

FBD Holdings plc

2024 Full Year Results

7th March 2025



Forward looking statements

This presentation contains certain forward-looking statements. Actual results may differ materially from those projected or implied in such forward-looking statements. Such forward-looking information involves risks and uncertainties that could affect expected results.



2024 FULL YEAR RESULTS

Agenda

Overview

Tomás Ó Midheach, CEO

Financial Performance

Kate Tobin, CFO

Conclusion

Tomás Ó Midheach, CEO

Appendix

Glossary

Contact Details





2024 FULL YEAR RESULTS

Overview

→ Tomás Ó Midheach, CEO

STANDS FOR SUPPORT.

Full Year 2024 At a Glance



+13%

Gross Written
Premium Growth



+33,000

Policies up
on last year



€77m

Profit
Before Tax



100c

Ordinary Dividend
Proposed



197%

Post-Dividend
SCR incl.
Jan '25 weather
(211% excl. weather)

Strategy Delivering

Delivering consistent returns with predictable yields



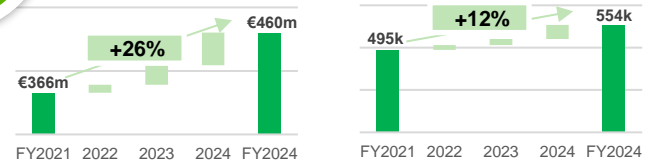
Robust Franchise

- Providing customers a **valued proposition**
- Growing count, **doing more** with existing customers
- Replicating **relationship strategy** in Business sector
- Direct model advantage evidenced by **strong retention**
- **Retail sector growing** through FBD Direct & Partnerships



Growing

GWP & Policy Count Growth



GWP & Policy count growth excludes legacy scheme runoff



Return to our Shareholders

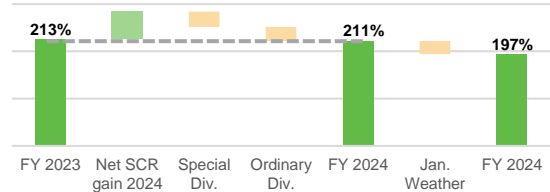
- €220m capital returned since 2022 - Four ordinary and two special dividends
- Dividend yield of 16% (31 Dec 2024)
- 4th year of double-digit ROE (15%+ ave.)
- Focus remains on annual dividend sustainability while maintaining a strong capital position

€4m share buyback completed in 2024



Well Capitalised

SCR%



Key Highlights

Profit Before Tax

€77m



- Underwriting Result €67m (2023: €76m)
- Income Statement investment return of €26m (2023: €19m); OCI return €19m (2023: €41m)
- €27m reduction in Past Service best estimate
- ESG advocacy initiative: €1.5m contribution to UCD FBD Agricultural Science Centre

Gross Written Premium

€460m



- Gross Written Premium up 12.5%, growth across all sectors, channels and products
- Average premium up 5.8% - half of which relates to increased levels of cover
- Farmer GWP up €27m on 2023 – Retention of existing customers and New Business both up on 2023

Policy Count

+6.3%



- Farmer up 14,500 on 2023 – Customer policy holding up from 3.4 to 3.5 policies
- 5% growth in increasingly competitive Business sector – Customer policy holding increased from 2.2 to 2.3
- 40% growth in Partnerships through Bank of Ireland & An Post Insurance
- 4% Retail growth through FBD Direct

Significant profitable growth across all sectors, underpinned by our robust franchise

Key Highlights

Reported COR

84.9%



- Undiscounted COR 86.7% (2023: 83.3%)
- Current service COR 95.3% (2023: 95.1%)
- Supported by favourable large claims and frequency, with moderating damage inflation
- Two notable storms, Isha & Darragh, during 2024 – net cost €14.7m

Solvency II SCR

197%



- Solvency Capital ratio (unaudited) after proposed ordinary dividend of 197% (2023: 213%)
- January 2025 weather events have reduced capital ratio by 14%
- SCR remains strong after ordinary dividend and January 2025 weather
- SCR Risk Appetite 150%-170%

Return on Equity

14%



- Net Asset Value 1,346 after ordinary and special dividends in 2024 (2023: 1,330c)
- Dividend yield 16% (31 Dec 2024)
- 4th year of double-digit ROE (15%+ ave.)
- Return on Targeted Equity of 19%
- Ordinary Dividend of 100c proposed

Capital position remains strong after allowing for business growth, distributions and January 2025 weather



2024 FULL YEAR RESULTS

Financial Performance



SUPPORT.

IT'S WHAT WE DO.



Kate Tobin, CFO

2024 Full Year Results

	2024	2023	Change
GWP	€460m	€409m*	+€51m
Underwriting result	€67m	€76m	-€9m
Investment return	€26m	€19m	+€7m
Unwind of discounting	-€6m	-€3m	-€3m
Finance and other Group costs	-€10m	-€11m	+€1m
1 Profit before tax	€77m	€81m	-€4m
	2024	2023	Change
EPS	186c	194c	-8c
NAV	1,346c	1,330c	+16c
ROE	14%	15%	-1%
	2024	2023	Change
Loss ratio	57.1%	53.5%	+3.6%
Expense ratio	27.8%	27.4%	+0.4%
2 Combined Operating Ratio	84.9%	80.9%	+4.0%
Total investment return	4.0%	5.3%	-1.3%
3 <ul style="list-style-type: none"> Income statement OCI 	2.3%	1.7%	+0.6%
	1.7%	3.6%	-1.9%

1 **2024 Profit before tax** supported by strong growth, positive underwriting results and increased investment returns

