

UNOFFICIAL TRANSLATION

STATEMENT ON ORDER FOR GEFION INSURANCE A/S REGARDING ERRORS IN THE ANNUAL REPORT FOR 2017 AND THE HALF-YEAR REPORT FOR H1 2018

The Danish Financial Supervisory Authority (“DFSA”) has carried out an audit of Gefion Insurance A/S’ annual report for 2017 and half-year report for the first half of 2018 and has found errors. Below is a summary of the DFSA’s order for Gefion Insurance A/S.

The DFSA has ordered Gefion Insurance A/S to publish supplementary/correcting information to the reports in which:

- Gefion Insurance A/S refrains from recognizing a deferred tax asset of:
 - DKK 5m in the annual report for 2017 and DKK 6.9m in the comparative figure for 2016;
 - DKK 4m in the half-year report for the first half of 2018.
- Gefion Insurance A/S in relation to the annual report provides a sufficient description of its specific financial risks and insurance risks, as well as policies and measurements for the management of these risks.
- Gefion in relation to the annual report discloses the figures regarding the company’s solvency ratio for the previous financial year in the management report and states that the company did not meet the Solvency Capital Requirement without recognition of the deferred tax asset as of 31 December 2016.
- Gefion Insurance A/S in relation to the management report in the half-year report describes the risks and uncertainties that the company was subject to in the remaining 6 months of the financial year.

The reason for the order to refrain from recognizing the deferred tax assets was that Gefion Insurance A/S, according to the DFSA’s assessment, did not have convincing evidence that sufficient taxable income would be available to utilize the deferred tax assets.

According to the order, Gefion Insurance A/S may choose to correct the matters regarding the annual report for 2017 as errors in the annual report for 2018, if this is published close to the time when the supplementary/correcting information for the annual report for 2017 should be published.

Gefion Insurance A/S is, in such instance, required to state in the annual report for 2018 that the annual report for 2017 was flawed, and state the relevant errors, including the effect on the solvency calculation for 2016.

Gefion Insurance A/S is, however, still required to publish supplementary/correcting information for the half-year report 2018.