INFORMATION MEMORANDUM

Insr Insurance Group ASA

This Information Memorandum has been prepared in connection with Insr Insurance Group ASA's agreement to purchase 100% of the shares in Nemi Forsikring AS from Alpha Insurance A/S

THIS INFORMATION MEMORANDUM SERVES AS AN INFORMATION MEMORANDUM ONLY AS REQUIRED BY NORWEGIAN LAW AND REGULATIONS. THE INFORMATION MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO BUY, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SECURITIES ARE BEING OFFERED OR SOLD PURSUANT TO IT.

28 September 2017

IMPORTANT NOTICE

This information memorandum (the "**Information Memorandum**") has been prepared in order to provide information about Insr Insurance Group ASA ("**Insr**" or the "**Company**", and, together with its consolidated subsidiaries, the "**Group**") and its business in connection with the agreement entered into between the Company and Alpha Insurance A/S ("**Alpha**") pursuant to which the Company will acquire 100% of the shares in Nemi Forsikring AS ("**Nemi**") from Alpha subject to the conditions for completion being fulfilled (the "**Transaction**").

This Information Memorandum has been prepared to comply with the requirement to prepare an information document pursuant to section 3.5 of the Continuing Obligations for Stock Exchange Listed Companies (the "**Continuing Obligations**"). It has been submitted to Oslo Børs for review before it was published. This Information Memorandum is not a prospectus and has neither been reviewed nor approved by the Norwegian Financial Supervisory Authority ("**NFSA**") nor Oslo Børs in accordance with the rules that apply to prospectuses. The Information Memorandum does not constitute an offer to buy, subscribe or sell any of the shares described herein, and no shares or other securities are being offered or sold pursuant to it.

This Information Memorandum has been published in an English version only.

The term "**Manager**" refers to ABG Sundal Collier ASA.

The Company has furnished the information in this Information Memorandum. Unless otherwise indicated, the source of information included in this Information Memorandum is the Company. The Manager makes no representation or warranty, express or implied, as to the accuracy or completeness of such information, and nothing contained in this Information Memorandum is, or shall be relied upon as, a promise or representation by the Manager. The Manager disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of the Information Memorandum or any such statement.

All inquiries relating to this Information Memorandum should be directed to the Company. No other person has been authorized to give any information about, or make any representation on behalf of, the Company in connection with the Information Memorandum, and, if given or made, such other information or representation must not be relied upon as having been authorized by the Company.

An investment in the Company involves inherent risks. Potential investors should carefully consider the risk factors set out in section 1 "Risk Factors" in addition to the other information contained herein before making any investment decision. An investment in the Company is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of their investment. The contents of this Information Memorandum are not to be construed as legal, business or tax advice. Any prospective investors should consult with their own legal adviser, business adviser and tax adviser as to legal, business and tax advice.

The delivery of this Information Memorandum shall under no circumstance create any implication that the information contained herein is correct as of any time subsequent to the date of this Information Memorandum

This Information Memorandum is subject to Norwegian law. Any dispute arising in respect of this Information Memorandum is subject to the exclusive jurisdiction of the Norwegian courts with Oslo District Court as legal venue in the first instance.

The distribution of this Information Memorandum in certain jurisdictions may be restricted by law. The Company and the Manager require persons in possession of this Information Memorandum to inform themselves about and to observe any such restrictions.

In the ordinary course of their respective businesses, the Manager and certain of its affiliates have engaged, and may continue to engage, in investment banking transactions with the Company and its subsidiaries.

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1. RISK FACTORS

An investment in the Company involves inherent risks. Prospective investors should carefully consider the risk factors set forth below and all information contained in this Information Memorandum, including the Financial Statements and related notes. The risks and uncertainties described in this Section 1 are the principal known risks and uncertainties faced by the Group as of the date hereof that the Company believes are relevant to prospective investor.

*An investment in the Company is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties described in that risk factor are not a genuine potential threat to an investment in the Company's shares (the "**Shares**"). If any of the following risks were to materialise, individually or together with other circumstances, they could have a material and adverse effect on the Group and/or its business, financial condition, results of operations, cash flows and/or prospects, which could cause a decline in the value and trading price of the Shares, resulting in the loss of all or part of an investment in the Shares.*

The order in which the risks are presented does not reflect the likelihood of their occurrence or the magnitude of their potential impact on the Group's business, financial condition, results of operations, cash flows and/or prospects. The risks mentioned herein could materialise individually or cumulatively. The information in this Section 1 is as of the date of this Information Memorandum.

1.1 Risks related to the Company's business and the insurance industry

1.1.1 The Company is exposed to significant competition

Insr faces significant competition in each of the Company's lines of business, from both domestic, Nordic and international insurance companies. If the Company is unable or is perceived to be unable to compete efficiently, the Company's competitive position may be adversely affected, which as a result, may have a material adverse effect on its business, results of operations and financial condition.

1.1.2 The Company is exposed to legal and regulatory requirements

The legal and regulatory systems under which Insr operates and potential changes thereto may have a material adverse effect on the business. Insr's ability to conduct its business requires the holding and maintenance of certain governmental licenses, permissions and authorisations ("**Permits**") and compliance with rules and regulations. Failure to comply with any of these rules and regulations or the terms of the Permits could lead to disciplinary action, the imposition of fines and/or the revocation of the license, permission or authorisation to conduct business, and this may have a material adverse effect on Insr's business, results of operations and financial condition.

There is a risk that Permits needed for the Company's business may not be issued or renewed or such issuance or renewal may be delayed. If the Company is unable to obtain, maintain or renew necessary Permits, Insr's business, results of operations and financial condition could be materially adversely affected.

The insurance acts, regulations and policies, or their interpretation or enforcement, may be changed at any time, for example through stricter solvency requirements or other specific requirements. This may have a material adverse effect on the Company's business, results of operations and financial conditions.

1.1.3 The Company is subject to regulatory capital adequacy requirements and an increased level of risk could lead to an increase in its capital adequacy requirements

Insr is subject to the following regulatory capital requirements according to the Norwegian regulations implementing Solvency II: Minimum Capital Requirement (MCR) and Solvency Capital Requirement (SCR), together referred to as Pillar I.

The Company may in the future be subject to further increases in capital requirements as well as other regulatory requirements and constraints concerning increased capital requirements pursuant to Pillar I. Moreover, the NFSA may impose stricter capital requirements for the Company pursuant to the specific risks relating to the Company's operations under the Pillar II assessment.

1.1.4 The Company is exposed to changes in tax or VAT laws and regulations and changes in the interpretation and operation of such regulations

The Company is subject to Norwegian laws and regulations regarding tax and VAT. Future actions by the Norwegian government to change the tax or VAT laws or regulations, to increase tax or VAT rates or to impose additional taxes or duties might reduce the Company's profitability. This is the case for the new tax on financial services which entered into force and 1 January 2017. Further, changes in the interpretation of tax or VAT legislation as well as differences in opinion between the Company and Norwegian tax authorities with respect to the interpretation of relevant legislation or regulations might also adversely affect the Company's business.

There can be no assurance that any change in tax or VAT legislation or the interpretation of tax and VAT legislation will not have a retroactive effect. Any such event might have a material adverse effect on the Company's business, results of operations and financial conditions.

1.1.5 The Company is exposed to potential catastrophes, natural disaster and terrorist-related events that may cause the Company to incur substantial losses

General insurance companies, such as Insr, frequently experience losses from unpredictable events that affect multiple individual risks covered by them. Such events include, amongst others, windstorms, floods, severe hail, severe winter weather, other weather related events, fires, industrial explosions and other man-made disasters, such as terrorist attacks ("**Catastrophes**").

In Norway, Insr's exposure to losses on buildings and contents due to natural perils is limited to the overall market share, as general insurance companies operating in Norway are obliged by law to participate in the Norwegian Natural Perils Pool (the "**Norwegian Pool**") through which losses on buildings and their contents are distributed among the participants. The Norwegian Pool buys natural catastrophe reinsurance on behalf of its members and the retention of the Norwegian Pool is distributed among the members in proportion to their market share based on the companies' fire insurance amounts as of July 1 of the claim year. Some Catastrophes, such as explosions, occur in small geographic areas, while others, including windstorms and floods, may produce significant damage to large, heavily populated and/or widespread areas. The frequency and severity of catastrophes are inherently unpredictable, and a single Catastrophe or multiple Catastrophes in any one year could have a material adverse effect on the Company's business, results of operations and financial position.

Losses related to Catastrophe insurances have historically been characterised by low frequency and high severity.

Insr generally seeks to reduce its exposure to Catastrophes through purchasing reinsurance, utilizing selective underwriting practices and monitoring risk accumulation. However, Insr's efforts to reduce exposure may not be successful and claims relating to

Catastrophes could have material adverse effects on the Company's business, results of operations and financial conditions.

If Catastrophe risks insured by the Company occur with greater frequency or severity than has historically been the case, related claims could have a material adverse effects on the Company's business, results of operations and financial position, as well as on its costs of reinsurance.

1.1.6 The Company is exposed to changes in the availability of or cost of reinsurance coverage and credit risk on the reinsurers

An important element of Insr's risk management strategy is to purchase reinsurance, and thereby transferring parts of the risk the Company underwrites to reinsurers. Under a reinsurance contract, the assuming reinsurer becomes liable to Insr to the extent of the risk ceded, although the Company remains liable to the insured as insurer.

Any decrease in the availability and amount of reinsurance, increase in the cost of reinsurance and/or the inability or refusal of reinsurers to meet their financial obligations or accept reinstatements, could materially adversely affect Insr's business, results of operation and financial conditions.

In addition, the complexity of the reinsurance programme exposes the Company to the risk of overlooking mismatches in coverage. Coverage mismatches could have a materially adverse effect on the Company's revenues, operating results, financial position and solvency requirements.

1.1.7 The Company is exposed to a potential material flaw in the Company's underwriting or operating controls, and a failure to prevent fraud could increase the frequency of claims and average claim amounts

Insr has operational procedures in place which its management believes are sufficient. However, any mismanagement, fraud or failure to satisfy fiduciary responsibilities or to comply with underwriting guidelines and authorization limits, or negative publicity resulting from these activities or accusations by a third party of such activities, could have material adverse effect on the Company's business, results of operations and financial condition.

If the underwriting guidelines or internal control procedures are inefficient or if the employees do not properly follow these guidelines, the pricing policy of a product line may be incorrect, and the Company may not have the proper reserves for claims attributable to the relevant product line.

In addition, Insr may not be able to adjust prices to avoid future losses. The Company is at risk both from customers who misrepresent or fail to fully disclose the risks against which they are seeking cover before such cover is purchased, and from employees who undertake or fail to follow procedures designed to prevent fraudulent activities. Also, the Company is exposed to the potential risk that the revenue from its customer base could diminish due to customers leaving the Company.

If the Company does not train its employees in claims management effectively, or fails to implement an adequate counter-fraud strategy, its profits could be adversely affected as the frequency of claims and average amounts could increase. Furthermore, an attempt to recover such costs through increased premiums could result in a decrease in policy sales.

1.1.8 The Company is exposed to underwriting and reserve risk

Insr's results depend significantly on whether the Company's claims experience is consistent with the assumptions used in underwriting, setting the prices for the products and establishing the liabilities for the obligations for future claims. To the extent that the Company's actual claims experience is less favourable than the underlying assumptions used in establishing such liabilities, the Company could be required to increase the reserves made for the liabilities, which could result in operating losses. To the extent that Insr prices certain segments/business lines incorrectly, this could have negative impact on the Company.

Due to the nature and uncertain timing of the risks that the Company incurs in underwriting general insurance products, it cannot precisely determine the amounts that it will ultimately pay to meet liabilities covered by the insurance policies written. The Company's claims provisions may prove to be inadequate to cover the actual claims, particularly when payments of claims may not occur until well into the future. In accordance with industry practice and accounting and regulatory requirements, the Company maintains provisions to cover anticipated future claims payments (and related administrative expenses) with respect to losses or injuries incurred, but not fully settled at the end of any year. These include both losses and injuries that have been reported to the Company ("RBNS" – reported but not settled) and those that have not yet been reported ("IBNR" – incurred but not reported). Claims provisions represent estimates of the ultimate cost, including related expenses, to bring all pending and incurred but not reported claims to final settlement. These estimates are based on actuarial and statistical projections and assumptions, including the time required to learn of and settle claims, facts and circumstances known at a given time, as well as estimates of trends in claims severity. The estimates are also based on other variable factors, including changes in the legal and regulatory environment, results of litigation, changes in medical costs, the cost of repairs and replacement, and general economic conditions. Earnings depend significantly on the extent to which the Company's actual claims experience is consistent with the projections and the assumptions it uses in setting claims provisions and subsequent premium levels.

Changes in these trends or other variable factors, including changes in legislation, could result in claims exceeding Insr's claims provisions, which may require an increase in its reserves with a corresponding reduction of the Company's net income in the period in which the deficiency is identified. To the extent that the Company's current claims provisions are insufficient to cover actual claims or claims adjustment expenses, it will have to increase its claims provisions and incur a corresponding change to its earnings in the period in which the deficiency is identified.

In addition, if the Company's claims provisions are excessive, as a result of an over-estimation of risk, it may set premiums at levels too high to be able to compete effectively, which may result in a loss of customers and premium income. If the Company charges premiums that are insufficient for the cover provided, it will suffer underwriting losses, leading to volatility in earnings and unpredictable results.

Insr monitors liabilities on a continuously basis and adjusts established claims reserves periodically, using the most current information available to the management. Any adjustments resulting from changes in reserve estimates are reflected in the results of operations. Based on the information available to the management as at the date of this Information Memorandum, management believes that the claims reserves are adequate. However, because claims reserving is an inherently uncertain process, management cannot assure that the ultimate claims will not materially exceed current claims reserves and have material adverse effect on the Company's fresults of operationis and inancial conditions.

1.1.9 The Company relies on service providers

Insr has outsourced certain key functions to external partners, including certain IT, actuarial and accounting services. Key IT providers are Accenture who delivers the Company's insurance platform, Doorway for hosting IT infrastructure and KnowIT for web development and maintenance.

Analysetjenester delivers all actuarial services and Saga Services provides accounting services.

Should the Company's current outsourcing becomes unsatisfactory, or Insr's third party suppliers terminate or be unable to fulfil their obligations to the Company, Insr may be unable to locate new outsourcing partners on economically attractive terms on a timely basis and this may have a negative effect on Insr's business, results of operations and financial condition.

1.1.10 The Company is exposed to changes in its relationships with insurance distributors

Insr relies on other distributors that market and sell the Company's insurance products through partnerships. Termination of or any change to these relationships may have a negative effect on Insr's business, results of operations and financial condition.

1.1.11 The Company's success depends on retaining key personnel and attracting highly skilled individuals

The Company's senior management team possesses extensive operating experience, industry knowledge and an in-depth understanding of the insurance industry. Insr depends on its senior management for setting the Company's strategic direction and managing Insr's business, which both are crucial to Insr's success. The Company's continued success depends upon its ability to attract and retain a large group of experienced professionals.

The Company's ability to retain senior management as well as experienced personnel will in part depend on Insr having appropriate staff remuneration and incentive schemes in place. Insr cannot give any assurance that the remuneration and incentive schemes it has in place will be sufficient to retain the services of the Company's experienced personnel.

The loss of the services of the Company's senior management or the Company's inability to replace, recruit, train or retain a sufficient number of experienced personnel could have an adverse effect on Insr's business, results of operations and financial conditions.

1.1.12 The Company is exposed to a potential loss of reputation

The Company is dependent on the strength of its reputation with customers and distributors. Any negative publicity related to Insr could adversely affect its reputation and the value of its brand. Insr is exposed, among others, to the risk that litigation, employee or officer misconduct, operational failures, disclosure of confidential information, negative publicity, whether or not founded, could damage its reputation. Any erosion of Insr's reputation may have a material adverse effect on its business, revenues, and results of operations or financial conditions.

1.1.13 The Company is exposed to difficulties in implementing profitability measures

Insr will focus on implementing profitability measures. The Company may experience difficulties in implementing profitability measures, such measures may not have the intended effect and Insr may be unsuccessful in implementing profitability measures. This could ultimately have a material adverse effect on Insr's operations, business, financial performance and prospects.

Insr cannot give any assurance that the current operational and financial systems and controls will be adequate to handle the increased risk associated with possible profitability measures. This could ultimately have a material adverse effect on Insr's operations, business, financial conditions and prospects.

1.1.14 The Company is exposed to potential litigation

Insr's business exposes the Company to litigation and lawsuits. The Company anticipates that the Company and the Group companies will in the future be involved in litigations and other disputes from time to time. The Company cannot predict with certainty the outcome or effect of any claim or other litigation or dispute. Any future litigation or dispute may have a material adverse effect on the Company's business, financial conditions and results of operations, because of potential negative outcomes, the costs associated with prosecuting or defending such lawsuits or claims, reputation damages and the diversion of management's attention to these matters.

1.1.15 The Company is exposed to risk related to the receipt of dividends and other funds from operating subsidiaries

The Company's ability to pay dividends to its shareholders and service any indebtedness is dependent upon the Company receiving sufficient funds from operations and operating subsidiaries in both Norway and foreign jurisdictions. Funds may be transferred to the Company from subsidiaries by way of dividends, intra-group loans and/or group contributions, where possible. In several jurisdictions, there are restrictions on a company's ability to pay dividends, or otherwise transfer funds, to parent and/or holding companies. Restrictions by law or regulations can affect the Company's ability to receive funds to pay dividends to shareholders and/or service any indebtedness.

1.1.16 The Company is exposed to interest rate volatility and other risks related to its investment portfolio

Insr has a conservative investment policy and has hired Grieg Investor as financial advisor. The investment portfolio is at the date of this Information Memorandum almost entirely invested in bank deposits and money market funds, which is reasonably aligned with the Company’s liability duration.

Investment returns are a part of Insr's overall profitability. Interest rate volatility may adversely affect the value of the Company's investment portfolios, adversely impact the financial position and the results of operations, and result in volatility in the results. In addition, the Company is exposed to counterparty risk in the banks where deposits are invested.

1.1.17 Asset management risk

General economic conditions, stock market conditions and many other factors beyond the Company's control may adversely affect the relevant markets for the Company's investments and thereby impair the value of the Company's investment portfolio.

1.2 Risk relating to the Shares

1.2.1 The Company is exposed to fluctuations in the price of the Shares

The trading volume and price of the Shares has fluctuated significantly in the past, and could fluctuate significantly in the future. Securities markets in general have been volatile in the past. Some of the factors that could negatively affect the Share price or result in fluctuations in the price or trading volume of the Shares include, for example, changes in the Group's actual or projected results of operations or those of its competitors, changes in earnings projections or failure to meet investors' and analysts' earnings expectations, investors' evaluations of the success and effects of the strategy described in this Information Memorandum, as well as the evaluation of the related risks, changes in general economic conditions, changes in consumer preferences, changes in shareholders and other factors. This volatility has had a significant impact on the market price of securities issued by many companies. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate based upon factors that have little or nothing to do with the Group, and these fluctuations may materially affect the price of the Shares.

1.2.2 Future issuances of Shares or other securities could dilute the holdings of shareholders and could materially affect the price of the Shares

The Company may in the future decide to offer Shares or other securities, to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes.

Depending on the structure of any future offering of Shares or other securities, including whether the shareholders preferential right to subscribe for Shares or other securities are set aside, certain existing shareholders may not have the ability to purchase additional Shares or or other securities. If the Company raises additional funds by issuing additional Shares or other securities, holdings and voting interests of existing shareholders could be diluted.

1.2.3 Pre-emptive rights or similar rights to subscribe for Shares could be unavailable to U.S. shareholders or other shareholders

Under Norwegian law, unless otherwise resolved at the Company's general meeting of shareholders (the "**General Meeting**"), existing shareholders have pre-emptive rights to participate based on their existing ownership of Shares in the issuance of any new Shares for cash consideration. Shareholders in the United States, however, could be unable to exercise any such rights to subscribe for new Shares unless a registration statement under the Securities Act is in effect in respect of such rights and Shares or an exemption from the registration requirements under the Securities Act is available. Shareholders in other jurisdictions outside Norway could be similarly affected if the rights and the new Shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction. The Company is under no obligation to file a registration statement under the Securities Act or seek similar approvals under the laws of any other jurisdiction outside Norway in respect of any such rights and Shares, and doing so in the future could be impractical and costly. This is be equally relevant for other types of securities issues, including share issues where similar rights to subscribe for shares are allocated to the existing shareholders. To the extent that the Company's shareholders are not able to exercise their rights to subscribe for new Shares, their interests in the Company will be diluted.

1.2.4 Investors could be unable to exercise their voting rights for Shares registered in a nominee account

Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) will be unable to vote such Shares unless their ownership is re-registered in their names with the VPS prior to any General Meeting. There is no assurance that beneficial owners of the Shares will receive the notice of any General Meeting in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote their Shares in the manner desired by such beneficial owners.

1.2.5 The transfer of Shares is subject to restrictions under the securities laws of the United States and other jurisdictions

The Shares have not been registered under the Securities Act or any U.S. state securities laws or any other jurisdiction outside Norway and are not expected to be registered in the future. As such, the Shares may not be offered or sold except pursuant to an exemption from the registration requirements of the Securities Act and applicable securities laws.

1.2.6 The Company's ability to pay dividends in accordance with its dividend policy or otherwise is dependent on the availability of distributable profits and restrictions in its financing agreements, and the Company may be unable or unwilling to pay any dividends in the future

Norwegian law provides that any declaration of dividends must be adopted by the shareholders at the General Meeting, or by the Company's Board of Directors in accordance with an authorisation from the General Meeting. Dividends may only be declared to the extent that the Company has distributable profits and the Company's Board of Directors finds such a declaration to be prudent in consideration of the size, nature, scope and risks associated with the Company's operations and the need to strengthen its liquidity and financial position. As the Company's ability to pay dividends is dependent on the availability of distributable profits, it is, among other things, dependent upon receipt of dividends and other distributions of value from its subsidiaries and companies in which the

Company may invest. The General Meeting may not declare higher dividends than the Board of Directors has proposed or approved. If, for any reason, the General Meeting does not declare dividends in accordance with the above, a shareholder will, as a general rule, have no claim in respect of such non-payment, and the Company will have no obligation to pay any dividend in respect of the relevant period. The Company might be unable to pay dividends in a situation where the Company needs to strengthen its capital base to meet regulatory capital adequacy requirements.

1.2.7 Investors could be unable to recover losses in civil proceedings in jurisdictions other than Norway

The Company is a public limited liability company organised under the laws of Norway. Three of the current members of the Company's Board of Directors and the majority of the Company's management reside in Norway. As a result, it may not be possible for investors to effect service of process in other jurisdictions upon such persons or the Company, to enforce against such persons or the Company judgments obtained in non-Norwegian courts, or to enforce judgments on such persons or the Company in other jurisdictions.

1.2.8 Norwegian law could limit shareholders' ability to bring an action against the Company

The rights of holders of the Shares are governed by Norwegian law and by the Articles of Association. These rights may differ from the rights of shareholders in other jurisdictions. Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. For example, under Norwegian law, any action brought by the Company in respect of wrongful acts committed against the Company will be prioritised over actions brought by shareholders claiming compensation in respect of such acts.

1.2.9 Exchange rate fluctuations could adversely affect the value of the Shares and any dividends paid on the Shares for an investor whose principal currency is not NOK

The Shares will be priced and traded in NOK on Oslo Børs, and any future payments of dividends will be denominated in NOK. Investors registered in the VPS whose address is outside Norway and who have not supplied the VPS with details of any NOK account, will, however, receive dividends by check in their local currency, as exchanged from the NOK amount distributed through the VPS. If it is not practical in the sole opinion of the Company's VPS registrar, to issue a check in a local currency, a check will be issued in USD. The issuing and mailing of checks will be executed in accordance with the standard procedures of DNB Bank ASA, the Group's VPS registrar bank. The exchange rate(s) that is applied will be DNB Bank ASA s rate on the date of issuance. Exchange rate movements of NOK will therefore affect the value of these dividends and distributions for investors whose principal currency is not NOK. Further, the market value of the Shares as expressed in foreign currencies will fluctuate in part because of foreign exchange fluctuations. This could affect the value of the Shares and of any dividends paid on the Shares for an investor whose principal currency is not NOK.

1.2.10 Market interest rates could influence the price of the Shares

One of the factors that could influence the price of the Shares is its annual dividend yield, if any, as compared to yields on other financial instruments. Thus, an increase in market interest rates will result in higher yields on other financial instruments, which could adversely affect the price of the Shares

1.2.11 The Company is subject to provisions on ownership control

The Company is subject to provisions on ownership control, which apply to all financial enterprises. The provisions on ownership control in the Act on financial institutions and financial groups 2015 (the "**FEA**") implement Directive 2007/44/EC. Under the FEA, acquisitions of so-called qualified holdings in a financial enterprise are subject to a pre-approval by the Norwegian Ministry of Finance or the NFSA. A "qualifying holding" is a holding that represents 10% or more of the capital or voting rights in a financial enterprise or that allows for the exercise of significant influence on the management of the enterprise and its business.