2 **Combined Operating Ratio (COR)** of 84.9% reflecting increased insurance revenue, continued underwriting discipline and favourable prior year reserve development

3 **Investment markets had a good year** with positive returns across almost all asset classes. Bond maturities continue to be reinvested at higher interest rates, which is gradually increasing the income earned on these portfolios

2024 Full Year Results

Income Statement	2024	2023	Change
Insurance revenue	€441m	€401m	+€40m
Insurance service expenses	-€279m	-€210m	-€69m
Net expense from reinsurance contracts held	-€51m	-€65m	+€14m
1 Insurance service result	€111m	€126m	-€15m
2 Investment return	€26m	€19m	+€7m
3 Net insurance finance expenses	-€6m	-€3m	-€3m
Net insurance and investment result	€131m	€142m	-€11m
Non-attributable expenses	-€38m	-€34m	-€4m
Finance costs, other provisions	-€16m	-€27m	+€11m
Profit before taxation	€77m	€81m	-€4m

1 Insurance service result reflects reduced prior year reserve development in 2024

2 Income statement investment return increasing as bonds are reinvested at higher rates

3 Net insurance finance expenses includes impact of unwind of discounting at higher interest rates during 2023 and 2024

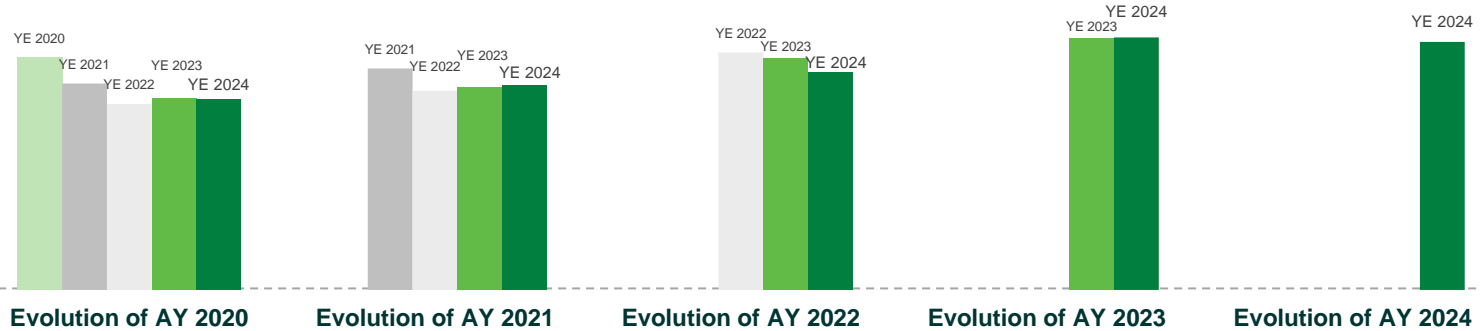
Analysis of Combined Operating Ratio

	2024 %	2023 %
① Current Service Combined Operating Ratio	95.3%	95.1%
② Past Service Combined Operating Ratio	-10.4%	-14.2%
Reported Combined Operating Ratio	84.9%	80.9%
Undiscounted Combined Operating Ratio	86.7%	83.3%

① **Current Service COR** stable year on year following impacts of weather and reduced levels of discounting, benefitting from improved frequency and stabilisation of damage inflation in second half of year

② **Past Service COR** benefitted from positive developments of €26.9m, mainly driven by attritional injury and large claims

Best Estimate Claims Reserve Development



- **Net positive** prior year reserve development during 2024
- Current year **injury frequency** decreased from 2023 for most lines of business
- Expectations for future **injury claims inflation** have been allowed for within the reserves including an estimate of the impact of the Judicial Council's recommended increase in damage awards under the **Personal Injuries Guidelines**

Note: The above graphs include EL, PL and Motor Accident Years ("AY") only

Increased Contribution from Investments

Income Statement return increasing



2.3%

Cash, Fixed Income and Risk Assets:

- Positive yielding cash and deposits contribute €4.5m
- Income from bond portfolios continues to increase as maturities reinvested at higher book yields
- Cash & bond income increased to €17.0m (1.7% return) from €13.9m (1.4% return)
- Equities contribute €11.9m towards risk asset return

OCI return positive



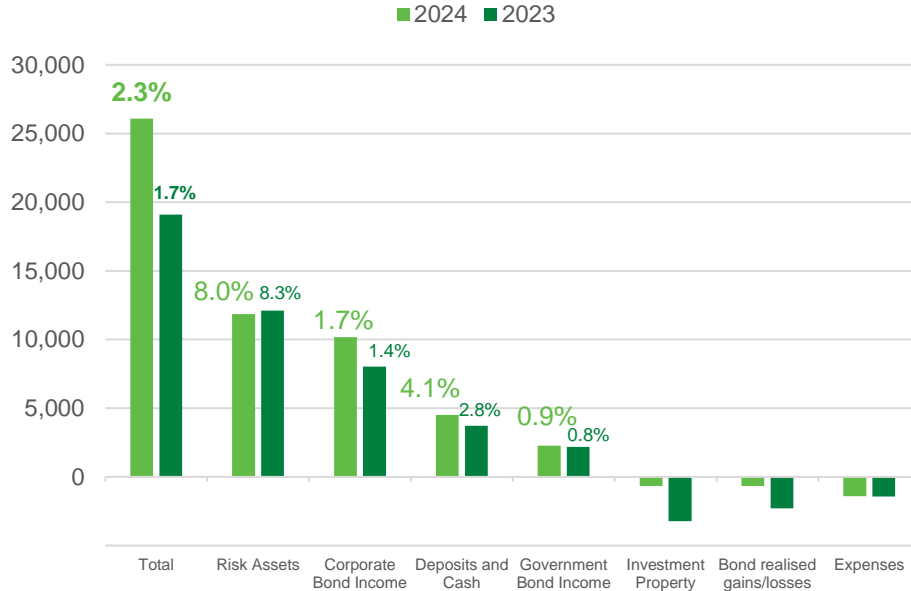
1.7%

Corporate and Sovereign Bonds:

