



FIRST QUARTER 2021

INSR INSURANCE GROUP ASA

# Q1 2021 Highlights

- Net result negative in Q1 2021 (NOK -25 million)
- Portfolio transfer to Storebrand develops according to plan, and supports Q1 result (NOK 10.7 million)
- Gross loss ratio in Norway at satisfactory level (78%)
- Run off results in Denmark negative (NOK -14 million)
- Solvency ratio at 110 %. Tier 1 loan utilized (NOK 75 million)

## Consolidated Key Figures

<i>(MNOK except otherwise stated)</i>	Q1 2021	Q1 2020	FY 2020
Gross premium earned	155,2	303,8	1 108,7
Other insurance-related income	0,0	0,0	4,9
Gross claims incurred	(121,5)	(251,7)	(791,1)
Sales costs	(2,6)	(27,2)	(99,8)
Insurance-related administration costs	(38,6)	(48,2)	(264,5)
<b>Gross underwriting result</b>	<b>(7,4)</b>	<b>(23,2)</b>	<b>(41,7)</b>
<b>Reinsurance result</b>	<b>(6,7)</b>	<b>6,4</b>	<b>(51,0)</b>
<b>Net underwriting result</b>	<b>(14,1)</b>	<b>(16,9)</b>	<b>(92,7)</b>
Income from portfolio transfer 1)	10,7	0,0	139,9
Asset write offs	0,0	0,0	(272,6)
Investment income	(0,5)	(1,3)	18,3
Other items 2)	(6,6)	(4,7)	(18,2)
<b>Net result Norway</b>	<b>(10,5)</b>	<b>(22,8)</b>	<b>(225,4)</b>
Run off result Denmark/Sweden	(14,3)	(3,7)	(80,5)
<b>Net result</b>	<b>(24,8)</b>	<b>(26,6)</b>	<b>(305,9)</b>
Gross loss ratio - Norway	78,3%	82,8%	71,4%
Net loss ratio - Norway	79,0%	81,9%	73,1%
<b>Solvency ratio</b>	<b>110 %</b>	<b>117 %</b>	<b>108 %</b>

1) Commissions from the portfolio transfer to Storebrand 2) Includes costs for stay-on packages and termination of IT contracts related to the wind down, interest paid, currency effects, other income and costs, and other comprehensive income (OCI)

# Message from the CEO

Insr is making progress with the task of winding down the insurance business, although there are still several steps that are left to be taken before the work is completed.

An important part of the work in Q1 was to continue to execute on the portfolio transfer agreement with Storebrand. An addendum to this agreement has been agreed in Q1, which enables Insr to an even faster transfer of the customers to Storebrand. This is progressing well and we are satisfied with the results from the customer transfer to Storebrand this far.

Furthermore, we are working to find solutions for the run-off portfolios in Norway and Denmark to move the insurance risk out from Insr. There is a strong focus to succeed with these processes as well. This work is progressing, although it should be noted that these are quite complicated processes involving many steps.

The result for Q1 2021 is strongly influenced by the process to wind down the business. The insurance business in Norway in isolation presents a decent first quarter with a gross loss ratio of 78,3%. The final result, a loss of NOK 24.8 million, is however below the company's expectations. Two main factors explain the negative result. The first is that the costs become high in relation to the decreasing insurance income. The second reason is that we have made a reserve strengthening in Denmark due to claims adjustments of several cases in workers

compensation above expectations. This has a negative effect in profit and loss amounting to NOK 14.3 million. It is likely that the negative result in Q1 will, at least partly, have a negative impact on the available equity at the end of the wind down process.

The solvency ratio was at 110% after Q1 2021, with full utilization of the NOK 75 million Tier 1 loan. As communicated earlier, there is a risk that the solvency ratio will go below 100% in 2021. The result development in Q1 has increased that risk. With the limited size of the business, the sensitivity to changes in the capital situation is large.

The ambition for the organisation is to stay solvent and secure a controlled wind-down process, and the key focus areas to succeed with that are still:

- Having a good control and understanding of the financial situation.
- Moving insurance risk out from the company, to secure the customers' future and to lower the solvency capital requirement.
- Reducing costs by working efficiently and closing down business agreements.

As mentioned in the Q4 2020 report, it is still too early to say what the end state will be, but everybody on the Insr team is working hard to reach the best possible solution.

Chief Executive Officer

# First Quarter 2021 Results

## General summary

The net result for the first quarter amounted to NOK -24.8 million (NOK -26.6 million).

Net result in Norway amounted to NOK -10.5 million (NOK -22.8 million). The portfolio transfer to Storebrand Forsikring AS and Storebrand Livsforsikring AS contributed positively with net NOK 10.7 million. Gross claims ratio in Norway was satisfactory at 78.3% (82.8%), including run off

losses amounting to NOK 2 million. Net underwriting result amounted NOK -16.1 million (NOK -16.9 million) due to negative reinsurance result and wind-down costs.

The run-off result in Denmark amounted to NOK -14.3 million (NOK -3.7 million) due to reserve strengthening.

