and discontinued/divested operations. Profit before tax is therefore the total of Group's profit and the discontinued/divested operations' profit before taxes. In the financial year, subsequently, operating activities include EUR -26 million from divested activities. In the comparative year, the operating activities include EUR 290 million from the discontinued operations, investing activities EUR 19 million and financing activities EUR -180 million.

The items of the statement of cash flows cannot be directly concluded from the balance sheets due to e.g. exchange rate differences, and acquisitions and disposals of subsidiaries during the period.

Cash and cash equivalents include cash at bank and in hand EUR 1,173 million (2,907) and short-term deposits (max 3 months) EUR 314 million (166).

Notes

Accounting principles

Sampo Group's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU. These interim financial statements are presented in accordance with IAS 34 *Interim Financial Reporting*. The same accounting principles and methods of computation are applied in this financial statement release as were applied in Sampo's consolidated financial statements 2023, with the exception of an addition to the accounting principles described below.

The financial statements 2023 are available on Sampo's website www.sampo.com/year2023.

Information presented in the Interim Statement is unaudited.

Addition to accounting principles

Investment component

During the reporting period, investment components have been identified in reinsurance contracts held for cash flows repaid to a policyholder in all circumstances, i.e. regardless of whether an insured event occurs or not. Identified amounts of investment components are excluded from recognised amounts for reinsurance result in the statement of profit and other comprehensive income.

Change in presentation

The accounting policies for presentation applied in the financial statement release are the same as those applied in the financial statements 2023, except for the updated accounting policy for the presentation of the change in discounting effect relating to risk adjustment. The change in discounting effect is now allocated between the insurance service expenses and insurance finance income or expenses.

Accounting principles requiring management judgement and key sources of estimation uncertainties

Application of new or revised IFRSs and interpretations

The Group will apply new or amended standards and interpretations related to the Group's business in the financial years when they become effective, or if the effective date is other than the beginning of the financial year, during the financial year following the effective date. The new IFRSs coming into effect in financial year 2024 will not have any significant influence on the Group's financial reporting.

Pillar II

Sampo Group is within the scope of Pillar II regulations (EU Minimum Tax Directive and OECD Safe Harbour rules). Sampo Group companies have applied a temporary mandatory relief from deferred tax accounting for any potential impacts of the top-up tax and account for it as a current tax should it occur. Sampo Group will, as of fiscal year 2024, be subject to the global minimum top-up tax rules either at the ultimate parent entity level, by Sampo plc in Finland, or domestic top-up tax in the countries where Sampo Group companies operate and where such rules are enacted. At the reporting date, Sampo Group has identified that Hastings' operations in Gibraltar are subject to the global minimum top-up tax rules.

Discontinued operations in 2023

In order to segregate Mandatum subgroup in the demerger of Sampo plc, Mandatum's assets and liabilities were reclassified as a disposal group held for distribution to owners and related liabilities on 31 March 2023. In the statement of profit and other comprehensive income, the result of Mandatum is reported as a single line item as profit from the discontinued operations. The partial demerger was completed on 1 October 2023 and the first trading day for Mandatum on Nasdaq Helsinki was 2 October 2023. In the demerger, all the shares in Mandatum Holding Ltd (a wholly owned direct subsidiary of Sampo plc) and the related assets and liabilities were transferred

without a liquidation procedure to Mandatum plc, a company incorporated in the demerger on the effective date. In addition, EUR 102 million of Sampo's general liabilities, not allocated to any specific business operations, were allocated to Mandatum plc. These liabilities cannot be legally transferred due to their nature, and therefore Sampo and Mandatum agreed on forming an equivalent debt relationship between them on 2 October 2023.

