

Annual Report 2021

# Swiss Re Denmark Services A/S

Swiss Re Denmark Services A/S  
Midtermolen 3  
DK-2100  
Copenhagen O  
Denmark

CVR-nr. 31 06 65 06

Helle Lodberg  
Dirigent  
Chairman

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# Management's Statement

The Management and Board of Directors considered and approved the Annual Report of Swiss Re Denmark Services A/S for the financial year 1 January to 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

We recommend that the Annual Report be approved at the Annual General Meeting.

Copenhagen, 19th April 2022

## Management

Helle Lodberg  
CEO

Vicky Njor  
General Manager

## Board of Directors

Torben Thomsen  
Chairman

Frank Reichelt

Warren Hunt

# Independent Auditor's Report



To the shareholder of Swiss Re Denmark Services A/S

## Opinion

We have audited the financial statements of Swiss Re Denmark Services A/S (the "Company") for the financial year 1 January – 31 December 2021, comprising income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021 in accordance with the Danish Financial Statements Act.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of financial statement users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the Company's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.



- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Statement on Management's Review**

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 19 April 2022

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR No 25 57 81 98

Anja Bjørnholt Lüthcke  
State Authorised  
Public Accountant  
mne26779

# Company Information

## **The Company**

Swiss Re Denmark Services A/S  
Midtermolen 3  
DK-2100 Copenhagen O

Telephone: +45 33979593

CVR No: 31 06 65 06

Financial Period: 1 January – 31 December

Municipality of registered office: Copenhagen

## **Board of Directors**

Torben Thomsen, Chairman  
Frank Reichelt  
Warren Hunt

## **Management**

Helle Lodberg  
Vicky Njor

## **Auditors**

KPMG  
Dampfærgevej 28  
DK-2100 Copenhagen O

# Management's Review

The financial statements of Swiss Re Denmark Services A/S for 2021 have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with opt-in from higher reporting classes.

The annual report has been prepared under the same accounting policies as last year.

## **Main activity**

The objective of the Company is to act as service company with respect to affiliated companies, including secondment of employees in connection with affiliated companies, outsourcing of staff and administration, and activities related thereto.

## **Development in the year**

The income statement of the Company for 2021 shows a profit of DKK 1,671,206. The profit of the Company was mainly driven by a mark-up applied on intra-group service recharges.

Total assets decreased by DKK 3,763,128, mainly driven by a decrease in the receivables from group enterprises of DKK 8,111,755, fixed assets of DKK 752,697, prepayment of DKK 590,175, cash of DKK 89,448 and other receivables of DKK 5,906 partially offset by an increase in corporation tax of DKK 5,531,000 and in deferred tax asset of DKK 255,853.

Total liabilities decreased by DKK 5,434,334, driven by a decrease in other payables of DKK 6,651,935 offset by an increase in payables from group enterprises of DKK 1,217,601. Shareholder's equity increased by DKK 1,671,206 which represents a current profit for 2021.

## **Subsequent events**

Subsequent events for the current reporting period have been evaluated up to 19 April 2022. This is the date on which the financial statements are available to be issued.

## **Coronavirus**

The global spread of the novel coronavirus and the disease it causes ("COVID-19"), and the actions taken to slow the spread of the pandemic, have had an adverse impact on communities, social and business interactions, economic activity and economies across the globe. Following the significant contractions of 2020, economic growth momentum is expected to carry over into 2022. However, the expectation of post-crisis global growth and the recovery remains fragile and uneven across economies, which are less resilient to face any subsequent shocks and/or challenges. As the COVID-19 crisis continues, the ultimate toll of the pandemic in terms of lives lost, societal dislocations, business activity, economic growth, broader costs to society and industry losses remains highly uncertain. The Swiss Re Group will continue to monitor pandemic-related developments and their impact on its operations and its investments.



# Income Statement

For the period dated 1 January 2021 until 31 December 2021

DKK	Notes	2021	2020
<b>Revenue</b>		<b>65 455 983</b>	69 756 661
Other external expenses		-7 697 722	-13 565 122
<b>Gross Profit</b>		<b>57 758 261</b>	56 191 539
Staff expenses	1	-54 742 973	-53 601 249
Depreciation, amortisation and impairment of property, plant and equipment		-812 883	-914 890
<b>Profit before financial income and expenses</b>		<b>2 202 405</b>	1 675 400
Financial income		240 859	682 995
Financial expenses		-277 092	-812 327
<b>Profit before tax</b>		<b>2 166 172</b>	1 546 068
Tax on profit for the year	2	-494 966	-365 303
<b>Net profit for the year</b>		<b>1 671 206</b>	1 180 765

## Distribution of profit

DKK	2021	2020
Proposed dividend for the year	<b>0</b>	0
Retained earnings	1 671 206	1 180 765
<b>Distribution of profit</b>	<b>1 671 206</b>	1 180 765