## Premium

Norway

<i>(MNOK except otherwise stated)</i>	Q1 2021	Q1 2020	FY 2020
Gross written premium Norway	-	282,7	1 233,7
Gross earned premium Norway	155,2	303,8	1 108,7
Net earned premium Norway	107,1	187,9	715,2

Net earned premium in the quarter was NOK 107.1 million (NOK 187.9 million). Gross earned premium was NOK 155.2 million (NOK 303.8

million). The premium decrease is in line with expectations hence the ongoing wind down.

## Claims

Norway

<i>(MNOK except otherwise stated)</i>	Q1 2021	Q1 2020	FY 2020
Gross claims	(121,5)	(251,7)	(791,1)
Ceded claims	36,9	97,8	267,9
Net claims	(84,6)	(153,9)	(523,2)
Gross loss ratio	78,3%	82,8%	71,4%
Ceded loss ratio	76,7%	84,4%	68,1%
Net loss ratio	79,0%	81,9%	73,1%

The gross loss ratio for running insurance risk in Norway was at satisfactory level in the quarter, at 78.3% (82.8%).

Run-off loss amounting to NOK 2 million in the quarter, with 1.9 %-points negative effect at the claims ratio.

## Sales and Administration Costs

Sales costs consist of commission to distribution partners related to transfer of portfolio to Storebrand, net amounting to NOK 2.6 million (NOK 27.2 million).

Administration costs were NOK 38.6 million (NOK 48.2 million). The decrease reflects lower activity

due to the ongoing wind down. Q1 costs includes non-recurring items related to annual book-closing and annual reporting, amounting to approximately NOK 5 million, mainly related to audit fees, but also external costs for actuary-, legal- and accounting services.

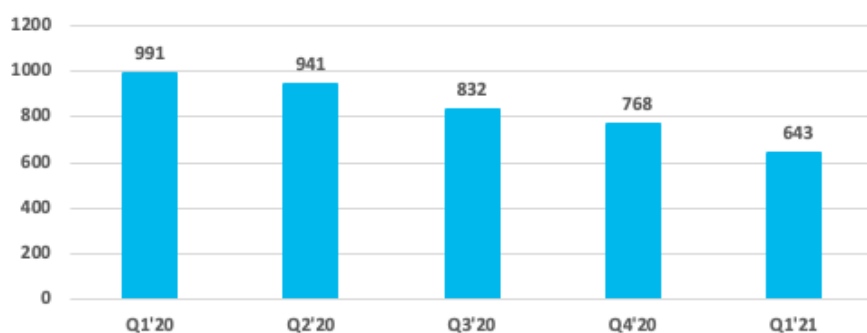
## Investment result

Net investment return and interest income was NOK -0.5 million in the quarter (NOK -1.3 million). The investment portfolio mainly consists of investments in funds with bonds. The negative return in Q1 is mainly driven by general increases

in interests.

The investment portfolio, including cash in bank, is NOK 642.7 million at the end of Q1 2021.

### Investment Portfolio incl. cash



## Status wind-down

Based on the strategic review announced on June 29, 2020 the writing of new insurance premiums stopped 1 December 2020. Hence the main activity for the company is to manage a successful exit from insurance.

To ensure good progress and control of the operational and contractual risk, a wind-down

project has been established and the development is followed closely by the management, Board, and supervisory authorities. Key risks relate to contractual terms, complexity of transferring the reserve risk and future servicing of runoff portfolios, as well as loss of key staff.

## Norway

Insr has agreed to sell most of its Norwegian insurance portfolio to Storebrand. Policies are transferred to Storebrand when renewed or amended. The transfer process is expected to last

until the end of 2021. Storebrand will pay Insr 20-30% for renewed written premium.

Estimated earned income from this agreement has increased with NOK 10.7 million in Q1, amounting to NOK 150.7 million in total.

The ambition is to eliminate remaining insurance risk at the end of 2021.

Additional provisions in Q1 for non-insurance costs to meet the downsizing of activities going forward consist of stay-on packages to employees amounting to NOK 4.7 million.

## Denmark and Sweden

The businesses in Denmark and Sweden were discontinued in 2019 and 2016 respectively. The total loss including other comprehensive income in the first quarter amounted NOK -14.3 million (NOK -3.7 million), mainly due to

strengthening of reserves at the Danish Workers Compensations portfolio. The losses were mainly driven by adjustment of reserves at several cases in Q1 which were above expected claims costs at year end 2020.

# Financial position and Liquidity

## Consolidated financial position and solvency capital

As of March 31, 2021, total assets amounted to NOK 1 241.5 million (NOK 1 656.8 million at year end 2020). Total equity amounted to NOK 137.7 million (NOK 162.1 million at year end 2020).

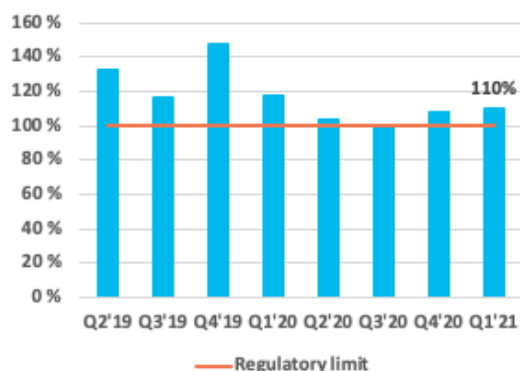
million, down NOK 29 million from the year end 2020, mainly due to lower insurance liabilities.