Other significant events

Public exchange offer for Topdanmark

On 17 June 2024, Sampo announced that Sampo and Topdanmark have entered into a combination agreement, pursuant to which Sampo will make a recommended best and final public exchange offer to acquire all of the outstanding shares in Topdanmark not already owned by Sampo. Following completion of the offer, Sampo intends to integrate Topdanmark into If P&C to strengthen its position as one of the leading insurers in the Danish P&C insurance market and to strengthen Sampo Group's leadership position in the Nordics. Further details on the offer are available at Half-year Financial report's sections [Other developments](#) and [Events after the balance sheet date](#).

Result by segment for six months ended 30 June 2024

EURm	If	Topdanmark	Hastings	Holding	Elim.	Sampo Group
GWP & brokerage income	3,502	929	1,222	—	-23	5,631
Insurance revenue, net (incl. brokerage)	2,587	722	768	—	0	4,077
Claims incurred, net	-1,802	-483	-441	—	0	-2,725
Operating expenses	-395	-129	-248	—	0	-772
Underwriting result	390	110	80	—	0	580
Net investment income	381	29	24	48	-4	478
Insurance finance income or expense, net	-27	6	-12	—	0	-33
Net financial result	354	35	12	48	-4	445
Other items	-9	-34	-21	-57	4	-117
Profit before taxes	735	112	71	-10	0	909
Income taxes	-153	-30	-13	0	—	-196
Profit after taxes	582	82	58	-9	0	712
Divested operations, net of tax	—	-26	—	—	—	-26
Net profit						686
Other comprehensive income						
Items reclassifiable to profit or loss						
Exchange differences	-72	-1	55	—	—	-17
Cash flow hedges	—	—	1	—	—	1
Total items reclassifiable to profit or loss, net of tax	-72	-1	57	—	—	-16
Items not reclassifiable to profit or loss						
Actuarial gains and losses from defined pension plans	0	—	—	—	—	0
Taxes	0	—	—	—	—	0
Total items not reclassifiable to profit or loss, net of tax	0	—	—	—	—	0
Other comprehensive income, total net of tax						-16
Total comprehensive income	510	55	115	-9	0	670
Profit attributable to						
Owners of the parent						653
Non-controlling interests						33
Total comprehensive income attributable to						
Owners of the parent						637
Non-controlling interests						33

Result by segment for six months ended 30 June 2023

EURm	If	Topdanmark	Hastings	Holding	Elim.	Sampo Group
GWP & brokerage income	3,273	846	977	—	—	5,097
Insurance revenue, net (incl. brokerage)	2,466	635	584	—	—	3,686
Claims incurred, net	-1,659	-403	-330	—	—	-2,392
Operating expenses	-380	-115	-200	—	—	-695
Underwriting result	427	117	54	—	—	598
Net investment income	339	37	-2	-4	-7	362
Insurance finance income or expense, net	-101	-28	-4	—	—	-133
Net financial result	238	9	-6	-4	-7	229
Other items	-8	-21	-21	-56	1	-105
Profit before taxes	657	105	27	-60	-6	722
Income taxes	-138	-28	-5	0	—	-172
Profit from the continuing operations	519	76	22	-60	-6	550
Discontinued operations, net of tax ¹	—	—	—	—	6	70
Net profit						619
Other comprehensive income						
Items reclassifiable to profit or loss						
Exchange differences	-200	-2	63	—	—	-139
Cash flow hedges	—	—	1	—	—	1
Total items reclassifiable to profit or loss, net of tax	-200	-2	65	—	—	-137
Items not reclassifiable to profit or loss						
Actuarial gains and losses from defined pension plans	17	—	—	—	—	17
Taxes	-4	—	—	—	—	-4
Total items not reclassifiable to profit or loss, net of tax	14	—	—	—	—	14
Total other comprehensive income for the continuing operations, net of tax	-187	-2	65	—	—	-124
Total comprehensive income	332	74	86	-60	-6	496
Profit attributable to						
Owners of the parent						575
Non-controlling interests						44
Total comprehensive income attributable to						
Owners of the parent						452
Non-controlling interests						44

In the comparison year, Mandatum segment has been presented on a single line as discontinued operation, and therefore, Group total by lines do not reconcile to the segment totals.