Approval may only be granted if the acquirer is considered appropriate according to specific non-discriminatory criteria as further described in the FEA (the so-called "fit and proper" test). Further, requirement of new approvals is triggered when a holding reaches or exceeds certain thresholds (20%, 30% and 50%). In practise, the Norwegian regulator has refused to approve ownership in excess of 20-25% by owners not being regulated financial enterprises themselves.

1.3 Risks related to the acquisition of 100% of the shares in Nemi

1.3.1 Completion risks

Completion of the Transaction is subject to the following conditions being satisfied or waived on the closing date of the Transaction:

- Approval by the NFSA of the Transaction, including the issuance of the Consideration Shares and approval of the Private Placement (defined below); and
- Other standard conditions for closing of this type of transaction.

There can be no assurance that the above conditions will be satisfied or waived. Should any of the above conditions not be satisfied or waived prior to 31 December 2017, the Transaction will not be completed and Insr will not achieve the expected benefits of the Transaction.

1.3.2 Insr and Nemi may not achieve the expected benefits of the Transaction

Insr may face risks and challenges when integrating Nemi into its existing business. The Transaction may not improve, and may even adversely affect, the operating result of the Group, and the integration of Nemi into Insr's existing business may expose Insr to additional risks and losses. There can be no assurance that Insr will be able to retain key personnel, distribution partners and/or customers. Insr entered into the Transaction with the expectation of realising significant economies of scale and cost synergies. Some of these benefits may not be achieved or not be achieved in the time frame in which they are expected. Achieving the anticipated benefits of the Transaction depends in part on Insr's ability to integrate Nemi's business in an effective and cost-efficient manner. Insr's failure to do so may result in significant diversion of management's time from on-going business matters and may have a material adverse effect on the business, results of operations and financial conditions of the combined company. Transitioning the contract portfolios into one IT-system may also prove more complicated and expensive than estimated.

1.4 Risks related to Nemi's business

In addition to the risks described under section 1.1 "Risks related to the Company's business and the insurance industry", which also affect Nemi's business, Nemi is subject to the risks associated with having a more extensive agent network than Insr. Termination of or any change to these relationships may have a negative effect on its business, results of operations and financial conditions.

2. RESPONSIBILITY FOR THE INFORMATION MEMORANDUM

This Information Memorandum has been prepared in connection the Transaction.

The Board of Directors of Insr Insurance Group ASA accepts responsibility for the information contained in this Information Memorandum. The members of the Board of Directors confirm that, after having taken all reasonable care to ensure that such is the case, the information contained in this Information Memorandum is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect its import. The information regarding Nemi set out herein, has exclusively been extracted from Nemi's company presentation provided by Alpha Insurance A/S and publicly available sources.

Oslo, 28 September 2017

Åge Korsvold
Chairman

Ragnhild Wiborg
Board member

Christer Karlsson
Board member

Mernosh Saatchi
Board member

Ulf Spång
Board member

Terje Moen
Employee representative

3. PRESENTATION OF INFORMATION

3.1 Date of information

The information contained in this Information Memorandum is current as at the date of the Information Memorandum and is subject to change or amendment without notice. Except as required by applicable law and stock exchange rules the Company does not undertake any duty to update the information in this Information Memorandum. The publication of this Information Memorandum shall not under any circumstances create any implication that there has been no change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Information Memorandum.

3.2 Presentation of financial information

3.2.1 Introduction

The Company's audited financial statements as of, and for the years ended, 31 December 2016 (the "**2016 Annual Financial Statements**") and 2015 (the "**2015 Annual Financial Statements**") have been prepared in accordance with the International Financial Reporting Standards, as adopted by the EU ("**IFRS**"). The 2016 Annual Financial Statements and the 2015 Annual Financial Statements are together referred to as the "**Annual Financial Statements**". The Company's unaudited interim financial statements as of, and for the three month and six month period ended 30 June 2017, with comparable figures for 2016 (the "**Interim Financial Statements**"), have been prepared in accordance with International Accounting Standard 34 Financial Reports ("**IAS 34**"). The Annual Financial Statements and Interim Financial Statements are together referred to as the "**Financial Statements**". The Financial Statements are incorporated by reference in this Information Memorandum; see Section 13.1 "Incorporation by reference".

The Annual Financial Statements have been audited by PricewaterhouseCoopers AS, as set forth in their auditor's report included together with the Annual Financial Statements.

The Company presents the Annual Financial Statements in NOK (presentation currency).

3.2.2 Presentation of the Swedish Portfolio

On 27 April 2016, the Company entered into an agreement with Gjensidige Forsikring ASA ("**Gjensidige**"), whereby Gjensidige acquired the Company's insurance portfolio in Sweden (the "**Swedish Portfolio**"). The Swedish Portfolio is presented as discontinued operations in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" in the 2016 Annual Financial Statements. The comparative figures for 2015 in the 2016 Annual Financial Statements have been restated to conform to the current year presentation as required by IFRS.

3.2.3 Pro forma financial information

The Transaction triggers the requirement of pro forma financial information. The unaudited condensed pro forma financial information in this Information Memorandum (the "**Pro Forma Financial Information**") has been prepared assuming the Transaction will be completed.

The Pro Forma Financial Information has been prepared for illustrative purposes only to show how the Transaction might have affected the Company's consolidated statement of income for 2016 as if the Transaction occurred on 1 January 2016 and the consolidated statement of financial position as of 31 December 2016 as if the Transaction occurred at the balance sheet date. The Pro Forma Financial Information has been compiled to comply with the requirements in section 3.5.2.6 of the Continuing Obligations. The Pro Forma Financial Information has been prepared in accordance with Annex II of Regulation (EC) 809/2004.

3.2.4 Nemi's financial statements

The audited financial statements for Nemi for the years ended 31 December 2016 and 2015 have been prepared in accordance with Norwegian generally accepted accounting principles ("**NGAAP**") and in compliance with the 1998 Accounting Act. Nemi's unaudited interim financial statements as of, and for the three month- and six month-period ended 30 June 2017, with comparable figures for 2016, have been prepared in accordance with IAS 34. Nemi's financial statements can be found by following the link on https://www.nemiforsikring.no/om-nemi-forsikring/finansiell-informasjon/.

Nemi's annual financial statements for the year ended 31 December 2015 and 2016 have been audited by BDO AS and KPMG AS respectively.

Nemi presents its financial statements in NOK (presentation currency).

3.2.5 Auditor's qualification as to the 2015 Annual Financial Statements

The Company's auditor PWC issued its audit report on the 2015 Annual Financial Statements with reservations. The following reservations was made:

> *"Basis for conclusion with reservations*
>
> *The company does not have adequate routines for ensuring the balancing of accounts receivable from customers in the professional system against the ledger. Because of this fact, we have been unable to determine whether there might be a need for adjustment of accounts receivable from customers entered in the accounts or related items in the profit and loss account, the balance sheet, the list of changes to equity, and the cash flow statement."*
>
> *"Negative conclusion on registration and documentation*
>
> *The daily bookkeeping in Vardia Insurance Group ASA has not been followed up in a satisfactory manner. This has implied that the company has not, throughout 2015, had customer specifications as required by the Bookkeeping Act, that the company has not been up-to-date with the balancing between insurance systems and the ledger as required by the Bookkeeping Act, and that it has been difficult to trace the entries in the ledger back to their supporting documentation. Several other violations of the bookkeeping rules have also occurred.*
>
> *Because of the importance of the matters referred to in above, we are of the opinion that the management has not fulfilled its obligation to ensure adequate and clear registration and documentation of the company's accounting information according to law and generally accepted accounting principles in Norway."*

3.2.6 Auditor's qualification as to the 2016 Annual Financial Statements

The Company's auditor PWC issued its audit report on the 2016 Annual Financial Statements with reservations. The following reservations and disclaimers were made:

> *"Basis for the conclusion with reservations*
>
> *The company does not have adequate routines for transfers between the various IT systems or for ensuring the balancing of accounts receivable in connection with direct insurance and premium income in the professional system against the ledger. The company also lacks satisfactory routines for balancing of debt in connection with reinsurance. For this reason, we have been unable to determine whether there might be a need for adjustment of accounts receivable in connection with direct insurance premium income and debt in connection with reinsurance or related items in the profit and loss account, the balance sheet, the list of changes to the equity and the cash flow statement.*

We have completed the audit in accordance with the law and generally accepted accounting principles in Norway, including the International Standards on Accounting (the ISAs). Our duties under these standards are described in the Auditor's duties in connection with the audit of the annual accounts. We are independent of the company and the group as required by law, and we have complied with our general ethical standards in accordance with these requirements. In our view, the gathered audit documentation is an adequate and appropriate basis for our conclusion with reservations."

"Negative conclusion regarding registration and documentation

The daily bookkeeping in Insr Insurance Group ASA has not been followed up in a satisfactory manner. This has implied that the company has not, throughout 2016, had customer specifications as required by the Bookkeeping Act, that the company has not been up-to-date with the balancing between insurance systems and the ledger as required by the Bookkeeping Act, and that it has been difficult to trace the entries in the ledger back to their supporting documentation and several other breaches of the Bookkeeping Act.

Because of the importance of the matters referred to above, we are of the opinion that the management has not fulfilled its obligation to ensure adequate and clear registration and documentation of the company's accounting information according to law and generally accepted accounting principles in Norway."

The reasons for the auditor's reservations for the 2016 Annual Financial Statements were due to the Company not having adequate routines for transfers between its various IT systems, as well as the Company not having satisfactory routines for balancing of debt in connection with reinsurance. The Company has worked out an action plan with the goal of solving the challenges during 2017 and assumes that these challenges will not persist in the 2017 annual financial statements.

3.3 Rounding

Percentages and certain amounts included in this Information Memorandum have been rounded for ease of presentation. Accordingly, figures shown as totals in certain tables may not be the precise sum of the figures that precede them.

3.4 Industry and market data

This Information Memorandum contains statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Group's business and the industries and markets in which it operates. Unless otherwise indicated, such information reflects the Group's estimates based on analysis of multiple sources, including data compiled by professional organisations, consultants and analysts and information otherwise obtained from other third party sources, such as annual and interim financial statements and other presentations published by listed companies operating within the same industry as the Group, as well as the Group's internal data and its own experience, or on a combination of the foregoing. Unless otherwise indicated in the Information Memorandum, the basis for any statements regarding the Group's competitive position is based on the Company's own assessment and knowledge of the market in which it operates.

The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified. The Company does not intend, and does not assume any obligations to, update industry or market data set forth in this Information Memorandum.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Information Memorandum that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Information Memorandum and projections, assumptions and estimates based on such information may not be reliable indicators of the Company's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 1 "Risk Factors" and elsewhere in this Information Memorandum.

3.5 Forward-looking statements

This Information Memorandum contains forward-looking statements. All statements contained in this Information Memorandum other than statements of historical fact, including statements regarding the Company's future results of operations and financial position, its business strategy and plans, and its objectives for future operations, are forward-looking statements. The words "believe", "may", "will," "estimate," "continue," "anticipate," "intend," "expect," and similar expressions are intended to identify forward-looking statements. The Company has based these forward-looking statements largely on its current expectations and projections about future events and trends that it believes may affect its financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs.

Forward-looking statements are subject to a number of risks and uncertainties, including those described in Section 1 "Risk Factors", and are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group operates. The actual results, performance or achievements of the Group may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance, or achievements. Given these uncertainties, investors should not rely upon forward-looking statements as predictions of future events or performance.

Except as required by the applicable law or stock exchange rules, the Company does not intend, and expressly disclaims any obligation or undertaking, to update any of these forward-looking statements after the date of this Information Memorandum or to conform these statements to actual results or revised expectations.

Forwards-looking statements are found in Sections 4 "The Transaction", 6 "Industry and Market", 7 "Presentation of Insr", 8 "Presentation of Nemi", 10 "Board of Directors, Management, employees and corporate governance" and 12 "Corporate information and description of the share capital".

3.6 No advice

The contents of this Information Memorandum are not to be construed as legal, business or tax advice. Each prospective investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial or tax advice in relation to any subscription, purchase or proposed subscription or purchase of any Shares. Each prospective investor should consult with such advisers as needed to make its investment decision and to determine whether it is legally permitted to hold Shares under applicable legal investment or similar laws or regulations. Investors should be aware that they may be required to bear the financial risks of any investment in the Shares for an indefinite period of time.

4. THE TRANSACTION

4.1 Background and rationale for the Transaction

On 18 August 2017, Insr entered into a share purchase agreement with Alpha (the "**Share Purchase Agreement**") pursuant to which the Company has agreed to acquire 100% of the shares in Nemi (the "**Nemi Shares**") from Alpha (the "**Transaction**"). Alpha is wholly owned by Alpha Holding A/S, a privately held Danish insurance group.

The Transaction fits well with the wholesale and multi-brand strategy of Insr. The Transaction will boost the size of Insr's insurance operation and is expected to enable the combined company to reach a profitable scale. Nemi is a company with a similar size and business profile, and is a strong and clear match with Insr. Nemi has achieved both growth and improvement in operational quality, as measured by e.g. the combined ratio, through recent years.

Nemi will add significantly to Insr's multi-brand and wholesale strategy, and Insr will retain Nemi as a brand in the market and towards insurance customers. Nemi will be positioned as a strong distribution channel along with Insr's current Vardia brand and its portfolio of third party partners and agents. With Nemi as a new distribution channel, the Company will be established with a solid position in the tied agent market and a strong basis to further expand its network of partners and agents.

Through the Transaction and combination of operations, Insr expects to realize significant economies of scale and benefit from complementary strongholds in the two organisations. One example is migrating to one set of IT systems and business support. Another that the combined pool of in-house talent and competence allows for reduced use of external consultants. The Company expects to realize substantial synergies related to the combined reassurance programme (resulting in reduced claims cost for own account) and within operating costs.

Based on Insr's cost reduction plans and expected cost synergies, Insr targets a gross combined ratio in the medium term of 90-92%. Over a longer period, Insr believes it has a potential to further improve profitability through growth and continued focus on cost efficiency. The Company expects the acquisition to allow the additional benefit of utilising a large combined deferred tax asset in the level of NOK 1bn sooner than would be the case on a stand-alone basis.

Through the Transaction and combination of operations, Insr expects to realize significant economies of scale and benefit from complementary strongholds in the two organisations. One example is migrating to one set of IT systems and business support. Another that the combined pool of in-house talent and competence allows for reduced use of external consultants. The Company expects to realize around NOK 60 million of synergies within operating costs. In addition, annual savings on claims for own account of arounds NOK 20 million are expected, much due to improved terms in a combined reassurance programme.

4.2 Overview and financing of the Transaction

The agreed consideration for the Nemi Shares is NOK 320,000,000 (the "**Purchase Price**") of which NOK 230,000,000 shall be paid in cash and NOK 90,000,000 shall be paid by the Company issuing new ordinary shares (the "**Consideration Shares**") to Alpha. On 26 September 2017, the issuance of the Consideration shares was approved by an extraordinary general meeting of the company (the "**EGM**").

To finance the Transaction, to strengthen the Company's capital position and to potentially reduce the Company's reinsurance cession, the Company launched a private placement on 29 August 2017 (the "**Private Placement**"). The Private Placement was successfully placed on 29 August 2017, through the conditional allocation of 57,200,000 new shares (the "**Private Placement Shares**"), raising gross proceeds of NOK 400,400,000, subject to the closing conditions described under 4.3 being satisfied or waived. The Private Placement was approved by the EGM on 26 September 2017.

The Consideration Shares and the new shares to be issued in the Private Placement will be issued at a subscription price of NOK 7.00 per share.

Insr will undertake a subsequent repair offering of up to 5,714,285 new shares (the "**Repair Offering**")directed towards existing shareholders not being allocated shares in the Private Placement and who are not residents in a jurisdiction where such offering would be unlawful or, for jurisdictions other than Norway, would require any prospectus, filing or similar action (the "**Eligible Shareholders**"). The subscription price will be the same as in the Private Placement. Each Eligible Shareholder will receive 1 (one) non-transferable subscription right per 7.01 share in the Company they are registered as owner of in VPS on 31 August 2017.

The Company will, subject to approval by the NFSA, publish a prospectus in connection with the listing of the Consideration Shares, the listing of the shares in the Private Placement and the shares to be offered in the Repair Offering.

Alpha has agreed to a lock-up period of 6 months for the Consideration Shares.

4.2.1 Resolution regarding the issuance of the Consideration Shares

At the EGM, the following resolution regarding the issuance of the Consideration Shares was passed:

(i) The share capital of the Company shall be increased by NOK 10,285,713.60 through the issuance of 12,857,142 new shares, each with a nominal value of NOK 0.8.

(ii) The new shares are issued at a subscription price of NOK 7.00 per share.

(iii) The new shares are issued to Alpha Insurance A/S, c/o Harbour House, Sundkrogsgade 21, 2100 Copenhagen Ø, Denmark.

(vi) The new shares shall be subscribed for on a separate subscription form, on the Closing Date, but no later than 31 December 2017. The pre-emptive rights of the existing shareholders under § 10-4 of the Public Limited Liability Companies Act are set aside.

(v) Settlement for the new shares shall be made by the transfer of 100% of the shares in Nemi Forsikring AS, where the parties have agreed that NOK 90,000,000 of the total purchase price of NOK 320,000,000 shall be settled through the subscription of shares in the Company, and NOK 230,000,000 shall be settled in cash. The transfer shall take place on the Closing Date, but no later than 31 December 2017.

(vi) The new shares shall carry rights to dividends and other shareholders rights from the date on which the share capital increase is registered with the Norwegian Register of Business Enterprises.

(vii) The Company's Company's estimated costs in connection with the capital increase are approx. NOK 500,000.

(viii) § 1-3 of the articles of association shall be amended so as to reflect the share capital and number of shares after the share capital increase.

(ix) The resolution and the completion of the capital increase is subject to that the Conditions for Completion of the Transaction has been satisfied or waived.

4.2.2 Resolution regarding the issuance of the Private Placement Shares

At the EGM, the following resolution regarding the issuance of the Private Placement Shares was passed:

(i) *The share capital of the Company shall be increased by NOK 45,760,000 through the issuance of 57,200,000 new shares, each with a nominal value of NOK 0.8.*

(ii) *The new shares are issued at a subscription price of NOK 7.00 per share.*

(iii) *The new shares may be subscribed for by ABG Sundal Collier ASA on behalf of, and pursuant to proxies from, investors that have ordered and been allocated shares in the Private Placement, and shall be subscribed on a separate subscription form, when the Conditions for Completion of the Transaction have been satisfied or waived, but in no event later than 31 December 2017. The pre-emptive rights of the existing shareholders under § 10-4 of the Public Limited Liability Companies Act are set aside.*

(iv) *Payment of the subscription amount shall be made to a special share issue account when the conditions for completion of the Transaction have been fulfilled, but in no event later than 31 December 2017.*

(v) *The new shares shall carry rights to dividends and other shareholders rights from the date on which the share capital increase is registered with the Norwegian Register of Business Enterprises.*

(vii) *The Company's estimated costs in connection with the capital increase are approx. NOK 11,250,000.*

(x) *§ 1-3 of the articles of association shall be amended so as to reflect the share capital and number of shares after the share capital increase.*

(xi) *The resolution and the completion of the share capital increase is subject to (i) the Conditions for Completion of the Transaction having been satisfied or waived and (ii) the approval by the general meeting of the Board's proposals under items 4 and 6.*

4.3 Conditions to closing of the Transaction

The completion of the Transaction is subject to the following conditions being satisfied or waived (the "**Closing Conditions**") prior to 31 December 2017:

(i) Approval by the NFSA of the Transaction, including the issuance of the Consideration shares and the shares in the Private Placement;

(ii) The share capital increase related to the Private Placement has been registered in the Norwegian Register of Business Enterprises;

(iii) No order or injunction issued by any governmental body is in effect or pending which restrains the consummation of the Share Purchase Agreement.

(iv) The parties shall have complied in all material respects with their obligations under the Share Purchase Agreement;

(v) Alpha's warranties shall be correct in all material respects; and

(vi) No material adverse change shall have occurred since the signing of the Share Purchase Agreement.

Completion of the Private Placement is conditional on the conditions for completion of the Transaction other than (ii) being fulfilled or waived.

4.4 Timeline

Insr expects that the Transaction will be completed in the fourth quarter of 2017, provided that the Closing Conditions are fulfilled.

The Transaction will be terminated if completion of the Transaction has not occurred by 31 December 2017.

The commitments in the Private Placement are valid until 31 December 2017. The completion of the Private Placement will take place a couple of days prior to completion of the Transaction.

4.5 Other terms for the Transaction

Alpha has agreed to customary warranties relating to Nemi. Other than for fundamental warranties relating to ownership etc. the warranty period expires on 1 September 2018. Alpha has agreed, for a period of two years from completion of the Transaction, to refrain from being engaged in any business that competes with the non-life insurance business of the Company in Norway. Alpha shall provide certain transitional services to Insr, and Insr shall provide certain transitional services to Alpha from the Closing Date until 31 December 2018, unless terminated by either party giving 4 months' written notice to the other party.

4.6 Agreements for the benefit of close associates

Neither members of the Board of Directors nor the management of Insr or Nemi will receive any benefits from the Transaction.

4.7 Expenses

Costs attributable to the Transaction will be borne by the Company. The total costs are expected to amount to approximately 12 million. In addition, costs related to fees to Oslo Børs, printing and distribution of this Information Memorandum will be borne by the Company.

Costs attributable to the issuance of the Consideration shares, the shares in the Private Placement and the Repair Issue, will be borne by the Company. The total costs are expected to amount to approximately 11 million.

4.8 Subsequent merger

After the Transaction is completed, Insr intends to merge Nemi and Insr with Insr as the acquiring entity.

5. DIVIDENDS AND DIVIDEND POLICY

5.1 Dividend policy

The Company is licensed as an insurance company by the NFSA and is subject to solvency and capital adequacy requirements. At present, the Company is not profitable and the Board of Directors does not plan to propose dividends until the Company shows sustained profitability.

There can be no assurance that a dividend will be proposed or declared in any given year.

5.2 Dividends in 2015 and 2016

The Company has not paid any dividends in the financial years ended 31 December 2016 and 2015.

5.3 Legal constraints on the distribution of dividends

The Norwegian Public Limited Liability Companies Act provides several constraints on the distribution of dividends:

- Dividend may only be distributed to the extent that the Company after the distribution has a sound equity and liquidity.
- The Company may only distribute dividends to the extent that its net assets following the distribution are at least equal to the sum of (i) the Company's share capital, (ii) the reserve for valuation differences and (iii) the reserve for unrealised gains. In determining the distribution capacity, deductions must be made for (i) the aggregate amount of any receivables held by the Company and dating from before the balance sheet date which are secured by a pledge over Shares in the Company, (ii) any credit and collateral etc. from before the balance sheet date which according to Sections 8-7 to 8-10 of the Norwegian Public Limited Liability Companies Act must not exceed the Company's distributable equity (unless such credit has been repaid or is set-off against the dividend or such collateral has been released prior to the decision to distribute the dividend), (iii) other dispositions carried out after the balance sheet date which pursuant to law must not exceed the Company's distributable equity and (iv) any amount distributed after the balance sheet date through a capital reduction.
- The calculation of the distributable equity shall be based on the balance sheet in the Company's last approved annual accounts, provided, however, that the registered share capital as of the date of the resolution to distribute dividends shall apply. Dividends may also be distributed by the general meeting based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet date which does not lie further back in time than six months before the date of the general meeting's resolution.

The Company is subject to capital adequacy requirements as described in Section 7.14 "Regulatory overview". Pursuant to the Act on financial institutions and financial groups 2015 (the "**FEA**"), the Company cannot distribute dividends which would lead to the Company being in breach of applicable capital adequacy requirements. Further, pursuant to the FEA section 10-6, the board of directors must notify the NFSA if it proposes to distribute dividends in excess of 50 % of the Company's profits according to its latest approved accounts. The NFSA may order the Company not to distribute, or to reduce, the proposed dividend.

The Norwegian Public Limited Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends.

5.4 Manner of dividend payments

Any future payments of dividends on the Shares will be denominated in NOK, and will be paid to the shareholders through the VPS. Investors registered in the VPS whose address is outside Norway and who have not supplied the VPS with details of any NOK account, will, however, receive dividends by check in their local currency, as exchanged from the NOK amount distributed through the VPS. If it is not practical in the sole opinion of DNB Bank ASA, being the Company's VPS registrar, to issue a check in a local currency, a check will be issued in USD. The issuing and mailing of checks will be executed in accordance with the standard procedures of DNB Bank ASA. The exchange rate(s) that is applied will be DNB Bank ASA's rate on the date of the distribution of dividend. Dividends will be credited automatically to the VPS registered shareholders' NOK accounts, or in lieu of such registered NOK account, by check, without the need for shareholders to present documentation proving their ownership of the Shares.

6. INDUSTRY AND MARKET

The Norwegian general insurance market is the Company's principal market, representing approximately 93% of the Company's gross premiums written in 2016. In addition, the Company has a smaller portfolio in the Danish general insurance market, representing approximately 7% of the Company's gross premiums written in the same period.