The solvency ratio at the end of the quarter was 109.9%, up from 107.9% at the end of last quarter. The Tier 1 loan, amounting to NOK 75 million, is fully utilized as of March 31<sup>st</sup>. The Solvency Capital Requirement (SCR) as of March 31<sup>st</sup> was NOK 155

The Eligible Solvency II Capital is NOK 170 million, down from NOK 199 million at the end of year end 2020.

The Solvency II Minimum Capital Requirement (MCR) amounts to NOK 70 million at the end of March 2020.

## Solvency Ratio



## Change in eligible capital from last quarter (MNOK)

<b>Q4 '20</b>	<b>199</b>
Q1 P&L	-26
RDAC	-15
Natural Perils Pool	-1
SII model adj	-22
Storebrand Best estimate	-5
T1 Hybrid	54
SCR=> T2&3	-14
<b>Q1 '21</b>	<b>170</b>

## Split of eligible capital (MNOK)

Core Tier 1	92
Tier 1 Hybrid	0
Tier 2	78
Tier 3	0
<b>Eligible capital</b>	<b>170</b>

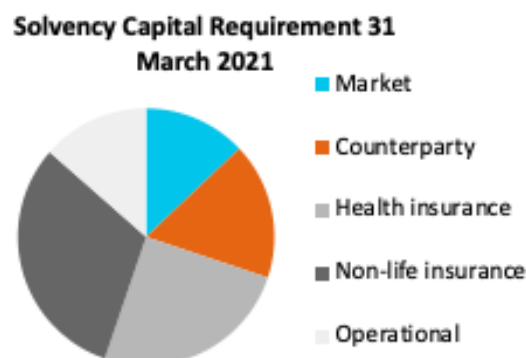
## Consolidated cash flow

Cash flow from operations in the first quarter was negative with NOK 120 million (negative NOK 85 million). The negative cashflow mainly stems from paid claims and operating costs.

## Subsequent events

The Board of Directors has decided to merge 100% owned subsidiaries within Insr Insurance Group ASA in order to simplify the group

The solvency figures are as reported to the Norwegian FSA (NFSA) for Insr Insurance Group ASA unconsolidated.



The Group recorded cash and cash equivalents of NOK 77 million as of March 31<sup>st</sup>, 2021.

structure. The process to do this has been initiated.

# Outlook

Winding down of the insurance activity is progressing, although several steps remain.

Insr plans to gradually close the insurance operations during 2021, and no longer have any insurance contracts or insurance risk at the beginning of 2022. All Norwegian standard insurance policies are being renewed or amended in Storebrand. While the transaction agreements that have been entered into facilitate a transfer of a substantial part of the Company's insurance portfolio including the Company's affinity business, there are still certain run-off portfolios that currently remain with the Company. The process to find solutions for those portfolios is ongoing and of the highest priority to the Company. These portfolios still contain substantial insurance risk and reserves.

The Board aim to maximise shareholder value and seek the best solution for the company and its shareholders. The Board's immediate priority is still to ensure an orderly wind-down of the insurance activity. The company can have value as foundation for renewed activity, most likely outside regulated insurance business. This is part of the ongoing strategic review. A plan for possible future activity is expected to be presented before the end of the second quarter of 2021. In this plan, the possibility of winding down the company and distribute the potential proceeds left to shareholders will also be assessed. Any fundamental strategic changes will have to be decided by the shareholders and be in line with guidelines and input given by the Norwegian FSA.

In the strategic review during the summer 2020, no bids were received for the company. The risks to a potential acquirer are now even further reduced when insurance risk has been transferred and most of the staff is with Storebrand or Sedgwick. A bid for the entire company is still possible but has rather low probability.

The solvency ratio is 110 % at end of Q1 2021. There are uncertainties related to the insurance risk development, in accounting balances related to and controlled by Insr's distribution partners, and risk related to keeping sufficient qualified staff through the winddown process. The solvency capital requirement will be gradually reduced with the reduction in insurance risk. The solvency ratio is forecasted to slide downwards over the following quarters. The range of outcomes regarding the solvency development is still large and therefore also the level of uncertainty. The Board and Administration continue to be very close to the development and to work hard with the ambition to secure a solvent exit from insurance.

Given the high uncertainty of several elements of the forecast, primarily in the remaining insurance business and that envisaged LPT-transactions may not be implemented in terms of scope, conditions, timing, and counterparty according to the base-case plan, the updated outlook carries a risk of unwanted outcomes, including public administration, negative equity and the Tier 2 loan not being fully repaid. The company will work hard to avoid these adverse scenarios.