¹ The elimination totalling EUR 6 million is related to intra-segment operations between the reportable segments and discontinued operation.

Balance sheet by segment at 30 June 2024

EURm	If	Topdanmark	Hastings	Holding	Elim.	Sampo Group
Assets						
Property, plant and equipment	162	116	16	4	—	299
Intangible assets	567	1,534	1,535	1	—	3,637
Investments in associates	4	9	—	—	—	13
Financial assets	10,704	2,152	1,793	7,345	-6,112	15,882
Deferred income tax	3	2	—	0	-4	1
Reinsurance contract assets	634	81	1,814	—	-17	2,511
Other assets	635	95	153	26	-2	907
Cash and cash equivalents	244	25	426	793	—	1,487
Total assets	12,954	4,014	5,737	8,169	-6,135	24,739
Liabilities						
Insurance contract liabilities	7,307	2,035	3,093	—	-17	12,418
Subordinated debts	132	148	—	1,490	-127	1,642
Other financial liabilities	23	50	252	978	—	1,303
Deferred income tax	371	127	71	—	—	570
Other liabilities	1,075	164	143	76	-2	1,457
Total liabilities	8,909	2,523	3,560	2,544	-146	17,390
Equity						
Share capital						98
Reserves						1,530
Retained earnings						6,099
Other components of equity						-760
Equity attributable to owners of the parent						6,967
Non-controlling interests						382
Total equity						7,349
Total equity and liabilities						24,739

Balance sheet by segment at 31 December 2023

EURm	If	Topdanmark	Hastings	Holding	Elim.	Sampo Group
Assets						
Property, plant and equipment	177	117	19	4	—	318
Intangible assets	579	1,545	1,512	1	—	3,637
Investments in associates	4	8	—	—	—	12
Financial assets	10,838	2,060	1,407	7,564	-6,112	15,757
Deferred income tax	4	4	—	0	-4	3
Reinsurance contract assets	563	79	1,640	—	—	2,282
Other assets	553	89	136	23	0	800
Cash and cash equivalents	197	24	448	747	—	1,415
Total assets	12,915	3,926	5,162	8,339	-6,117	24,225
Liabilities						
Insurance contract liabilities	7,134	1,855	2,726	—	—	11,716
Subordinated debts	135	148	—	1,490	-127	1,645
Other financial liabilities	58	46	186	979	—	1,269
Deferred income tax	352	139	76	—	—	567
Other liabilities	1,011	162	112	58	0	1,342
Total liabilities	8,689	2,350	3,100	2,527	-128	16,538
Equity						
Share capital						98
Reserves						1,530
Retained earnings						6,378
Other components of equity						-743
Equity attributable to owners of the parent						7,263
Non-controlling interests						424
Equity						7,687
Total equity and liabilities						24,225

Other notes

1 Insurance service result

EURm	1-6/2024	1-6/2023
Insurance revenue		
Insurance contracts measured under PAA		
Gross written premiums	5,437	4,917
Change in liability for remaining coverage	-971	-938
Brokerage revenue	128	113
Total insurance revenue from contracts measured under PAA	4,593	4,093
Total insurance revenue	4,593	4,093
Insurance service expenses		
Expenses related to claims incurred		
Claims paid and benefits	-2,883	-2,591
Claims handling expenses	-252	-226
Change in liability for incurred claims	61	65
Change in risk adjustment	-82	11
Change in loss component	18	4
Insurance service expenses related to claims incurred	-3,139	-2,736
Operating expenses	-672	-619
Total insurance service expenses	-3,811	-3,355
Reinsurance result		
Premiums	-437	-473
Claims recovered	268	343
Total reinsurance result	-169	-130
Total insurance service result	614	608

2 Net investment income

The table includes investment income and expenses from financial assets and liabilities held by the group companies.