# Balance Sheet

as of 31 December 2021

## Assets

DKK	Notes	2021	2020
Other fixtures and fittings, tools and equipment		1 730 746	2 483 442
<b>Property, plant and equipment</b>		<b>1 730 746</b>	<b>2 483 442</b>
Other asset		786 575	786 576
<b>Fixed assets investments</b>		<b>786 575</b>	<b>786 576</b>
<b>Fixed assets</b>		<b>2 517 321</b>	<b>3 270 018</b>
Receivables from group enterprises		24 903 507	33 015 262
Other receivables		0	5 906
Deferred tax asset		1 053 628	797 775
Corporation tax		13 324 000	7 793 000
Prepayment		0	590 175
<b>Receivables</b>		<b>39 281 135</b>	<b>42 202 118</b>
<b>Cash at bank and in hand</b>		<b>499 926</b>	<b>589 374</b>
<b>Current assets</b>		<b>39 781 061</b>	<b>42 791 492</b>
<b>Assets</b>		<b>42 298 382</b>	<b>46 061 510</b>

## Liabilities and shareholder's equity

DKK	Notes	2021	2020
Share capital		1 000 000	1 000 000
Share premium account		9 000 000	9 000 000
Retained earnings		5 204 891	3 533 685
<b>Equity</b>		<b>15 204 891</b>	<b>13 533 685</b>
Payables from group enterprises		13 145 400	11 927 799
Other payables		13 948 091	20 600 026
<b>Total short-term liabilities</b>		<b>27 093 491</b>	<b>32 527 825</b>
<b>Total Liabilities</b>		<b>27 093 491</b>	<b>32 527 825</b>
<b>Liabilities and equity</b>		<b>42 298 382</b>	<b>46 061 510</b>

# Statement of Changes in Equity

DKK	Share Capital	Share premium account	Retained earnings	Total
<b>Equity at 1 January 2021</b>	1 000 000	9 000 000	3 533 685	13 533 685
Net profit for the year	0	0	1 671 206	1 671 206
<b>Equity at 31 December 2021</b>	<b>1 000 000</b>	<b>9 000 000</b>	<b>5 204 891</b>	<b>15 204 891</b>

# Notes to the Financial Statements

## 1 Staff Expenses

DKK	2021	2020
<b>Staff Expenses</b>		
Wages and salaries	48 020 194	46 999 038
Pensions	6 948 189	6 721 308
Other social security costs/ refunds	-225 410	-119 097
<b>Total</b>	<b>54 742 973</b>	<b>53 601 249</b>
Average number of employees	29	28

## 2 Tax on profit for the year

DKK	2021	2020
<b>Tax on profit for the year</b>		
Deferred tax for the year	-255 853	61 801
Tax on profit for the current year	0	303 502
Adjustment of tax concerning previous years	750 819	0
<b>Total</b>	<b>494 966</b>	<b>365 303</b>

## 3 Contingent assets, liabilities and other financial obligations

DKK	2021	2020
<b>Contingent assets, liabilities and other financial obligations</b>		
Future lease payments <sup>1</sup>		
Within 1 year	1 906 304	2 064 385
Between 1 and 5 years	8 794 003	9 417 869
<b>Total</b>	<b>10 700 307</b>	<b>11 482 254</b>

<sup>1</sup> Rent of building, car leases

### Contingent liabilities

The company is jointly liable for the consolidated liability in company taxes for all the taxed entities in accordance with applicable tax laws.

## 4 Related parties and ownership

Controlling interest	Basis
Swiss Re Ltd 50/60 Mythenquai, 8002 Zurich, Switzerland	Ultimate parent company
Swiss Re Europe S.A. 2, rue Edward Steichen, L-2540 Luxembourg, Grand Duchy of Luxembourg	Parent company

The financial statements of Swiss Re Denmark Services A/S are included in the consolidated accounts of Swiss Re Group, representing the largest group of which the Company is an indirect subsidiary. The registered office of the ultimate parent company, Swiss Re Ltd, is Mythenquai 50/60, 8022 Zurich, Switzerland, where the consolidated financial statements are available.

In addition, the Company's financial statements are included in the consolidated accounts of Swiss Reinsurance Company Group, representing the smallest group of which the Company is an indirect subsidiary. The registered office of Swiss Reinsurance Company Ltd is Mythenquai 50/60, 8022 Zurich, Switzerland, where the consolidated financial statements are available.

## 5 Significant accounting policies

### Basis of presentation

The annual report of Swiss Re Denmark Services A/S for the financial year 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with opt-in from higher reporting classes.

The accounting policies applied are unchanged from the previous year.

The financial statements for the financial year 2021 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the date of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the date of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Income Statement

### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

### **Other external expenses**

Other external expenses comprise expenses for premises, sales and distribution as well as office and other administrative expenses.

### **Staff expenses**

Staff expenses comprise wages and salaries as well as other payroll expenses.

### **Amortisation, depreciation and impairment losses**

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### **Tax on profit for the year**

Tax for the year consists of the current tax for the year and the deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with group related entities in Denmark. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

## **Balance Sheet**

### **Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

- Leasehold improvements, other fixtures and fittings, tools and equipment 3-10 years.
- Depreciation period and residual value are reassessed annually.
- Assets costing less than DKK 30,700 are expensed in the year of acquisition.

### **Impairment of fixed assets**

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### **Fixed asset investments**

Fixed asset investments consist of deposit for rent.

### **Receivables**

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

### **Prepayments**

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

### **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### **Financial debts/Payables**

Debts and payables are measured at amortised cost, substantially corresponding to nominal value.

## **6 Subsequent events**

The military conflict unfolding in Ukraine, and the resulting trade and economic sanctions, are likely to have geopolitical, economic, business and financial asset implications that are difficult to predict at this stage. The Group's exposures linked to the military conflict are being monitored and evaluated.



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