Oslo, 11 May 2021

The Board of Directors  
Insr Insurance Group ASA



# Group Financial Statements

Condensed Consolidated Income Statement (NOK 1,000)				
	Note	Q1 2021	Q1 2020	FY 2020
<b>Premium income</b>				
Gross premium earned	2. 3	155 241	303 835	1 108 704
Reinsurance share of premium		(48 123)	(115 932)	(393 457)
<b>Premium earned for own account</b>		<b>107 118</b>	<b>187 903</b>	<b>715 248</b>
Other insurance-related income	2	15 908	38	144 808
<b>Net premium incl. other insurance related income</b>		<b>123 026</b>	<b>187 941</b>	<b>860 056</b>
<b>Claims</b>				
Gross claims incurred	2. 3	(121 523)	(251 692)	(791 112)
Reinsurance share of gross claims incurred		36 911	97 842	267 929
<b>Claims incurred for own account</b>		<b>(84 612)</b>	<b>(153 850)</b>	<b>(523 183)</b>
<b>Operating expenses</b>				
Sales costs		(7 755)	(27 198)	(99 761)
Insurance-related administration costs		(38 585)	(48 228)	(264 485)
Commission received		4 479	24 459	74 547
<b>Total operating expenses for own account</b>		<b>(41 860)</b>	<b>(50 967)</b>	<b>(289 699)</b>
<b>Unexpired risk</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Technical result</b>	<b>2. 3</b>	<b>(3 447)</b>	<b>(16 876)</b>	<b>47 173</b>
<b>Non-technical result</b>				
Investment income		(526)	(1 272)	16 617
Interest income and other income	6	26	323	1 636
Interest expense and other expenses	6	(6 589)	(5 023)	(17 861)
Write-down of intangible assets		0	0	(272 600)
<b>Non-technical result</b>		<b>(7 089)</b>	<b>(5 972)</b>	<b>(272 207)</b>
<b>Result before tax</b>		<b>(10 535)</b>	<b>(22 848)</b>	<b>(225 033)</b>
Tax		0	0	0
<b>Net result from continued operations before OCI</b>		<b>(10 535)</b>	<b>(22 848)</b>	<b>(225 033)</b>
Profit/Loss from discontinued operations	3	(14 292)	(2 783)	(80 464)
<b>Net result from total operations before OCI</b>		<b>(24 827)</b>	<b>(25 631)</b>	<b>(305 497)</b>
Currency translation effects		261	(928)	(364)
<b>Total other comprehensive income (loss)</b>		<b>261</b>	<b>(928)</b>	<b>(364)</b>
<b>Total comprehensive income (loss)</b>		<b>(24 566)</b>	<b>(26 559)</b>	<b>(305 861)</b>
Diluted weighted average number of shares	4	148 167	148 167	148 167
<b>Diluted earnings (loss) per share</b>	<b>4</b>	<b>(0,17)</b>	<b>(0,18)</b>	<b>(2,06)</b>

**Condensed Consolidated Statement of Financial Position (NOK 1,000)**

<b>ASSETS</b>	<b>Note</b>	<b>31.03.2021</b>	<b>31.03.2020</b>	<b>31.12.2020</b>
<b>Intangible assets</b>				
Goodwill		0	219 352	0
Other intangible assets		0	62 870	0
<b>Total intangible assets</b>		<b>0</b>	<b>282 222</b>	<b>0</b>
<b>Investments</b>				
Investments in shares and parts	6	149	413	148
Bonds and other fixed-income securities	5, 6	565 594	931 936	631 572
<b>Total investments</b>		<b>565 742</b>	<b>932 349</b>	<b>631 720</b>
<b>Reinsurance share of gross technical provisions</b>				
Reinsurance share of gross premium provisions		42 345	228 127	102 441
Reinsurance share of gross claims provisions		285 756	385 086	292 439
<b>Total reinsurance share of gross technical provisions</b>		<b>328 101</b>	<b>613 213</b>	<b>394 881</b>
<b>Receivables</b>				
Receivables in connection with direct insurance and reinsurance	6	170 646	531 375	207 127
Receivables in connection with associates		0	0	103 325
Other receivables	6	86 451	41 593	164 927
<b>Total receivables</b>		<b>257 097</b>	<b>572 968</b>	<b>475 379</b>
<b>Other assets</b>				
Cash and cash equivalents	6	76 978	59 048	136 188
Plant and equipment		0	11 797	0
<b>Total other assets</b>		<b>76 978</b>	<b>70 845</b>	<b>136 188</b>
<b>Prepaid expenses and earned income not received</b>				
Prepaid costs and earned income not received	6	13 526	30 080	18 592
<b>Total prepaid expenses and earned income not received</b>		<b>13 526</b>	<b>30 080</b>	<b>18 592</b>
<b>Total assets</b>		<b>1 241 445</b>	<b>2 501 678</b>	<b>1 656 760</b>