- Risk-free rates representing our portfolio duration increased slightly in 2024
- Unwind of unrealised losses due to pull to par effect
- €20m unrealised loss on the bond portfolios will unwind over the remaining life as they are held to maturity

Investment Income Analysis 2024 vs 2023

Income Statement returns (€'000s) 2024 vs 2023



Increasing returns from bond portfolio

- Corporate bond income increased in 2024 as maturities re-invested at higher interest rates and allocations increased
- 9% of Corporate bond portfolio matured in 2024; portfolio average duration 3.4 years
- 7% of Government bond portfolio matured in 2024; portfolio average duration 2.75 years
- Realised bond losses in 2024 due to book yield enhancement trading



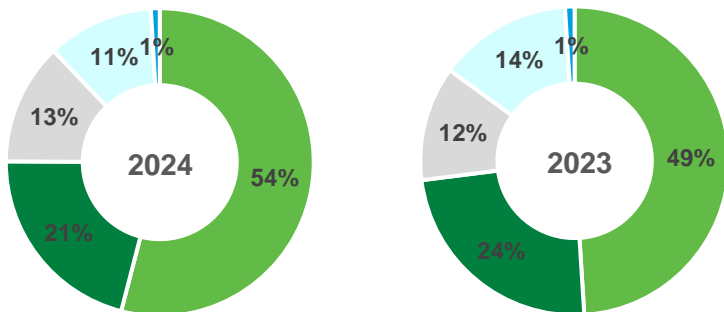
Risk asset returns stable year on year mainly driven by equities



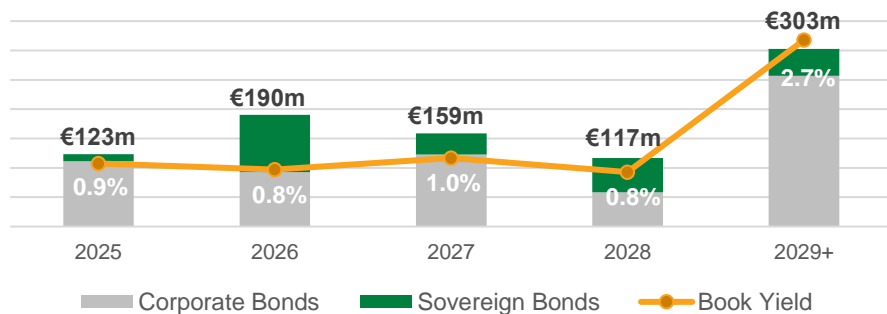
Returns on Deposits and Cash increased due to higher average rates over 2024

Investment Allocation

Changes to investment allocation over the year



Bond turnover from 2025 to 2028



	31-Dec-24	31-Dec-23
Corporate Bonds	€642m	€575m
Government Bonds	€250m	€281m
Deposits and Cash	€152m	€145m
Risk Assets	€133m	€161m
Investment Property	€11m	€12m
Total	€1,188	€1,174

Corporate bond increase includes €15m reallocation from Government bonds.

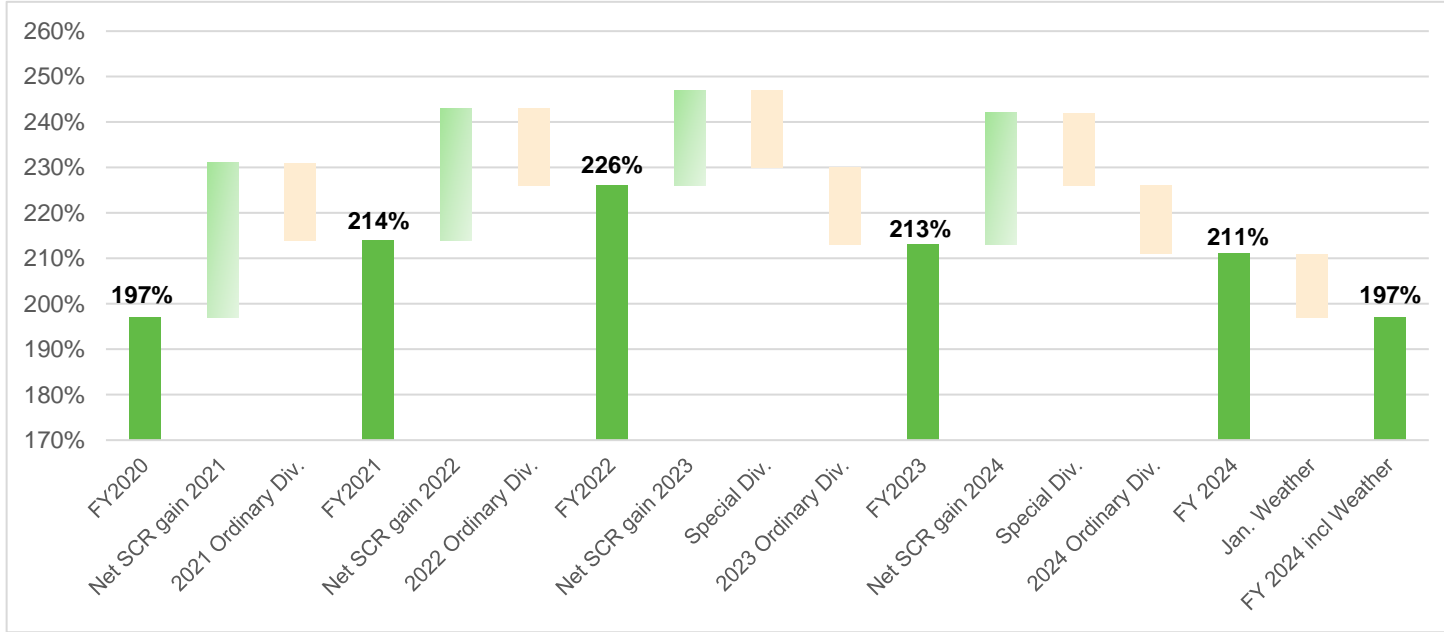
€45m Corporate bond reallocation in 2024; €35m Government bond divestment.

