



Interim report for Q1 2024

16 April 2024, Announcement no. 05/2024

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Management's review

Highlights

Q1 2024

Profit after tax of

DKK 377m

(Q1 2023: DKK 373m)

- Operating EPS was DKK 4.4 (Q1 2023: DKK 4.2)
- Combined ratio: 84.8 (Q1 2023: 83.6)
- Combined ratio excluding run-off profits: 88.4 (Q1 2023: 85.9)
- Insurance revenue increased by 11.9% with an organic growth of 4.3%
- Net investment result was DKK 159m (Q1 2023: DKK 106m).

Conference call

A conference call will be held today at 11:00 (CEST) in which Peter Hermann, CEO, and Lars Kufall Beck, CFO, will be available for questions based on the results. The call will be conducted in English.

To participate in the conference call, please call:

DK dial-in number: +45 32 74 07 10
SE dial-in number: +46 8 505 246 90
UK dial-in number: +44 20 3481 4247
US dial-in number: +1 (646) 307 1963
(Conference ID 3990986)

10–15 minutes before the conference call – or listen to the [live transmission](#) of the call.

Profit forecast model for 2024

- The expected organic insurance revenue growth is unchanged at above 4.5%.
- The assumed combined ratio for 2024 is improved from 82–85 to 81.8–84.8 including run-off.
- The profit forecast for 2024 has been improved from DKK 1,150–1,425m to DKK 1,250–1,525m after tax and including run-off.

Annual General Meeting

The Annual General Meeting (AGM) will take place 23 April 2024 at 13:00 (CEST), and it will be held as a fully virtual AGM.

All relevant information pertaining to the annual general meeting can be found on our [website](#).

Please direct any queries to:



Peter Hermann
Chief Executive Officer



Lars Kufall Beck
Chief Financial Officer



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Financial highlights

(DKKm)	Q1 2024	Q1 2023	Full year 2023
Insurance revenue	2,797	2,500	10,168
Claims incurred	-1,802	-1,564	-6,762
Expenses	-450	-418	-1,671
Reinsurance result	-107	-91	-228
Insurance service result	437	426	1,507
Net investment result	159	106	97
Other items	-35	-12	-106
Profit on insurance	561	521	1,498
Special costs	-20	0	-39
Parent company etc.	-28	-10	-35
Profit before tax	514	511	1,424
Tax	-137	-138	-372
Profit	377	373	1,051
Run-off profits, net of reinsurance	100	60	204
Investment assets	17,985	21,520	15,414
Reinsurance asset	590	548	587
Provisions for insurance contracts	15,949	15,062	13,939
Shareholders' equity	5,138	6,773	4,722
Total balance	24,566	24,917	21,826
Financial ratios			
Return on shareholders' equity after tax (annualised)	30.5	22.7	20.6
Return on own funds (annualised)	50.3	35.0	36.0
EPS after tax (DKK)	4.2	4.2	11.9
Operational EPS after tax (DKK)	4.4	4.2	12.3
Dividend per share issued, proposed (DKK)			11.5
Net asset value per share, diluted (DKK)	57.7	76.3	52.9
Listed share price end of period	295.3	366.8	322.4
Number of shares end of period ('000)	88,869	88,642	88,751
Average number of shares ('000)	88,849	88,621	88,686
Insurance ratios			
Gross claims ratio	64.6	62.7	66.7
Net reinsurance ratio	3.8	3.7	2.2
Claims ratio, net of reinsurance	68.4	66.4	68.9
Gross expense ratio	16.4	17.2	16.7
Combined ratio	84.8	83.6	85.6
Combined ratio excl. run-off profits	88.4	85.9	87.6

Results for Q1 2024

The profit after tax for Q1 2024 was DKK 377m (Q1 2023: DKK 373m).

The insurance service result increased by DKK 11m to DKK 437m. The higher insurance service result is driven by tight cost control and a sound run-off result, partly offset by a significantly higher level of weather-related claims in Q1 2024 compared with the more normal level in Q1 2023. The underlying claims ratio was negatively affected by approx. 2,000 more claims within motor and personal accident than in Q1 2023. The claims were related to the harsh winter weather, and thus not captured in the weather-related claims definition.

The net investment result increased by DKK 53m to DKK 159m, significantly above expectations and supported by positive contributions from equities, running yields and lower provisions due to changes in the non-hedged capitalisation factor.

Other items included a DKK 15m one-off contribution to DFIM (Danish Motor Insurers' Bureau).

Insurance service result for Q1 2024

Insurance revenue

Insurance revenue increased by 11.9% to DKK 2,797m, corresponding to an organic growth of 4.3% when adjusting for the acquisition of Oona Health. Organic growth was supported by higher indexation, pricing initiatives, a stronger net customer inflow, and continued good traction in Oona Health.

The private segment accounted for a 22.4% reported growth (6.3% organic growth), and the SME segment accounted for a 2.2% increase.

