

To Nasdaq OMX Copenhagen

27 July 2020

Company notification no. 09/2020

Change in expectations for the year's profits for 2020 as a result of changed risk assessment in connection with COVID-19

The COVID-19 situation, which has affected Greenland's economy since March, has resulted in greater uncertainty regarding the economic development in Greenland. On the basis of this and no later than 6 May 2020, the bank has expressed a greater interval for the expected result for the year.

On the basis of a reduced market risk on the bank's portfolio of securities, the business development so far this year and a review of the bank's exposures, the expected profit estimate can now be narrowed further.

The negative effects on credit quality are assessed as being smaller, based among other things on aid packages for the tourism industry in particular and the fact that other industries are only affected to a lesser extent in Greenland. At the same time, a number of industries are experiencing positive developments, just as the private housing market has not been affected.

Change in expectations for the year's profits for 2020

Based on assessments of primarily credit quality and in a scenario with a continued negative impact on the tourism industry for the rest of the year, it is expected that the BANK of Greenland's financial result for 2020 will be less affected in 2020 than previously expected. The BANK of Greenland thus changes its expectations for the year's profit before tax from DKK 80-120 million to DKK 100-120 million.

The BANK of Greenland's report for the first half of 2020 will be published on 19 August 2020.

Kind regards,
BANK of Greenland

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