**Condensed Consolidated Statement of Financial Position (NOK 1,000)**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>31.03.2021</b>	<b>31.03.2020</b>	<b>31.12.2020</b>
<b>Paid-in equity</b>				
Share capital		118 534	118 534	118 534
Share premium		1 542 267	1 542 267	1 542 267
Sub.loan classified as equity		0	0	75 000
Other paid-in equity		75 000	0	0
<b>Total paid-in equity</b>		<b>1 735 801</b>	<b>1 660 801</b>	<b>1 735 801</b>
Other equity		(1 682 802)	(1 396 574)	(1 665 170)
Other reserves		0	9 185	8 142
Provision for Natural Perils Fund		28 498	36 648	27 057
Provision for Guarantee scheme		56 227	57 363	56 227
<b>Total equity</b>		<b>137 724</b>	<b>367 423</b>	<b>162 056</b>
<b>Subordinated loans</b>		<b>75 811</b>	<b>151 356</b>	<b>75 773</b>
<b>Technical provisions</b>				
Gross premium reserve		157 366	629 148	385 433
Gross claims reserve		707 968	861 390	735 637
<b>Total technical provisions</b>		<b>865 333</b>	<b>1 490 538</b>	<b>1 121 070</b>
<b>Accrued liabilities</b>				
Pension liabilities		3 073	3 013	3 073
<b>Total Accrued liabilities</b>		<b>3 073</b>	<b>3 013</b>	<b>3 073</b>
<b>Financial liabilities</b>				
Liabilities in connection with direct insurance and reinsurance	6	34 384	215 625	96 793
Other liabilities	6	58 390	167 278	99 282
<b>Total financial liabilities</b>		<b>92 774</b>	<b>382 903</b>	<b>196 075</b>
<b>Accrued costs and received unearned income</b>	<b>6</b>	<b>66 729</b>	<b>106 445</b>	<b>98 713</b>
<b>Total liabilities</b>		<b>1 103 721</b>	<b>2 134 255</b>	<b>1 494 704</b>
<b>Total equity and liabilities</b>		<b>1 241 445</b>	<b>2 501 678</b>	<b>1 656 760</b>

**Condensed Consolidated Statement of Changes in Equity (NOK 1,000)**

	Share capital	Share premium	Subord. loans class. as equity	Other paid in Equity	Other equity	Other reserves	Natural Perils Pool	Guarantee scheme	Total
<b>Equity as at 1st January 2020</b>	<b>118 534</b>	<b>1 542 267</b>	<b>75 000</b>	<b>0</b>	<b>(1 372 161)</b>	<b>9 185</b>	<b>38 686</b>	<b>57 363</b>	<b>468 873</b>
Changes in provisions					12 874	(108)	(11 630)	(1 136)	0
Option expenses					2 080	(935)			1 146
Result from continued operations					(225 033)				(225 033)
Result from disc. Operations					(80 464)				(80 464)
Other changes					(364)				(364)
Other result components					(2 101)				(2 101)
<b>Equity as at 31st December 2020</b>	<b>118 534</b>	<b>1 542 267</b>	<b>75 000</b>	<b>0</b>	<b>(1 665 169)</b>	<b>8 142</b>	<b>27 056</b>	<b>56 227</b>	<b>162 056</b>
<b>Equity as at 1st January 2021</b>	<b>118 534</b>	<b>1 542 267</b>	<b>75 000</b>	<b>0</b>	<b>(1 665 169)</b>	<b>8 142</b>	<b>27 056</b>	<b>56 227</b>	<b>162 056</b>
Changes in provisions					(1 442)		1 442		0
Option expenses					8 375	(8 142)			233
Profit before OCI					(24 827)				(24 827)
Other result components					261				261
Converting Tier 1 Loan to equity			(75 000)	75 000		0			0
<b>Equity as at 31st March 2021</b>	<b>118 534</b>	<b>1 542 267</b>	<b>0</b>	<b>75 000</b>	<b>(1 682 802)</b>	<b>0</b>	<b>28 498</b>	<b>56 227</b>	<b>137 724</b>

**Condensed Consolidated Statement of Cash Flow (NOK 1,000)**

	Q1 2021	Q1 2020	FY 2020
<b>Cash flow from operations</b>			
Paid in premiums	65 767	320 074	1 118 037
Paid claims	(179 960)	(312 881)	(1 048 498)
Received from (Paid to) reinsurers	21 765	(20 762)	92 041
Paid operating expenses	(2 650)	(75 256)	(425 966)
Interest income/-expense	(1 377)	(2 452)	(7 061)
Other including traffic insurance tax	(23 362)	6 628	(33 567)
<b>Net cash flow from operations</b>	<b>(119 817)</b>	<b>(84 650)</b>	<b>(305 014)</b>
<b>Cash flow from investment activities</b>			
Investments in assets	0	(10 628)	260 100
Investments in fixed income funds	62 478	(50 000)	(19 507)
<b>Net cash flow from investment activities</b>	<b>62 478</b>	<b>(60 628)</b>	<b>240 593</b>
<b>Cash flow from financial activities</b>			
Repayment of lease liabilities	(2 189)	(2 310)	(7 568)
Receipts of repayment on lease receivables	335	1 061	3 973
<b>Net cash flow from financing activities</b>	<b>(1 854)</b>	<b>(1 250)</b>	<b>(3 595)</b>
Exchange rate differences on cash and cash equivalents	(17)	1 101	(272)
<b>Net cash flow for the period</b>	<b>(59 210)</b>	<b>(145 427)</b>	<b>(68 288)</b>
Cash and cash equivalents at the beginning of the period	136 188	204 475	204 475
Cash and cash equivalents at the end of the period	76 978	59 048	136 188
<b>Net cash flow for the period</b>	<b>(59 210)</b>	<b>(145 427)</b>	<b>(68 288)</b>
<b>Specification of cash and cash equivalents</b>			
Cash in bank	67 672	46 646	123 626
Restricted cash	9 306	12 402	12 562
<b>Total cash and cash equivalents</b>	<b>76 978</b>	<b>59 048</b>	<b>136 188</b>

# Notes to the Financial Statements

## NOTE 1 Accounting principles

These interim accounts have been prepared according to IFRS and IAS 34 Interim Financial Reporting, and are in line with the principles described in the annual report for 2020. For further information, please see the annual report.