EURm	1-6/2024	1-6/2023
Derivative financial instruments		
Interest income	3	1
Interest expense	-1	-2
Net gains or losses	25	83
Derivative financial instruments, total	27	82
Financial assets at fair value through profit or loss		
Debt securities		
Interest income	247	213
Net gains or losses	-5	-12
Equity securities		
Dividend income	26	44
Net gains or losses	124	66
Funds		
Distributions	3	3
Interest income	4	7
Net gains or losses	47	45
Financial assets at fair value through profit or loss, total	446	365
Financial assets at amortised cost	17	5
Total income or expenses from financial assets	490	452
Other		
Expenses from asset management	-10	-9
Other income	40	13
Other expenses	-40	-90
Fee expenses	0	-1
Expenses from investment property	-2	-4
Total other	-12	-91
Total net investment income	478	362

The amount of expected credit losses on financial assets measured at amortised cost is [presented in the note 6](#).

3 Net finance income or expense from insurance contracts

EURm	1-6/2024	1-6/2023
Insurance contracts		
Unwinding of discount rate	-161	-147
Effect of changes in interest rates and other financial assumptions	117	19
Total finance income or expenses from insurance contracts	-44	-128
Reinsurance contracts		
Unwinding of discount rate	41	34
Reinsurers' share of effect of changes in interest rates and other financial assumptions	-30	-38
Total finance income or expenses from reinsurance contracts	11	-5
Net finance result insurance and reinsurance contracts	-33	-133

4 Other income

EURm	1-6/2024	1-6/2023
Other income	152	133
Income related to broker activities (IFRS 15)	6	6
Total other income	158	139

If's other operating income includes approximately EUR 80 million (72) income from insurance operations without a transfer of insurance risk. Such income is primarily attributable i.e. to sales commission and services for administration and claims settlement in insurance contracts on behalf of other parties. This operating income is accounted for under IFRS 15 *Revenue from Contracts with Customers*. In addition, other operating income includes income from roadside assistance services provided by If's subsidiary Viking Assistance Group AS, recognised when roadside assistance has been provided.

Hastings' operating income includes total of EUR 63 million (60) revenue recognised under IFRS 15 and consisting of fees and commission on panel providers, ancillary product income and other retail income. Income related to broker activities is also accounted for under IFRS 15, if there is no insurance risk transferred to Hastings.

5 Intangible assets

EURm	6/2024	12/2023
Goodwill	2,480	2,469
Customer relations	409	452
Trademark	420	396
Other intangible assets	328	320
Group intangible assets, total	3,637	3,637

6 Financial assets

EURm	6/2024	12/2023
Financial assets		
Derivative financial instruments	23	38
Financial assets at fair value through profit or loss		
Debt securities	13,131	12,925
Equity securities	1,379	1,640
Funds	742	662
Deposits and other	47	40
Total financial assets at fair value through profit or loss	15,299	15,267
Financial assets measured at amortised cost		
Loans	560	451
Other	1	1
Total financial assets measured at amortised cost	560	452
Total financial assets	15,882	15,757

Loans measured at amortised cost include Hastings' loans to customers amounting to EUR 303 million (EUR 186 million).

The gross carrying amounts of the financial assets measured at amortised cost was EUR 577 million (EUR 468 million) and loss allowance was EUR 17 million (EUR 16 million). During the reporting period, the expected credit losses recognised in the income statement was EUR -2 million and in the comparative period EUR -4 million.

On 13 May 2024, Sampo completed the sale of its 19.8 per cent stake in Saxo Bank to Mandatum, as agreed in connection with the partial demerger completed in 2023. The transaction price was EUR 302 million, representing the price agreed in the demerger adjusted for dividends received.

7 Determination and hierarchy of fair values

A majority of Sampo Group's financial assets are valued at fair value. The valuation is based on either published price quotations or valuation techniques based on market observable inputs, where available. For a limited amount of assets the value needs to be determined using other techniques. The financial instruments measured at fair value have been classified into three hierarchy levels in the notes, depending on, for example, whether the market for the instrument is active, or if the inputs used in the valuation technique are observable. The classification of financial assets in hierarchy levels is assessed quarterly.