€40m divested from risk assets.

Credit quality stable at A-.

Allocation to BBB rated corporate bonds in line with 2023.

Strong capital generation supporting investor returns



Four ordinary and two special dividends - €220m capital returned since 2022

2024 FULL YEAR RESULTS

Conclusion

→ Tomás Ó Midheach, CEO



Summary



- **Profit before tax of €77m** with COR **84.9%**. Post-weather capital position remains strong



- Following strong performance of 2024 an **ordinary dividend of 100c** per share has been proposed



- Solvency Capital Ratio **197%** (unaudited) after proposed ordinary dividend and January weather. SCR Risk Appetite 150%-170%



- FBD is a **robust** and **growing** business, that is delivering for all **stakeholders**
- Focus remains on annual **dividend sustainability** while maintaining a strong capital position



- **Guidance:** Combined Operating Ratio mid 90s achievable for 2025 including the impact of January 2025 weather





2024 FULL YEAR RESULTS

Appendix


SUPPORT.
IT'S WHAT WE DO.

FBD, Our Strategy

A digitally enabled, data enriched organisation which delivers an excellent customer and employee experience




Our Customers


Our People


Our Investors


Wider Society & ESG


Our Regulator

STRATEGIC AMBITION

Our Customers

We have a complete picture of them, understand them and deliver a proposition they value

Our People

Foster individual and organisational effectiveness

Delivering Measured Profitable Growth

Through a sharp focus on value, growth & capital management

Wider Society & ESG

We are recognised as the Irish insurer supporting local communities. Delivering on our sustainability commitments and supporting our customers in theirs

Continuous Improvement

Be better tomorrow than we are today. Create capacity while enhancing our customer and employee experience

Strategy Evolution



ESG Strategy – Areas of Focus

FBD has embraced ESG as a core component of our operational & strategic activities

2017-23

Strategy & Governance

- Determine where we can have a meaningful impact
- Embed within our business
- ESG governance structure & resources
- Launch FBD's signature advocacy initiatives & Prepare for CSRD (Double materiality; Taxonomy review & climate scenario analysis)
- Implementation of carbon reduction strategies across investment portfolio
- Signatory of the Women in Finance Charter

2024

Meaningful Impact

- Irish Centre for Diversity Gold Accreditation
- Confirmed as members of the UN Principles for Sustainable Insurance
- Adapting as the sustainability reporting landscape evolves
- Climate scenario analysis completed
- Climate risk modelling integrated into capital modelling
- Implementation project to report on 2024 metrics for CSRD

2025+

Disclosures & Advocacy

- Advocating for and investing in sustainable initiatives, research & education while supporting our customers in meeting their sustainability goals
- Embedding annual CSRD reporting
- Increased disclosure under EU Taxonomy
- Continued reporting on UN Principles for Sustainable Insurance to the UN Environment Programme Finance Initiative
- Continued reporting under the Carbon Disclosure Project



FBD – A local insurer, supporting & sustaining local communities

ESG Advocacy Initiative

UCD FBD Agricultural Science Centre

- FBD Holdings plc has pledged a contribution of €1.5m
- Investment underscores our commitment to supporting Ireland's farming communities, agriculture as a whole and the food industry

The centre will:

- Enhance UCD's ability to deliver both teaching and research to the highest international standards
- Provide a hub where researchers and students can collaborate on projects addressing the most pressing farming challenges
- Facilitate new education programmes in the areas of animal science & health, crop science and sustainable food production
- Construction of the new centre is due to commence in 2025



UCD FBD Agricultural Science Centre



We are delighted to join forces with UCD in this important initiative that will foster innovation, research and education in the agricultural sector. Together with UCD we are dedicated to nurturing the next generation of agricultural scientists who are poised to make a lasting impact on a sustainable future.

Industry Environment and Emerging Trends

Injury Claims



- Judicial Council have recommended an increase in damage awards under the Personal Injuries Guidelines - amendment requires Oireachtas approval
 - IRB mediation is live for Personal Injury Claims
 - IRB acceptance rates continue to increase towards pre-guidelines levels
 - FBD supports the work of Government on the insurance reform agenda
- Injury settlement rate increased materially in 2024 – Litigated cases the primary driver
- Plaintiff legal costs in both the High Court and Circuit Court continuing to increase - in proportion to overall settlement costs

Legislative focus in 2025

Irish Motor Insurance Database

- ANPR details provided daily to An Garda Siochana. Working to gather policyholder driver numbers to meet the requirements

Damage Claims



- Average Property claims cost increased due to a change in mix of claims and inflation
- 2024 Storm claims driving Property notifications – up materially on 2023
- Private Motor Damage inflation appears to have stabilised in 2024 however Commercial Motor is up on 2023
- Motor Damage notifications up on last year in line with policy count growth - materially up on 2020