6.1 The general insurance market in Norway

6.1.1 Market size and growth

As at 31 March 2017, the Norwegian general insurance industry premium portfolio, excluding marine insurance, was NOK 55.5 billion, according to Finans Norge ("**FNO**"). Motor insurance was by far the largest line of business, representing 37.1% of total premiums.

The following table sets out the size of the main segments of the general insurance market in Norway, in absolute amounts and as a percentage of total premium portfolio, as at 31 March 2017:

Line of business	Premium portfolio (NOK billion)	Percentage of premium portfolio
Motor total	20.6	37.1
Private fire & special perils	11.3	20.4
Commercial fire & special perils	7.5	13.6
Special(1)	4.4	7.9
Workers' compensation	2.3	4.2
Accident	1.1	1.9
Medical treatment & critical illness	2.0	3.5
Other(2)	6.3	11.4
Total	**55.5**	**100.0**

Source: FNO (https://www.finansnorge.no/statistikk/skadeforsikring/**)**

(1) Including leisure travel, leisure boat, cargo and fish farming industry.

(2) Children, safety, liability and other lines

According to FNO, average gross premium growth in the Norwegian general insurance market, excluding children, medical treatment and critical illness insurance, has been 4.3% year-on-year in the period 2006 to 2016.

As indicated by the table below, the overall loss ratio in Norway decreased in the period from 2009 to 2016. The main reasons for this trend are more stringent underwriting, increased pricing and a relatively low incidence of large weather-related claims. The cost ratio has shown positive development, and the main reasons for this trend are economies of scale, as well as a general improvement in claims handling processes. Overall, the Norwegian general insurance industry has experienced a decrease in combined ratio during the period from 2009 to 2014, with a slight increase in 2015 which was sustained into 2016. The following table sets out the premium growth and trends in loss ratio, cost ratio and combined ratio in the general insurance market in Norway:

(in %)	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(1)
Premium growth	4.0	2.7	8.8	2.2	0.9	5.1	8.9	6.2	3.7	5.6	-0.9
Loss ratio	68.2	71.7	71.2	72.9	71.4	72.4	69.4	69.1	67.2	69.5	66.4
Cost ratio	22.7	21.7	22.6	22.8	20.8	19.3	17.7	16.9	17.2	15.5	18.5
Combined ratio	90.9	93.4	93.8	95.7	92.2	91.7	87.1	86.0	84.4	85.1	85.0

Source: FNO (https://www.finansnorge.no/statistikk/skadeforsikring/). Includes marine insurance and data from all Norwegian insurance companies.

(1) Provisional figures

6.1.2 Competition

The following table sets out the market shares based on premium portfolio in the general insurance market in Norway:

(in %)	2006	2007	2008	2009	2010	2011	2012	2013[1]	2014	2015	2016	2017[2]
Gjensidige	31.2	31.0	29.6	28.4	27.9	26.3	25.3	25.3	25.3	25.3	25.6	25.6
If	31.5	29.8	28.9	27.0	25.7	25.1	24.8	23.7	22.6	21.9	21.2	21.2
Tryg	17.5	18.1	17.8	17.3	17.1	16.4	15.3	14.7	15.3	13.4	13.4	13.3
SpareBank1	10.0	10.0	9.8	9.8	10.3	10.3	10.1	10.4	10.1	10.0	10.2	10.3
Other	9.8	11.1	13.9	17.5	19.2	21.9	24.5	26.2	28.2	29.5	29.6	29.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: FNO (https://www.finansnorge.no/statistikk/skadeforsikring/). Includes most insurance companies in Norway. Vardia figures not included in the statistics.

(1) Unison Forsikring included in SpareBank 1 market shares as of 2013. Unison had a market share of 1.0% in both 2011 and 2012.

(2) Q1 2017

The general insurance market in Norway is characterized by high concentration, with the top four insurers collectively accounting for approximately 70.3% of the Norwegian market as at 31 March 2017, according to FNO. The Company's primary competitors in the general insurance market in Norway are other general insurance companies. The Company also faces competition from banks and life insurers distributing general insurance products, including Eika, DNB, Storebrand and KLP Insurance, as well as from smaller niche players. As at 31 March 2017, the Company had a market share in the Norwegian general insurance market of approximately 1.1%, making the Company the 14th largest insurer in the Norwegian general insurance market amongst those reporting to FNO.

Source: FNO (https://www.finansnorge.no/statistikk/skadeforsikring/). Includes most insurance companies in Norway. Vardia figures not included in the statistics.

6.2 The general insurance market in Denmark

6.2.1 Market size and growth

In Denmark, the average annual premium growth of the general insurance market in terms of gross written premiums generated from 2005 to 2015 was 2.1% according to the Danish Insurance Association. The loss ratio was at 74.3% in 2005 and has since fallen to 71.6% in 2015. Motor insurance was the largest line of business representing 25.5% of the total general insurance market in 2015, a market generating a total of DKK 49.3 billion in gross written premiums.

The following table sets out the premium growth and trends in loss ratio and combined ratio in the general insurance market in Denmark:

(in %)	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Premium growth	4.1	5.0	3.0	4.3	1.1	-0.3	0.3	2.4	2.4	0.7	-0.2
Loss ratio	74.3	65.7	70.7	73.3	75.9	79.3	75.2	69.6	71.0	70.1	71.6
Combined ratio	92.2	85.7	88.6	91.2	93.3	97.3	93.0	87.0	89.1	87.7	89.5

Source: Danish Insurance Association (http://www.forsikringogpension.dk/presse/Statistik_og_Analyse/statistik/forsikring/branchetal/Sider/Resultatopgoerelsen_for_forsikringsbranchen.aspx). Based on company annual reports.

The Company started selling insurance in Denmark in 2014, and had no operations in the Danish market prior to that.

6.2.2 Competition

The following table sets out the market shares based on premium portfolio in the general insurance market in Denmark:

(in %)	2011	2012	2013	2014	2015	2016[1]
Tryg	20.2	19.6	18.7	18.0	18.0	17.8
Topdanmark	17.5	17.4	17.5	17.5	17.2	16.9
Codan	12.5	12.6	12.3	11.6	11.2	11.0
Alm. Brand	9.7	9.5	9.7	9.7	9.7	9.5
Others	40.1	40.9	41.8	43.1	43.8	44.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Danish Insurance Association (http://www.forsikringogpension.dk/presse/Statistik_og_Analyse/statistik/forsikring/markedsandele/sider/skadeforsikring_i_alt_kvartalsvise_markedsandele.aspx)

- Q2 2016

The general insurance market in Denmark is more fragmented than the Norwegian market, and has a lower market concentration, with the top four insurers collectively accounting for approximately 55.2% as at Q2 2016. In Denmark, Insr's largest competitors are Tryg, Topdanmark, Codan and Alm. Brand, which held market shares of 17.8%, 16,9%, 11.0% and 9.5% respectively as by Q2 2016.

7. PRESENTATION OF INSR

7.1 Introduction

Insr is an insurance company within nonlife insurance and has a licence as an insurance company from the NFSA.

The Company's main focus is on the market for property and casualty insurance for the retail and small & medium sized enterprises ("**SME**") segments in Norway and Denmark. Insr distributes its products mainly through insurance agents and partners.

The Company is the parent company in the Group and is the owner of 100% of the shares in Vardia Norge AS and Insr Business Suport AS in Norway, Vardia Forsikringsagentur A/S in Denmark, and Vardia IT AB in Sweden. Vardia Norge AS is the owner of 100% of the shares in Vardia Forsikring AS, Vardia Skadeoppgjør AS, Vardia Eksterne Kanaler AS and Vardia Fordel AS (a dormant company).

The Group is headquartered in Oslo, Norway, with operations in Porsgrunn and Hamar and a Danish office in Copenhagen, Denmark.

The following table shows certain key figures for the Group:

Financial (MNOK)	**Q1 2015**[1]	**Q2 2015**[1]	**Q3 2015**[1]	**Q4 2015**[1]	**Q1 2016**[2]	**Q2 2016**[2]	**Q3 2016**[2]	**Q4 2016**[2]	**Q1 2017**	**Q2 2017**
Premiums earned f.o.a.	52.2	51.8	54.0	55.1	51.2	73.3	43.8	67.8	37.0	54.7
Profit from continued operations	(46.4)	(27.9)	(16.3)	(92.5)	(46.3)	(13.0)	(60.6)	(51.4)	(19.5)	(14.4)
Profit from discontinued operations	(9.3)	(27.1)	(1.5)	(45.6)	(6.7)	142.8	0.0	1.1	-	-
Profit/(loss) for the period	(55.6)	(54.9)	(17.8)	(138.1)	(53.0)	129.8	(59.1)	(48.7)	(21.6)	(14.4)

Operational (%)	**Q1 2015**[1]	**Q2 2015**[1]	**Q3 2015**[1]	**Q4 2015**[1]	**Q1 2016**[2]	**Q2 2016**[2]	**Q3 2016**[2]	**Q4 2016**[2]	**Q1 2017**	**Q2 2017**
Loss ratio f.o.a.	82.3	75.6	97.9	96.2	104.0	61.8	93.0	28.9	90.1	75.7
Cost ratio f.o.a.	83.9	84.4	22.5	180.0	89.0	59.4	146.6	125.4	66.3	55.8
Combined Ratio f.o.a.	166.1	159.9	120.4	276.1	192.9	121.3	239.6	154.3	156.5	131.5

1 Numbers have been restated and are excluding discontinued operations related to sale of the Swedish portfolio

2 Numbers are excluding discontinued operations related to sale of the Swedish portfolio

7.2 History and important events

The following summarises key events in the Company's history, from incorporation in 2009 to date:

2009

June
- Scandinavian Insurance Group AS (SIG) was established as a sales agent

August
- Hired 50 employees and took over the infrastructure in Sortland from 1881 AS.

2010

- June — Entered into agency agreement with Unison Forsikring ASA for sale of insurance in the Norwegian market.
- September — Vardia Försäkring AB established in Sweden.
- December — Received licence from the NFSA to operate as an insurance company, subject to capitalisation.

2011

- April — Final approval from the NFSA to operate as an insurance company after successful capital increase of NOK 55 million.
- May — Started underwriting for own account in Sweden.

2012

- July — The internal developed part of the insurance system was sold to Contemi Solutions AS and at the same time a lease-back agreement was signed. The sale and lease back agreement was entered into due to the Company being in breach of the consolidated solvency margin requirements for the first half of 2012. As a result of the sale and lease back agreement the NFSA imposed on the Company a requirement for regulatory capital of NOK 24 million, which was then scaled back with NOK 2.6 million on a half yearly basis.
- August — Terminated agency agreement with Unison Forsikring ASA and the Company started underwriting for own account in Norway.

2013

- January — SIG signed a strategic cooperation agreement with Mekonomen Group for the Scandinavian region.
- February — SIG signed strategic cooperation and partnership agreements with Stampen AB and Sector Alarm in Sweden.
- March — The Company's share capital was increased by NOK 77,290, in a private placement of 7,729,000 new shares, each with a nominal value of NOK 0.01, at an aggregate consideration of NOK 38,645,000.
- April — The Company's share capital was increased by NOK 63,271.65 through the issuance of 6,327,165 new shares, each with a nominal value of NOK 0.01, at an aggregate consideration of NOK 31,635,825
- May — SIG signed strategic cooperation and partnership agreement with Komplett.no.
- June — Vardia Forsikringsagentur A/S established in Denmark.
- September — The Company's share capital was increased by NOK 122,900 in a privat placement of 12,290,000 shares, each with a nominal value of NOK 0.01, at an aggregate consideration of NOK 76,198,000.
- November — SIG changes name and converts into Vardia Insurance Group ASA.
- The share capital was increased by NOK 959,630 in a bonus issue through an increase of the nominal value of each of the Company's existing shares from NOK 0.01 to NOK 0.02.
- December — Acquisition of insurance agent Saga Forsikring AS in Norway.

2014

- January — Acquisition of insurance agent Rein Forsikring AS in Norway
- February — Vardia Forsikringsagentur A/S (Denmark) commences operations.
- Signed strategic partnership agreement with OK in Denmark
- April — The Company is listed on Oslo Børs

	•	The Company's share capital is increased to NOK 2,571,530 through the issuance of 5,833,334 new shares at a subscription price of NOK 30 per new share, raising gross proceeds of approximately NOK 175 million in the initial public offering.
December	•	The share capital is increased to NOK after the exercise of 5,931,187 stock options at a subscription price of NOK 12.72 per share.

<u>2015</u>

March	•	The Company's accounting of activated costs and direct variable costs was changed as was the recognition of deferred tax assets from tax losses resulting in the Company breaching its capital adequacy and solvency margin requirements. The Company obtains an exemption from the NFSA from these requirements until 31 May 2015
April	•	Rune Olsen Arneberg is appointed as new CEO in the Company.
June	•	Fully underwritten rights issue of 275,000,000 new shares in the Company and fully underwritten private placement of 1,000,000,000 new shares at a subscription price of NOK 1 per share
	•	The Company obtains an exemption from the solvency margin requirements from the NFSA
July	•	Successful placement of a subordinated loan with par value of NOK 75 million
	•	Espen Husstad is appointed new CEO
August	•	Agreements are entered into (subject to approval by the Company's general meeting) to restructure the Group through the sale of the distribution activities in Norway and Sweden to its management and the entering into exclusive distribution agreements with the two companies Vardia Norge AS and Vardia Försäkring AB being divested
September	•	The general meeting approves the restructuring of the Group
	•	The Company merge with its wholly-owned subsidiaries Vardia Eksterne Kanaler 2914 AS and Rein Forsikring AS (following a merger between Saga Skadeforsikring AS Vardia Eksterne Kanaler 2914 AS)
October	•	The Company's share capital is increased to NOK 35,829,359.04 after a successful private placement of 39,625,000 new shares, at a subscription price of NOK 1.00 per share. The reason for the share capital increase was due to the Company being in breach of the consolidated solvency margin requirement as of 30 September 2015.
December	•	The subsidiary Vardia Agencies AS is subject to a management buyout, leaving the employees as 100% owners of the company with effect from 31 December 2015

<u>2016</u>

January	•	Bård Standal replaces Terje Finholdt as CFO
March	•	It became clear that Vardia was in breach of the solvency capital requirement (SCR) as of 29 February 2016 and was granted a time-limited dispensation from the NFSA
April	•	The Company enters into an agreement to sell its Swedish insurance portfolio to Gjensidige Forsikring ASA
	•	The Company enters into an agreement to acquire 100% of the shares in Vardia Norge AS which had been divested in September 2015.
May	•	The Company was granted a new dispensation from the solvency capital requirement (SCR) from the NFSA.

July	•	The Company's Swedish insurance portfolio is transferred to Gjensidige Forsikring ASA and the Company is no longer in breach of the solvency capital requirement (SCR)
	•	The Company acquires 100 % of the shares in Vardia Norge AS.
October	•	The Company changes name from Vardia Insurance Group ASA to Insr Insurance Group ASA
	•	The Company carried out a consolidation of the Company's share, whereby 10 existing shares with nominal value NOK 0.08 each were replaced by one new shares with nominal value 0.80 each.
2017		
February	•	The Company successfully completed a private placement of 18,000,000 new Shares, at a subscription price of NOK 7.00 per share, raising gross proceeds of NOK 126,000,000. The purpose of the private placement was to reduce reinsurance as well as for general corporate purposes.
May	•	The Company's share capital is increased from NOK 50,229,359.20 to NOK 50,891,602.40 through the issuance of 827,804 new shares at a subscription price of NOK 7.00 per share in a subsequent offering.
August	•	The Company and Alpha enters into the Share Purchase Agreement.
	•	The Company successfully places the Private Placement, subject to fulfilment of the conditions to closing of the Transaction.

7.3 Restructuring

The Company went through a comprehensive restructuring during 2016.

The Company sold the Swedish Portfolio to Gjensidige and repurchased the distribution business in Norway at the end of the second quarter of 2016. The sale of the Swedish Portfolio created a significantly improved solvency ratio and secured the Company's solvency position. Furthermore, control over the entire value chain through the acquisition of the distribution business in Norway and the insourcing of the claims handling from Crawford enabled the Company to implement significant cost reduction measures, establish improved execution capabilities, and in general exert better control over all core business processes.

As part of the cost reduction program and the Company's increased focus on establishing itself as a wholesale insurer, the Company's organization has been simplified, establishing one management team, and the Company's outbound call centers have been reduced from four (in Sortland, Hamar, Molde and Porsgrunn) to one (in Porsgrunn). The claims handling team has been co-located with the team at the corporate headquarter in Oslo, to further reduce complexity and streamline the Company's operations.

With a new organization, operational efficiencies and execution skills are expected to improve significantly during the next few quarters. However, the program initially has had a negative impact on earnings, before generating attractive returns.

7.4 Operation

7.4.1 Introduction

The Company's main focus is on the market for property and casualty insurance for the retail and small & medium sized enterprises ("**SME**") segments in Norway and Denmark.

In Norway Insr has located its operations in Oslo, Porsgrunn and Hamar. The administrative office for the Danish operation is in Copenhagen.

All sales and renewals are based on strict underwriting guidelines, developed and maintained at the Company's headquarter in Oslo, which is also the base for reinsurance and general group management.

7.4.2 Norway

In the Norwegian market, Insr commenced operations in 2009 as an insurance agent, distributing insurances on behalf of If until 17 May 2010 and AIG until 2013. In June 2010, the Company signed an agency agreement with Unison Forsikring ASA, under which Insr sold insurance on behalf of Unison Forsikring ASA. This agreement was terminated in August 2012, when the Company started to write Norwegian business for its own account.

The Company sells a wide range of insurance products under the Vardia brand to the retail and the SME segment, mainly through agents and partners. The product range includes motor, property, accident and health, including life, liability, and affinity-products.

Insr has a dual market approach, selling insurance under the brands of white label partners in addition to the Vardia brand.

In the Norwegian market such distribution partners include, but are not limited to, entities such as Tribe Venneforsikring, Fjordkraft, BBL, Visma, Komplett.no, Verdibanken and LHL (The Norwegian Heart and Lung Patient Organization).

To the retail segment, the Company sells the following insurance products:

Motor: This includes hull, third party liability insurance and personal injury. Customers can choose between mandatory cover as well as cover against collision and other risks related to the use of automobiles, lorries, buses and working machines.

Property: This includes private property (including cottages), contents and homeowner's liability. Customers can choose between cover against damage to houses and loss, or damage to contents, as well as many additional products for owners or occupants of private houses.

Accident and health: This includes personal accident, disability, health insurance as well as life insurance. Customers can choose between cover against death or disability caused by accidents and illness or medical treatment.

Individual and others: This includes travel, pleasure crafts and valuables. Customers can choose between various cover against loss and damages.

To the commercial SME segment, the Company also sells a wide range of insurance products:

Property: This includes commercial buildings, contents and various liability cover, equipment, machinery and business interruption. Customers can choose between cover against damage to buildings, inventory, income loss and construction risk.

Motor: This includes hull, third party liability insurance and personal injury. Customers can choose between mandatory cover as well as cover against collision and other risks related to the use of automobiles, lorries, buses and working machines.

Accident and health: This includes personal accident, workers' compensation, employee benefit and group life insurance. Customers can choose between cover against death or disability caused by accidents and illness and/or medical treatment.

Liability: This includes various types of liability cover, such as general third party and product liability, professional indemnity, director and officer liability and fidelity insurance.

Other: This includes group travel and cargo. Customers can choose between various cover against loss and damage.

Under the Company's new strategy the Company's main focus is to establish Insr as a wholesale insurer, offering underwriting capabilities and capacity in addition to claims handling for a wide range of with label distribution partners who wish to offer insurance solutions to their customers under their own brands.

The Company sees an increasing demand for such services from companies and organizations wishing to offer insurance solutions to their customers, without having to meet all the demands of a regulated insurance company. Insr will develop partnering concepts, technological capabilities and specialized insurance solutions in cooperation with customers, and have a broad range of target customer groups.

Other than claims handling, relations to policyholders, including renewal rights of the portfolio ("end-consumer ownership"), resides with the insurance partner, and not with the Company. Accordingly, for the most part the distribution partners will be Insr's customers.

Insr will continue to own the Vardia brand, and will also market insurance products under this brand towards the retail segment, mainly through agents.

As of 30 June 2017, Insr's Norwegian operations had gross earned premiums of NOK 296.6 million and earned premium for own account of NOK 85.8 million, with a loss ratio for own account of 79.4%.

7.4.3 Denmark

The Company established Vardia Forsikringsagentur A/S in June 2013, as a wholly owned subsidiary of the Company. In 2015, the Company applied to the NFSA for the establishment of a branch in Denmark. Such a branch has not yet been established, but may possibly be established during 2018 or at a later stage.

On 1 January 2017, Vardia Forsikringsagentur A/S sold its sales and service functions, as well as the Vardia and Nordjylland Forsikring brands in Denmark, to Vardia A/S and entered into a partnership agreement with the company. Vardia A/S is owned by former employees of Vardia Forsikringsagentur A/S.

In Denmark, the Company now sells a full range of Vardia branded insurance products through its partner Vardia A/S. Vardia A/S also sells insurances on behalf of the Company through its own partners Nordjylland Forsikringsagentur, Danske Torpare, Autooffer, OK and House of Sales under their own brand or the Vardia/Nordjylland Forsikring brand.

In line with the Company's new strategy, Vardia Forsikringsagentur A/S does not have direct customer contact but focuses solely on core insurance functions such as product, price, claims handling, financial reporting and IT services to partners. Claims handling in Denmark is done through Crawford. As of 30 June 2017, Insr's Danish operations had gross earned premium of NOK 24.0 million and earned premium for own account of NOK 5.9 million with a loss ratio for own account of 101.4%.

7.4.4 Segmentation and underwriting guidelines

Insr aims to generate profitable growth through selected distribution partners and by strictly following its segmentation and underwriting guidelines. The Company's segmentation and underwriting guidelines seek to identify attractive customers with low claims ratio, with potential to sell several products per customer and with high renewal rate. By following its guidelines, the Company aims to generate an attractive combined ratio for the Group.

In general, the Company's underwriting guidelines determine which risks and prices are acceptable to underwrite. The guidelines typically address criteria such as the age of the insured, occupation, geography, type of car, type and value of residential house, credit scoring, claims history etc. Due to the importance of the Company's underwriting guidelines, the guidelines are under constant review, and are regularly updated based on experience.

7.4.5 Pricing and tariffing policy

The Company has detailed plans for the tariffing and pricing of its insurance products, and established underwriting guidelines. By following the Company's tariffing and pricing principles, the Company targets the most attractive segments of the insurance market.

Within the retail segment, the Company's tariffing principles and underwriting methodology are based on market standards, combined with a tailored distribution, which targets defined customer groups.

For the SME segment, the tariffing principles mimic those for retail with certain additional factors. The additional factors include type of business and industry, estimated maximum loss in relation to individual risks, credit scoring and claims history, as well as limitations in Insr's reinsurance programme.

7.4.6 Reinsurance

Insr has a reinsurance programme consisting of (a) quota share reinsurance contracts and (b) excess of loss ("**XL**") coverage.

The Company's quota share reinsurance program permits balancing the Company’s exposure to its capital. The Company has strengthened its equity and used this to reduce the reinsurance coverage for the 2017-2018 underwriting year compared to previous years. This will enable the Company to retain a larger share of earned premiums and improve its profitability.

The Company's current reinsurance program is in force as from 1 April 2017 until 31 March 2018 when the 2017-2018 underwriting year expires. The reinsurance program is based upon risk attaching cover so that the reinsurance is in force until the individual policy natural expire (mostly 12 months policy). For the products covered by quota share agreements, 50% of all premiums are ceded to the reinsurers, which similarly cover 50% of all claims and claims cost from the Company's external claims handler. As not all products are included, the resulting ceded share is 47.9%. This percentage has historically been 71.8%. As part of its current reinsurance program, Insr receives an average commission of approximately 20% of the premiums ceded, depending on the claims performance of the business. The reinsurance commissions received by the Company are booked as a negative expense, representing the difference between gross and net operating expenses.

The Company's risk related to the retained premiums is limited through an XL reinsurance coverage, protecting the Company from large single claims. The cost related to XL coverage is deducted from gross premiums. If a single claim exceeds certain levels (and thereby triggers the XL coverage), the Company will be subject to reinstatement fees to restore its XL coverage.

The Company’s current XL reinsurance limits Insr's exposure to large claims both in Norway and Denmark. The net retention on each loss has increased from NOK 1,875.000 to NOK 5,000,000 on property claims, from NOK 1,250,000 to NOK 5,000,000 on Motor claims, and for General Third party the net retention is now NOK 2,500,000. For all Employee Benefit programs, the net exposure is now 2,500,000 pr. single event.

The quota share and XL cover all lines of business offered by Insr apart from pet insurance and the Company's affinity solutions (insurance products or services sold through an intermediary sponsor to their end-customers):

Business Line	47.9% quota share	Excess of loss
Property	✓	✓
Motor & Liability	✓	✓
Workers' Compensation and Commercial Personal accident	✓	✓
Personal Accident, Sickness and Travel	✓	✓
Group life (one-year risks), Other illness and Child insurance	✓	✓
Individual life and disability (one-year risk)	✓	✓
Natural Catastrophes XL		✓

For 2016, the Company ceded NOK 577.4 million of premiums, related both to its quota share and XL programmes.