Claims ratio

Underlying claims ratio	Q1 2024	Q1 2023	Full year 2023
Claims ratio, net of reinsurance	68.4	66.4	68.9
Run-off	3.6	2.4	2.0
Weather-related claims	-4.9	-3.6	-5.1
Large-scale claims	-0.2	-0.9	-1.8
Discounting	2.4	2.5	2.7
Other	-0.3	0.0	0.1
Underlying (undiscounted) claims ratio, net of reinsurance	69.0	66.8	66.8

The gross claims ratio increased to 64.6 (Q1 2023: 62.7). The claims ratio, net of reinsurance, increased to 68.4 from 66.4 in Q1 2023.

The quarter was marked by a high frequency of weather-related claims resulting from the heaviest snowstorm and the coldest January

in more than ten years as well as the storm Rolf in February. By comparison, weather-related claims in Q1 2023 were largely normal. As a result, weather-related claims amounted to DKK 137m, significantly above the Q1 2023 level (DKK 89m) and the normalised modelled level of DKK 90m.

Large-scale claims amounted to DKK 5m, somewhat below the level last year (DKK 23m) and the normalised modelled level of DKK 27.5m.

The discounting effect was largely unchanged at 2.4pp.

The run-off profit, net of reinsurance, was DKK 100m (Q1 2023: DKK 60m), representing a 1.2pp positive effect on the claims ratio. The quarter was marked by extraordinarily high run-off gains related to the storm Pia experienced in December 2023 and a one-off gain from the estate after a former subsidiary of Topdanmark Forsikring A/S.

The underlying claims ratio rose by 2.2pp to 69.0. Our pricing and efficiency measures continue to yield results, but these were more than offset by approx. 2,000 more weather-driven claims within motor and personal accident insurance than in Q1 2023. Within motor, we saw more claims related to single accidents and rear-end collisions than in Q1 2023, which typically are the more weather-prone motor claim types. Similarly, we saw more slip and trip claims within personal accident than in Q1 2023, which is also related to the harsh winter weather. In combination, these weather-driven claims accounted for 1.8pp of the increase in the underlying claims ratio.

In addition, the acquisition of Oona Health added seasonally higher claims in Q1 2024, causing a minor headwind to the underlying

claims ratio. Please note that this relates to systematic timing of claims over the calendar year within the health insurance industry and has no incremental impact on our profit forecast model for 2024. This, in combination with the mentioned weather-driven claims within motor and personal accident insurance, explains the vast majority of the increase in underlying claims ratio.

It is important to note that although the underlying claims ratio is, among other things, adjusted for large-scale claims and weather-related claims, the underlying claims ratio will by nature continue to be impacted by the inherent volatility of an insurance portfolio.

Expense ratio

The expense ratio was 16.4, down from 17.2 in Q1 2023. The improvement was driven by tight cost control throughout the Group. Part of the improvement is driven by phasing and as such only leads to a smaller improvement in our overall cost guidance for the full year.

Combined ratio

The combined ratio was 84.8 (Q1 2023: 83.6). Excluding run-off, the combined ratio was 88.4 (Q1 2023: 85.9).

Segment reporting

Private

Private (DKKm)	Q1 2024	Q1 2023	Full year 2023
Insurance revenue	1,467	1,199	4,926
Claims incurred	-980	-768	-3,203
Expenses	-242	-198	-813
Net reinsurance	-26	-14	-54
Insurance service result	219	218	856
Run-off profits, net of reinsurance	9	47	94
Gross claims ratio	66.8	64.0	65.0
Net reinsurance ratio	1.8	1.2	1.1
Claims ratio, net of reinsurance	68.6	65.2	66.1
Gross expense ratio	16.5	16.5	16.5
Combined ratio	85.1	81.8	82.6
Combined ratio excl. run-off profits	85.7	85.7	84.5

The private segment services individual households in Denmark. The private segment also includes Oona Health.

Insurance revenue increased by 22.4% to DKK 1,467m with the inclusion of Oona Health. Organic growth amounted to 6.3% and was positively impacted by higher indexation, pricing initiatives, a stronger net customer inflow, and continued good traction in Oona Health.

The insurance service result was DKK 219m, in line with the level in Q1 2023.

The claims ratio, net of reinsurance, rose by 3.4pp to 68.6. Weather-related claims amounted to DKK 68m (Q1 2023: DKK 48m). The quarter was marked by a harsh winter and a storm. Run-off was a profit of DKK 9m, DKK 38m below the level last year

corresponding to a 2.6pp deterioration of the claims ratio. The harsh winter weather also had an impact on the claims frequency within motor insurance, while the underlying claims frequency within motor was in line with expectations. Offsetting these impacts, we saw fewer fires in the quarter.

The expense ratio was unchanged at 16.5, mainly due to tight cost control.

The combined ratio was 85.1 (Q1 2023: 81.8). Excluding run-off, the combined ratio was 85.7 (Q1 2023: 85.7).

Segment reporting

SME

SME (DKKm)	Q1 2024	Q1 2023	Full year 2023
Insurance revenue	1,332	1,304	5,252
Claims incurred	-828	-803	-3,582
Expenses	-217	-232	-892
Net reinsurance	-81	-77	-174
Insurance service result	206	192	604
Run-off profits, net of reinsurance	92	12	110
Gross claims ratio	62.2	61.5	68.2
Net reinsurance ratio	6.1	5.9	3.3
Claims ratio, net of reinsurance	68.2	67.5	71.5
Gross expense ratio	16.3	17.8	17.0
Combined ratio	84.5	85.3	88.5
Combined ratio excl. run-off profits	91.4	86.2	90.6

The SME segment services Danish-based SMEs and agricultural businesses.