There are no significant effects from adoption of new standards effective as of 1 January 2021. The Group has not early adopted any other standard that has been issued but is not yet effective.

The interim financial statements are not audited.

## NOTE 2 Other insurance related income

Other insurance related income (NOK 1,000)	2021	2020
Gain on sale of customer portfolio	10 736	139 854
Commission income	5 173	4 954
<b>Total other insurance related income</b>	<b>15 908</b>	<b>144 808</b>

Seller's credit on sale of customer portfolio (NOK 1,000)	31.03.21
Book value as at 31.12.2020	139 854
Commission invoiced Storebrand	(79 943)
Estimate change	10 000
<b>Book value as at 31.3.2021</b>	<b>69 911</b>

Income from the agreement with Storebrand for the sale of the substantial part of Insr Insurance Group's Norwegian insurance portfolio, was recognised in December 2020 as an estimate of the expected consideration from the transaction that is highly probable not to be reversed.

The conservatively set transaction price is reassessed each reporting period. Estimate changes is recognised as increase or decrease in revenue in the period.

After 4 months Insr has invoiced commission of MNOK 79.9 of the estimated total by 31.12.20 of MNOK 139,9.

Insr has made a new estimate of transaction price, resulting in an increase in revenue of MNOK 10 in the period.

**NOTE 3 Discontinued operations**

On September 18<sup>th</sup>, 2019, Insr announced that the company is no longer writing insurance in Denmark with immediate effect. The office in Denmark would be closed. The business redefined as discontinued operations represents the geographic area Denmark, defined earlier as an operating segment. Sweden was discontinued in 2016.

The results of these two foreign operations are presented as "discontinued operations" according to IFRS 5. Historic figures have been restated to present comparable figures for both continued and discontinued operations.

## Condensed Consolidated Income Statement (NOK 1,000)

2021	Note	NO Q1 2021	DK/SE Q1 2021	Total Q1 2021
<b>Premium income</b>				
Gross premium earned	2	155 241	(1 122)	154 119
Reinsurance share of premium		(48 123)	487	(47 635)
<b>Premium earned for own account</b>		<b>107 118</b>	<b>(635)</b>	<b>106 483</b>
Other insurance-related income		15 908	0	15 908
<b>Net premium incl. other insurance related income</b>		<b>123 026</b>	<b>(635)</b>	<b>122 391</b>
<b>Claims</b>				
Gross claims incurred	2	(121 523)	(39 679)	(161 202)
Reinsurance share of gross claims incurred		36 911	24 765	61 676
<b>Claims incurred for own account</b>		<b>(84 612)</b>	<b>(14 914)</b>	<b>(99 526)</b>
<b>Operating expenses</b>				
Sales costs		(7 755)	0	(7 755)
Insurance-related administration costs		(38 585)	1 169	(37 416)
Commission received		4 479	88	4 567
<b>Total operating expenses for own account</b>		<b>(41 860)</b>	<b>1 257</b>	<b>(40 603)</b>
<b>Unexpired risk</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Technical result</b>	<b>2</b>	<b>(3 447)</b>	<b>(14 292)</b>	<b>(17 738)</b>
<b>Non-technical result</b>				
Investment income		(526)	0	(526)
Interest income and other income		26	0	26
Interest expense and other expenses		(6 589)	(0)	(6 589)
Write-down of intangible assets		0	0	0
<b>Non-technical result</b>		<b>(7 089)</b>	<b>(0)</b>	<b>(7 089)</b>
<b>Result before tax</b>		<b>(10 535)</b>	<b>(14 292)</b>	<b>(24 827)</b>
Tax		0	0	0
<b>Net result from total operations before OCI</b>		<b>(10 535)</b>	<b>(14 292)</b>	<b>(24 827)</b>
Currency translation effects		0	261	261
<b>Total other comprehensive income (loss)</b>		<b>0</b>	<b>261</b>	<b>261</b>
<b>Total comprehensive income (loss)</b>		<b>(10 535)</b>	<b>(14 031)</b>	<b>(24 566)</b>
Diluted weighted average number of shares	4	148 167	148 167	148 167
<b>Diluted earnings (loss) per share</b>	<b>4</b>	<b>(0,07)</b>	<b>(0,09)</b>	<b>(0,17)</b>
<b>Gross claims ratio</b>				
		78,3%	-3536,2%	104,6%
<b>Gross cost ratio</b>				
		29,9%	104,2%	29,3%
<b>Net loss ratio</b>				
		79,0%	-2350,2%	93,5%
<b>Net cost ratio</b>				
		39,1%	198,1%	38,1%