The Company's main reinsurers are Swiss Re, Scor and New Re, all rated AA- by S&P. The strong credit ratings of Insr's reinsurance counterparties reduces the Company's capital requirement related to counterparty risk. Consequently, Insr aims to maintain relationships with highly rated reinsurers.

Over recent years, several of the Company's Scandinavian peers have reduced their use of reinsurance, limiting premium supply to the global reinsurers. Insr, as a relatively young insurance company, represents an opportunity for increased reinsurance premium for reinsurers, as the large insurers have reduced their ceded volume.

7.5 Risk and capital management

Insr has established detailed risk management procedures, approved by the Board of Directors. The risk management procedures are tailored to the type, extent and complexity of the Company's operations.

Key elements include:

- The established risk management and internal control procedures shall ensure that Insr's management and Board of Directors have a balanced risk exposure corresponding the Company's ability to take and appetite for risk.
- The Company's exposure shall, at all, times be within the limits approved by the Board of Directors, thereby ensuring that the Company understands its risk exposure, how the risk can affect the Company and which risk mitigations should be implemented.
- All employees shall, at all times, have a good overview of the most important risk factors within their area of responsibility and ensure implementation of required measurements and follow-up of these.
- An annual review of the Company's most important risks for all areas of operation, in addition to a review of the Company's risk capacity and appetite.

The Company has detailed risk management procedures for all parts of its operations, including contingency plans to manage unforeseen events:

- Legal; at all times have a good understanding of upcoming regulatory requirements, prevailing laws, rules etc., and ensure that Insr is in compliance with such requirements.

- Financial; monitor the Company's ability to underwrite risk for own account, based on the capital situation at any time.

- Counterparty; The Company shall have strict requirements as to counterparties' financial strength and solidity when establishing a customer or cooperative relationship.

- Financial market; Financial investments will be allocated in line with guidelines given by the NFSA and the Board of Directors.

- Operational risk; Losses due to weaknesses or mistakes in procedures and systems, made by employees or external parties shall be limited through efficient organisation and clearly defined areas of responsibility.

- Liquidity risk; detailed routines have been established to ensure that the Company can meet its liquidity requirements and financial obligations at any time. The Company aims to limit investment risk so that financial assets can be realised within short notice.

- Reinsurance credit risk; Insr's general underwriting guidelines state that the minimum rating of all reinsurance partners shall be "A-". The Company receives regular updates from reinsurance brokers on rating development and solvency among the Company's reinsurers.

- Insurance risk; high claims ratio volatility during the Company's early stages and with limited premium portfolio is aimed to be reduced through the reinsurance programme.

- Business risk; Insr continuously monitors its prevailing market strategy, access to prospective customers and the organisation's compliance with the underwriting guidelines.

- Market risk; Insr continuously monitors the market and the competitors' development in addition to the Company's market position and reputation.

- Organisational risk; Insr continuously monitors its organisation and employees, recruitment strategy, employee satisfaction and performance remuneration model. Insr regularly evaluates the efficiency of the organisation structure.

7.5.1 Insr's Own Risk and Solvency Assessment

The Company performs risk and solvency assessments on a yearly basis.

7.6 Competitive landscape

In recent years, a few major players have dominated the Nordic retail insurance market. Currently, four large players dominate the Norwegian insurance market. However, the Norwegian insurance market is undergoing a gradual change. Recently, several smaller players have entered the Norwegian insurance market, and some of the smaller existing players have grown in size. The "Other" category now constitutes nearly 30% of the Norwegian non-life market (11% in 2007) measured in written premiums.

In the wholesale insurance market, Insr is one of the first-movers in the Nordics, which could give Insr a first-mover advantage. In Denmark, there are some direct competitors. There are few direct competitors in the Norwegian wholesale insurance market with correspondingly low rivalry. However, competition in the wholesale insurance market is expected to increase.

Storebrand has entered the wholesale insurance market through a partnership with Rema Forsikring (a Norwegian grocery retailer) in Norway. This partnership may entice other established insurance companies to enter the wholesale insurance market, possibly partnering with companies owning strong brands, to counter declining market share.

Accurate pricing of policies requires high amounts of data, and sufficient skills within analysis and underwriting. Established players, with a competent organization, could have an advantage within this area.

Moreover, Insr's wholesale insurance strategy resembles Protector's, in that Protector have stated that they will not use in-house distribution.

7.7 Employees

The following table illustrates the number of employees as per the date of this Information Memorandum and for the end of the calendar year for 2016 and 2015:

	2017	**2016**	**2015**
Number of employees in Norway:	99	99	308
Number of employees in Denmark:	5	4	20
Number of employees	104	103	328

In 2016, the number of employees was reduced to lower costs and re-focus the organisation towards wholesale. The organization was simplified with one management team and the Company's outbound call centers were reduced from four (in Sortland, Hamar, Molde and Porsgrunn) to one (in Porsgrunn).

7.8 Infrastructure and IT systems

Overview

Insr has outsourced IT services to external contractors. The Company's main provider of IT services is Accenture, which provides both IT services and delivers the Company's insurance platform. The insurance platform includes both application development and maintenance for the core insurance system.

Additional suppliers include Doorway (hosting), KnowIT (application management, development and maintenance related to web and health forms), Knowledge Base (services and updates in Active Directory, application and LAN/Wifi maintenance), Google (G suite) and Atea/Microsoft (Office 365).

All development is outsourced to external developers. For most internal development projects, Insr uses Accenture as their developers have valuable knowledge about Insr's core insurance system.

Security

The insurance systems have a high level of security through Doorway's security regime. The hosting platform has been updated during 2016. The security regime protects Insr against external threats and provides secured data and communication.

7.9 Legal proceedings

The Company is from time to time involved in litigation, disputes or other legal proceedings arising from the normal conduct of its business.

The Company is not, nor has been during the preceding twelve months, involved in any legal, governmental or arbitration proceedings which may have or have had significant effects on the Company's financial position or profitability. The Company is not aware of any such proceedings that are pending or threatening.

7.10 Material contracts

The Company has not entered into any material contracts outside the ordinary course of business for the two years prior to the date of this Information Memorandum, with the exception of the following:

The repurchase of the Company's Norwegian insurance agent Vardia Norge AS

Following the sale of the Swedish Portfolio, the Company had the capacity to reintegrate the distribution business in Norway, and establish an integrated business with a strong distribution platform.

On 27 April 2016, the Company entered into a share purchase agreement for the repurchase of Vardia Norge AS (including its subsidiaries Vardia Forsikring AS, Vardia Eksterne Kanaler AS, Vardia Skadeoppgjør AS and Vardia Fordel AS). The acquisition was completed on 23 May 2016.

The Sale of the Swedish Portfolio to Gjensidige on 1 July 2016

On 27 April 2016, the Company agreed to sell the Swedish Portfolio to Gjensidige. The transaction was done to solve the Company's solvency situation.

The sale of the Swedish Portfolio was completed on 1 July 2016 and is further described in an information memorandum dated 10 June 2016.

The purchase of 100% of the shares in Nemi from Alpha on 18 August 2017

For a detailed description of the Transaction please see section 3 of this Information Memorandum.

7.11 Property, plants and equipment

The Company leases offices in Haakon VII's gate 2, 0161 Oslo, Norway.

The Company does not own any real estate. The Company's tangible fixed assets are fixtures, equipment and office machines. The Company has not mortgaged or accepted other restrictions on its right to dispose its property, plant and equipment.

Apart from its own consumption of paper, energy and its waste products, the Company does not pollute the external environment.

7.12 Research, development, patents and licences

Insr does not carry out research or development on its own.

The Company's existing business and profitability is not dependent upon any licenses or contracts other than the contracts with Accenture, Analysetjenester and Saga Services described under section 1.1.9 and 7.8 above.

Insr has not made or introduced any new products or services since 31 December 2016.

7.13 Investments

7.13.1 Principal historical investments

Investments are primarily made to cover the actuarial provisions. Three factors drive the portfolio's composition: expected income, market/portfolio risk and liquidity. As the Group's liabilities are mostly short-tailed, money market funds currently form the portfolio.

The Company invests in money market funds through Grieg Investor. As of 31 December 2016, NOK 119 million were invested by the Company in such money market funds, managed by Danske Invest (NOK 44 million), Nordea (NOK 42 million) and Storebrand (NOK 34 million). The investment increased to NOK 226 million by 30 June 2017.

(In NOK millions, except percentages)	**As of 30 June**				**Year ended 31 December**			
	2017		**2016**		**2016**		**2015**	
Money market funds	226	**100%**	153	**100%**	119	100%	190	100%
Total:	226	**100%**	153	**100%**	**119**	**100%**	**190**	**100%**

7.13.2 Principal investment in progress and planned principal investments

As of the date of this Information Memorandum, the Company's management has not made any firm commitments to make any principal future investments.

7.14 Regulatory overview

7.14.1 General

Regulations on insurance companies fall under the Insurance Companies Act 2005, the FEA, the Act on Supervision of Financial Institutions etc. 1956, the Insurance Agreements Act 1989, the Act on Personal Information 2000 and the Marketing Control Act 2009 and other relevant acts, with additional regulations.

A purchase of the majority of the shares in the Company will not affect the public licenses of the Company and its subsidiaries. However, under the FEA a change of ownership of "qualified holdings" in financial enterprises requires an authorization, see section 7.14.3 below for details. Insurance companies fall within the definition of "financial enterprises".

7.14.2 License requirements

The carrying out of insurance activities requires a public license under the FEA.

The Company holds a license to carry on non-life insurance activities within the following insurance classes:

1. Accident
2. Sickness
3. Land vehicles (other than railway rolling stock)
4. Railway rolling stock
5. Aircraft
6. Ships (sea, lake and river and canal vessels)
7. Goods in transit (including merchandise, baggage, and all other goods)

8. Fire and natural forces

9. Other damage to property

10. Motor vehicle liability

11. Aircraft liability

12. Liability for ships (sea, lake and river and canal vessels)

13. General liability (All liability other than those forms mentioned under Nos 10, 11 and 12)

16. Miscellaneous financial loss

17. Legal expenses

18. Assistance

Additionally, the Company is licensed to provide insurances within the following life insurance classes, with a maximum of one year duration:

- Group or individual capital insurance, with the exception for disability insurance, to be paid following on the policyholder's death
- Disability insurance, including waiver of premiums

7.14.3 Ownership control

The Company is subject to provisions on ownership control, which apply to all financial enterprises. The provisions on ownership control in FEA implement Directive 2007/44/EC. Under the FEA, acquisitions of so-called qualified holdings in a financial enterprise are subject to a pre-approval by the Norwegian Ministry of Finance or the NFSA. A "qualifying holding" is a holding that represents 10% or more of the capital or voting rights in a financial enterprise or that allows for the exercise of significant influence on the management of the enterprise and its business.

Approval may only be granted if the acquirer is considered appropriate according to specific non-discriminatory criteria as further described in the FEA (the so-called "fit and proper" test). Further, requirement of new approval is triggered when a holding reaches or exceeds certain thresholds (20%, 30% and 50%). In practise, the Norwegian regulator has refused to approve ownership in excess of 20-25% by owners not being regulated financial enterprises themselves.

7.14.4 Solvency requirements

The European Union (EU) has implemented a new prudential regime for insurance undertakings through the Solvency II Directive which came into force on 1 January 2016. The directive consolidates and harmonises existing EU insurance directives including life and non-life directives, the reinsurance directive and various others. The directive is important as it provides a framework for a new, harmonised solvency and supervisory regime for the insurance sector. The EU's intention is that this new regime will provide higher and more uniform levels of consumer protection, as well as promote competitive equality. Solvency II is based on a three-pillar structure, which can be summarized as follows:

Pillar 1: Quantitative requirements, including valuation of assets and liabilities, technical reserves, and calculation of capital requirements

Pillar 2: Requirements to the governance and risk management of the insurance companies, and supervisory control and review

Pillar 3: Supervisory reporting and public disclosure

Further information about the Solvency II regime is available on https://eiopa.europa.eu/regulation-supervision/insurance/solvency-ii and www.finanstilsynet.no.

For information on the Company's solvency capital requirement, please see note 6 to the 2016 Financial Statements and page 5 to the Company's Interim Financial Statements.

After the Transaction is completed, Insr intends to merge Nemi and Insr with Insr as the acquiring entity. From the Transaction is completed until the merger has been effected, Insr and Nemi will constitute a financial group and must as such calculate and report regulatory capital requirements on a consolidated basis. The consolidation will include subsidiaries of Insr that are currently not encompassed by consolidation. This will weaken MCR and SCR ratios compared to Insr's ratios on a standalone basis. Insr intends to apply for a dispensation from the requirement to calculate and report regulatory capital requirements on a consolidated basis, as the financial group is temporary. No assurance can be given that should dispensation will be granted.

8. PRESENTATION OF NEMI

The Company and the Board disclaims any responsibility and liability for the accuracy and completeness of the Information Memorandum in respect of the information relating to Nemi presented herein, all of which has been extracted from Nemi's company presentation provided by Alpha and publicly available sources, including annual reports and interim reports. Please see https://www.nemiforsikring.no/ for further information.

8.1 Introduction

Nemi's registered name is Nemi Forsikring AS. Nemi is an insurance company within nonlife insurance and has a licence as an insurance company from the NFSA. Nemi's registration number in the Norwegian Register of Business Enterprises is 950 421 363. Nemi was incorporated in 1989 under the name Norsk Energiverk Forsikring AS.

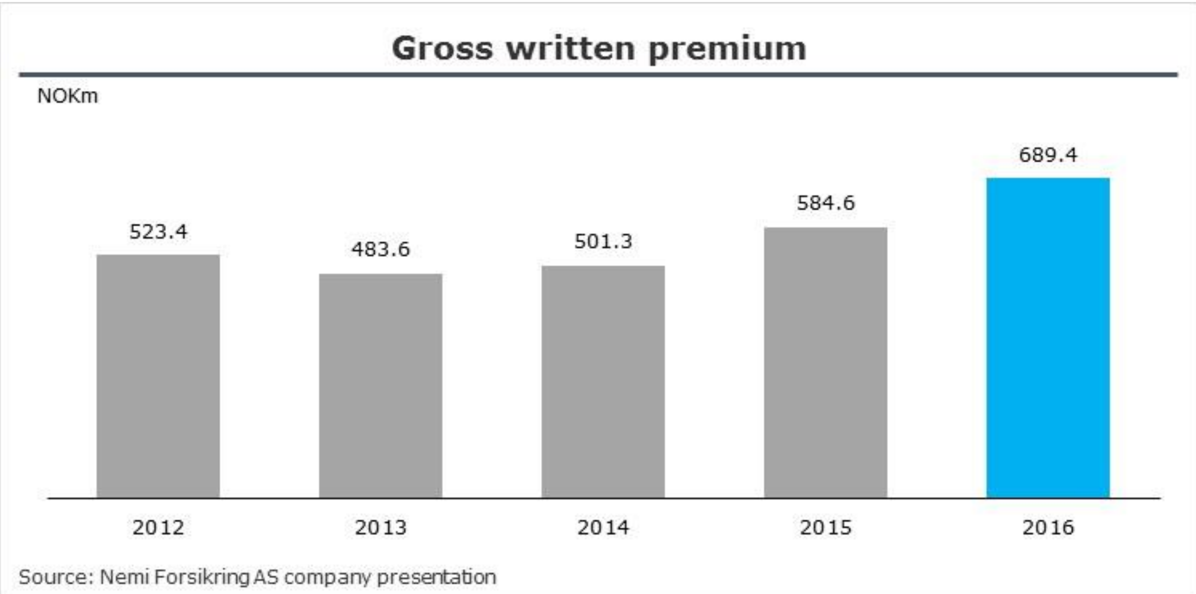
Nemi's headquarter is located at Østensjøveien 43, 0667 Oslo, Norway, and Nemi's website can be found on www.nemiforsikring.no. Nemi can be reached at 0047 22 91 33 00.

8.2 Business overview

8.2.1 Introduction

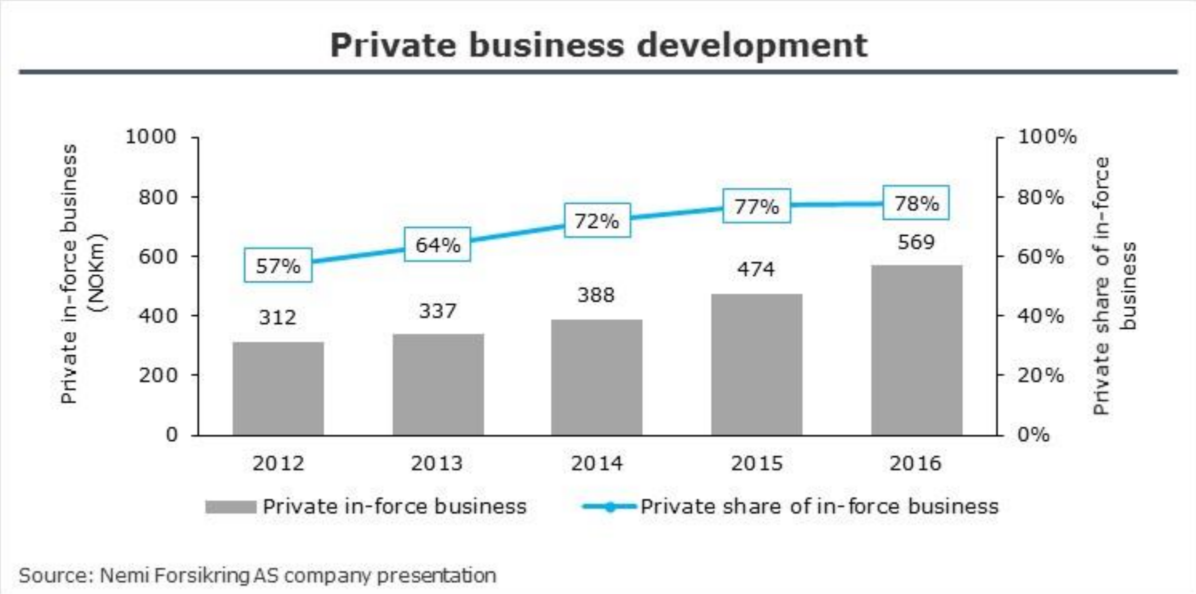
Nemi provides simple and standardized insurance products to both private and commercial customers in the Norwegian market. According to Nemi's website, its customer portfolio constitutes 50,000 private customers and 4,500 commercial customers and Nemi has an overall market share of approximately 1.3%[1].

The chart below shows Nemi's development in gross written premiums.



Since 2011, Nemi has switched its focus from the commercial to the private customer segment. Whereas private share of in-force business constituted 57% at the end of 2012, its share had increased to 78% at the end of 2016. This development is also presented in the chart below.

[1] Landbased insurance only, FNO 31.03,17 (https://www.finansnorge.no/statistikk/skadeforsikring/)



Nemi has a dual market approach, selling insurance through external distribution (franchise, external partners and white label affiliates) in additions to direct sales under the Nemi brand. External distribution partners include, but are not limited to, entities such as Nordic Insurance Services, Penger.no, Bjørgvin Kapital, Agder Finans & Forsikring and Hurum Forsikring.

8.2.2 Private customer segment

Nemi sells a wide range of insurance products to private customers. The product range includes motor, property, accident and health, pet and travel insurance as further described below.

Motor: This include hull, third party liability insurance and personal injury. Customers can choose between mandatory cover as well as cover against collision and other risks related to the use of automobiles, motorhomes, campers and motorbikes.

Property: This includes private property (including cottages), contents, valuables and homeowner's liability. Customers can choose between cover against damage to houses and loss, or damage to contents, as well as many additional products for owners or occupants of private houses.

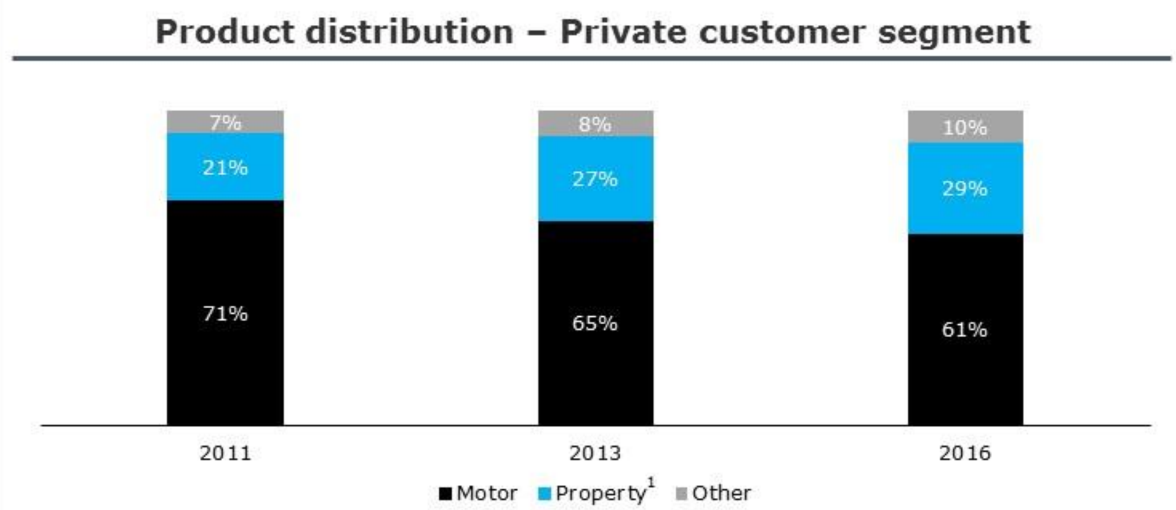
Boat: Third party liability insurance is not mandatory for boats. However, customers can choose between hull, third party liability insurance and cover against personal injury.

Accident and health: This includes personal accident, disability, health insurance as well as life insurance. Customers can choose between cover against death or disability caused by accidents and illness or medical treatment.

Individual and others: This includes travel and pleasure crafts. Customers can choose between various cover against loss and damages.

Pets: This includes expenses related to veterinarian as well as life insurance for dogs and cats.

An overview of product distribution in the private customer segment is shown in the chart below.



1) Property includes Boat
Source: Nemi Forsikring AS company presentation

8.2.3 Commercial customer segment

Nemi also sells a wide range of insurance products to the commercial SME segment through the lines of business described below.

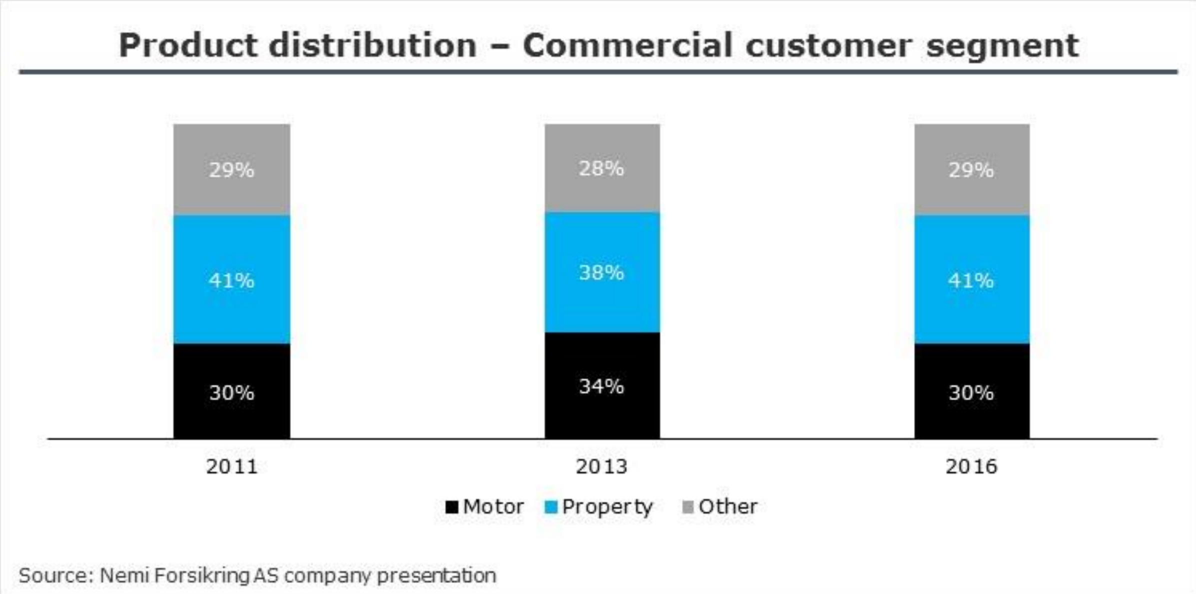
Motor: This includes hull, third party liability insurance and personal injury. Customers can choose between mandatory cover as well as cover against collision and other risks related to the use of automobiles, lorries, buses and working machines.

Property: This includes commercial buildings, contents and various liability cover, equipment, machinery and business interruption. Customers can choose between cover against damage to buildings, inventory, income loss and construction risk.