Insurance revenue increased by 2.2% to DKK 1,332m. Growth was higher than the same period last year, mainly due to higher indexation and pricing initiatives.

The insurance service result increased by DKK 14m to DKK 206m.

The claims ratio, net of reinsurance, rose by 0.7pp to 68.2.

Run-off profits were DKK 80m higher than the level last year, representing a 6.0pp improvement of the claims ratio. Run-off gains were extraordinarily high related to the storm Pia experienced in December 2023 and a one-off gain from the estate after a former subsidiary of Topdanmark Forsikring A/S.

Due to the harsh winter weather and the storm experienced in the quarter, weather-related claims amounted to DKK 69m (Q1 2023: DKK 41m), causing a 2.1pp higher claims ratio than last year.

Large-scale claims were 1.4pp below the level last year.

The expense ratio decreased to 16.3 from 17.8 in Q1 2023 due to tight cost control and efficiency measures.

The combined ratio improved to 84.5 (Q1 2023: 85.3). Excluding run-off, the combined ratio rose to 91.4 (Q1 2023: 86.2).

Investment result

Investment result	Portfolio 31 March		Return Q1 2024		Return Q1 2023	
	2024	2023	(DKKbn)	(DKKbn)	(DKKbn)	(DKKbn)
Danish equities	0.1	0.2	9	7.9	9	6.4
Foreign equities	0.5	0.5	50	10.1	48	9.8
Unlisted equities and hedge funds	0.2	0.2	10	4.2	8	3.2
Government and mortgage bonds	15.1	15.0	90	0.6	122	0.8
Credit bonds	0.3	0.3	1	0.4	6	2.4
Index linked bonds	0.6	0.7	-2	-0.3	19	2.9
CLOs	0.0	0.1	0	0.0	9	6.6
Properties	0.8	0.7	13	1.8	-14	-1.8
Inflation swaps	0.0	0.1	-1	-	-10	-
Expenses, money markets etc.	0.8	4.1	2	0.1	14	0.3
Subordinated loan capital	-1.1	-1.1	-18	-1.6	-14	-1.2
Investment return	17.3	20.9	155	0.9	199	1.0
Insurance finance income and expenses			3		-74	
Net investment result			158		124	

The investment result for Q1 2024 includes income from insurance (DKK 159m), income from the parent company (DKK -13m, presented in the line "Parent company etc." in financial highlights), and profit on owner-occupied properties (DKK 12m, eliminated in the Group accounts and in financial highlights).

In Q1 2024, the net investment result amounted to DKK 158m (Q1 2023: DKK 124m). The investment return contributed with DKK 155m while insurance finance income and expenses accounted for DKK 3m.

The net investment result was supported by positive contributions from equities, running yields and lower provisions due to changes in the non-hedged capitalisation factor.

The predominant investment theme in the first quarter was the continuation of the equity market performance from Q4 2023. This performance followed from central banks adopting a more hawkish stance, leading to an increase in short-term interest rates. At the same time, the economic narrative continues to lean towards a soft landing, with labour markets demonstrating resilience despite higher interest rates and ongoing geopolitical risks.

Inflation further declined during the first two months of the quarter. However, long-term inflation expectations remained relatively stable.

The "free" portfolio, which consists of the remaining assets after matching liabilities and liquidity reservations, made a positive contribution to the overall investment return, primarily due to the equity exposure. These

equity holdings span globally, with all regions contributing positively to the return. However, the most significant geographic contributions to returns originated from Japan and the US.

Additionally, the property portfolio, consisting solely of owner-occupied properties, contributed positively to the overall investment return.

The "matching" portfolio contributed positively to the overall investment return. On the asset side of the "matching" portfolio, the macroeconomic environment, characterised by relatively limited yield volatility throughout the quarter, bolstered the bond portfolio.

Specifically, favourable running yields, spread performance on short- and medium-term fixed income securities and tightening of the DKK-EUR yield spread (EUR rates increasing more than DKK rates) all played significant roles in driving the positive net investment outcome.

The duration matching part, in which interest rate risk on insurance provisions are hedged using fixed income assets, primarily Danish mortgage bonds and derivatives, has worked as intended. The net effect from duration was negligible.

On the liability side, the main contributing factor to the net investment result was an increase in interest rates that determines the capitalisation factor for workers' compensation schemes. These effects impacted the insurance provisions downward leading to a positive contribution to the net investment result.

"Expenses, money markets, etc." comprises, in addition to money market deposits and currency positions, other returns, and expenses not included in specified asset classes.

Parent company etc.

The parent company, Topdanmark, does not perform any independent activities. The result of the parent company etc. includes, among other things, Group costs. The result of the parent company decreased by DKK 18m to DKK -28m.

Taxation

The tax charge on continuing operations was DKK 137m of the pre-tax profit of DKK 514m, corresponding to an effective tax rate of 26.6% (Q1 2023: 27.1%). As at 1 January 2024, the statutory tax rate for Topdanmark Forsikring A/S has increased to 26% (2023: 25.2%). The effective tax rate was higher than the statutory tax rate of 26% primarily due to permanent non-deductible expenses related to e.g. the employee share programme.

