

Topdanmark Forsikring A/S acquires Oona Health A/S

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16 March 2023

Announcement no. 04/2023

Topdanmark Forsikring A/S has signed an agreement to acquire Oona Health A/S and all subsidiaries hereof from Daytona Holdings Limited (owned by the British fund AnaCap Financial Partners) and a number of minority shareholders. Oona Health A/S comprises, among others, Forsikringsselskabet Dansk Sundhedssikring A/S which is market leading and focused on sales and administration of health insurances, as well as PrimaCare A/S which delivers part of the value chain related to health insurances.

Today, Topdanmark is a focused non-life insurance company with a strategy of creating profitable growth in our core business. Health solutions are core products on the non-life insurance market, and the acquisition of Oona Health A/S is an important investment in delivering the best products and services to our customers. At the same time, Topdanmark secures a strong position in a fast-growing market with high customer loyalty.

The purchase price amounts to DKK 2.25bn. To fund the acquisition, Topdanmark A/S' Board of Directors has decided to reduce the proposed dividend for 2022 from the previously announced DKK 53.5 per share to DKK 31 per share. The total dividend is still made up of an ordinary dividend of DKK 11 per share, whereas the extra dividend amounts to DKK 20 per share. The distribution of dividend for 2022 will be decided on the company's annual general meeting on 26 April 2023.

Closing of the transaction is, among other things, subject to relevant regulatory approvals. At present, the transaction is expected to be completed in the second half of 2023. Under the assumption that the transaction is completed as at 31 December 2023, the acquisition will have a limited financial impact in 2023, which is why the latest published profit forecast model for 2023 of DKK 1.05-1.31bn is maintained. In continuation of the acquisition, Topdanmark expects to pay extraordinary costs related to the transaction and integration of DKK 100m.

The acquisition is expected to increase the operating EPS (adjusted for extraordinary costs as well as amortisation of intangible assets related to brands and customer relations) of the Topdanmark Group by +10% in 2024. Relative to the purchase price, the acquisition is expected to increase the operating EPS by 1-2% in 2024. The acquisition will have a marginal effect on Topdanmark's solvency position due to diversification effects in the Group.

Carnegie is financial advisor and Accura Advokatpartnerskab legal advisor for Topdanmark in connection with the acquisition.

Facts on Oona Health A/S

Market share within private health insurances: 16%

Premiums, full-year 2022: DKK 732m

Growth in premiums (CAGR 2020-2022): 24% p.a.

Expected premiums, 2023E: DKK 760-790m (cf. Oona Health A/S annual report 2022:

<https://ds-sundhed.dk/media/ckkmwdfp/oonahhealth-annual-report-2022.pdf>)

Expected net profit, 2023E: DKK 135-150m (cf. Oona Health A/S annual report 2022:

<https://ds-sundhed.dk/media/ckkmwdfp/oonahhealth-annual-report-2022.pdf>)

Number of private customers: 530,000

Number of commercial customers: 15,000

Number of employees: 211

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About Topdanmark A/S

Topdanmark is one of the largest insurance companies in Denmark.

We are 2,100 employees, and we help more than 110,000 commercial and agricultural customers and 600,000 private customers all over the country. We have been helping customers since 1898 when Topdanmark was founded.

Attachments

- [04-2023 Topdanmark acquires Oona Health AS.pdf](#)