Claims Trends



Motor Damage AD & TPPD average claims costs are **up 3% in 2024** and up 39% on 2020. While 2024 has shown signs of stabilisation in Private Motor claims costs, Commercial Motor remains higher than 2023 with Third Party costs contributing



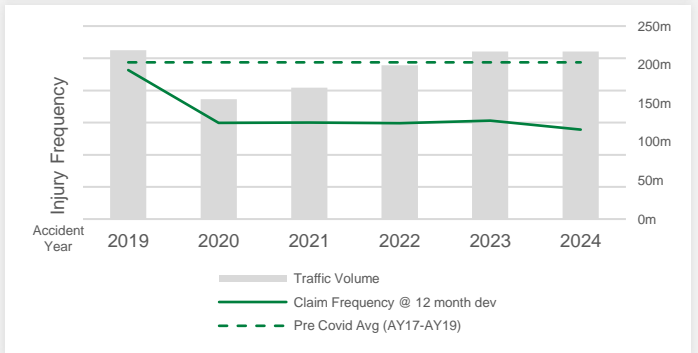
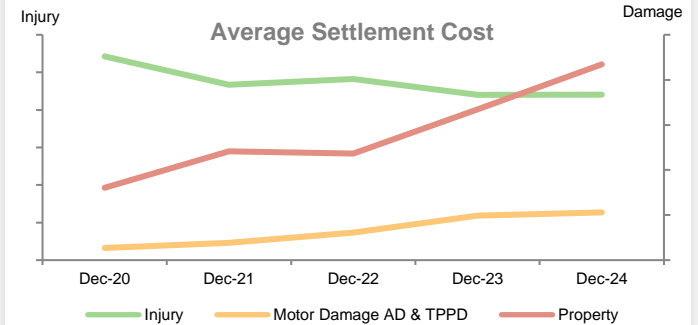
Average **Property** claims costs have **increased by 20% in 2024**, up 82% on 2020, due to disrupted supply lines, skills shortages, materials and parts inflation and business interruption settlements



Injury claims costs are flat in 2024 and are **down 7% on 2020**. Injury **settlement rate** is **up 16%** in 2024 driven by an increase in activity through the litigation channel



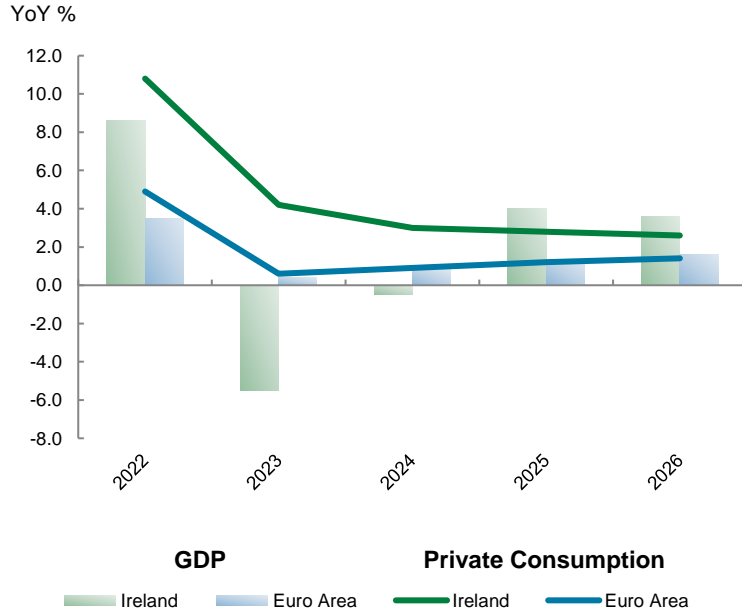
Private Motor Injury frequency remains below pre-Covid levels and has stabilised at this level over the past three years despite traffic volumes returning to more normal patterns



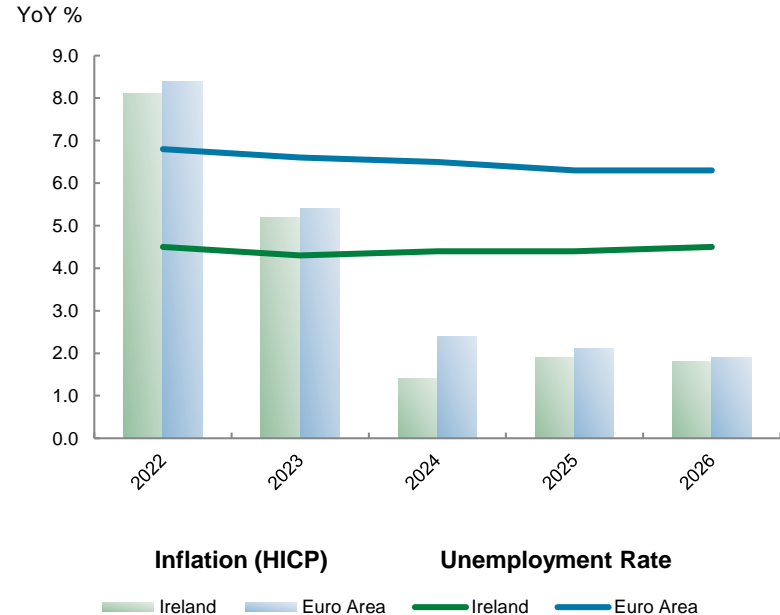
* Claimants with settlement payments up to and including €250,000 are included