Efficiency programme

The main focus areas of the efficiency programme are:

- Automation, digitalisation and fraud
- Risk and pricing
- Procurement and cost efficiency.

The annual gross efficiency gains are targeted to be DKK 650m in 2025 of which DKK 540m in 2024. Please refer to the Annual Report 2023 for the full details of the programme.

Topdanmark's efforts to become more efficient are progressing according to plan.

Solvency calculation and capital requirements

Solvency cover (DKKm)	31 Mar 2024	31 Mar 2023	31 Dec 2023
Shareholders' equity	5,138	6,773	4,722
Proposed dividend	-1,035	-2,790	-1,035
Deferred tax on security funds	362	362	362
Profit margin	1,552	1,409	1,594
Intangible assets	-4,133	-1,383	-4,078
Other	204	198	207
Tax effects	-18	-168	-44
Subordinated loan tier 1	400	400	400
Subordinated loan tier 2	700	700	700
Own funds	3,170	5,501	2,828
Solvency requirement	1,511	1,568	1,468
Solvency cover (%)	210	351	193

Potential dividend for the interim periods was not deducted.

Solvency II provides insurance companies with the opportunity to develop their own fully or partially internal risk model for solvency calculations. We use such a partially internal model developed in-house to calculate the insurance risk, and the model is approved by the Danish FSA.

The solvency cover for the Group increased to 210% at the end of Q1 2024 from 193% at the end of Q4 2023, mainly as own funds were positively affected by earnings in the quarter, partly offset by the systematic seasonally lower profit margin and increased intangible assets.

The solvency capital requirement increased slightly, mainly due to a higher symmetrical adjustment to equity exposures.

Topdanmark Forsikring A/S has an outstanding subordinated tier 1 loan (restricted tier 1 capital notes) of DKK 400m. This loan is perpetual, but includes an option enabling Topdanmark to redeem the loan as at 22 December 2027. Further, Topdanmark Forsikring A/S has an outstanding subordinated tier 2 note of DKK 700m with maturity in 2031 and first call date in 2026.

Profit forecast model for 2024

Profit forecast model 2024 (DKKm)	Forecast 2024			Forecast 2024			Results 2023
		31 March 2024		31 December 2023			
Insurance service result	1,790	–	2,120	1,760	–	2,090	1,507
Net investment result	220	–	245	35	–	60	97
Other items	-90	–	-85	-75	–	-70	-106
Profit on insurance	1,920	–	2,280	1,720	–	2,080	1,498
Special costs	-85	–	-80	-85	–	-80	-39
Parent company etc.	-120	–	-110	-60	–	-50	-35
Profit before tax	1,715	–	2,090	1,575	–	1,950	1,424
Tax	-465	–	-565	-425	–	-525	-372
Profit	1,250	–	1,525	1,150	–	1,425	1,051

Traditionally, we do not publish actual profit forecasts, but instead, the expected level of results provided that a number of assumptions

about the return in the financial markets are met. The return on financial assets changes on a daily basis, and consequently our profit

forecast model will already deviate from actual expectations by the time it is published.

Therefore, as set out at www.topdanmark.com → Investors → [Risk management](#), we provide additional information on how changes in the assumptions underlying the profit forecast model will affect the results.

As can be seen, the investment return forecast model is not based on a specific estimate of the expected investment return for the rest of the year, but solely on a long-term standard assumption regarding the return.

Insurance

In the Annual Report 2023, we assumed an organic insurance revenue growth above 4.5% and a combined ratio of 82–85 including run-off for 2024. The underlying assumptions can be found in the Annual Report 2023. Since this report, the following major changes to assumptions have occurred:

- Weather-related claims in Q1 2024 were DKK 47m above the normalised level, corresponding to a 0.4pp deterioration of the combined ratio for 2024.
- Large-scale claims in Q1 2024 were DKK 22.5m below the normalised level, corresponding to a 0.2pp improvement of the combined ratio for 2024.
- The run-off result was extraordinarily high in Q1 2024 related to the storm Pia experienced in December 2023 and a one-off gain from the estate after a former subsidiary of Topdanmark Forsikring A/S.
- The underlying claims trend in Q1 2024 was impacted by approx. 2,000 more weather-driven claims than in Q1 2023 within motor and personal accident corresponding to an approx. 0.4pp deterioration of the combined ratio for 2024. Please note that these effects are stochastic of nature and have no bearing on the expected claim levels in the remaining part of 2024.
- The expense ratio in Q1 2024 was lower than assumed due to tight cost control throughout the Group. A part of the lower expenses in Q1 2024 will cause higher expenses in the remaining quarters of 2024, but full-year expenses are still expected to be slightly lower than previously assumed.
- The net investment result in Q1 2024 was affected by positive financial market

developments and this approx. DKK 145m higher than assumed.

As a result, the assumed combined ratio is improved from 82–85 to 81.8–84.8 including run-off, which includes an improved assumed expense ratio below 17.5. The assumed organic insurance revenue growth is unchanged at above 4.5%.

The overall assumed pre-tax profit on insurance is DKK 1,920–2,280m including run-off.