Accident and health: This includes personal accident, workers' compensation, employee benefit and group life insurance. Customers can choose between cover against death or disability caused by accidents and illness and/or medical treatment.

Other: This includes group travel, cargo and liability cover such as general third party, products liability and director and officer liability. Customers can choose between various cover against loss and damage.

An overview of product distribution in the private customer segment is shown in the chart below.



8.2.4 Segmentation and underwriting guidelines

Nemi aims to generate profitable growth through selected distribution partners and by following its segmentation and underwriting guidelines. Nemi's segmentation and underwriting guidelines seek to identify attractive customers with low claims ratio, with potential to sell several products per customer and with high renewal rate.

In general, Nemi's underwriting guidelines determine which risks and prices are acceptable to underwrite. The guidelines typically address criteria such as the age of the insured, occupation, geography, type of car, type and value of residential house, credit scoring, claims history etc.

8.2.5 Claims handling

Claims handling is a complex and demanding operation. Since 2015, Nemi's claims handling function has been fully in-sourced which has resulted in better claims handling process and contributed to a reduction of the claims ratio.

8.2.6 Pricing and tariffing policy

Nemi has carried out detailed plans for the tariffing and pricing of its various insurance products and increased its use of tariff based systems. By ensuring maximum use of collected data and by Nemi's tariffing and pricing principles, Nemi targets attractive segments of the insurance market. Nemi has a fully functioning in-house analytical department, including three actuaries and one analyst, to ensure good pricing and positioning of products.

8.2.7 Reinsurance

Nemi has a comprehensive reinsurance programme consisting of (a) quota share reinsurance contracts and (b) XL coverage. For further information about the reinsurance program see page 4 of Nemi's annual report for the year ended 31 December 2016.

8.3 Board of directors, management and employees

8.3.1 Board of directors

Nemi's current board of directors consists of the following board members:

Leif Corinth-Hansen, Chairman
Mr. Corinth-Hansen co-founded Alpha Holding A/S and currently serves as a Partner with the group. Mr. Corinth-Hansen also co-founded Danish Re Syndicates Ltd. (also known as

Danish Re Group) in 1999, and serves as its President and Chief Executive Officer. He started his career in the reinsurance industry in 1974.

Bo Lundquist, Deputy Chairman
Mr. Bo Lundqvist is a Partner and Director at Alpha Holding A/S and is a Member of Board of Directors at Alpha Insurance A/S. Mr Lundqvist holds an MSc in Actuarial Science from Copenhagen University.

Morten Helge
Mr. Morten Helge, a founding partner at Alpha, currently serves as the Managing Director of Alpha Holding AS as well as being the Chairman of the Board at Alpha Insurance AS**.** He holds a MA from Copenhagen University.

Jens Erik Christensen
Mr. Jens Erik Christensen serves at the Chairman of the Board of Alpha Holding A/S. Mr. Christensen has broad and diverse senior management experience across different industries and currently holds several Chairman of the Board positions. Mr. Christensen also serves as the Chief Executive Officer at Dansk Merchant Capital A/S and Sapere Aude Aps. He holds an MSc from Copenhagen University.

Lars Døviken, Employee Representative
Mr. Lars Døviken serves the position as the employee representative. In his day-to-day business, he serves as Director Purchase and Compliance, which he has held since March 2015. Mr. Døviken has more than 10 years' previous experience as CEO position at Van Ameyde Group as well as 15 years' experience from several positions in Storebrand.

Siv-Tone Steira, Employee Representative
Ms. Siv-Tone Steira currently works as team leader at customer service at Nemi Forsikring and serves as Employee Representative at the Board. Ms. Steira has been with Nemi Forsikring since 2008, and holds a BA with honors from the University of Brighton.

8.3.2 Management

Nemi's senior management currently consist of the following members:

Jan Tore Flaglien, CEO
Mr. Flaglien has served as CEO of Nemi since 2011. He has several years` experience from Storebrand, Capgemini Consulting and IF. He holds an MSc in Management from Handelshøyskolen BI.

Flemming Holm, CFO
Mr. Holm was appointed CFO of Nemi in 2016. Previous experience as CFO from both Protector Forsikring ASA and Sparebanken Sør. Mr. Holm holds a Bachelor from Handelshøyskolen BI.

Linda Mulehamn, Director Price & Product
Ms. Mulehamn is Director Price and Product since 2015. She has several years of previous experience from a range of positions in IF Forsikring, including CRM Developer and Nordic Head of Customer Analytics. Ms. Mulehamn holds a MCs in Physics, Mathematics and Statistics from the Norwegian University of Science and Technology (NTNU).

Simen Hønsi, Director IT & Business Development
Mr. Hønsi currently serves as Director of IT and Business Development. He has been with Nemi since 2011 and previous experience include Director Customer Service in Nemi, as well as Head of Internet Sales in Storebrand. Mr. Hønsi holds a MSc in Marketing & Management from Monash Univeristy.

Trude M. Berntzen, Director Customer Service
Ms Berntzen currently serves as Director Customer Service. She has previous experience from Storebrand.

Samuel Norstad, Director Sale & Distribution
Mr. Norstad holds the position as Director Sale & Distribution. Norstad joined Nemi and 2013 after several years in IF and Storebrand. Mr. Norstad has graduated from Handelshøyskolen BI.

Morten H-Meyer, Director Claims
Mr. Hasselberg-Meyer works as Head of Claims at Nemi. He joined Nemi in 2008 after 9 years' as Head of Liability Claims in IF. Mr. Meyer holds a ML from University of Oslo (UiO).

8.3.3 Employees

As of year-end 2016, Nemi had 117 employees. The following table illustrates the number of employees as per the end of each calendar year for 2016 and 2015:

	2015	2016
Number of employees	98	117

Source: Annual report

8.4 Ownership structure

Nemi is a wholly subsidiary of Alpha Insurance A/S.

8.5 Legal proceedings

Nemi is from time to time involved in litigation, disputes or other legal proceedings arising from the normal conduct of its business.

The Company is not aware that Nemi is or has been involved in any legal, governmental or arbitration proceedings during the preceding twelve months which may have or have had significant effects on Nemi's financial position or profitability. The Company is not aware of any such proceedings that are pending or threatening Nemi.

8.6 Material contracts

The Company is not aware of any material contracts outside the ordinary course of business entered into by Nemi over the last two years.

8.7 Selected financial information

After appointing Jan Tore Flaglien as new CEO in 2011, Nemi has been through a restructuring process that resulted in significantly improved 2016 financials compared to previous years. Nemi has been one of the fastest growing insurance companies in the private customer segment in 2016[2] and Nemi also experienced growth in the commercial customer segment in 2016.

Overall gross written premium amounted to NOK 689 million in 2016, an increase of 18% from 2015. Gross earned premium also increased in 2016, up 20% from previous year due to high new sales from autumn 2015.

Nemi's results in 2016 are characterized by high sales costs, which must be seen in light of the growth in gross premiums. Further, in 2016, Nemi has managed to reduce administration expenses.

Nemi's results in 2016 are characterized by high sales costs, which must be seen in light of the growth in gross premiums. Further, in 2016, Nemi has managed to reduce administration expenses.

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[2] Nemi annual report 2016

8.7.1 Condensed statement of profit and loss and other comprehensive income

The table below sets out selected data from Nemi's audited consolidated statement of profit and loss and other comprehensive income for the years ended 31 December 2016 and 2015 and from Nemi's unaudited interim statement of comprehensive income for the three and six months ended 30 June 2017 (with comparable figures for the three and six months period ended 30 June 2016).

In NOK millions	**Three months ended 30 June**		**Six months ended 30 June**		**Year ended 31 December**	
	2017 *(unaudited)*	**2016** (unaudited)	**2017** (unaudited)	**2016** (unaudited)	**2016** *(audited)*	**2015** (audited)
Premiums earned	171	158	342	306	641	533
Reinsurance share	(127)	(119)	(255)	(230)	(482)	(432)
Premiums earned for own account	**44**	**39**	**87**	**76**	**159**	**102**
Other insurance related income	2	1	2	2	5	5
Gross claims paid	(82)	(111)	(211)	(188)	(483)	(416)
Reinsurance share	53	81	145	157	355	304
Sum claims incurred for own account	**(28)**	**(30)**	**(66)**	**(31)**	**(128)**	**(112)**
Sales costs	(14)	(24)	(30)	(49)	(88)	(78)
Change in prepaid sales cost	(6)	2	(12)	7	2	12
Insurance related SGA incl. Comm. Received	(25)	(23)	(57)	(53)	(101)	(112)
Commissions reinsurance	41	30	74	62	132	111
Sum insurance related opex FOA	**(5)**	**(15)**	**(25)**	**(32)**	**(55)**	**(68)**
Changes in security reserve	0	0	0	0	0	1
Technical result	**12**	**(5)**	**(3)**	**15**	**(19)**	**(69)**
Non-technical result	0	1	1	2	4	2
Profit/loss before tax	13	(4)	(2)	18	(15)	(68)
Tax	0	19	19	19	19	(19)
Profit/loss	**13**	**15**	**17**	**37**	**4**	**(87)**

8.7.2 Statement of financial position

The table below sets out selected data from Nemi's audited consolidated statement of financial position as of 31 December 2016 and 2015 and as of 30 June 2017 (with comparable figures as of 30 June 2016).

In NOK millions	**As of 30 June**		**Year ended 31 December**	
	2017 *(unaudited)*	**2016** (unaudited)	**2016** *(audited)*	**2015** *(audited)*
Assets				
Sum intangibles	31	30	30	24
Bonds and other fixed-income securities	144	181	**139**	**189**
Other financial investments	7	6	5	5
Sum investments	151	188	145	194
Reinsurance share of unpaid gross premium	271	276	**277**	**235**
Reinsurance share of gross compensation reserves	139	147	171	152
Reinsurance part of gross technical reserves	**409**	**423**	**448**	**387**
Sum claims and receivables	**314**	**265**	**297**	**249**
Tangible fixed assets	3	4	4	5
Cash and investments	36	33	37	39
Tax assets	56	50	37	18
Other assets	6	6	6	6
Sum other assets	**100**	**94**	**83**	**68**
Other prepaid expensed and earned, unrecognized inc.	50	75	63	69
Total assets	1 057	1 074	**1 066**	**990**
Equity and liabilities				
Paid-in equity	277	227	277	277
Earned equity	(60)	(31)	(77)	(81)
Sum equity	218	246		
Provision for unpaid gross premiums	366	367	374	326
Provision for non-diluted risk	0	0	0	0
Gross replacement provision	259	270	302	306
Total gross insurance liabilities	**625**	**637**	**675**	**632**
Pension liabilities and other	3	3	3	3
Premium deposit from reinsurance comp.	6	3	4	1
Other liabilities	38	30	31	9
Accrued cost and received non earned income	102	118	115	104
Total equity and liabilities	**1 057**	**1 074**	**1 066**	**990**

8.7.3 Solvency position

For information on the Company's solvency capital requirement, please see note 7 to Nemi's annual report for 2016 and note 5 to Nemi's interim financial statements for the first half of 2017.

8.7.4 Trend information

The Company is not aware that Nemi has experienced any changes that are significant to Nemi between 31 December 2016 and the date of this Information Memorandum, nor is the Company aware of such changes or trends that may or are expected to be significant to the Nemi for the current financial year.

8.7.5 Significant change

Insr is not aware of any significant changes in the financial and trading position of Nemi since 30 June 2017 and up to the date of this Information Memorandum.

9. SELECTED FINANCIAL INFORMATION OF INSR

9.1 Introduction

The following selected financial information has been extracted from the Company's Financial Statements.

The Company's auditor is PricewaterhouseCoopers AS ("**PwC**"), Dronning Eufemias gate 8, N-0191 Oslo, Norway. PwC's partners are members of The Norwegian Institute of Public Accountants (Nw.: Den Norske Revisorforening). PWC has audited the Annual Financial Statements.

PwC has not audited, reviewed or produced any report on any other information provided in this Information Memorandum, except the auditor's assurance report to the Pro Forma Financial Information.

The selected financial information included herein should be read in connection with, and is qualified in its entirety by reference to the Financial Statements incorporated by reference in this Information Memorandum.

9.2 Summary of accounting policies and principles

For information regarding accounting policies and the use of estimates and judgments, please refer to note 1 of the 2016 Annual Financial Statements incorporated by reference in this Information Memorandum.

On 27 April 2016, the Company entered into an agreement with Gjensidige, whereby Gjensidige acquired the Swedish Portfolio. The Swedish Portfolio is presented as discontinued operations in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" in the 2016 Annual Financial Statements. The comparative figures for 2015 in the 2016 Annual Financial Statements, have been restated to conform to the current year presentation as required by IFRS (refer to note 16 in the 2016 Annual Financial Statements for further information).

9.3 Condensed statement of profit and loss and other comprehensive income

The table below sets out selected data from the Company's audited consolidated statement of profit and loss and other comprehensive income for the years ended 31 December 2016 and 2015 and from the Company's unaudited interim statement of comprehensive income for the three and six months ended 30 June 2017 (with comparable figures for the three and six months' period ended 30 June 2016).

In NOK millions	**Three months ended 30 June**		**Six months ended 30 June**		**Year ended 31 December**	
	2017 *(unaudited)*	**2016** (unaudited)	**2017** (unaudited)	**2016** (unaudited)	**2016** *(audited)*	**2015** (audited)
Gross premiums earned	157.2	207.2	320.6	413.9	819.0	751.7
Reinsurance share	(102.5)	(133.9)	(228.8)	(289.3)	(582.8)	(541.8)
Premiums earned for own account	**54.7**	**73.3**	**91.7**	**124.6**	**236.2**	**209.9**
Other insurance-related income	**0.5**	**0.8**	**0.9**	**1.5**	**2.7**	**12.2**
Claims						
Gross claims incurred	(103.6)	(207.0)	(232.8)	(367.2)	(615.7)	(683.5)
Reinsurance share of gross claims incurred	62.6	161.7	158.0	268.6	456.8	493.8
Claims incurred for own account	**(41.4)**	**(45.3)**	**(74.8)**	**(98.6)**	**(158.9)**	**(189.7)**
Operating expenses						
Sales costs	(26.7)	(28.9)	(45.8)	(76.4)	(114.3)	(267.3)
Insurance-related administrative costs	(21.4)	(44.5)	(51.2)	(72.2)	(204.6)	(84.4)
Commission received	17.6	29.7	43.3	59.5	80.5	121.4
Total operating expenses for own account	**(30.5)**	**(43.6)**	**(53.7)**	**(89.1)**	**(238.4)**	**(230.3)**
Unexpired risk reserve	**0.0**	**0.0**	**0.0**	**0.0**	**(1.3)**	**0.0**
Technical result	**(16.8)**	**(14.8)**	**(35.8)**	**(61.7)**	**(159.7)**	**(198.0)**
Net financial income						
Interest income and dividends etc. on financial assets	2.4	1.8	(1.0)	2.4	4.0	1.1
Total financial income	**2.4**	**1.8**	**(1.0)**	**2.4**	**4.0**	**1.1**
Other income	0.0	0.0	1.9	0.0	0	1.0
Other expenses	0.0	0.0	0.0	0.0	(15.5)	(5.0)
Non-technical result	**2.4**	**1.8**	**0.9**	**2.4**	**(11.5)**	**(3.0)**
Profit/(loss) before tax	**(14.4)**	**(13.0)**	**(34.9)**	**(59.2)**	**(171.2)**	**(201.0)**
Tax	0.0	0.0	0.0	0.0	0	3.4
Profit from continued operations	**(14.4)**	**(13.0)**	**(34.9)**	**(59.2)**	**(171.2)**	**(197.6)**
Profit from discontinued operations	0.0	142.8	0.0	136.1	137.2	(76.8)
Profit before other income and expenses	**(14.4)**	**129.9**	**(34.9)**	**76.8**	**(34.0)**	**(274.4)**
Other income and expenses						
Exchange rate differences	0.0	(0.1)	0.0	(0.1)	2.9	(2.4)
Total other income and expenses	**0.0**	**(0.1)**	**0.0**	**(0.1)**	**2.9**	**(2.4)**
Profit/ loss from operations	**(14.4)**	**129.8**	**(35.0)**	**76.7**	**(31.0)**	**(276.8)**

9.4 Statement of financial position

The table below sets out selected data from the Company's audited consolidated statement of financial position as of 31 December 2016 and 2015 and as of 30 June 2017 (with comparable figures as of 30 June 2016).

In NOK millions	**As of 30 June**		**Year ended 31 December**	
	2017 *(unaudited)*	**2016** (unaudited)	**2016** *(audited)*	**2015** *(audited)*
Goodwill	64.8	78.5	64.8	54.1
Other intangible assets	53.7	78.0	60.2	72.9
Total intangible assets	**118.5**	**156.5**	**125.1**	**127.0**
Investments				
Investments in shares and parts	2.2	0.4		
Bonds and other fixed-income securities	225.9	152.6	119.4	190.0
Total investments	**228.0**	**153.0**	**119.4**	**190.0**
Reinsurers' part of gross technical provisions				
Reinsurance share of gross premium provisions	204.2	318.1	252.2	559.0
Reinsurance share of unexpired risk reserve	3.8	0.0	3.8	0.0
Reinsurance share of gross claims provisions	319.5	390.6	345.3	551.7
Total reinsurance share of gross technical provisions	**527.5**	**708.7**	**601.3**	**1 110.7**
Receivables				
Receivables in connection with direct insurance and reinsurance	272.7	299.7	270.9	526.0
Receivables in connection with associates	0.0	18.6	0.0	0.0
Other receivables	52.4	73.4	56.1	67.1
Total receivables	**325.1**	**391.7**	**327.0**	**593.1**
Other assets				
Plant and equipment	3.1	4.7	3.8	4.3
Cash and bank deposits	152.9	67.6	101.7	126.5
Total other assets	**156.0**	**72.3**	**105.6**	**130.8**
Prepaid expenses and earned income not received				
Prepaid costs and earned income not received	10.7	83.1	3.6	41.4
Total prepaid expenses and earned income not received	**10.7**	**83.1**	**3.6**	41.4
Total assets	**1 365.9**	**1 565.3**	**1 281.9**	**2 193.0**

In NOK millions	**As of 30 June**		**Year ended 31 December**	
	2017 *(unaudited)*	**2016** (unaudited)	**2016** *(audited)*	**2015** *(audited)*
Paid-in equity				
Share capital	50.9	35.8	35.8	35.8
Share premium	1 019.0	907.3	907.3	907.3
Total paid-in equity	6.7	5.9	5.5	4.1
Total paid-in equity	**1 076.7**	**949.1**	**948.7**	**947.2**
Provision for Guarantee scheme	24.9	18.1	22.0	14.4
Other equity	(934.6)	(767.7)	(896.7)	(858.2)
Total equity	**167.0**	**199.5**	**74.0**	**103.5**
Subordinated loan	**74.1**	**74.0**	**74.0**	**73.9**
Technical provisions				
Gross premium reserve	338.7	421.6	341.1	752.8
Unexpired risk reserve	5.0	0.0	5.0	0.0
Gross claims reserve	416.5	486.8	438.3	704.5
Total technical provisions	**760.2**	**908.4**	**784.4**	**1 457.3**
Financial liabilities				
Other liabilities	11.9	129.5	85.2	59.0
Liabilities in connection with direct insurance and reinsurance	248.3	166.7	194.0	345.3
Total financial liabilities	**260.3**	**296.3**	**279.3**	**404.3**
Accrued costs and received unearned income	104.4	87.2	70.3	154.0
Total equity and liabilities	**1 365.9**	**1 565.3**	**1 281.9**	**2 193.0**

9.5 Statement of cash flow

The table below sets out selected data from the Company's audited consolidated statements of cash flows for the years ended 31 December 2016 and 2015 and for the three and six months ended 30 June 2017 (with comparable figures for the three and six months ended 30 June 2016). See Section 9.8 "Liquidity and capital resources" for more information on the Company's liquidity and capital resources.

In NOK millions	**Three months ended 30 June**		**Six months ended 30 June**		**Year ended 31 December**	
	2017 *(unaudited)*	**2016** (unaudited)	**2017** (unaudited)	**2016** (unaudited)	**2016** *(audited)*	**2015** *(audited)*
Net cash flow from operating activities	12.0	(24.1)	33.3	(83.5)	(124.8)	(306.5)
Net cash flow from investing activities *	11.9	23.7	(108.9)	23.7	102.9	(215.7)
Net cash flow from financing activities	3.8	0.0	126.8	0.0	0.0	462.1
Cash flow effect from revaluation of cash and cash equivalents	0.0	0.4	0.0	0.9	(2.9)	(1.7)
Net cash flow for the period *	**27.7**	**(0.1)**	**51.2**	**(58.9)**	**(24.8)**	**(58.5)**
Hereof discontinued operations **	0.0	(18.2)	0.0	(19.8)	(31.9)	(33.4)
Cash and cash equivalents at the beginning of the period	125.2	67.7	101.7	126.5	126.5	185.0
Cash and cash equivalents at the end of the period	152.9	67.6	152.9	67.6	101.7	126.5
Net cash flow for the period *	**27.7**	**(0.1)**	**51.2**	**(58.9)**	**(24.8)**	**(58.5)**
Cash in bank and liquidity funds	152.9	67.6	152.9	67.6	101.7	126.5
Total cash and cash equivalents *	**152.9**	**67.6**	**152.9**	**67.6**	**101.7**	**126.5**

* In order to show unaudited interim figures on the same basis as the audited financial statements for 2016, money market mutual fund (NOK 225.9 million in the three and six months ended 30 June 2017 and NOK 152.6 million for three and six months ended 30 June 2016) have been removed from cash and cash equivalent in the interim figures. Further this results in changes in "Net cash flow from investment activities" and ultimately "Net cash flow from the period" for the interim periods compared to reported figures.

** In order to show unaudited interim financial figures on the same basis as the audited financial statements for 2016, cash flow from discontinued operations (NOK 9.5 million and NOK 0 million) in the three and six months ended 30 June 2016, respectively) have been updated to NOK –18.2 million for the three months ended 30 June 2016 and NOK -19.8 million for the six months ended 30 June 2016.

9.6 Statement of changes in equity

The table below sets out selected data from the Company's audited consolidated statements of changes in equity for the years ended 31 December 2016 and 2015 and its interim statement of changes in equity for the three and six months period ended 30 June 2017 (with comparable figures for the three and six months ended 30 June 2016).

In NOK millions	**Total**	**Share capital**	**Share premium account**	**Other paid equity**	**Other earned equity**	**Minority interests**	**Natural perils reserve**	**Guarantee scheme**
Equity as of 1.1.2015	**26.7**	**2.6**	**552.4**	**2.5**	**(538.3)**	**0.0**	**0.4**	**7.1**
Change in accounting principles	**(32.0)**	0.0	0.0	0.0	**(32.0)**	0.0	0.0	0.0
Change in accounting principles capitalisation of sales costs	**(68.1)**	0.0	0.0	0.0	**(68.1)**	0.0	0.0	0.0
Increase in equity	395.5	33.3	362.3	0.0	0.0	0.0	0.0	0.0
Equity issue related costs	(7.3)	0.0	(7.3)	0.0	0.0	0.0	0.0	0.0
Expensed stock options	1.5	0.0	0.0	1.5	0.0	0.0	0.0	0.0
Changes in provisions in 2015	0.0	0.0	0.0	0.0	(7.0)	0.0	(0.4)	7.4
Other comprehensive income/(cost)	(2.4)	0.0	0.0	0.0	(2.4)	0.0	0.0	0.0
Net profit/(loss)	(197.6)	0.0	0.0	0.0	(197.6)	0.0	0.0	0.0
Profit from discontinued operations	(76.8)	0.0	0.0	0.0	(76.8)	0.0	0.0	0.0
Equity as of 31.12.2015	**103.5**	**35.8**	**907.3**	**4.1**	**(858.2)**	**0.0**	**0.0**	**14.4**
Equity as of 1.1.2016	**103.5**	**35.8**	**907.3**	**4.1**	**(858.2)**	**0.0**	**0.0**	**14.4**
Increase in equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equity issue related costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Expensed stock options	(1.5)	0.0	0.0	1.5	0.0	0.0	0.0	0.0
Changes in provisions in 2016	0.0	0.0	0.0	0.0	(7.5)	0.0	0.0	7.5
Other comprehensive income/(cost)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit/(loss)	(171.2)	0.0	0.0	0.0	(171.2)	0.0	0.0	0.0
Profit from discontinued operations	137.2	0.0	0.0	0.0	137.2	0.0	0.0	0.0
Other	3.0	0.0	0.0	0.0	3.0	0.0	0.0	0.0
Equity as of 31.12.2016	**74.0**	**35.8**	**907.3**	**5.5**	**(896.7)**	**0.0**	**0.0**	**22.0**
Equity as of 1.1.2017	**74.0**	**35.8**	**907.3**	**5.5**	**(896.7)**	**0.0**	**0.0**	**22.0**
Increase in equity	**15.1**	**15.1**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Equity issue related costs	**116.7**	**0.0**	**116.7**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Expensed stock options	**(5.0)**	**0.0**	**(5.0)**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Changes in provisions in 2016	**1.2**	**0.0**	**0.0**	**1.2**	**0.0**	**0.0**	**0.0**	**0.0**
Other comprehensive income/(cost)	**0.0**	**0.0**	**0.0**	**0.0**	**(2.9)**	**0.0**	**0.0**	**2.9**
Net profit/(loss)	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Profit from discontinued operations	**(32.8)**	**0.0**	**0.0**	**0.0**	**(32.8)**	**0.0**	**0.0**	**0.0**
Other	**(2.1)**	**0.0**	**0.0**	**0.0**	**(2.1)**	**0.0**	**0.0**	**0.0**
Equity as of 30.06.2016	**167.0**	**50.9**	**1 019.0**	**6.7**	**(934.6)**	**0.0**	**0.0**	**24.9**

9.7 Sales revenues by geographic area

The table below sets out geographic segment information for the years ended 31 December 2016 and 2015 historically reported as well as for the three and six months ended 30 June 2017 (with comparable figures for the three and six months ended 30 June 2016).