Ireland & Euro Area Economic Environment

GDP & Private Consumption

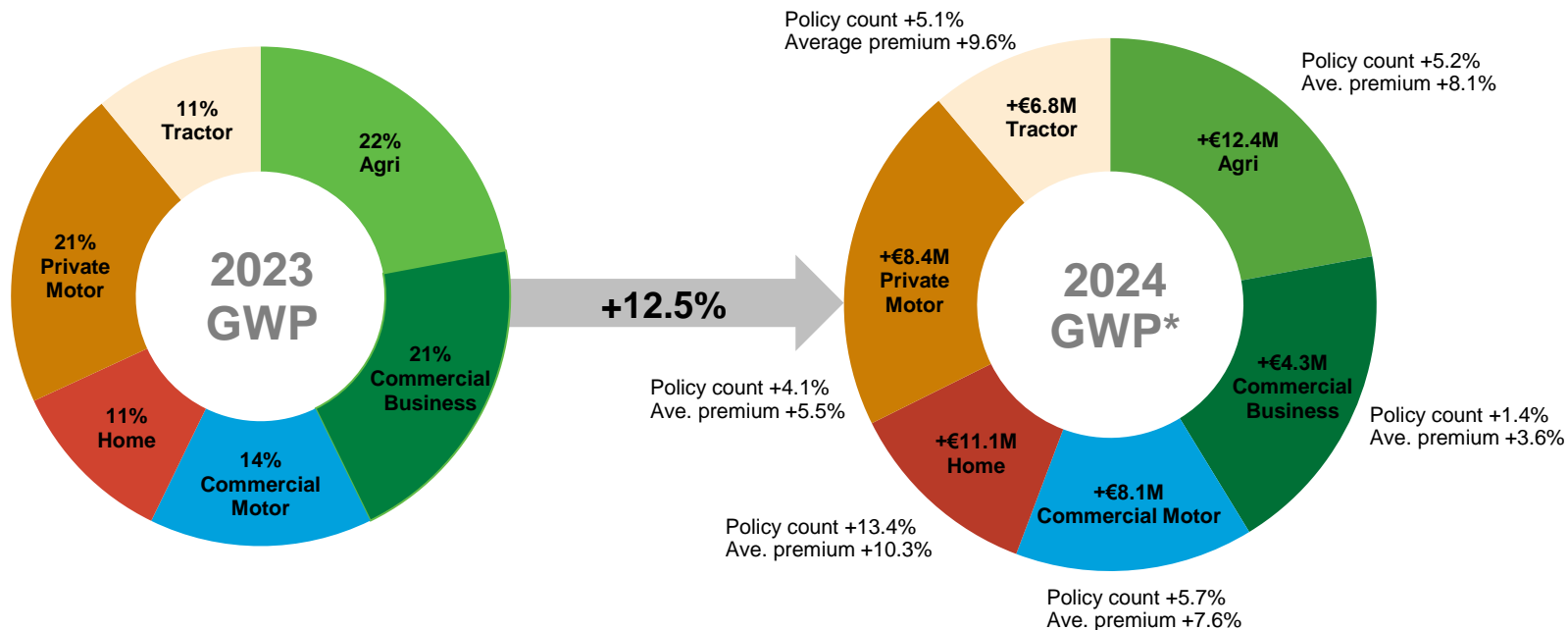


Inflation (HICP) & Unemployment Rate



Source: European Commission Spring Economic Forecast

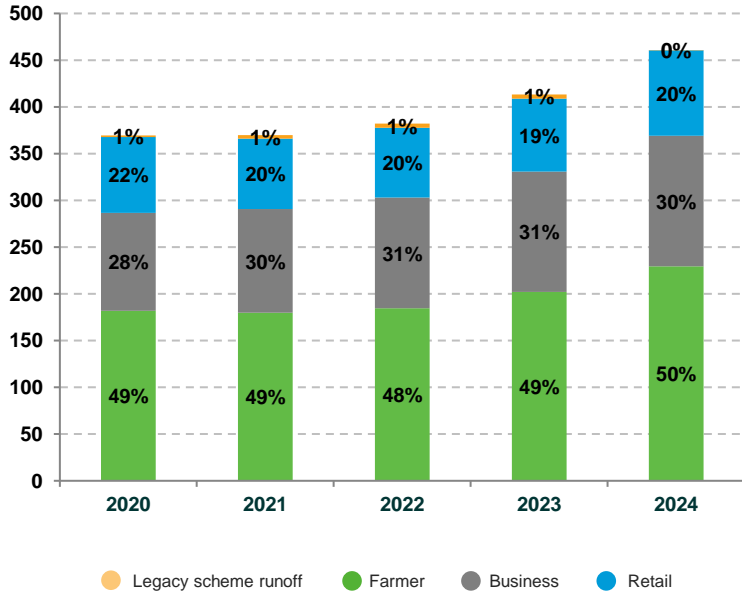
GWP Performance by Product



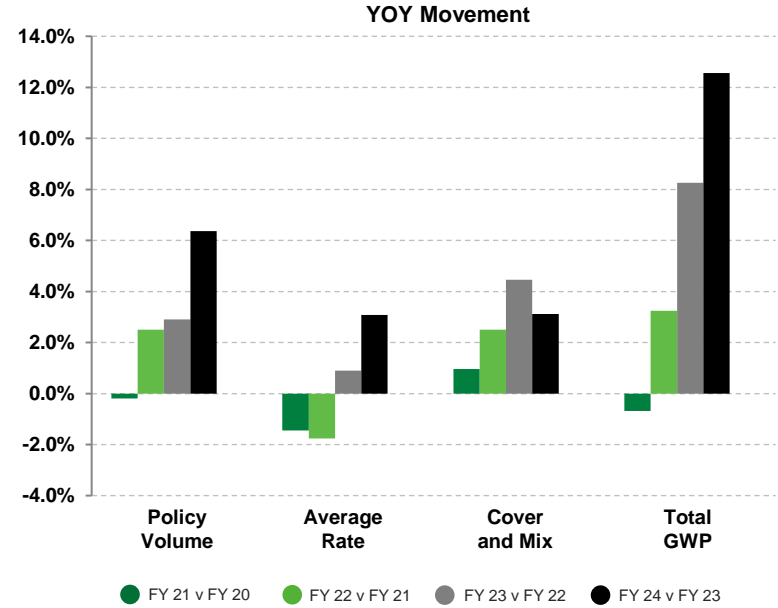
* Excluding legacy scheme runoff -€4.5m

Premium Analysis

Active Premium by Customer Sector



Change in GWP *



* Excluding legacy scheme runoff

Customer Sectors



Farmer

- Sustained strong retention in 2024
- Increased new business in Multiperil & Tractor supported by unique service proposition
- Net policy growth across almost all product lines in 2024 (+14,500 policies)
- Customer policy holding up from 3.4 to 3.5 policies



Business

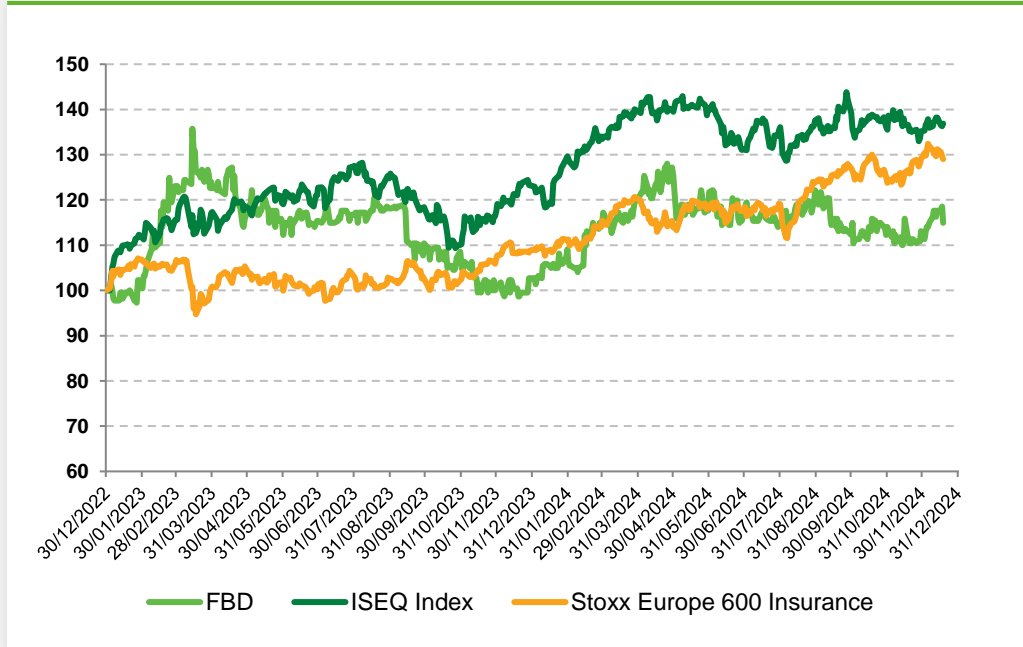
- GWP increased on 2023 across both Broker and Direct channels
- Strong renewal retention and new business, supporting policy count growth
- Renewal premium growth aided by increases to property sums insured and indexation



Retail

- Increased policy count and GWP in a continuing competitive market
- Strong Private Motor and Home retention rates maintained in 2024
- An Post Insurance performed well with notable growth of the account year on year
- Bank of Ireland portfolio yielding excellent results in line with expectations

FBD Share Price Performance



FUNDING
local clubs.

SUPPORT.
IT'S WHAT WE DO.
FBD
INSURANCE

BACKING
small business owners.

DONATING
to charity partners.

Glossary

Acquisition	The total of net commission and operating expenses incurred in the generation of net earned premium and often expressed as a percentage of net earned premium. The operating expenses are after the transfer of direct costs for claims settlement expenses which are included in net incurred claims expense.
Best Estimate	The actuary's expectation of future cost to settle all outstanding claims net of any margin for uncertainty, representing a 50% probability that the reserves are adequate to settle all future claims.
Casualty Insurance	Insurance that is primarily concerned with the losses resulting from injuries to third persons or their property (i.e. not the policyholder) and the resulting legal liability imposed on the insured. It includes, but is not limited to, general liability, employers' liability, workers' compensation, professional liability, public liability and motor liability insurance.
Catastrophe Reinsurance	A reinsurance contract (often in the form of excess of loss reinsurance) that, subject to specified limits and retention, compensates the ceding insurer for losses in related to an accumulation of claims resulting from a catastrophe event or series of events.
Claim	The amount payable under a contract of insurance or reinsurance arising from a loss relating to an insured event.
Claims Handling Expense (CHE)	Costs incurred in the investigation, assessment and settlement of a claim.
Claims Incurred	The aggregate of all claims paid during an accounting period adjusted by the change in the claims provision for that accounting period.