Special costs

This line item covers costs related to the acquisition of Oona Health, including amortisation of customer relations and brand rights as well as one-off costs related to the transaction and integration. The profit forecast model assumes an unchanged level of special costs of DKK 80–85m.

Parent company

The profit forecast model for the parent company assumes a pre-tax loss of DKK 110–120m. The updated assumption includes a higher internal interest rate payment between Topdanmark A/S and Topdanmark Forsikring A/S, offset on the net investment result line resulting in no impact on the assumed profit before and after tax.

Taxation

Due to non-deductible expenses, the effective tax rate will be higher than the statutory tax rate. Assuming an effective tax rate of approx. 27% in 2024 in accordance with the increased corporate tax rate for financial sector companies, the tax charge on continuing operations is expected to be DKK 465–565m.

Total Group profit

Topdanmark's overall post-tax profit according to the profit forecast model for 2024 is DKK 1,250–1,525m representing an operational EPS of DKK 14.8–17.8. The assumed profit includes run-off. The result of the profit forecast model corresponds to 83–101% of the current Group solvency requirement as at the end of Q1 2024.

The profit forecast model for the insurance service result assumes an unchanged interest

rate curve as at 31 March 2024. For the liability matching part of the investment portfolio, the model assumes that the return on interest-bearing assets that hedge the discounted provisions exactly suffices to cover discounting and value adjustments of the provisions. For the "free" investment portfolio, the profit forecast model is based on the common return expectations for investments with a 1–5-year horizon as set out by the Council for Return Expectations.

Topdanmark Forsikring A/S has entered into dialogue with the Nordea group on the final IT separation of Topdanmark Liv Holding A/S (today Nordea Pension Holding Danmark A/S) and the integration into the Nordea group. The IT process has proven to be more comprehensive, complex and time consuming than first anticipated.

Furthermore, the 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 which Topdanmark Forsikring A/S may be held liable for under the signed Share Purchase Agreement (SPA). Based on the currently available facts and arguments brought forward, Topdanmark Forsikring A/S has not acknowledged liability for the claims.

Both the dialogue regarding the IT process and the matters relating to the SPA may result in Topdanmark Forsikring A/S incurring costs that could affect Topdanmark A/S' result for 2024 and/or coming accounting years.

Any potential costs related to the above have not been included in Topdanmark's updated profit forecast model for 2024.

Financial calendar

AGM	23 Apr 2024
2024 Half-year Report	12 July 2024
Q1-Q3 2024 Interim Report	11 Oct 2024

Disclaimer

This report includes statements relating to the future. Such statements are uncertain and involve both general and specific risks.

Many factors may cause significant deviation from the forecasts and assumptions set out in the interim report.

Such factors could be, for example, cyclical movements, changes in the financial markets, the financial effect of unexpected events such as acts of terror or exceptional weather conditions, changes in Danish and EU rules, competitive factors in the insurance industry, and trends in the reinsurance market. See also: www.topdanmark.com → Investor → [Risk management](#).

The above description of risk factors is not exhaustive. Investors and others, who may base decisions relating to Topdanmark on statements relating to the future, should give their own careful consideration to these and other factors of uncertainty.

Topdanmark's statements relating to the future are solely based on information known at the time of the preparation of this interim report.



Financial Statements for Q1 2024 – Group

Income statement

(DKKm)	Note	Q1 2024	Q1 2023	Full year 2023
Insurance revenue		2,848	2,500	10,197
Insurance service expenses		-2,304	-1,983	-8,462
Reinsurance result		-107	-91	-228
Insurance service result		437	426	1,507
Interest income and dividends etc.		126	117	475
Value adjustments		58	96	379
Interest expenses		-28	-15	-88
Expenses on investment activities		-14	-14	-53
Total investment return		143	183	713
Insurance finance income insurance contracts		2	-78	-606
Insurance finance expenses reinsurance contracts		1	4	15
Net investment result		145	109	122
Other income		14	2	15
Other expenses		-83	-26	-220
Profit before tax		514	511	1,424
Tax		-137	-138	-372
Profit		377	373	1,051
EPS (DKK)		4.2	4.2	11.9
EPS, diluted (DKK)		4.2	4.2	11.8

Statement of comprehensive income

Profit	377	373	1,051
Other comprehensive income	0	0	0
Total comprehensive income	377	373	1,051

Assets

(DKKm)	Note	31 Mar 2024	31 Mar 2023	31 Dec 2023
Intangible assets		4,133	1,383	4,078
Operating equipment		132	67	120
Owner-occupied properties		755	739	754
Total tangible assets		887	805	874
Equity investments in associates		64	55	60
Total investments in associates		64	55	60
Equity investments		814	858	771
Bonds		16,195	16,376	14,156
Loans guaranteed by mortgages		5	5	5
Deposits with credit institutions		781	4,059	295
Derivatives		127	168	127
Total other financial investment assets		17,922	21,466	15,354
Total investment assets		17,985	21,520	15,414
Reinsurance asset		590	548	587
Other receivables		183	133	146
Total receivables		773	681	732
Current tax assets		23	0	86
Deferred tax assets		23	51	27
Liquid funds		216	64	181
Other		18	45	20
Total other assets		280	160	314
Accrued interest and rent		130	113	120
Other prepayments and accrued income		378	254	293
Total prepayments and accrued income		508	368	413
Total assets		24,566	24,917	21,826