**Condensed Consolidated Income Statement**
**Continued**
**(NOK 1 000)**

<b>2020</b>	<b>NO Q1 2020</b>	<b>DK/SE Q1 2020</b>	<b>Total Q1 2020</b>
<b>Premium income</b>			
Gross premium earned	303 835	27 744	331 579
Reinsurance share of premium	(115 932)	(9 700)	(125 632)
<b>Premium earned for own account</b>	<b>187 903</b>	<b>18 044</b>	<b>205 947</b>
Other insurance-related income	38	0	38
<b>Net premium incl. other insurance related income</b>	<b>187 941</b>	<b>18 044</b>	<b>205 985</b>
<b>Claims</b>			
Gross claims incurred	(251 692)	(29 530)	(281 222)
Reinsurance share of gross claims incurred	97 842	13 552	111 394
<b>Claims incurred for own account</b>	<b>(153 850)</b>	<b>(15 978)</b>	<b>(169 828)</b>
<b>Operating expenses</b>			
Sales costs	(27 198)	5 075	(22 123)
Insurance-related administration costs	(48 228)	(5 900)	(54 128)
Commission received	24 459	2 209	26 668
<b>Total operating expenses for own account</b>	<b>(50 967)</b>	<b>1 384</b>	<b>(49 583)</b>
<b>Unexpired risk</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Technical result</b>	<b>(16 876)</b>	<b>3 450</b>	<b>(13 426)</b>
<b>Non-technical result</b>			
Investment income	(1 272)	0	(1 272)
Interest income and other income	323	1	324
Interest expense and other expenses	(5 023)	(6 234)	(11 257)
<b>Non-technical result</b>	<b>(5 972)</b>	<b>(6 233)</b>	<b>(12 205)</b>
<b>Result before tax</b>	<b>(22 848)</b>	<b>(2 783)</b>	<b>(25 631)</b>
Tax	0	0	0
<b>Net result from total operations before OCI</b>	<b>(22 848)</b>	<b>(2 783)</b>	<b>(25 631)</b>
Currency translation effects	0	(928)	(928)
<b>Total other comprehensive income (loss)</b>	<b>(22 848)</b>	<b>(3 711)</b>	<b>(26 559)</b>
<b>Total comprehensive income (loss)</b>	<b>(23 776)</b>	<b>(3 711)</b>	<b>(27 487)</b>
Diluted weighted average number of shares	148 167	148 167	148 167
<b>Diluted earnings (loss) per share</b>	<b>(0,16)</b>	<b>(0,03)</b>	<b>(0,19)</b>
<b>Gross claims ratio</b>	<b>82,8%</b>	<b>106,4%</b>	<b>84,8%</b>
<b>Gross cost ratio</b>	<b>24,8%</b>	<b>3,0%</b>	<b>23,0%</b>
<b>Net loss ratio</b>	<b>81,9%</b>	<b>88,6%</b>	<b>82,5%</b>
<b>Net cost ratio</b>	<b>27,1%</b>	<b>-7,7%</b>	<b>24,1%</b>



**Condensed Consolidated Income Statement Continued**  
**(NOK 1,000)**

<b>2020</b>	<b>NO FY 2020</b>	<b>DK/SE FY 2020</b>	<b>Total FY 2020</b>
<b>Premium income</b>			
Gross premium earned	1 108 704	44 949	1 153 653
Reinsurance share of premium	(393 457)	(19 317)	(412 774)
<b>Premium earned for own account</b>	<b>715 247</b>	<b>25 632</b>	<b>740 878</b>
Other insurance-related income	144 808	0	144 808
<b>Net premium incl. other insurance related income</b>	<b>860 055</b>	<b>25 632</b>	<b>885 686</b>
<b>Claims</b>			
Gross claims incurred	(791 112)	(84 418)	(875 530)
Reinsurance share of gross claims incurred	267 929	36 984	304 913
<b>Claims incurred for own account</b>	<b>(523 184)</b>	<b>(47 435)</b>	<b>(570 618)</b>
<b>Operating expenses</b>			
Sales costs	(99 761)	(5 769)	(105 530)
Insurance-related administration costs	(264 485)	(14 682)	(279 167)
Commission received	74 547	3 615	78 162
<b>Total operating expenses for own account</b>	<b>(289 698)</b>	<b>(16 835)</b>	<b>(306 535)</b>
<b>Unexpired risk</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Technical result</b>	<b>47 173</b>	<b>(38 638)</b>	<b>8 533</b>
<b>Non-technical result</b>			
Investment income	16 617	0	16 617
Interest income and other income	1 636	(3)	1 633
Interest expense and other expenses	(17 861)	(41 823)	(59 684)
Write-down of intangible assets	(272 600)	0	(272 600)
<b>Non-technical result</b>	<b>(272 208)</b>	<b>(41 826)</b>	<b>(314 034)</b>
<b>Result before tax</b>	<b>(225 035)</b>	<b>(80 464)</b>	<b>(305 501)</b>
Tax	0	0	0
<b>Net result from total operations before OCI</b>	<b>(225 035)</b>	<b>(80 464)</b>	<b>(305 501)</b>
Currency translation effects	0	(364)	(364)
<b>Total other comprehensive income (loss)</b>	<b>(225 035)</b>	<b>(80 828)</b>	<b>(305 865)</b>
<b>Gross claims ratio</b>	<b>71,4%</b>	<b>187,8%</b>	<b>75,9%</b>
<b>Gross cost ratio</b>	<b>32,9%</b>	<b>45,5%</b>	<b>33,3%</b>
<b>Net loss ratio</b>	<b>73,1%</b>	<b>185,1%</b>	<b>77,0%</b>
<b>Net cost ratio</b>	<b>40,5%</b>	<b>65,7%</b>	<b>41,4%</b>