The fair value of the derivative instruments is assessed using quoted market prices in active markets, discounting method or option pricing models.

The fair value of loans and other financial instruments which have no quoted price in active markets is based on discounted cash flows, using quoted market rates. The market's yield curve is adjusted by other components of the instrument, e.g. by credit risk.

Fair values are "clean" fair values, i.e. less interest accruals.

On level 1, the measurement of the instrument is based on quoted prices in active markets for identical assets or liabilities. Quoted prices in active markets are considered to represent the best estimate of fair value for related financial assets. On an active market quoted prices are easily and regularly available and represent actual and regularly occurring transactions at arm's length distance.

On level 2, inputs for the measurement of the instrument also include other than quoted prices observable for the asset or liability, either directly or indirectly by using valuation techniques.

On level 3, the measurement is based on other inputs rather than observable market data. Sampo Group's level 3 assets consist mainly of few larger equity investments and investments in private equity and alternative funds.

In level 3 equity investment is valued by using excess return model, in which value of a company is sum of capital invested currently in the company and the present value of excess returns that the company expects to make in the future.

For private equity funds the valuation of the underlying investments is conducted by the fund manager who has all the relevant information required in the valuation process. The valuation is usually updated quarterly based on the value of the underlying assets and the amount of debt in the fund. There are several valuation methods, which can be based on, for example, the acquisition value of the investments, the value of publicly traded peer companies, the multiple based valuation or the cash flows of the underlying investments.

The carrying amounts and fair values of financial assets and financial liabilities, including their fair value hierarchy levels, are presented in the following table. Fair value information of financial assets and financial liabilities not measured at fair value is not presented in the table, if the carrying amount is a reasonable estimate of the fair value. Reporting period figures are presented in accordance with IFRS 9 *Financial Instruments*.

EURm					
30 June 2024	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value					
Derivative financial instruments					
Interest rate swaps	2	—	2	—	2
Foreign exchange derivatives	6	—	6	—	6
Other derivatives	15	—	15	—	15
Total	23	—	23	—	23
Financial assets at fair value through profit or loss					
Debt securities	13,131	8,722	4,390	19	13,131
Equity securities	1,379	927	24	428	1,379
Funds	742	479	104	159	742
Deposits and other	47	—	47	—	47
Total	15,299	10,129	4,565	606	15,299
Total financial assets measured at fair value	15,322	10,129	4,588	606	15,322
Financial assets measured at amortised cost					
Loans	560	—	—	560	560
Other	1	—	—	1	1
Total	560	—	—	560	560
Total financial assets	15,882	10,129	4,588	1,166	15,882

EURm					
30 June 2024	Carrying amount	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value					
Derivative financial instruments					
Interest derivatives	50	—	50	—	50
Foreign exchange derivatives	23	—	23	—	23
Other derivatives	13	—	13	—	13
Total financial liabilities at fair value	87	—	87	—	87
Financial liabilities measured at amortised cost					
Subordinated debt securities					
Subordinated loans	1,642	1,485	148	—	1,633
Debt securities in issue					
Bonds	956	966	—	—	966
Amounts owed to credit institutions	260	—	9	251	260
Financial liabilities measured at amortised cost total	2,859	2,452	157	251	2,860
Group financial liabilities, total	2,946	2,452	243	251	2,946

EURm					
31 December 2023	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value					
Derivative financial instruments					
Interest rate swaps	3	—	3	—	3
Foreign exchange derivatives	20	—	20	—	20
Other derivatives	16	—	16	—	16
Total	38	—	38	—	38
Financial assets at fair value through profit or loss					
Debt securities	12,925	8,476	4,430	19	12,925
Equity securities	1,640	886	24	730	1,640
Funds	662	480	31	151	662
Deposits and other	40	—	40	—	40
Total	15,267	9,842	4,525	900	15,267
Total financial assets measured at fair value	15,305	9,842	4,563	900	15,305
Financial assets measured at amortised cost					
Loans	451	—	—	451	451
Other	1	—	—	1	1
Total	452	—	—	452	452
Total financial assets	15,757	9,842	4,563	1,352	15,756