Shareholders' equity and liabilities

(DKKm)	Note	31 Mar 2024	31 Mar 2023	31 Dec 2023
Share capital		90	90	90
Security fund		1,090	1,090	1,090
Other reserves		57	48	53
Total reserves		1,147	1,138	1,144
Profit carried forward		2,866	2,754	2,453
Proposed dividend		1,035	2,790	1,035
Total shareholders' equity		5,138	6,773	4,722
Other subordinated loan capital		1,100	1,100	1,100
Provisions for insurance contracts		15,949	15,062	13,939
Pensions and similar commitments		20	20	20
Deferred tax liabilities		524	328	519
Other liabilities		167	347	215
Total provisions		711	695	753
Amounts due to credit institutions		389	162	70
Current tax liabilities		0	69	20
Derivatives		268	239	272
Other debt		965	809	881
Total debt		1,623	1,279	1,242
Accruals and deferred income		46	7	70
Total shareholders' equity and liabilities		24,566	24,917	21,826

Accounting policies	1
Financial assets and liabilities	2
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Cash flow statement

(DKKm)	Q1 2024	Q1 2023	Full year 2023
Cash flow from operations			
Insurance revenue	4,966	4,377	9,965
Insurance service expenses	-2,398	-2,060	-8,115
Reinsurance result	-109	-45	-209
Cash flow from non-life insurance	2,459	2,273	1,641
Interest income etc.	88	94	421
Dividends	24	7	28
Interest expenses etc.	-42	-30	-141
Corporation tax	-86	-127	-460
Other items	-70	9	-137
Cash flow from operations, continuing operations	2,372	2,226	1,351
Cash flow from operations, discontinued operations	-62	0	-168
Cash flow from operations	2,310	2,226	1,183
Cash flow from investments			
Intangible assets, operating equipment	-111	-94	-507
Properties	-2	0	-6
Equity investments in subsidiaries	0	0	-1,916
Equity investments	2	200	387
Bonds	-2,034	-2,339	448
Derivatives	6	1	6
Cash flow from investments, continuing operations	-2,138	-2,232	-1,588
Cash flow from investments, discontinued operations	0	0	0
Cash flow from investments	-2,138	-2,232	-1,588
Cash flow from financing			
Dividend paid	0	0	-2,748
Shares bought back	0	0	-50
Exercise of share options	30	33	62
Amounts due to credit institutions	319	-9	-549
Cash flow from financing, continuing operations	349	23	-3,285
Cash flow from financing, discontinued operations	0	0	0
Cash flow from financing	349	23	-3,285
Change in cash and cash equivalents, continuing operations	584	17	-3,522
Change in cash and cash equivalents, discontinued operations	-62	0	-168
Cash and cash equivalents at beginning of period	476	4,105	4,105
Value adjustment of cash and cash equivalents	0	0	1
Cash and cash equivalents in purchased subsidiary	0	0	59
Cash and cash equivalents at end of period	997	4,123	476
Cash and cash equivalents comprise:			
Liquid funds	216	64	181
Deposits with credit institutions	781	4,059	295
Cash and cash equivalents	997	4,123	476

Statement of changes in equity

(DKKm)	Share capital	Security fund	Other reserves	Profit carried forward	Proposed dividend	Total
Q1 2024						
Equity at beginning of period	90	1,090	53	2,453	1,035	4,722
Profit			4	373		377
Other comprehensive income						0
Total comprehensive income			4	373		377
Share-based payments				16		16
Exercise of share options				26		26
Taxation on share-based payments				-3		-3
Transactions with owners				39		39
Shareholders' equity at end of period	90	1,090	57	2,866	1,035	5,138
Q1 2023						
Equity at beginning of period, previously stated	90	1,090	46	457	4,815	6,498
Effect of change in accounting policies				-149		-149
Equity at beginning of period	90	1,090	46	308	4,815	6,349
Reduction of proposed dividend previous year				2,025	-2,025	0
Profit			2	371		373
Other comprehensive income						0
Total comprehensive income			2	371		373
Share-based payments				19		19
Exercise of share options				33		33
Taxation on share-based payments				-1		-1
Transactions with owners				51		51
Shareholders' equity at end of period	90	1,090	48	2,754	2,790	6,773
2023						
Equity at beginning of period, previously stated	90	1,090	46	457	4,815	6,498
Effect of change in accounting policies				-149		-149
Equity at beginning of period	90	1,090	46	308	4,815	6,349
Reduction of proposed dividend previous year				2,025	-2,025	0
Profit			7	9	1,035	1,051
Other comprehensive income						0
Total comprehensive income			7	9	1,035	1,051
Dividend paid					-2,790	-2,790
Dividend, own shares				42		42
Share buy-back				-50		-50
Share-based payments				68		68
Exercise of share options				55		55
Taxation on share-based payments				-4		-4
Transactions with owners				111	-2,790	-2,679
Shareholders' equity at end of period	90	1,090	53	2,453	1,035	4,722