In NOK millions	Norway						Denmark					
	Three months ended 30 June		**Six months ended 30 June**		**Year ended 31 December**		**Three months ended 30 June**		**Six months ended 30 June**		**Year ended 31 December**	
	2017*	**2016**	**2017***	**2016**	**2016**	**2015**	**2017***	**2016**	**2017***	**2016**	**2016**	**2015**
Gross written premiums	164.0	179.0	292.8	382.1	776.7	719.8	12.4	14.7	25.4	30.1	42.3	31.8
Premiums earned for own account	51.6	70.5	85.8	116.5	221.9	201.8	2.8	5.5	5.9	8.1	14.3	8.1
Other income	0.5	0.8	0.9	1.5	2.7	12.2	0.0	0.0	0.0	0.0	0.0	0.0
Incurred claims and operating expenses f.o.a.	(65.0)	(82.0)	(115.2)	(177.6)	(361.8)	(338.7)	(6.9)	(3.3)	(13.3)	(10.1)	(35.5)	(81.4)
Technical result	**(12.9)**	**(10.7)**	**(28.5)**	**(59.6)**	**(137.2)**	**(124.7)**	**(4.1)**	**2.2**	**(7.4)**	**(2.0)**	**(21.2)**	**(73.3)**

*The numbers from the segment breakdown note in the financial report for the three and six months ended 30 June 2017 have been updated here to reflect certain corrections mainly related to premium volume. As the corrections only relate to the breakdown, the interim report itself has not been updated.

9.8 Liquidity and capital resources

The Company believes its cash generating capability and financial condition will be adequate to meet its operating, investing and financing needs.

9.8.1 Sources of liquidity

The Company's principal sources of liquidity are cash flows from premium income. In addition, the Company has raised equity and issued a subordinated loan. The Company primarily uses cash for incurred claims and operating expenses.

Based on the Company's current estimates, the cash and capital balances as of 30 June 2017, together with the proceeds from the Private Placement, if the Transaction is completed, are sufficient both to meet the Company's working capital and capital expenditure requirements, as well as comply with statutory requirements regarding solvency capital requirement.

The Company’s historical source of liquidity have been cash generated from its operations, proceeds from sales of the Swedish portfolio, equity issuance and the issuance of a subordinated bond loan. The Company raised gross proceed of NOK 375 million through a private placement and a rights issue in May 2015, NOK 50 million through a private placement in October 2015 and NOK 126 million through a private in February 2017 and will raise NOK 400,400,000 on completion of the Private Placement. Insr further raised gross proceeds of NOK 75 million through the issuance of a subordinated bond loan in June 2015. Cash generated from the Company's operations is expected to be Insr's primary source of funding in the future.

9.8.2 Description of interest bearing debt

Insr issued a NOK 75 million bond loan in June 2015. The bond loan has a maturity of 10 years and a coupon of 3M NIBOR + 6.70% payable on 3 January, 3 April, 3 July and 3 October each year.

9.8.3 Restrictions on use of capital

There are currently no restrictions on the use of the Company's capital that have materially affected or could materially affect, directly or indirectly, the Company's operations. The Company is not in breach of and does not expect to be in breach of any debt covenants.

9.8.4 Summarized cash flow information

The following table summarises the Company's historical cash flows, and is extracted from the Financial Statements for the years ended, 31 December 2016 and 2015, prepared in accordance with IFRS, and the six-month period ended on 30 June 2017 (with comparable figures from 2016) extracted from the Interim Financial Statements:

In NOK millions	**Six months ended 30 June**		**Year ended 31 December**	
	2017 (unaudited)	**2016** (unaudited)	**2016** (audited)	**2015** (audited)
Cash from/(used in) operating activities	33.3	(83.5)	(124.8)	(306.5)
Cash from/(used in) investing activities	(108.9)	23.7	102.9	(215.7)
Cash from/(used in) financing activities	126.8	0	0	462.1
Net change in bank deposits, cash and equivalents	51.2	(58.9)	(24.8)	(58.5)
Hereof discontinued operations[1]	0.0	(19.8)	(31.9)	(33.4)
Cash and cash equivalents at end of period	152.9	67.6	101.7	126.5

9.8.5 Cash flows from/(used in) operating activities

Six months ended 30 June 2017 compared to six months ended 30 June 2016

Net cash outflow from operating activities for the six months ended 30 June 2017 was NOK 33.3 million compared to NOK (83.5) million for the six months ended 30 June 2016, an increase of NOK 116.8 million. The improvement primarily reflects the improved profitability of the company. The cost base is substantially reduced and the loss ratios significantly improved, largely due to company restructuring and portfolio re-pricing

12 months ended 31 December 2016 compared to 12 months ended 31 December 2015

Net cash outflow from operating activities for the 12 months ended 31 December 2016 was NOK (124.8) million compared to NOK (306.5) million for the 12 months ended 31 December 2015, a decrease of NOK 181.7 million. The decrease from 2015 to 2016 is primarily related to reducing the cost base and improving claims ratios.

9.8.6 Cash flow from/(used in) investing activities

Six months ended 30 June 2017 compared to six months ended 30 June 2016

Net cash outflow from investing activities for the six months ended 30 June 2017 was NOK (108.9) million compared to an inflow of NOK 23.7 million for the 6 months ended 30 June 2016, a decrease of NOK 132.6 million. In 2017, much of the newly issued capital was invested in money market funds. In 2016, the Swedish Portfolio was sold.

12 months ended 31 December 2016 compared to 12 months ended 31 December 2015

Net cash inflow from investing activities for the 12 months ended 31 December 2016 was NOK 102.9 million compared to an outflow of NOK (215.7) million for the 12 months ended 31 December 2015, an increase of NOK 318.6 million. In 2016, the Swedish portfolio was sold. In 2015, NOK 189 million were invested in money market funds.

9.8.7 Cash flow from/(used in financing activities)

Six months ended 30 June 2017 compared to six months ended 30 June 2016

Net cash inflow from financing activities for the six months ended 30 June 2017 was NOK 126.8 million compared to NOK 0 for the six months ended 30 June 2016, an increase of NOK 126.8 million. In the first half of 2017, financing was raised by issuing equity. No new financing took place during the first half of 2016.

12 months ended 31 December 2016 compared to 12 months ended 31 December 2015

Net cash inflow from financing activities for the 12 months ended 31 December 2016 was NOK 0 compared to NOK 462.1 million for the 12 months ended 31 December 2015, a decrease of NOK 462.1 million. In 2015, both equity capital and a subordinated loan were issued.

9.8.8 Net cash flow since 30 June 2017

Net cash flow from operating activities for the 2 months after 30 June 2017 is expected to be in line with previous months. The cash flows from the Transaction and the Private Placement to fund this will come on closing, expected in the fourth quarter of 2017. No other major investment or financing activities have occurred in the period.

9.8.9 Working capital statement

The Company is of the opinion that the working capital available to the Group, following the Transaction, is sufficient for the Group's present requirements.

9.9 Contractual cash obligations and other commitments

The Company does not have any material contractual cash obligations or other commitments as of the date of this Information Memorandum, with the exception of the Company's obligations under the Share Purchase Agreement.

9.10 No off-balance sheet arrangements

The Company has not entered into and is not a party of any off-balance sheet arrangements.

9.11 Trend information

The Company has not experienced any changes or trends that are significant to the Company between 31 December 2017 and the date of this Information Memorandum, nor is the Company aware of such changes or trends that may or are expected to be significant to the Company for the current financial year.

9.12 Significant changes

There has been no significant changes in the financial and trading position of the Company since the Company's interim financial statements for the three and six months ended 30 June 2017, other than the Company entering into the Share Purchase Agreement and conditionally allocating the Private Placement Shares.

10. UNAUDITED CONDENSED PRO FORMA FINANCIAL INFORMATION

10.1 General Information

As discussed in Section 4 "The Transaction", on 18 August 2017 Insr announced that it had entered into the Share Purchase Agreement for the acquisition of the Nemi Shares from Alpha. The Transaction is expected to be completed in the fourth quarter of 2017. The closing of the Transaction is subject to the Closing Conditions described under Section 4.3 being satisfied or waived prior to 31 December 2017. The Transaction triggers the requirement of pro forma financial information. The unaudited condensed pro forma financial information in this Information Memorandum (the "**Pro Forma Financial Information**") has been prepared assuming the Transaction will be completed.

To secure financing of the Cash Consideration, the Company has successfully raised NOK 400.4 million in gross proceeds through the conditional allocation of the Private Placement Shares.

The Acquisition and the issuance of the Private Placement Shares, are, for the purpose of the Pro Forma Financial Information, referred to as the "**Transactions**". As a result of the Transactions, Nemi will be a wholly-owned subsidiary of Insr.

10.2 Purpose of the unaudited condensed pro forma financial information

The Pro Forma Financial Information has been prepared for illustrative purposes only, to show how the Transactions might have affected the Company’s consolidated statement of income for 2016 as if the Transactions occurred on 1 January 2016, and the consolidated statement of financial position as of 31 December 2016, as if the Transactions occurred at 31 December 2016.

Because of its nature, the Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Company's actual financial position or results if the Transactions had in fact occurred on those dates and is not representative of the results of operations for any future periods. Investors are cautioned not to place undue reliance on the Pro Forma Financial Information.

The Pro Forma Financial Information has been compiled to comply with the requirements in section 3.5.2.6 of the Continuing Obligations. The Pro Forma Financial Information has been prepared in accordance with Annex II of Regulation (EC) 809/2004.

IFRS adjustments, pro forma adjustments and other pro forma information has not been audited. For more information see section 10.5 "Auditor's assurance report".

The Company has for the purposes of the Pro Forma Financial Information performed a preliminary purchase price allocation (the "**PPA**") in which the identifiable assets, liabilities and contingent liabilities of Nemi have been identified.

The PPA has formed the basis for the amortization charges in the pro forma condensed statements of income and for the presentation in the pro forma condensed statement of financial position. The final allocation may significantly differ from this allocation, and this could materially affect the amortization of excess values in the pro forma condensed statements of income and the presentation in the pro forma condensed statement of financial position. The main uncertainty relates to the valuation of customer relationships and databases of the acquired company. For purposes of the Pro Forma Financial Information, the share consideration has been estimated based on the share price NOK 7.00, whilst the final purchase price allocation will be based on the share price of the Company at the closing date.

The Pro Forma Financial Information for the Company does not include all information required for financial statements under IFRS, and should be read in conjunction with the historical information of the Company.

It should be noted that greater uncertainty is attached to the Pro Forma Financial Information than ordinary historical accounting information.

The Pro Forma Financial Information is based on certain management assumptions and adjustments made to illustrate what the financial results of the Company might have been had it acquired Nemi as a result of the Transactions occurring at an earlier point in time.

In evaluating the Pro Forma Financial Information, each reader should carefully consider the historical financial statements and the notes thereto, and the notes to the Pro Forma Financial Information.

10.3 Basis for preparation and accounting policies

The Pro Forma Financial Information has been prepared under the assumption of going concern.

The unaudited condensed pro forma income statement for the year ended 31 December 2016 has been compiled based on the 2016 Annual Financial Statements of the Company which were prepared in accordance with IFRS as adopted by EU, and the audited financial statements for Nemi for the year ended 31 December 2016 which were prepared in accordance with Norwegian generally accepted accounting principles ("**NGAAP**") and in compliance with the 1998 Accounting Act.

Both companies have prepared the financial statements according to the Norwegian regulations of annual accounts for non-life insurance companies.

The 2016 Audited Financial Statements are incorporated by reference in this Information Memorandum. The audited financial statements for Nemi for the year ended 31 December 2016 can be found by following the link on https://www.nemiforsikring.no/om-nemi-forsikring/finansiell-informasjon/. Management has assessed that certain adjustments were necessary for this financial information to comply with IFRS and the Company's accounting principles, since Nemi's annual financial statements for 2016 have been prepared in accordance with NGAAP. For the purpose of the Pro Forma Financial Information, the financial information of Nemi has been converted to IFRS. The IFRS adjustments are disclosed in the notes to the Pro Forma Financial Information.

The Pro Forma Financial Information is prepared in a manner consistent with the accounting policies of the Company (IFRS as adopted by EU) applied in 2016. Please refer to the 2016 Annual Financial Statements for a description of Insr's accounting policies.

10.4 Unaudited condensed pro forma financial information

The notes to Pro Forma Financial Information are an integral part of the Pro Forma Financial Information.

Nemi has historically presented its statutory financial statements in accordance with NGAAP. In connection with the compilation of the Pro Forma Financial Information, differences between IFRS and NGAAP were identified and the resulting adjustments are presented in a separate column in the unaudited pro forma financial information and described in section 10.4.3 "Description of the IFRS adjustments".

Purchase price allocation

The Company has for the purpose of the Pro Forma Financial Information performed a preliminary purchase price allocation. This allocation has formed the basis for the amortization and depreciation charges in the pro forma income statement and the presentation in the pro forma statement of financial position. The final allocation may significantly differ from this allocation and this could materially have affected the depreciation and amortization of excess values in the pro forma income statement and the presentation in the pro forma statement of financial position. The main uncertainties relate to fair value of patents and customer relationships.

The consideration for the shares is NOK 230 million in cash (the "**Cash Consideration**"), in addition to the issuance of 12,857,143 ordinary Shares at an estimated value of NOK 7.00 (the "**Consideration Shares**") resulting in a total purchase price of approximately NOK 320 million (the "**Purchase Price**"). The Company has provisionally determined that the excess value based on the Purchase Price compared to book values as of 30 June 2017 primarily relates to customer relationships and database value.

Book value of equity (IFRS) is calculated based on book value of equity as of 30 June 2017 (NGAAP), with IFRS adjustment for deferred tax assets and deferred acquisition costs as of 30 June 2017.

All numbers in NOK thousands	
Book value of equity (NGAAP)	217678
Expensed Deferred tax assets	-55 556
Expensed Deferred Acquisition Costs	-33 842
Book value of equity (IFRS)	**128 280**

The Purchase Price allocation is presented in the table below:

All numbers in NOK thousands	
Excess value database	17 500
Excess value customer relationships	32 500
Calculated deferred tax liability on excess values (25%)	
Utilization of tax loss carry-forward in Nemi	12 500
Book value of equity	128 280
Fair value of assets and liabilities	**178 280**
Estimated fair value of consideration	320 000
Less fair value of assets and liabilities	178 280
Goodwill	**141 720**

10.4.1 Unaudited condensed pro forma income statement for the year ended December 31 December 2016

The table below sets out the unaudited condensed pro forma income statement of the Company for the year ended 31 December 2016, as if the Transactions had been completed on 1 January 2016.

Financial Position as of 31 December 2016 *All numbers in NOK thousand*	**Insr Insurance Group ASA (IFRS)**	**Nemi Forsikring AS (NGAAP)**	**IFRS adjustments** (unaudited)	**Notes to IFRS adjustments** (unaudited)	**Pro forma adjustments** (unaudited)	**Notes to pro forma adjustments** (unaudited)	**Pro forma** (unaudited)
Premiums earned for own account	**236 178**	**159 130**	**0**		**0**		**395 308**
Other insurance-related income	**2 740**	**4 916**	**0**		**0**		**7 656**
Claims incurred for own accounts	**-158 941**	**-128 148**	**0**		**0**		**-287 089**
Sales costs	-114 314	-86 239	-45 708	I	0		-246 261
Insurance-related administration costs	-204 597	-100 551	0		-23 476	A, B, C	-328 624
Commission received	80 495	131 888	0		0		212 383
Total operating expenses for own account	**-238 416**	**-54 902**	**-45 708**		**-23 476**		**-362 502**
Net non-adjusted risk	**-1 251**	**39**	**0**		**0**		**-1 212**
Technical result	**-159 690**	**-18 965**	**-45 708**		**-23 476**		**-247 839**
Total financial income	**4 004**	**4 245**	**0**		**0**		**8 249**
Total other income and expenses	**-15 517**	**0**	**0**		**0**		**-15 517**
Non-technical result	**-11 513**	**4 245**	**0**		**0**		**-7 268**
Result before tax	**-171 202**	**-14 720**	**-45 708**		**-23 476**		**-255 106**
Tax	0	19 000	-19 000	J	0		0
Result from continued operations	**-171 202**	**4 280**	**-64 708**		**-23 476**		**-255 106**
Result from discontinued operations	137 221	0	0		0		137 221
Result from comprehensive income and expenses	**-33 981**	**4 280**	**-64 708**		**-23 476**		**-117 885**
Total comprehensive income and expenses	**2 938**	**0**	**0**		**0**		**2 938**
Result from operations	**-31 043**	**4 280**	**-64 708**		**-23 476**		**-114 947**

Summary of Pro forma adjustments in the Income Statement *All numbers in NOK thousand*	Adj. A	Adj. B	Adj. C	Total
Insurance-related administration costs	-4 643	-5 833	-13 000	-23 476

Pro forma adjustment A: Customer relationships

Customer relationships in Nemi are identified in the preliminary PPA with an estimated fair value of NOK 32,500 thousand. The amortization effect for 2016 is NOK 4,643 thousand, based on 1 January 2016 being the start of the straight-line amortization period estimated to be 7 years.

This pro forma adjustment will have continuing impact.

Pro forma adjustment B: Database

The estimated fair value of Nemi's databases in the preliminary PPA is NOK 17,500 thousand. The amortization effect for 2016 is NOK 5,833 thousand, based on 1 January 2016 being the start of the straight-line amortization period estimated to be 3 years. There is no tax effect related to this adjustment due to the utilization of unrecognized tax losses carry forward.

This pro forma adjustment will have continuing impact.

Pro forma adjustment C: Acquisition cost

The pro forma adjustment to Insurance-related administration costs relates to provision for transaction costs of NOK 13,000 thousand. No tax has been calculated on the acquisition costs as these are not tax deductible.

This pro forma adjustment will not have continuing impact.

10.4.2 Unaudited condensed Pro forma Statement of Financial Position as of 31 December 2016

The table below sets out the unaudited condensed pro forma statement of financial position of the Company for the year ended 31 December 2016, as if the Transaction had been completed on 31 December 2016.

Financial Position as of 31 December 2016 *All numbers in NOK thousand*	**Insr Insurance Group ASA (IFRS)**	**Nemi Forsikring AS (NGAAP)**	**IFRS adjustments** (unaudited)	**Notes to IFRS adjustments** (unaudited)	**Pro forma adjustments** (unaudited)	**Notes to pro forma adjustments** (unaudited)	**Pro forma** (unaudited)
Assets							
Intangible assets							
Goodwill	64 810	0	0		141 720	D	206 530
Other intangible assets	60 247	29 814	0		50 000	E, F	140 061
Total intangible assets	**125 056**	**29 814**	**0**		**191 720**		**346 590**
Total investments	**119 363**	**145 145**	**0**		**0**		**264 508**
Total reinsurance share of gross technical provisions	**601 256**	**448 280**	**0**		**0**		**1 049 536**
Total receivables	**327 021**	**297 332**	**0**		**0**		**624 353**
Plant and equipment	3 844	3 856	0		0		7 700
Deferred tax assets	0	36 556	-36 556	J	0		0
Other assets	0	5 911	0		0		5 911
Cash and cash equivalents	101 732	36 749	0		170 400	H	308 881
Total other assets	**105 576**	**83 072**	**-36 556**		**170 400**		**322 492**
Prepaid costs and earned income not received	3 632	62 594	-45 708	L	0		20 518
Total prepaid expenses and earned income not received	**3 632**	**62 594**	**-45 708**		**0**		**20 518**
Total assets	**1 281 905**	**1 066 237**	**-82 264**		**362 120**		**2 627 998**
Equity and liabilities							
Total paid-in equity	**948 699**	**277 360**	**0**		**213 039**	**H**	**1 439 098**
Total equity	**73 970**	**200 400**	**-82 264**		**248 258**	**H**	**529 762**
Subordinated loan	**73 959**	**0**	**0**		**0**		**73 959**
Total technical provisions	**784 362**	**675 405**	**0**		**0**		**1 459 767**

Financial Position as of 31 December 2016 *All numbers in NOK thousand*	Insr Insurance Group ASA (IFRS)	Nemi Forsikring AS (NGAAP)	IFRS adjustments (unaudited)	Notes to IFRS adjustments (unaudited)	Pro forma adjustments (unaudited)	Notes to pro forma adjustments (unaudited)	Pro forma (unaudited)
Financial liabilities							
Other liabilities	85 224	33 660	0		24 464	G	143 348
Liabilities in connection with direct insurance and reinsurance	194 042	42 134	0		0		236 176
Total financial liabilities	**279 266**	**75 794**	**0**		**24 464**		**379 524**
Total accrued costs and received unearned income	**70 349**	**114 639**	**0**		**0**		**184 988**
Total liabilities	**1 207 935**	**865 837**	**0**		**24 464**		**2 098 236**
Total equity and liabilities	**1 281 905**	**1 066 237**	**-82 264**		**362 120**		**2 627 998**

Summary of Pro forma adjustments in the financial position *All numbers in NOK thousand*	Adj. D	Adj. E	Adj. F	Adj. G	Adj. H	**Total**
Goodwill	141 720					**141 720**
Other intangible assets		32 500	17 500			**50 000**
Cash and cash equivalents					170 400	**170 400**
Total paid-in equity					213 039	**213 039**
Total equity					337 656	**337 656**
Other liabilities				24 464		**24 464**

Pro forma adjustment D: Goodwill

Goodwill is measured as the excess of the total consideration transferred of NOK 320 million over the fair value of Nemi's identifiable assets acquired and the liabilities assumed at the acquisition-date. Goodwill amounts to NOK 141,720thousand and will be subject to annual impairment test in accordance with IAS 36.

This pro forma adjustment will have continuing impact.

Pro forma adjustment E: Customer relationships

The estimated fair value of Customer relationships in Nemi in the preliminary PPA is NOK 32,500 thousand. The remaining useful life is estimated to be 7 years with a straight-line amortization. There is no tax effect related to this adjustment due to the utilization of unrecognized tax losses carry forward.

This pro forma adjustment will have continuing impact.

Pro forma adjustment F: Database

The estimated fair value of the Database in Nemi in the preliminary PPA is NOK 17,500 thousand. The remaining useful life is estimated to be 3 years with a straight-line amortization. There is no tax effect related to this adjustment due to the utilization of unrecognized tax losses carry forward.

This pro forma adjustment will have continuing impact.

Pro forma adjustment G: Acquisition cost and equity transaction costs

The pro forma adjustment to other liabilities consist of acquisition transaction costs of NOK 13,000 thousand (Pro forma adjustment C) and equity issuance costs of NOK 11,464 thousand.

This pro forma adjustment will not have continuing impact.

Pro forma adjustment H: Equity

On 29 August 2017, the Company successfully placed a private placement, and conditionally allocated 57,200,000 new shares at a subscription price of NOK 7.00 per share, raising gross proceeds of NOK 400,400,000, subject to the conditions for closing of the Acquisition other than the issuance of the Private Placement Shares being satisfied or waived. Fees of NOK 11,464 thousand related to the capital increase are recognized as a reduction of equity.

In the unaudited pro forma statement of financial position, the cash balance has been adjusted for net proceeds and the cash consideration for the purchase of the shares in Nemi.

All numbers in NOK thousands	
Cash consideration	-230 000
Capital Increase Private Placement	400 400
Sum pro forma adjustment	**170 400**

All numbers in NOK thousands	
Other paid-in-equity	
Elimination of Other paid-in equity in Nemi	-127 000
Share premium	
Issuance of 70,057,143[3] new shares (Share premium)	434 353
Share capital	
Issuance of 70,057,143[1] new shares (Nominal Value)	56 046
Elimination of the share capital of Nemi	-150 360
Sum pro forma adjustment to Paid-in equity	**213 039**
Other equity	
Fair value adjustment of Nemi Forsikring AS intangible assets	191 721
Transaction costs related to the acquisition of Nemi Forsikring AS	-13 000
Transaction costs related to the private placement	-11 464
Total consideration for the acquisition of all the shares in Nemi Forsikring AS	-320 000
Share capital of Nemi	150 360
Other paid-in-equity of Nemi	127 000
Sum pro forma adjustment to Other equity	**124 617**
Total pro forma adjustment to Total equity	**337 656**

This pro forma adjustment will have continuing impact.