EURm					
31 December 2023	Carrying amount	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value					
Derivative financial instruments					
Interest derivatives	46	2	44	—	46
Foreign exchange derivatives	58	—	58	—	58
Other derivatives	12	—	12	—	12
Total financial liabilities at fair value	116	2	114	—	116
Financial liabilities measured at amortised cost					
Subordinated debt securities					
Subordinated loans	1,645	1,448	148	—	1,596
Debt securities in issue					
Bonds	959	936	—	—	936
Amounts owed to credit institutions	194	—	9	184	194
Financial liabilities measured at amortised cost total	2,798	2,385	157	184	2,726
Group financial liabilities, total	2,914	2,387	271	184	2,842

Transfers between levels 1 and 2

EURm	1-6/2024		1-12/2023	
	Transfers from level 2 to level 1	Transfers from level 1 to level 2	Transfers from level 2 to level 1	Transfers from level 1 to level 2
Transfers between levels 1 and 2				
Financial assets at fair value through profit or loss				
Debt securities	147	163	378	334
Total	147	163	378	334

Transfers are based mainly on the changes of trading volume information provided by an external service provider.

Sensitivity analysis of fair values

The sensitivity of financial assets and liabilities to changes in exchange rates is assessed on business area level due to different base currencies.

EURm	06/2024	12/2023
	Recognised in profit or loss	Recognised in profit or loss
If		
10 percentage point depreciation of all other currencies against SEK	4	4
Topdanmark		
10 percentage point depreciation of all other currencies against DKK	-1	-1
Hastings		
10 percentage point depreciation of all other currencies against GBP	3	—
Holding		
10 percentage point depreciation of all other currencies against EUR	-71	-73

The sensitivity analysis of the Group's fair values of financial assets and liabilities in different market risk scenarios is presented in the following table. The effects represent the instantaneous effects of a one-off change in the underlying market variable on the fair values on 30 June 2024. The sensitivity analysis includes the effects of derivative positions. All sensitivities are calculated before taxes.

EURm	Interest rate	Interest rate	Equity	Other financial assets
	1% parallel shift down	1% parallel shift up	20% fall in prices	20% fall in prices
Effect in profit/loss	369	-346	-281	-141
Total effect	369	-346	-281	-141

8 Movements in level 3 financial instruments measured at fair value

EURm

	At 1 Jan	Total gains/ losses in income statement	Purchases and re-classifications	Sales	Settle-ments	At 30 June 2024
Financial assets						
Financial assets at fair value through profit or loss						
Debt securities	19	0	—	0	-1	19
Equity securities	730	—	—	-302	—	428
Funds	151	1	7	—	—	159
Total	900	1	7	-302	-1	606

EURm

	At 1 Jan	Total gains/ losses in income statement	Purchases and re-classifications	Sales	At 31 Dec 2023
Financial assets					
Financial assets at fair value through profit or loss					
Debt securities	134	1	11	-126	19
Equity securities	763	-14	9	-28	730
Funds	212	-61	—	0	151
Total	1,109	-74	20	-155	900

Mandatum Group's financial instruments on level 3 are not included in the opening balance as the reclassification as discontinued operation took place during Q1/2023. For further information on classification of Mandatum Group as discontinued operation, [please see note 11](#).

Sensitivity analysis of level 3 financial instruments measured at fair value

EURm	06/2024		12/2023	
	Carrying amount	Effect of reasonably possible alternative assumptions (+/-)	Carrying amount	Effect of reasonably possible alternative assumptions (+/-)
Financial assets at fair value through profit or loss (IFRS 9)				
Debt securities	19	0	19	0
Equity securities	428	-86	730	-146
Funds	159	-32	151	-30
Total	606	-117	900	-176

The value of financial assets regarding the debt security instruments has been tested by assuming a rise of 1 per cent in interest rate level in all maturities. For other financial assets, the prices were assumed to go down by 20 per cent.