Segment information

Income statement (DKKm)	Private	SME	Eli- min- ated	Result from insurance	Parent etc.	Eli- min- ated	Group Financial highlights	Reclas- sification*	Group Income statement
Q1 2024									
Insurance revenue	1,467	1,332	-3	2,797			2,797	51	2,848
Gross claims	-980	-828	2	-1,807		4	-1,802	-51	-1,854
Operating costs	-242	-217	1	-459		8	-450		-450
Reinsurance result	-26	-81	0	-107			-107		-107
Insurance service result	219	206	0	425		12	437	0	437
Total investment return				168	-13	-12	143		143
Insurance finance income and expenses				3			3		3
Other items				-35	-34		-69		-69
Profit before tax				561	-47	0	514		514
Tax							-137		-137
Profit							377		377
Run-off result:									
Gross business	15	94		109			109		
Reinsurance ceded	-6	-3		-8			-8		
Run-off result, net of reinsurance	9	92		100			100		
Q1 2023									
Insurance revenue	1,199	1,304	-2	2,500			2,500		
Gross claims	-768	-803	2	-1,568		4	-1,564		
Operating costs	-198	-232	1	-430		11	-418		
Reinsurance result	-14	-77	0	-91			-91		
Insurance service result	218	192	1	411		15	426		
Net investment result				195	3	-15	183		
Insurance finance income and expenses				-74			-74		
Other items				-12	-13		-24		
Profit before tax, continuing operations				521	-10	0	511		
Tax							-138		
Profit							373		
Run-off result:									
Gross business	45	17		62			62		
Reinsurance ceded	2	-4		-2			-2		
Run-off result, net of reinsurance	47	12		60			60		

*IFRS requires contracts acquired to be classified based on the contractual terms and other factors at the date of acquisition. Claims provisions acquired will be presented as insurance revenue based on the expected cash flows as of the acquisition date. Purchase Price Allocations made before 1 January 2023 are fixed and no changes have been made to Shareholders' equity and goodwill.

Notes to the financial statements

Note 1. Accounting policies

The announcement of the Q1 2024 results for the Topdanmark Group has been prepared in accordance with IAS 34 on interim reports for listed companies and additional Danish disclosure requirements on interim reports for listed financial services companies.

The Topdanmark Group has implemented the IFRS standards and interpretations with effect from 2024 with no effect on recognition or measurement.

Accounts for the parent company, Topdanmark A/S, have been prepared in accordance with the executive order on financial reports presented by insurance companies and lateral pension funds issued by the Danish FSA.

There have been no changes to accounting policies in Q1 2024.

Differences in accounting policies for the Group and the parent company are explained as follows:

Danish FSA's executive order / IFRS (DKKm)	Shareholders' equity				Year 2023	Result	
	1/1 2023	31/3 2023	31/12 2023	31/3 2024		Q1 2023	Q1 2024
Topdanmark A/S, DFSA's executive order	6,701	7,124	5,056	5,474	1,033	372	379
IAS 12 Deferred tax security funds	-362	-362	-362	-362			
IFRS 17 / IFRS 9	10	10	28	26	18	1	-2
Total	-352	-351	-334	-336	18	1	-2
Topdanmark Group IFRS	6,349	6,773	4,722	5,138	1,051	373	377

Accounting policies in full including calculation of financial and insurance ratios as well as alternative performance measures are described in the Annual Report 2023.

Ratios

As from Q1 2024, Financial highlights include the following ratios:

Return on own funds

Profit as a percentage of Own funds (avg.).

Operational EPS

Profit excluding special costs, net of tax, divided by number of shares (avg.).

This announcement has not been audited nor subjected to review.

Note 2. Financial assets and liabilities

Fair value measurement

Fair value is the price which would be achieved on the sale of an asset or paid for the transfer of a liability in a normal transaction between the market players at the time of measurement.

The IFRS defines a hierarchy of three levels for measurement of fair value:

Level 1

The calculation at fair value is based on the listed prices of transactions in active markets. If there is an active market for listed equity investments, bonds, derivatives etc., the measurement is generally based on the closing price end of year.

Level 2

If there is no closing price, another public price is used, which is believed to be the most appropriate, in the form of indicative prices from banks/brokers. Valuation methods or other publicly available information is used to value listed securities, where the closing price does not reflect the fair value.

Valuation methods are based on publicly available market data. If there is no active market for the financial instrument, depending on the nature of the asset or liability, the calculation is based on underlying parameters such as interest and foreign exchange rates, volatility or comparison with the market prices of corresponding instruments.

Level 3

In certain cases, the valuation cannot be based on publicly available market information alone. In these cases, valuation models that could imply the use of estimates of both the future and the nature of the current market situation are used.

	31 Mar 2024	31 Mar 2023	31 Dec 2023
Financial assets recorded at fair value based on non-observable input (level 3):			
1 January	36	37	37
Value adjustments (unrealised)	0	-1	-1
Value adjustments (realised)	1	0	0
	37	37	36

The carrying value of financial assets and financial liabilities recorded at amortised cost corresponds approx. to fair value.