10.4.3 Description of the IFRS adjustments

When converting Nemi's audited NGAAP financial statements for 2016 to IFRS for the purpose of preparing the unaudited pro forma income statement information for the year ended 31 December 2016, management has identified some differences in accounting principles related to capitalization of sales costs (Deferred Acquisition Costs) and reassessed deferred tax assets recognized under Norwegian GAAP.

To prepare financial information suitable for inclusion in the unaudited pro forma financial information for the year ended 31 December 2016, management has elected to incorporate the Company's accounting principle related to capitalization of sales costs and made valuation allowance for NOK 36,556 thousand of the deferred tax asset recognized

[3] Consideration shares (12,857,143) + shares from commitment private placement (57,200,000)

under Norwegian GAAP in Nemi to harmonize the accounting principles and recognition of deferred tax assets between the two companies.

Summary of Pro forma adjustments in the income statement			
All numbers in NOK thousand	Adj. I	Adj. J	**Total**
Sales costs	-45 708		**-45 708**
Tax		-19 000	**-19 000**

Summary of Pro forma adjustments in the income statement			
All numbers in NOK thousand	Adj. I	Adj. J	**Total**
Deferred tax assets		-36 556	**-36 556**
Prepaid costs and earned income not received	-45 708		**-45 708**

IFRS adjustment I: Sales costs

The Company has not capitalized customer acquisition cost under IFRS. When converting Nemi's NGAAP financial statements for 2016 to IFRS (as applied by Insr) deferred customer acquisition costs have been expensed.

The IFRS adjustment to sales expenses relates to capitalized sales costs (deferred Acquisition Costs) of NOK 45,708 thousand in the income statement and NOK 45,708 thousand in the statement of financial position.

There is no tax effect related to this adjustment due to the utilization of unrecognized tax losses carry forward.

IFRS adjustment J: Deferred tax assets

The IFRS adjustment to tax expenses relates to the valuation allowance made for the entire deferred tax asset recognized under Norwegian GAAP amounting in total to NOK 19,000 thousand in the income statement and NOK 36,556 thousand in the statement of financial position.

10.5 Auditor's assurance report

With respect to the Pro Forma Financial Information, PWC has applied assurance procedures in accordance with International Standards on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, in order to express an opinion as to whether the Pro Forma Financial Information has been properly compiled on the basis stated in this Section 10 "Unaudited Condensed Pro Forma Financial Information", and that such basis is consistent with the accounting policies of the *Group*. On this background, PWC has issued an independent assurance report on the Pro Forma Financial Information herein. The report (Independent assurance report on pro forma financial information) will be available for inspection at the Company's offices according to section 13.2 "Documents on display".

11. BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

11.1 Introduction

The General Meeting is the highest authority of the Company. All shareholders in the Company are entitled to attend and vote at General Meetings of the Company and to table draft resolutions for items to be included on the agenda for a General Meeting.

The overall management of the Company is vested in the Board of Directors and the management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business ensuring proper organisation, preparing plans and budgets for its activities ensuring that the Company's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The management is responsible for the day-to-day management of the Company's operations in accordance with Norwegian law and instructions set out by the Board of Directors. Among other responsibilities, the Company's chief executive officer, (the "**CEO**"), is responsible for keeping the Company's accounts in accordance with applicable law and for managing the Company's assets in a responsible manner. In addition, the CEO must, according to Norwegian law, brief the Board of Directors about the Company's activities, financial position and operating results at a minimum of one time per month.

11.2 Board of directors

11.2.1 Overview

The Articles of Association provide that the Board of Directors shall consist of a minimum of three and a maximum of eight members.

As at the date of this Information memorandum, the Company's Board of Directors consists of the following:

Name of director	Director since	Current term expires
Åge Korsvold (chairman)	April 2011	AGM 2018
Ragnhild Wiborg	January 2016	AGM 2019
Christer Karlsson	January 2016	AGM 2019
Ulf Spång	October 2016	AGM 2019
Mernosh Saatchi	May 2017	AGM 2019
Terje Moen (employee representative)	February 2016	AGM 2018

All shareholder elected board members are independent of the Company's management, significant business relations and large shareholders (shareholders holding more than 10% of the Shares in the Company).

Accordingly, the Board of Directors complies with the independence requirements of the Norwegian Code of Practice for Corporate Governance dated 30 October 2014 (the "**Corporate Governance Code**") and the Continuing Obligations.

The Company's registered office, in Haakon VII's gate 2, 0161 Oslo, Norway, serves as the business address for the Board of Directors in relation to their directorships in the Company.

11.2.2 Brief biographies of the Board of Directors

Set out below are brief biographies of the members of the Board of Directors, including their relevant expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a director is or has been a member of the administrative, management or supervisory bodies or partner the previous five years.

Åge Korsvold (chairman)

Åge Korsvold has served as Chairman of the Board of Directors since 2011. Korsvold holds an MBA from the University of Pennsylvania, 1971. He started working for Storebrand as a financial analyst in 1972. He was a director of Orkla Industrier from 1977 and a financial advisor in Fondsfinans from 1982. From 1992 to 1994 he was partner and owner of Procorp AS, before he became the CEO of UNI Storebrand in 1994. Korsvold was the CEO of Kistefos AS from 2001 to 2011, and the CEO of Orkla ASA from April 2012 to February 2014.

Current directorships and senior management positions	*Green Resources AS (Board member), Timex Group BV (Board member), Fronteer Solutiosn AS (Board member), Aweco AS (Board member), AS Rolf Kjøde (Board member), Kjøde Transport (Board member), RK Offshore AS (Board member), AS Dikkedokken AS (Board member), Tyveholmen AS (Board member), Tyveholmen Kontorfelleskap (Board member), Morten Mjør Grimsrud Stiftelse (Board member), Gyljandi AS (Board member and managing director).*
Previous directorships and senior management positions last five years	*Rieber & Søn AS (Chairman), Rolf Kjøde Skip I AS (Chairman), Orkla Brands AS (Chairman), Seabird Exploration PLC (Chairmamn), Vika Finans AS (Board member), Orkla ASA (Deputy Chairman), Fondsfinans AS (Board member).*

Ragnhild Wiborg

Ragnhild Wiborg was elected member of the Board of Directors at an extraordinary general meeting held on 12 January 2016. Wiborg is currently Chairman of the Board of EAM Solar ASA and holds several other board memberships of listed companies. Some of them are REC Silicon ASA, Borregaard ASA, Gränges AB and Intrum Justitia AB. She is also the Chairperson of the audit committee of REC and Borregaard. In addition, she holds board memberships of private companies, among them Kistefos. Wiborg has 30 years of experience from financial markets as CIO and portfolio manager at Odin Forvaltning and Wiborg Kapitalförvaltning, and several positions within investment banks in the UK and Nordic region. Wiborg holds a BSc in Economics and Business Administration from the Stockholm School of Economics. Wiborg is a Swedish citizen and lives in Oslo.

Current directorships and senior management positions	*Borregaard (Board member), Skandiabanken (Board member), Gränges (Board member), RECSilicon (Board member), IMSkaugen (Board member), SevanDriling, Kistefos (Board member).*
Previous directorships and senior management positions last five years	*Wiborg Kapitalförvaltining (Board member).*

Christer Karlsson

Christer Karlsson was elected member of the Board at the extraordinary general meeting held on 12 January 2016. Karlsson is currently a Member of the Board in a Swedish insurance company named ICA Försäkring plus several other Swedish companies. In addition, he is working as manager consultant. Karlsson has extensive experience from management assignments in the insurance industry, where he has held operative roles like CFO, Acting CEO and Business Unit Director. Some of the insurance companies Karlsson worked at were Tennant Forsikring, Gjensidige Forsikring, RSA (Trygg-Hansa/Codan) and Folksam. Previously Karlsson worked within PwC as an auditor and also as an Investment Manager in the private equity firm 3i Nordic. Karlsson holds a BSc in Finance & Accounting from Stockholm University. Christer is a Swedish citizen and lives in Stockholm.

Current directorships and senior management positions	*United Securities AB (chairman), ICA Försäkring AB (board member), Sleeping Partner Sweden AB (board member),, Working Partner Sweden AB (board member), KarPau AB (CEO).*
Previous directorships and senior management positions last five years	*Shortcut Media Group AS (board member), Nordea Life & Pension (Interim CFO), Movestic Life & Pension (Interim CFO), Folksam Sak Group (Senior Group Controller).*

Ulf Spång

Ulf Spång was elected member of the Board of Directors at an extraordinary general meeting held on 17 October 2016. Spång is Civilekonom from the University of Lund. Spång started working for EY in 1973, became partner in 1978, European Executive Partner 1985 and Senior Partner (CEO) of EY Sweden 1989. Joined Försäkrings AB Skandia from 1997 to 2004 as EVP/CFO/SEVP. Spång worked during these years closly with Skandias PC companies e.g. IF, Vesta, NIG. From 1998 to 2003 Spång also held several board memberships e.g. Industriförvaltnings AB Kinnevik and Posten Sverige.

Since 2004 Spång has acted as a private investor/advisor to various businesses.

Current directorships and senior management positions	*No other current directorships or senior management positions.*
Previous directorships and senior management positions last five years	*No previous directorships or senior management positions in the last five years.*

Mernosh Saatchi

Mernosh Saatchi was elected member of the Board in May 2017. Saatchi studied Electrical Engineering at The Royal Academy of Technology in Stockholm. She founded the Advertising agency Humblestorm in 2002, the Field Sales agency at 2009 and a Real State company in 2013. Saatchi is today Partner and COO at Humblestorm. Mernosh is currently board member in MQ Retail, Industrifonden and E-work Group. Mernosh is a Swedish citizen and lives in Stockholm.

Current directorships and senior management positions	*Humblestorm AB (Partner/COO), MQ Retail (board member), E-work Group (board member), Industrifonden (Board member).*
Previous directorships and senior management positions last five years	*XXL ASA (Board member), Tradedoubler (Board member), The University of Stockholm Holding (Board member).*

Terje Moen

Terje Moen has been member of the Board (employee representative) since February 2016.

Moen is currently Controller at Insr Insurance Group. He has 36 years of experience from insurance and reinsurance accounting. Moen has worked for companies such as Storebrand, Gjensidige, Gabler and Nemi. Moen has a financial education. He lives in Oslo.

Current directorships and senior management positions	*None.*
Previous directorships and senior management positions last five years	*None.*

11.2.3 Remuneration and benefits

The total amount of remuneration paid to the board members in 2016 was NOK 2,077,083. Below is a table showing the remuneration paid to the members of the Board of Directors of the Company in the financial year ended 31 December 2016:

Name	Position	Director's Fee
Åge Korsvold	Chairman of the Board of Directors	NOK 531,250
Karl Høie	Previous deputy chairman	NOK 302,500
Line Sanderud Bakkevig	Board member	NOK 340,000
Ragnhild Wiborg	Board member	NOK 247,500
Christer Karlsson	Board Member	NOK 210,000
Nina Charlott Gullerud	Previous board member	NOK 130,000
Nils Aakvik	Previous board member	NOK 130,000
Cecilia Lager	Board member	NOK 95,833
Anita Storborg Bøen	Previous board Member (employee representative)	NOK 65,000
Ole Erik Alnæs	Previous board member	NOK 25,000
Terje Moen	Deputy board Member (employee representative)	NOK 0
In total:		**NOK 2,077,083**

11.2.4 Shares held by the Board of Directors

The table below shows the members of the Board of Directors' direct and indirect ownership in Insr as at the date of this Information Memorandum:

Name of director	Shares
Åge Korsvold	913,082[1]
Ragnhild Wiborg	28,000
Christer Karlsson	66,000
Ulf Spång	500,000
Mernosh Saatchi	0
Terje Moen	1,954

1) 890,977 of the shares are owned through the wholly owned company Gyljandi AS.

The table below shows the members of the Board of Director's who have been conditionally allocated shares in the Private Placement:

Name of director	Shares conditionally allocated in the Private Placement	Shares post Private Placement
Christer Karlsson	50,000	116,000
Ragnhild Wiborg	10,000	38,000
Ulf Spång	300,000	800,000

11.3 Management

11.3.1 Overview

The management of the Company consists of five individuals. The names of the members of the management as at the date of this Information Memorandum and their respective positions are presented in the table below.

Name	Position	Served since
Espen Husstad	CEO	1 October 2015
Jonas Billberg	Deputy CEO	1 January 2016
Bård Standal	CFO	1 February 2016
Jan Petter Myhrstad	EVP Insurance Services	2 September 2016
Ingvild Gråberg	EVP Corporate Services	1 October 2016

The Company's registered office, in Haakon VII's gate 2, 0161, Norway, serves as the business address for the members of management in relation to their positions in the Company.

11.3.2 Brief biographies of the members of the management

Set out below are brief biographies of the members of the management, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a member of the management is or has been a member of the administrative, management or supervisory bodies or partner the previous five years.

Espen Husstad

Espen Husstad has been CEO of Insr since Oct 2015. Husstad has extensive experience from the insurance industry. Before joining Insr, he was CEO of AON Norway from 2008. Husstad has also held several senior positions in If P&C. Husstad has a doctorate in mathematics. Husstad has Norwegian citizenship.

Current directorships and senior management positions	*No other current directorships or senior management positions.*
Previous directorships and senior management positions last five years	*AON Norway (CEO).*

Jonas Billberg

Jonas Billberg has been deputy CEO and COO of Insr since 2016. Billberg has extensive experience in the insurance industry. Before joining Insr he has held several senior positions in If P&C, during his 16 years with the company. Much of the time in If P C, Billberg was SVP for the private enterprise in Sweden. He has a Master of Business Administration from the School of Business, Economics and Law at the University of Gothenburg. Billberg has Swedish citizenship.

Current directorships and senior management positions	*No other current directorships or senior management positions.*
Previous directorships and senior management positions last five years	*If (Head of Sales & Service, Sweden, SVP).*

Bård Standal

Bård Standal has been CFO of Insr since 2016. Prior to joining Vardia Standal was SVP of Finance in the Orkla Group, SVP of Strategy Statkraft and legal director of Statoil Fuel & Retail. He has also held management positions in If P&C including head of Ifs agent distribution network. Standal has a master's degree in law from the University of Oslo and an MBA from NHH. Standal has Norwegian citizenship.

Current directorships and senior management positions	*Orgservice AS (chairman).*
Previous directorships and senior management positions last five years	*Orkla ASA (CFO), Statkraft AS (SVP Strategic Execution), Statoil Fuel & Retail ASA (Head of legal counsel).*

Jan Petter Myhrstad

Jan Petter Myhrstad has been EVP Insurance Services in Insr since 2013. Myhrstad has 11 years' experience in the insurance industry. Before joining Insr, Myhrstad was in Codan

Insurance, where he held various management positions within claims. He has an undergraduate degree in law from the University of Oslo. Myhrstad is a Norwegian citizen.

Current directorships and senior management positions	*No other current directorships or senior management positions.*
Previous directorships and senior management positions last five years	*No previous directorships or senior management positions in the last five years.*

Ingvild Gråberg

Ingvild Gråberg has been EVP Corporate Services in Insr since 2016. Gråberg has 17 years' experience in the insurance industry. Before joining Insr, she was leader for Broadspire Norway Crawford & Company, and has previously been responsible for various products in Storebrand Life Insurance. She has a master's degree from BI. Gråberg has Norwegian citizenship.

Current directorships and senior management positions	*No other current directorships or senior management positions.*
Previous directorships and senior management positions last five years	*No previous directorships or senior management positions in the last five years.*

11.3.3 Remuneration and benefits

The remuneration to the members of the management in 2016 was NOK 19,632,173 as further specified below (all amounts in NOK).

Name	**Title**	**Salary**	**Other remuneration**	**Pension**	**Total remuneration**
Espen Husstad	CEO	2,801,583	29,321	66,116	2,897,020
Jonas Billberg	Deputy CEO	2,052,432	0	508,544	2,560,976
Bård Standal	CFO	1,844,240	30,015	60,433	1,904,673
Jan Petter Myhrstad	EVP Insurance Services	992,436	225,743	56,296	1,274,475
Ingvild Gråberg*	EVP Corporate Services	0	0	0	0
Ivar S. Wiliksen**	CEO	219,240	4,163,330	0	4,382,570
Rune O. Arneberg**	Interim-CEO	2,550,100	560,484	65,978	3,176,562
Ivar K. Z. Pedersen**	Chief accountant	923,627	42,376	32.911	998,914
Terje Finholdt**	Former CFO	1,635,315	752,158	49,510	2,436,983
In total:		**13,030,973**	**5,803,427**	**839,788**	**19,632,173**

* Management for hire from 1.10.16 to 31.12.16, full time employee from 01.01.17.

** Former member of the Management

11.3.4 Shares held by the members of the management

The Shares held by the members of the Management as the date of this Information Memorandum is presented in the table below:

Name	Total number of Shares	Of which are lock-up undertakings[2)]
Espen Hustad	301,985	0
Jonas Billberg	17,000	0
Bård Standal	2,000	0
Jan Petter Myhrstad	16,738[1]	0
Ingvild Gråberg	0	0

1) 14,000 of which are owned through JPWM Holding AS

2) Under regulation concerning financial enterprises of 9 December 2016 No. 1502, (Norwegian: Finansforetaksforskriften) Shares issued by the Company to the members of the management are subject to a lock-up for a period of three years

As the date of this Information Memorandum, the members of the management held 539,367 Shares corresponding to 0.008% of the Shares in the Company.

The table below shows the members of the management who have been conditionally allocated shares in the Private Placement:

Name of manager	Shares conditionally allocated in the Private Placement	Shares post Private Placement
Espen Husstad	71,428	371,428
Jonas Billberg	15,000	32,000

11.3.5 Bonus compensation scheme and share purchase programme for employees including members of the management

The Company has an option program for employees, including members of the management. The Board of Directors has distributed the options based on pre-defined conditions. Each option holder can voluntarily decide to redeem his stock-options. Exercise of options is dependent on the Company's profits, the individual option agreement and the option holder being employed by the Company.

The table below shows the senior management's share options:

Name	Number of options granted in tranches	Number of options vested	Exercise price
Espen Husstad	300,000/300,000	150,000/0	NOK 16,7/8,54
Bård Standal	150,000/150,000	75,000/0	NOK 9,04/8,54
Jonas Billberg	70,000/80,000/150,000	75,000/0/0	NOK 16,20/9,04/8,54
Jan Petter Myhrstad	2,500/50,000	833,3/0	NOK 316/7,94
Ingvild Gråberg	50,000	0	NOK 7,94
Total:	**1,302,500**	**300,833,3**	

For the management of the Company, regulation concerning financial enterprises of 9 December 2016 No. 1502, *(Norwegian*: Finansforetaksforskriften) section 15-9 applies. Thus, Shares issued by the Company to the members of the management are subject to a lock-up for a period of three years. The bonus compensation scheme and its principles are adopted by the Board of Directors annually.

11.4 Shares acquired by the management and the Board of Directors

During the last financial year, the Shares acquired in the Company by the management and the Board of Directors are as following:

11.4.1 Management

Name of director	Position	Shares
Espen Husstad	CEO	33,010
Jonas Billberg	Deputy CEO	10,000

11.4.2 The Board of Directors

Name of director	Position	Shares
Christer Karlsson	Board member	6,000
Terje Moen	Employee representative	1,954

11.5 Benefits upon termination

Pursuant to their employment contracts, if they resign at the request of the Company: Mr. Husstad will receive compensation equal to 9 months' salary and other compensation benefits, while the remaining members of the management team will receive compensation equal to 6 months' salary and other compensation benefits. There are no other members of management nor any board members that have service contracts with the Company or any of its subsidiaries providing for benefits upon termination of employment or assignment.

11.6 Pension and retirement benefits

For the year ended 31 December 2016, the cost of pension for members of the Company's senior management was approximately NOK 839,788. All employees of the Company, including the management, are members of the Company's defined benefit pension scheme.

For more information regarding pension and retirement benefits, see note 6 to the 2016 Annual Financial Statements incorporated by reference in this Information Memorandum.

11.7 Loans and guarantees

There are loans or guarantees from the Company to members of the management or Board of Directors as of the date of this Information Memorandum.

11.8 Nomination committee

Pursuant to the Articles of Association, the Company shall have a nomination committee elected by the Annual General Meeting. The nomination committee consists of the following members: Karl Høie, Gustav Lindner and Hans Georg Iwarsson. The nomination committee is elected for a period of one year. A majority of the members shall be independent of the Company's Board of Directors and the Company's management.

The responsibility of the nomination committee is, among other things, to nominate candidates to be elected by the General Meeting as shareholder-elected members of the Board of Directors and their deputies whenever their respective period of service expires. Moreover, the nomination committee also nominates candidates to be elected by the General Meeting as members of the nomination committee.

The nomination committee proposes remunerations to the members of the Board of Directors and to the members of the nomination committee.

11.9 Audit committee

Ragnhild Wiborg and Christer Karlsson form the Company's audit committee. Pursuant to section 6-43 of the Norwegian Public Limited Liability Companies Act, the audit committee shall:

- prepare the Board of Directors' supervision of the company's financial reporting process;
- monitor the systems for internal control and risk management;
- have continuous contact with the company's auditor regarding the audit of the annual accounts; and
- review and monitor the independence of the company's auditor, including in the extent to which services other than auditing provided by the auditor or the audit firm represent a threat to the independence of the auditor

11.10 Remuneration Committee

The Board of Directors assumes the responsibility of the remuneration committee pursuant to regulation concerning financial enterprises of 9 December 2016 No. 1502. The Company has adopted guidelines that describe the responsibility and tasks of the remuneration committee. The remuneration committee shall ensure that the Company has a remuneration scheme that contributes to promote and grant incentives for governance of and control with the Company's risks, counteract a high degree of risk taking and avoid conflict of interests.

11.11 Conflicts of interests

There are no potential conflicts of interest between the Board Members and members of Management's duties to the Company and their private interests and other duties.

11.12 Convictions for fraudulent offences, bankruptcy etc.

None of the members of the Board of Directors or the management have during the last five years preceding the date of this Information Memorandum:

- any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his/her capacity as a founder, director or senior manager of a company or partner of a limited partnership; or
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

11.13 Corporate governance

The Company has adopted and implemented a corporate governance regime which complies with the Norwegian Code of Practice for Corporate Governance, dated 30 October 2014.

12. CORPORATE INFORMATION AND DESCRIPTION OF THE SHARE CAPITAL

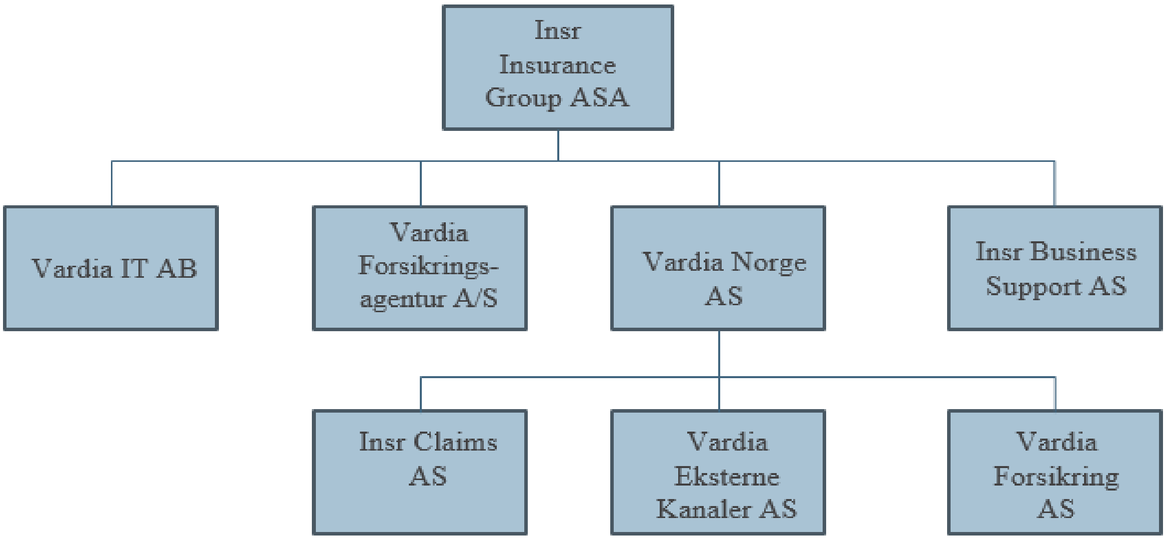
12.1 General corporate information

The Company's registered name is Insr Insurance Group ASA and the Company's commercial name is Insr. The Company is a public limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Companies Act. The Company's registered office is in the municipality of Oslo, Norway. The Company was incorporated on 8 June 2009. The Company's registration number in the Norwegian Register of Business Enterprises is 994 288 962.

The Company's registered office is located at Haakon VII's gate 2, P.O. Box 1860 Vika, 0124 Oslo, Norway and the Company's main telephone number at that address is +47 415 21 490. The Company's website can be found at www.insr.io. The content of www.inrs.io is not incorporated by reference into or otherwise forms part of this Information Memorandum.