During the reporting period, on the basis of these alternative assumptions, a possible change in interest levels would cause a reduction of EUR -0 (-0) million for the debt instruments, and EUR -117 (-176) million valuation loss for other instruments in the Group's statement of profit or loss. The reasonably possible effect, proportionate to the Group's equity, would thus be 1.7 (2.4) per cent.

9 Insurance contract liabilities

Insurance liabilities reflect the liability the Group has for its insurance undertakings, in other words, the insurance contracts underwritten. The liability consists of two parts, the liability for remaining coverage and acquisition cash flow assets as well as the liability for incurred claims.

The liability for remaining coverage relates to the obligation to investigate and pay valid claims that have not yet occurred. The liability consists of the premium payments received for insurance services to be provided after the closing date, i.e. relating to the unexpired portion of the insurance coverage, and adjusted for acquisition cash flows. The liability for incurred claims relates to the obligation to investigate and pay valid claims that have occurred. The liability is designed to cover anticipated future payments for all claims incurred, including claims not yet reported.

EURm	6/2024	12/2023
Insurance contract liability - contracts measured under PAA		
Liability for remaining coverage	2,282	1,709
Liability for incurred claims	10,135	10,007
Total insurance contract liabilities	12,418	11,716
Reinsurance contract assets		
Assets for remaining coverage	236	258
Assets for incurred claims	2,275	2,024
Reinsurance contract assets, total	2,511	2,282
Total insurance contracts, net of reinsurance	9,907	9,434

10 Financial liabilities

EURm	6/2024	12/2023
Subordinated debt liabilities		
Subordinated loans	1,642	1,645
Total subordinated debt liabilities	1,642	1,645
Other financial liabilities		
Derivative financial instruments	86	116
Financial liabilities measured at amortised cost		
Debt securities in issue	956	959
Amounts owed to credit institutions	260	194
Total financial liabilities measured at amortised cost	1,217	1,153
Total other financial liabilities	1,303	1,269
Total financial liabilities	2,946	2,914

Hastings has a revolving credit facility with a financial institution totalling EUR 100 million, of which EUR 80 million was undrawn at the end of the reporting period. The revolving credit facility is maturing on 23 November 2024, after which the contract has an extension option of one more year.

Hastings has an undrawn credit facility also with Sampo plc totalling EUR 89 million with a maturity date of 29 October 2026.

11 Discontinued operations

Mandatum Group's business

Mandatum was a wholly-owned direct subsidiary of Sampo plc until 1 October 2023 when it was separated from the Group in the partial demerger of Sampo plc. In the comparative year, Mandatum Group was presented as a discontinued operation, in accordance with IFRS 5 *Non-current assets held for sale and discontinued operations*, until the demerger.

Result of discontinued operations

EURm	1-6/2023
Insurance revenue	171
Insurance service expenses	-146
Reinsurance result	-1
Insurance service result	23
Net investment result	621
Net finance income or expense from insurance contracts	-225
Net result from investment contracts	-338
Net financial result	58
Other income	14
Other expenses	-7
Finance expenses	-3
Profit before taxes	87
Income taxes	-17
Discontinued operations, net of tax	70

The profit from the discontinued operations for the discontinued operations is attributable entirely to the owners of the parent company. Other comprehensive income did not include any items from the discontinued operations.

12 Contingent liabilities and commitments

EURm	6/2024	12/2023
Off-balance sheet items		
Guarantees	9	9
Investment commitments	34	15
IT acquisitions	—	1
Other	3	2
Total	46	27

Assets pledged as collateral for liabilities or contingent liabilities

EURm	6/2024		12/2023	
	Assets pledged	Liabilities/ commitments	Assets pledged	Liabilities/ commitments
Assets pledged as collateral				
Investment securities	406	302	408	293
Subsidiary shares	93	26	91	27
Cash and cash equivalents	63	8	63	36
Total	561	336	561	356
Assets pledged as security for derivative contracts				
Investment securities	8		9	
Cash and cash equivalents	41		42	
Assets pledged as security for insurance undertakings				
Investment securities	397		399	
Assets pledged as security for loans				
Shares in subsidiaries	93		91	

The pledged assets are included in the balance sheet item Financial assets, Other assets or Cash.