Notes to the financial statements

(DKKm)	31 Mar 2024	31 Mar 2023	31 Dec 2023
Note 3. Contingent liabilities			
Capital commitments made to loan funds and private equity funds etc.	87	97	86
<p>Topdanmark Forsikring A/S has entered into dialogue with the Nordea group on the final IT separation of Topdanmark Liv Holding A/S (today Nordea Pension Holding Danmark A/S) and the integration into the Nordea group. The IT process has proven to be more comprehensive, complex and time consuming than first anticipated.</p> <p>Furthermore, the 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 which Topdanmark Forsikring A/S may be held liable for under the signed Share Purchase Agreement (SPA). Based on the currently available facts and arguments brought forward, Topdanmark Forsikring A/S has not acknowledged liability for the claims.</p> <p>Both the dialogue regarding the IT process and the matters relating to the SPA may result in Topdanmark Forsikring A/S incurring costs that could affect Topdanmark A/S' result for 2024 and/or coming accounting years</p> <p>All companies in the Topdanmark Group and other Danish companies and branches in the Sampo Group are jointly taxed with Topdanmark A/S being the management company. Pursuant to the specific rules on corporation taxes etc. in the Danish Companies Act, the companies are liable for the jointly taxed companies and for any obligations to withhold tax on interest, royalties and dividend for companies concerned.</p> <p>In connection with the implementation of a new customer and core system, Topdanmark Forsikring A/S has undertaken to provide support to specific suppliers to fulfil Topdanmark EDB IV ApS' obligations in accordance with the contracts.</p>			

Note 4. Related parties

Dividends

In 2023, Q2, Topdanmark A/S paid dividend of DKK 1,354m to Sampo plc. and received dividend of DKK 3,000m from Topdanmark Forsikring A/S.

Oona Health

Related to the Oona Health acquisition, the following intra-group transactions have been completed:

Loan from Topdanmark A/S to Topdanmark Bidco A/S, DKK 450m

Loan from Topdanmark Bidco A/S to Daytona Midco Limited, DKK 169m

Loan from Topdanmark Bidco A/S to Daytona Acquisition Limited, DKK 1,998m

Non-cash contribution of shares in Daytona Midco Limited from Topdanmark A/S to Topdanmark Bidco A/S, DKK 1,916m

Transfer of shares in Oona Health A/S from Daytona Acquisition Limited to Topdanmark Bidco A/S, DKK 2,273m

There have been no other material transactions with related parties except from ordinary commercial trade between the companies in the Topdanmark Group.



Financial Statements for Q1 2024 – Parent company

Income statement

(DKKm)	Q1 2024	Q1 2023	Full year 2023
Income from subsidiaries	403	380	1,096
Interest income and dividends etc.	8	3	29
Interest expenses	-14	0	-5
Total investment return	397	383	1,120
Other expenses	-24	-13	-95
Profit before tax	373	370	1,025
Tax	6	2	9
Profit	379	372	1,033

Statement of comprehensive income

Profit	379	372	1,033
Other comprehensive income from subsidiaries	0	0	0
Other comprehensive income	0	0	0
Total comprehensive income	379	372	1,033

Balance sheet

(DKKm)	31 Mar 2024	31 Mar 2023	31 Dec 2023
Assets			
Intangible assets	39	0	39
Operating equipment	3	3	3
Total tangible assets	3	3	3
Equity investments in subsidiaries	6,608	6,472	6,195
Loans to subsidiaries	459	0	450
Total investment in subsidiaries	7,067	6,472	6,645
Total investment assets	7,067	6,472	6,645
Receivables from subsidiaries	30	839	57
Other receivables	1	0	0
Total receivables	31	840	57
Current tax assets	23	0	82
Liquid funds	0	1	0
Total other assets	23	1	82
Total assets	7,163	7,316	6,826
Shareholders' equity and liabilities			
Share capital	90	90	90
Profit carried forward	4,349	4,244	3,931
Proposed dividend	1,035	2,790	1,035
Total shareholders' equity	5,474	7,124	5,056
Amounts due to subsidiaries	1,586	50	1,595
Current tax liabilities	0	66	0
Other debt	103	77	175
Total debt	1,689	192	1,770
Total shareholders' equity and liabilities	7,163	7,316	6,826

Statement by Management

The Board of Directors and the Executive Board have today considered and adopted the interim report for Q1 2024 for Topdanmark A/S.

The consolidated financial statements are presented in accordance with International Financial Reporting Standards as adopted by the EU, and the interim financial statements for the parent company are presented in accordance with the Danish Financial Business Act. Further, the interim report is presented in accordance with additional Danish disclosure requirements on interim reports for listed financial services companies.

In our opinion, the consolidated financial statements and the interim financial statements give a true and fair view of the Group's and the parent company's assets, liabilities and financial position as at 31 March 2024 as well as the result of the Group's and the parent company's activities and the Group's cash flows for the financial period from 1 January to 31 March 2024.

We believe that the management review contains a fair view of the development in the Group's and parent company's activities and financial position, together with a description of the most material risks and uncertainties by which the Group and the parent company can be affected.

There have been no events in the period from 31 March 2024 until the presentation of the consolidated financial statements which could change the assessment of the interim report for Q1 2024.

Ballerup, 16 April 2024

Executive Board:

Peter Hermann
(CEO)

Lars Kufall Beck

Board of Directors:

Ricard Wennerklint
(Chairman)

Jens Aaløse
(Deputy Chairman)

Elise Bundgaard

Maria Hjorth

Mette Jensen

Cristina Lage

Michael Noer

Morten Thorsrud

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