12.2 Group structure

The Company is the Group's parent company. Below is an overview of the current group structure as of the date of this Information Memorandum:



All the group companies are wholly owned, directly or indirectly by the Company. The Company's subsidaries are all incorporated under the laws of Norway.

12.3 Shares and share capital

The share capital of the Company is NOK 50,891,602.40 divided into 63,614,503 Shares of a nominal value of NOK 0.80 each.

The Company has one class of Shares. Each Share carries one vote and all Shares carry equal rights in all respects, including rights to dividends. The Company's major shareholders do not have different voting rights. All the Shares are validly issued and fully paid. Neither the Company nor any of its subsidiaries directly or indirectly owns Shares in the Company.

The Shares are registered in the Norwegian Central Securities Depository (VPS). The Company's registrar is DNB Bank ASA, DNB Markets Registrars department, Dronning Eufemias gate 30, 0021 Oslo. The Shares carry the ISIN number NO0010593544.

The table below summarizes the development in the Company's share capital for the periods covered by the historical financial information included by reference in this Information Memorandum:

Date	Type of change	Share capital increase (NOK)	Share capital (NOK)	Subscription price (NOK/share)	Par value (NOK/ share)	Issued shares	Total shares
2014	Share capital increase	24,853.64	2,104,864.08	8.00	0.02	1,242,682	105,243,204
2014	Reverse share split	-	2,104,864.08	-	0.08	-	26,310,801
2014	Share capital increase	474,494.96	2,579,359.04	12.72	0.08	5,931,187	32,241,988
2015	Share capital increase	30,000,000	32,579,359.04	1.00	0.08	375,000,000	407,241,988
2015	Share capital increase	3,250,000	35,829,359.04	1.00	0.08	39,625,000	447,866,988
2016	Share capital increase	0.16	35,829,359.20	0.08	0.08	2	447,866,990
2016	Reverse share split	-	35,829,359.20	-	0.80	-	44,786,699
2017	Share capital increase	14,000,000	50,229,359.20	7.00	0.80	18,000,000	62,786,699
2017	Share capital increase	662,243.2	50,891,602.40	7.00	0.80	827,804	63,614,503

To finance the Transaction, to strengthen the Company's capital position and to potentially reduce the Company's reinsurance cession, the Company launched the Private Placement on 29 August 2017. The Private Placement was successfully placed on 29 August 2017, through the conditional allocation of 57,200,000 ordinary shares. The Private Placement will, subject to the closing conditions described under 4.3 being satisfied or waived, result in an increase of the Company's share capital from NOK 50,891,602.40 to NOK 96,651,602.40 through the issuance of 57,200,000 new shares, each with a par value of NOK 0.80. Through the Private Placement, the Company will raise gross proceeds of NOK 400,400,000.

Insr will undertake a subsequent repair offering of up to 5,714,285 new shares (the "**Repair Offering**")directed towards existing shareholders not being allocated shares in the Private Placement and who are not residents in a jurisdiction where such offering would be unlawful or, for jurisdictions other than Norway, would require any prospectus, filing or similar action ("**Eligible Shareholders**"). The subscription price will be the same as in the Private Placement. Each Eligible Shareholder will receive 1 (one) non-transferable subscription right per 7.01 share in the Company they are registered as owner of in VPS on 31 August 2017.

As of the date of this Information Memorandum, there are 1,322,500 options to acquire shares in the Company.

12.4 Listing

The Company's shares are listed on Oslo Børs. The Shares are traded under the ticker code INSR.

12.5 Shareholders

The Company has one class of Shares.

The following table lists the 20 largest shareholders per the date of this Information Memorandum 2017.

Name	%	Holding
Carnegie Investment Bank AB (NOM)	16.48	10,482,182
Avanza Bank AB (NOM)	7.03	4,469,297
Nordnet Bank AB (NOM)	4.63	2,946,636
Nordnet Bank AB (NOM)	4.55	2,895,540
DNB Bank ASA (NOM)	3.96	2,521,644
Skandinaviska Enskilda Banken AB (NOM)	3.91	2,485,664
Saxo Bank A/S (NOM)	3.06	1,946,907
Custos Equity AS	2.95	1,876,193
Canica AS	2.91	1,851,567
Nomura International Plc (NOM)	2.81	1,789,000
Aakvik Holding AS	2.30	1,462,543
Norway Marine Insurance AS	2.18	1,386,335
Danske Bank A/S (NOM)	2.09	1,326,409
Nordea Bank AB (NOM)	1.89	1,200,953
Nilvama AS	1.85	1,177,553
Svenska Handelsbanken AB (NOM)	1.51	958,829
Gyljandi AS	1.40	890,978
Busebakk AS	1.34	853,313
Hetlands Gecco Maqnagement AS	1.32	840,961
Vikna Eiendom AS	1.13	716,896
Remaining shareholders	30.71	19,535,103
Sum	100	63,614,503

Shareholders with ownership exceeding 5% must comply with disclosure obligations according to the Norwegian Securities Trading Act section 4-3. As of the date of this Information Memorandum the following shareholder has publicly reported holdings exceeding 5%: Investment AB Öresund has reported holdings corresponding to a total of 10,482,182 shares, corresponding to 16.48 % of the issued share capital.

The Shares have not been subject to any public takeover bids, and there has not been any indication of the existence of any mandatory takeover bids and/or squeeze-out or sellout rules in relation to the Shares.

12.6 Own Shares

As of the date of this Information Memorandum, the Company owns no own Shares.

12.7 Convertible instruments, warrants and share options

As of the date of this Information Memorandum, the Company does not have in issue any options (other than what is described in section 12.3), warrants, convertible debt securities, exchangeable debt securities or equity and debt securities with warrants attached.

12.8 Outstanding authorisations

The Company's Board of Directors has been granted with authority to increase the Company's share capital with NOK 3,580,000. The authorisation can be used in connection with acquisitions, for share incentive programs or to strengthen the Company's financial position.

On 26 September 2017, the EGM granted the Board of Directors with an additionalauthority to increase the Company's share capital with up to NOK 4,571,428, to carry out the Repair Offering.

12.9 Shareholder agreements

The Company is not aware of any shareholders' agreements in relation to the Shares.

12.10 The Articles of Association

The Company's Articles of Association are incorporated by reference in this Information Memorandum. Below is a summary of the provisions in the Articles of Association

Objective of the Company

The objective of the Company is pursuant to section 1-1 of the Articles of Association to conduct non-life insurance, as well as business comparable to insurance business. The Company can also assume risk insurances and reinsurances.

Registered office

The Company's registered office is in the municipality of Oslo, Norway.

Share capital and par value

The Company's share capital is NOK 50,891,602.40 divided into 63,614,503 Shares, each Share with a par value of NOK 0.80. The Shares are registered with the Norwegian Central Securities Depository (VPS).

Board of directors

The Company's Board of Directors shall consist of a minimum of three and a maximum of eight Board Members.

Restrictions on transfer of shares

The Articles of Association do not provide for any restrictions on the transfer of Shares, or a right of first refusal for the Company. Share transfers are not subject to approval by the Board of Directors. Thus, the applicable provisions in the Public Limited Liability Act apply to any transfer of the Shares.

General meetings

In accordance with the Articles of Association, the annual general meeting of shareholders is required to be held each year. Documents relating to matters to be dealt with by the Company's general meeting, including documents which by law shall be included in or attached to the notice of the general meeting, do not need to be sent to the shareholders if such documents have been made available on the Company's website. A shareholder may nevertheless request that documents which relate to matters to be dealt with at the general meeting are sent to him/her.

Nomination committee

The Company shall have a nomination committee, see Section 11.8 "Nomination committee".

12.11 Certain aspects of Norwegian corporate law

12.11.1 The general meeting of the shareholders

Under Norwegian law, a company's shareholders exercise supreme authority in the Company through the general meeting.

In accordance with Norwegian law, the annual General Meeting of the Company's shareholders is required to be held each year on or prior to 30 June. The following business must be transacted and decided at the annual General Meeting:

- approval of the annual accounts and annual report, including the distribution of any dividend;
- the Board of Directors' declaration concerning the determination of salaries and other remuneration to senior executive officers;
- any other business to be transacted at the General Meeting by law or in accordance with the Company's Articles of Association

In addition to the annual General Meeting, extraordinary General Meetings of shareholders may be held if deemed necessary by the Board of Directors. An extraordinary General Meeting must also be convened for the consideration of specific matters at the written request of the Company's auditors or shareholders representing a total of at least 5% of the share capital.

Norwegian law requires that written notice of General Meetings needs be sent to all shareholders whose addresses are known at least three weeks prior to the date of the meeting. The notice period for extraordinary general meetings can be two weeks if the company's shareholders may vote by electronic means and the General Meeting has passed a resolution that the notice period can be two weeks until the next general meeting. The notice shall set forth the time and date of the meeting and specify the agenda of the meeting. It shall also name the person appointed by the board of directors to open the meeting. A shareholder may attend General Meetings either in person or by proxy. The Company will include a proxy form with its notices of General Meetings.

A shareholder is entitled to have an issue discussed at a General Meeting if such shareholder provides the Board of Directors with notice of the issue within seven days before the mandatory notice period, together with a proposal to a draft resolution or a basis for putting the matter on the agenda.

The shareholders of the Company as of the date of the General Meeting are entitled to attend the General Meeting.

12.11.2 Voting rights

Under Norwegian law and the Articles of Association, each Share carries one vote at General Meetings of the Company. No voting rights can be exercised with respect to any treasury Shares held by the Company.

In general, decisions that shareholders are entitled to make under Norwegian law or the Articles of Association may be made by a simple majority of the votes cast. In the case of elections, the persons who obtain the most votes are elected. However, as required under Norwegian law, certain decisions, including resolutions to set aside preferential rights to subscribe in connection with any share issue, to approve a merger or demerger, to amend the Company's articles of association, to authorise an increase or reduction in the share capital, to authorise an issuance of convertible loans or warrants or to authorise the board of directors to purchase shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a General Meeting.

Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any Shares or class of Shares, receive the approval by the holders of such Shares or class of Shares as well as the majority required for amending the Articles of Association. Decisions that (i) would reduce the rights of some or all shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of shares, require that at least 90% of the share capital represented at the general meeting of shareholders in question vote in favour of the resolution, as well as the majority required for amending the articles of association. Certain types of changes in the rights of shareholders require the consent of all shareholders affected thereby as well as the majority required for amending the articles of association. There are no quorum requirements for General Meetings.

In general, in order to be entitled to vote at a General Meeting, a shareholder must be registered as the owner of Shares in the Company's share register kept by the VPS.

Under Norwegian law, a beneficial owner of Shares registered through a VPS-registered nominee may not be able to vote the beneficial owner's Shares unless ownership is re-registered in the name of the beneficial owner prior to the relevant General Meeting. Investors should note that there are varying opinions as to the interpretation of Norwegian law in respect of the right to vote nominee-registered shares. In the Company's view, a nominee may not meet or vote for Shares registered on a nominee account. A shareholder must, in order to be eligible to register, meet and vote for such Shares at the General Meeting, transfer the Shares from the nominee account to an account in the shareholder's name. Such registration must appear from a transcript from the VPS at the latest at the date of the General Meeting.

12.11.3 Additional issuances and preferential rights

If the Company issues any new Shares, including bonus shares (i.e. new Shares issued by a transfer from funds that the Company is allowed to use to distribute dividend), the Company's articles of association must be amended, which requires the support of at least (i) two thirds of the votes cast and (ii) two thirds of the share capital represented at the relevant General Meeting.

In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for the new Shares on a pro rata basis in accordance with their then-current shareholdings in the Company. Preferential rights may be set aside by resolution in a general meeting of shareholders passed by the same vote required to approve amendments of the Articles of Association. Setting aside the shareholders' preferential rights in respect of bonus issues requires the approval of the holders of all outstanding Shares.

The General Meeting of the Company may, in a resolution supported by at least (i) two thirds of the votes cast and (ii) two thirds of the share capital represented at the relevant General Meeting, authorise the Board to issue new Shares. Such authorisation may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the nominal share capital as at the time the authorisation is registered with the Norwegian Register of Business Enterprises. The shareholders' preferential right to subscribe for Shares issued against consideration in cash may be set aside by the Board only if the authorisation includes the power for the Board to do so.

Any issue of Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require the Company to file a registration statement in the United Stated under U.S. securities law. If the Company decides not to file a registration statement, these shareholders may not be able to exercise their preferential rights.

Under Norwegian law, bonus shares may be issued, subject to shareholder approval and provided, amongst other requirements, that the transfer is made from funds that the Company is allowed to use to distribute dividend. Any bonus issues may be effectuated either by issuing Shares or by increasing the nominal value of the Shares outstanding. If the increase in share capital is to take place by new Shares being issued, these new Shares must be allocated to the shareholders of the Company in proportion to their current shareholdings in the Company.

12.11.4 Minority rights

Norwegian law contains a number of protections for minority shareholders against oppression by the majority, including but not limited to those described in this and preceding and following paragraphs. Any shareholder may petition the courts to have a decision of the Board of Directors or General Meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Company itself. In certain grave circumstances, shareholders may require the courts to dissolve the Company as a result of such decisions. Shareholders holding in the aggregate 5% or more of the Company's share capital have a right to demand that the Company convenes an extraordinary General Meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any General Meeting as long as the Company's Board of Directors is notified within seven days before the deadline for convening the General Meeting and the demand is accompanied with a proposed resolution or a reason for why the item shall be on the agenda. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the General Meeting has not expired.

12.11.5 Rights of redemption and repurchase of shares

The Company has not issued redeemable shares (i.e. shares redeemable without the shareholder's consent).

The Company's share capital may be reduced by reducing the nominal value of the Shares. According to the Norwegian Public Limited Liability Companies Act, such decision requires the approval of at least two-thirds of the votes cast and share capital represented at a General Meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares if an authorisation to the Board of Directors to do so has been given by the shareholders at a General Meeting with the approval of at least two-thirds of the aggregate number of votes cast and share capital represented. The aggregate nominal value of treasury Shares so acquired may not exceed 10% of the Company's share capital, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the shareholders at the General Meeting cannot be given for a period exceeding 18 months. A Norwegian public limited liability company may not subscribe for its own shares.

12.11.6 Shareholder vote on certain reorganisations

A decision to merge with another company or to demerge requires a resolution of the Company's shareholders at a General Meeting passed by at least (i) two-thirds of the vote cast and (ii) two-thirds of the share capital represented at the General Meeting. A merger plan, or demerger plan signed by the Board of Directors along with certain other required documentation, would have to be sent to all the Company's shareholders or made available to the shareholders on the Company's website, at least one month prior to the General Meeting which will consider the proposed merger or demerger.

12.11.7 Liability of board members

Members of the Board of Directors owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the Board Members act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

Members of the Board of Directors may each be held liable for any damage they negligently or wilfully cause the Company. Norwegian law permits the General Meeting to discharge any such person from liability, but such discharge is not binding on the Company if substantially correct and complete information was not provided at the general meeting of the Company's shareholders passing upon the matter. If a resolution to discharge the Company's board members from liability or not to pursue claims against such a person has been passed by a general meeting with a smaller majority than that required to amend the Articles of Association, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on the Company's behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds the Company receives as a result of the action. If the decision to discharge any of the Company's Board Members from liability or not to pursue claims against the Board Members is made by such a majority as is necessary to amend the Articles of Association, the minority shareholders of the Company cannot pursue such claim in the Company's name.

12.11.8 Indemnification of board members

Neither Norwegian law nor the Articles of Association contains any provision concerning indemnification by the Company of the Board of Directors. The Company is permitted to purchase insurance for the Board Members against certain liabilities that they may incur in their capacity as such.

12.11.9 Distribution of assets on liquidation

Under Norwegian law, a company may be liquidated by a resolution of the company's shareholders in a general meeting passed by the same vote as required with respect to amendments to the articles of association. The shares rank equally in the event of a return on capital by the Company upon liquidation or otherwise.

12.11.10 Compulsory acquisition

Pursuant to the Norwegian Public Limited Liability Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing 90% or more of the total number of issued shares in a Norwegian public limited company, as well as 90% or more of the total voting rights, has a right, and each remaining minority shareholder of the issuer has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition the majority shareholder becomes the owner of the remaining shares with immediate effect.

If a shareholder acquires shares representing 90% or more of the total number of issued shares, as well 90% or more of the total voting rights, through a voluntary offer in accordance with the Norwegian Securities Trading Act, a compulsory acquisition can, subject to the following conditions, be carried out without such shareholder being obliged to make a mandatory offer: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial institution authorised to provide such guarantees in Norway.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder. However, where the offeror, after making a mandatory or voluntary offer, has acquired 90% or more of the voting shares of an issuer and a corresponding proportion of the votes that can be cast at the general meeting, and the offeror pursuant to section 4-25 of the Norwegian Public Limited Liability Companies Act completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, it follows from the Norwegian Securities Trading Act that the redemption price shall be determined on the basis of the offer price for the mandatory and/or voluntary offer unless specific reasons indicate that another price is the fair price.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition.

Absent a request for a Norwegian court to set the price, or any other objection to the price being offered in a compulsory acquisition, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline for raising objections to the price offered in the compulsory acquisition.

13. ADDITIONAL INFORMATION

13.1 Incorporation by reference

The following table sets forth an overview of documents incorporated by reference in this Information Memorandum. No information other that the information referred to in the table below is incorporated by reference. Where parts of a document is referenced, and not the document as a whole, the remainder of such document is either deemed irrelevant to an investor in the context of the requirements if this Information Memorandum, or the corresponding information is covered elsewhere in this Information Memorandum.

Section in the Information Memorandum	Disclosure Requirement of the Information Memorandum	Reference document and link
Section 8	Audited, annual financial statement 2015	Nemi Forsikring AS – Annual report 2015: www.nemiforsikring.no/lastned/4608
Section 8	Audited, annual financial Statement 2016	Nemi Forsikring AS – Annual report 2016: www.nemiforsikring.no/lastned/5167
Section 8	Unaudited, second quarter and first half 2017	Nemi Forsikring AS – Second quarter and first half report 2017: www.nemiforsikring.no/lastned/5317
Section 9	Audited, Annual Financial Statement 2015	Vardia Insurance Group ASA – Annual Report 2015: http://insr.io/wp-content/uploads/2016/11/Annual-Report-2015-Norwegian.pdf
Section 9	Audited, Annual Financial Statement 2016	Insr Insurance Group ASA – Annual Report 2016: http://insr.io/wp-content/uploads/2016/10/Annual-Report-2016-Norwegian-1.pdf
Section 9	Unaudited, Second Quarter and First Half 2017	Insr Insurance Group ASA – Second quarter and first half 2017: http://insr.io/wp-content/uploads/2016/10/Q2-2017-Insr-Interim-Report-1.pdf
Section 12	Articles of Association	Insr Insurance Group ASA – Articles of Association: http://insr.io/wp-content/uploads/2017/03/2017-02-27-Insr-Insurance-Group-ASA-Vedtekter.pdf

13.2 Documents on display

Copies of the following documents will be available for inspection at the Company's offices at Haakon VII's gate 2 in Oslo, Norway, during normal business hours from Monday to Friday each week (except public holidays) for a period of twelve months from the date of this Information memorandum.

- The Company's Articles of Association and Certificate of Incorporation.
- The Audited Financial Statements.

- The Interim Financial Statements.
- Independent assurance report on pro forma financial information
- This Information Memorandum.

14. DEFINITIONS AND GLOSSARY

The following definitions and glossary apply in this Information Memorandum unless otherwise dictated by the context, including the foregoing pages of this Information Memorandum.

2015 Annual Financial Statements	The Company's audited financial statements as of, and for the years ended 31 December 2015
2016 Annual Financial Statements	The Company's audited financial statements as of, and for the years ended 31 December 2016
Alpha	Alpha Insurance A/S
Annual Financial Statements	The 2016 Annual Financial Statements and the 2015 Annual Financial Statements
Catastrophes	Windstorms, severe hail, severe winter weather, other weather related events, floods, fires, industrial explosions and other man-made disasters, such as terrorist attacks
Closing Conditions	The conditions being satisfied or waived in order to complete the Transaction
Company	Insr Insurance Group ASA
Consideration Shares	Shares to be issued by the Company to Alpha on the Closing as part of the Purchase Price for the Nemi Shares
Continuing Obligations	Continuing Obligations for Stock Exchange Listed Companies
EGM	The extraordinary general meeting of the Company held on 26 September 2017.
FEA	The Act on financial institutions and financial groups 2015
Financial Statements	The Annual Financial Statements and Interim Financial Statements
FNO	Finans Norge
General Meeting	The Company's general meeting of shareholders
Gjensidige	Gjensidige Forsikring ASA
Group	Insr together with its consolidated subsidiaries
HDI	HDI V.a.G.
IAS 34	International Accounting Standard 34 Financial Reports
IFRS	The International Financial Reporting Standards, as adopted by the EU
Information Memorandum	This information memorandum
Insr	Insr Insurance Group ASA

Interim Financial Statements	The Company's unaudited interim financial statements as of, and for the three month and six month period ended, 30 June 2017
Manager	ABG Sundal Collier ASA
Nemi	Nemi Forsikring AS
Nemi Shares	All outstanding shares in Nemi
NFSA	Norwegian Financial Supervisory Authority
Norwegian Pool	Norwegian Natural Perils Pool
Öresund	Investment AB Öresund
Permits	Certain governmental licenses, permissions and authorisations
Private Placement	The private placement launched by the Company on 29 August 2017 for the purpose of financing the Transaction
Private Placement Shares	The Shares to be issued in the Private Placement
Purchase Price	NOK 320,000,000
PwC	PricewaterhouseCoopers AS
Shares	The Company's shares
Share Purchase Agreement	The share purchase agreement with Alpha pursuant to which the Company has agreed to acquire all outstanding shares in Nemi from Alpha
SME	Small & medium sized enterprises
Swedish Portfolio	Company's insurance portfolio in Sweden
Transaction	Insr's acquisition of the Nemi Shares from Alpha
VPS	Verdipapirsentralen ASA
XL	Excess of loss coverage

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Independent Auditor's Report on the Compilation of the Unaudited Pro Forma Financial Information Included in the Information memorandum

We have completed our assurance engagement to report on the compilation of the unaudited pro forma financial information of Insr Insurance Group ASA (the "Company") by the Board of Directors and Management of the Company. The unaudited pro forma financial information consists of the unaudited condensed pro forma statement of financial position as of 31 December 2016, the unaudited condensed pro forma income statement for the period ended 31 December 2016 and related notes as set out in Section 10 of the Information Memorandum issued by the Company. The applicable criteria on the basis of which the Board of Directors and Management of the Company has compiled the unaudited pro forma financial information are specified in EU Regulation No 809/2004 as included in the Norwegian Securities Trading Act and described in Section 10.3 of the Information Memorandum.

The unaudited pro forma financial information has been prepared by the Board of Directors and Management of the Company for illustrative purposes only to show how the acquisition of Nemi Forsikring AS and the Private Placement Shares (the "Transactions") by Insr Insurance Group ASA as set out in Section 10 of the Information Memorandum, might have affected the Company's audited consolidated statement of financial position as of 31 December 2016 and income statement for the period ended 31 December 2016, as if the Transactions had occurred at 31 December 2016 and 1 January 2016, respectively. As part of this process, information about the Company's and the acquired entity's financial position has been extracted by the Board of Directors and Management of the Company from the audited financial information of the Company and the audited financial information of Nemi Forsikring AS as of 31 December 2016.

The Board of Directors' and Management's Responsibility for the Unaudited Pro Forma Financial Information

The Board of Directors' and Management are responsible for compiling the unaudited pro forma financial information on the basis of the requirements of EU Regulation No 809/2004 as included in the Norwegian Securities Trading Act.

Our Independence and Quality Control

We have complied with the independence and other ethical requirement of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibilities

Our responsibility is to express an opinion, as required by Annex II item 7 of EU Regulation No 809/2004 about whether the unaudited pro forma financial information has been compiled by the Board of Directors and Management of the Company on the basis stated and that this basis is consistent with the accounting policies of the Company.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner plan and perform procedures to obtain reasonable assurance about whether the Board of Directors and Management of the Company has compiled the pro forma financial information on the basis stated in Section 10.3 of the Information Memorandum and whether this basis is consistent with the accounting policies of the Company.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of the unaudited pro forma financial information included in an Information Memorandum is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented at 31 December 2016 or for the year ended 31 December 2016.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board of Directors and Management of the Company in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related unaudited pro forma adjustments give appropriate effect to those criteria;
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information

The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- the unaudited pro forma financial information has been properly compiled on the basis stated in Section 10.3 of the Information Memorandum; and
- the basis is consistent with the accounting policies of the Company.

This report is issued for the sole purpose of the Transaction. Our work has not been carried out in accordance with auditing, assurance or other standards and practises generally accepted in the United States and accordingly should not be used or relied upon as it had been carried out in accordance with those standard practises. Therefore, this report is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the Transaction described above. We accept no duty or responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this report in connection with any other transactions than the Transaction.

Oslo, 28 September 2017
PricewaterhouseCoopers AS

Magne Sem

Magne Sem
State Authorised Public Accountant (Norway)