Claims Provision	The estimate of the most likely cost of settling present and future claims and associated claims adjustment expenses plus a risk margin to cover possible fluctuation of the liability.
Combined Operating Ratio	The sum of the loss ratio and expense ratio. A combined operating ratio <100% indicates profitable insurance results. A combined operating ratio >100% indicates unprofitable results.
Deferred Acquisition Costs	Acquisition costs relating to the unexpired period of risk of contracts in force at the balance sheet date which are carried forward from one accounting period to subsequent accounting periods.
Directly Attributable Expenses	Cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.
Dividend Yield	Dividends paid per share ÷ Share Price at 31 Dec (FY); 30 Jun (HY).
Events Not in Data (ENID)	Insurers are required to allow for all possible events when setting their technical provisions, including those that may not have been historically realised. This is done by allowing for events not in data when calculating technical provisions.
Excess of Loss Reinsurance	A form of reinsurance in which, in return for a premium, the reinsurer accepts liability for claims settled by the original insurer in excess of an agreed amount, generally subject to an upper limit.
Expense Ratio	Insurance acquisition expenses and non-attributable expenses as a percentage of insurance revenue.

Glossary

Fair Value through Other Comprehensive Income (FVOCI)	Financial assets classified and measured at fair value through other comprehensive income.	Long-tail	Classes of insurance business involving coverage for risks where notice of a claim may not be received for many years and claims may be outstanding for more than one year before they are finally quantifiable and settled by the insurer.
General Insurance	Generally used to describe non-life insurance business including property and casualty insurance.	Loss Ratio	Claims incurred net of reinsurance result as a percentage of insurance revenue.
Gross Claims Incurred	The amount of claims incurred during an accounting period before deducting reinsurance recoveries.	Margin for Uncertainty	The margin held over and above the actuarial best estimate in order to provide greater certainty that claims reserves will be sufficient to settle all outstanding claims as they fall due.
Gross Earned Premium (GEP)	The total premium on insurance earned by an insurer or reinsurer during a specified period on premiums underwritten in the current and previous underwriting years.	Net Asset Value (NAV)	Net Asset Value is the net value of an entity's assets less its liabilities, divided by the number of shares outstanding.
Gross Written Premium (GWP)	The total premium on insurance underwritten by an insurer or reinsurer during a specified period, before deduction of reinsurance premium.	Net Claims Incurred	The amount of claims incurred during an accounting period after deducting reinsurance recoveries.
Incurred but not Reported (IBNR)	Claims arising out of events that have occurred before the end of an accounting period but have not been reported to the insurer by that date.	Net Claims Ratio	Net claims incurred as a percentage of net earned premium.
Insurance Finance Income or Expenses (IFIE)	IFRS 17 permits an entity to choose to present insurance finance income or expenses either in profit or loss or disaggregated between profit or loss and OCI. This choice is made on a portfolio-by-portfolio basis.	Net Earned Premium (NEP)	Net written premium adjusted by the change in net unearned premium for a year.
Insurance Service Result	Insurance revenue less Insurance service expenses less Net expenses from reinsurance contracts held.	Net Investment Income	Gross investment income net of foreign exchange gains and losses and investment expenses.
Legacy Scheme Runoff	Broker scheme for Private Motor and Home which was terminated in 2024. H1 2023 GWP was €2.5m.	Net Written Premium (NWP)	The total premium on insurance underwritten by an insurer during a specified period after the deduction of premium applicable to reinsurance.
		Other Comprehensive Income (OCI)	Other comprehensive income consists of revenues, expenses, gains, and losses that, under IFRS standards, are excluded from net income on the income statement.

Glossary

Outstanding Claims Provision	The amount of provision established for claims and related claims expenses that have occurred but have not been paid.
Personal Lines	Insurance for individuals and families, such as private motor vehicle and homeowners insurance.
Policyholders' Funds	Those financial assets held to fund the insurance provisions of the Group.
Premium	Amount payable by the insured or reinsured in order to obtain insurance or reinsurance protection.
Premium Allocation Approach (PAA)	The Premium Allocation Approach is a simplification of the General Model for measuring insurance contract assets and liabilities during the coverage period. It is allowed as an optional measurement approach under IFRS 17, mainly intended for contracts of short duration.
Risk Adjustment (RA)	The compensation an entity requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the entity fulfils insurance contracts.
Short-tail	Classes of insurance business involving coverage for risks where claims are usually known and settled within 12 months.
Recoveries	The amount of claims recovered from reinsurance, third parties or salvage.
Reinsurance	An agreement to indemnify a primary insurer by a reinsurer in consideration of a premium with respect to agreed risks insured by the primary insurer. The enterprise accepting the risk is the reinsurer and is said to accept inward reinsurance. The enterprise ceding the risks is the cedant or ceding company and is said to place outward reinsurance.

Reinsurer	The insurer that assumes all or part of the insurance or reinsurance liability written by another insurer.
Retention	That amount of liability for which an insurance company will remain responsible after it has completed its reinsurance arrangements.
Return on Equity (ROE)	Profit after Tax as a percentage of average current year and prior year Equity attributable to ordinary equity holders of parent.
Return on Targeted Equity (ROTE)	Profit after Tax as a percentage of IFRS Ordinary Shareholder Funds, at the SCR Risk Appetite.
Solvency Capital Ratio	Ratio of an insurance company's eligible capital (Own Funds) to its regulatory (Solvency) capital requirement.
Underwriting	The process of reviewing applications submitted for insurance or reinsurance coverage, deciding whether to provide all or part of the coverage requested and determining the applicable premium.
Underwriting Expenses	The aggregate of policy acquisition costs, and administrative, general and other expenses attributable to underwriting operations.
Underwriting Result	Insurance service result less non-attributable expenses and movement in other provisions.
Underwriting Year	The year in which the contract of insurance commenced or was underwritten.
Unearned Premium	The portion of a premium representing the unexpired portion of the contract term as of a certain date.
Written Premium	Premiums written, whether or not earned, during a given period.

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