Policyholder's beneficiary rights

EURm	6/2024	12/2023
Assets covered by policyholders' beneficiary rights	9,885	10,034
Technical provisions, net	-6,212	-6,171
Surplus of registered securities	3,673	3,863

The assets are registered as assets covering technical provisions (Solvency II). In the event of an insolvency situation, policyholders have a beneficiary right to assets registered for coverage of technical provisions.

Topdanmark Group

In December 2022, Sampo plc's subsidiary Topdanmark Forsikring A/S sold Topdanmark Liv Holding A/S and all its subsidiaries to Nordea Life Holding AB.

On 1 May 2024, Topdanmark announced that Topdanmark Forsikring A/S had entered into an agreement with Nordea regarding the process for completion of the IT separation of Topdanmark Liv Holding A/S (today Nordea Pension Holding Danmark A/S). Associated with the agreement, Topdanmark recognised an one-off net cost of EUR 26 million (DKK 195 million) in Q2 2024. In Sampo Group's statement of profit and other comprehensive income, these costs are included in the line item divested operations.

Simultaneously, Topdanmark renewed the distribution agreement with Nordea by up to five years.

As announced by Topdanmark in the first quarter of 2024, Nordea Group has reserved the right to raise claims against Topdanmark Forsikring A/S for certain potential losses. At present, it is not possible for Topdanmark A/S to determine the size or existence of the potential losses, and thus it is not possible to assess whether they would constitute losses for which Topdanmark Forsikring A/S may be held liable under the signed Share Purchase Agreement (SPA). Topdanmark has not reported any new updates on potential claims, and thus contingent liability remains.

13 Subsequent events after the balance sheet date

Regulatory approvals for the exchange offer for Topdanmark

On 8 July 2024, Sampo announced that it had received the necessary authorisation from the Danish Business Authority to complete the offer pursuant to the Danish Investment Screening Act. Following this, all regulatory approvals, upon which the offer will be conditioned, have been obtained.

Extraordinary General Meeting

Sampo's Extraordinary General Meeting, held on 9 July 2024, authorised the Board of Directors to resolve on a share issue in accordance with the proposal of the Board of Directors.


In order to enable the issuance of Sampo plc A shares to holders of Topdanmark shares as consideration for the acquisition of shares in Topdanmark in the exchange offer announced on 17 June 2024 (including in the exchange offer, in a subsequent compulsory acquisition of the remaining minority Topdanmark shares pursuant to sections 70 to 72 of the Danish Companies Act and otherwise), the Board of Directors was authorised to resolve, on one or several occasions, upon the issuance of up to a maximum of 57,468,782 new Sampo A shares which corresponds to approximately 11.5 per cent of all Sampo A shares on the date of the General Meeting's notice, 17 June 2024, in deviation from the shareholders' pre-emptive rights (directed share issue).


Share buyback programme


Sampo's share buyback programme announced on 17 June 2024 continued after the end of the reporting period. By 2 August 2024 market close, the company had bought in total 3,591,673 Sampo A shares representing 0.72 per cent of the total share count. The progress of the buyback programme can be followed on www.sampo.com/sharebuyback.



SAMPO GROUP

 www.sampo.com

 [Sampo_plc](https://twitter.com/Sampo_plc)

 [sampo_oyj](https://www.instagram.com/sampo_oyj)

 [sampo-plc](https://www.linkedin.com/company/sampo-plc)

Sampo plc

Fabianinkatu 27

00100 Helsinki

Finland

Phone: +358 10 516 0100

Business ID: 0142213-3