

Topdanmark Forsikring A/S divests Topdanmark Liv Holding A/S

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18 March 2022

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Topdanmark Forsikring A/S has signed an agreement to divest of Topdanmark Liv Holding A/S and all subsidiaries hereof to Nordea Life Holding AB for a purchase price corresponding to a goodwill of DKK 1.5bn. The transaction is a natural continuation of the consolidation in the life insurance sector in recent years, and the rationale behind is to create a focused non-life insurance company, to improve the combined ratio and the quality of earnings by divesting the illness and accident business, as well as to free significant tied-up capital and thus increase the dividend capacity considerably. After closing of the transaction, Topdanmark Forsikring A/S will continue to distribute life insurance products for Topdanmark Livsforsikring A/S and Nordea, which will strengthen the existing partnership between Nordea and Topdanmark on non-life insurance products.

Closing of the transaction is, among other things, subject to relevant regulatory approvals. At present, the divestment is expected to be completed in the second half of 2022. In consequence of the divestment, Topdanmark A/S expects to pay transaction costs as well as costs for unwinding and restructuring of approx. DKK 0.3bn in total. Thus, net proceeds are expected to amount to approx. DKK 1.2bn after tax, which under the assumption that the transaction is closed as at 31 December 2022 should be added to Topdanmark's annual result. In connection with the financial report for Q1 2022, the latest published profit forecast model for 2022 of DKK 1.2-1.45bn will be updated with the expected net proceeds of this transaction as well as relevant changes based on the developments in Q1 2022.

All things being equal, the divestment is expected to impact the solvency in Topdanmark A/S positively by approx. 150pp, among other things, because the solvency requirement is expected to drop to approx. DKK 2bn. This corresponds to approx. DKK 3bn in extra solvency cover which provides Topdanmark with the potential of carrying out an extraordinary distribution of dividend following the closing of the transaction.

Please direct any queries to:

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About Topdanmark A/S

Topdanmark is one of the country's largest insurance and pension companies.

For more than 100 years, we have helped our customers care for what matters the most. Prevent and limit damages. Secure financial security before and after retirement. For the benefit of both people and the environment.

It makes us an attractive company - not only for our customers, but also for our employees, shareholders and the world around us.

Find more information about Topdanmark on topdanmark.com

Attachments

- [Divestment of Topdanmark Liv - supporting slides.pdf](#)