## NOTE 4 Earnings (loss) per share

### Earnings (loss) per share

(NOK 1,000)	Q1 2021	Q1 2020	FY 2020
Net result incl. comprehensive income	(24 566)	(26 559)	(305 861)
<b>Basic earnings (loss) per share and diluted</b>	<b>(0,17)</b>	<b>(0,18)</b>	<b>(2,06)</b>

(NOK 1,000)	Q1 2021	Q1 2020	FY 2020
Net result incl. comprehensive income	(24 566)	(26 559)	(305 861)
Weighted average of ordinary shares (in 1,000)	148 167	148 167	148 167
Diluted weighted average of shares (in 1,000)	148 167	148 167	148 167
<b>Earnings (loss) per share diluted</b>	<b>(0,17)</b>	<b>(0,18)</b>	<b>(2,06)</b>

## NOTE 5 Bonds and other fixed-income securities

The value of the investment portfolio as of March 31st, 2021, was NOK 566 million, the majority (approx. 90%) invested in Norwegian money market funds and a smaller portion (approx. 10%) in Nordic investment grade bond funds. The funds are managed externally.

## Note 6 Financial assets and liabilities

	Fair value level	Book value 31.03.2021	Market value 31.03.2021	Book value 31.12.2020	Market value 31.12.2020
<b>Financial assets</b>					
Investments in shares and parts	2	149	149	148	148
Bonds and other fixed-income securities	1	565 594	565 594	631 572	631 572
Other financial assets	2	0	0	0	0
Receivables in connection with direct insurance and rein:	2	170 646	170 646	207 127	207 127
Other receivables	2	86 451	86 451	164 927	164 927
Prepaid costs and earned income not received	2	13 526	13 526	18 592	18 592
Cash and cash equivalents	1	76 978	76 978	136 188	136 188
<b>Total financial assets</b>		<b>913 344</b>	<b>913 344</b>	<b>1 158 554</b>	<b>1 158 554</b>

	Fair value level	Book value 31.03.2021	Market value 31.03.2021	Book value 31.12.2020	Market value 31.12.2020
<b>Financial liabilities</b>					
Subordinated loans	2	75 811	75 811	75 773	75 773
Other liabilities	2	58 390	58 390	99 282	99 282
Premium deposits from reinsurance companies	2	-	-	0	-
Liabilities in connection with direct insurance and reinsur	2	34 384	34 384	96 793	96 793
Accrued costs and received unearned income	2	66 729	66 729	98 713	98 713
<b>Total financial liabilities</b>		<b>235 314</b>	<b>235 314</b>	<b>370 561</b>	<b>370 561</b>

Investments in exchange traded funds (ETF) are valued based on quoted prices in active markets, classified as Level 1 in the valuation hierarchy. Other financial assets and liabilities are valued based on observable market data, classified as Level 2 in the valuation hierarchy. The Group has no financial assets or liabilities classified as Level 3 valuations, i.e. valued based on un-observable market data.

## Note 7 Subsequent Events

There are no events after the balance sheet date materially affecting the financial statements.

# Additional Financial Data

## Insr ASA Unconsolidated<sup>1</sup>

<b>Insr ASA Condensed Income Statement (NOK 1,000)</b>			
	<b>Q1 2021</b>	<b>Q1 2020</b>	<b>FY 2020</b>
<b>Premium income</b>			
Gross premium earned	154 119	331 579	1 153 653
Reinsurance share of premium	(47 635)	(125 631)	(412 774)
<b>Premium earned for own account</b>	<b>106 483</b>	<b>205 948</b>	<b>740 879</b>
Other insurance-related income	15 908	38	119 808
<b>Net premium incl. other insurance related income</b>	<b>122 391</b>	<b>205 986</b>	<b>860 687</b>
<b>Claims</b>			
Gross claims incurred	(161 202)	(281 222)	(883 427)
Reinsurance share of gross claims incurred	61 676	111 394	304 914
<b>Claims incurred for own account</b>	<b>(99 526)</b>	<b>(169 828)</b>	<b>(578 513)</b>
<b>Operating expenses</b>			
Sales costs	(7 755)	(34 670)	(124 293)
Insurance-related administration costs	(37 301)	(51 057)	(259 090)
Commission received	4 567	26 667	78 163
<b>Total operating expenses for own account</b>	<b>(40 489)</b>	<b>(59 060)</b>	<b>(305 220)</b>
<b>Unexpired risk</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Technical result</b>	<b>(17 624)</b>	<b>(22 902)</b>	<b>(23 046)</b>
<b>Non-technical result</b>			
Investment income	(526)	(1 272)	15 081
Interest income and other income	144	1 055	4 296
Interest expense and other expenses	(6 589)	(11 253)	(109 704)
Write-down of tangible and intangible assets	0	0	(258 957)
<b>Non-technical result</b>	<b>(6 971)</b>	<b>(11 470)</b>	<b>(349 284)</b>
<b>Result before tax</b>	<b>(24 595)</b>	<b>(34 372)</b>	<b>(372 330)</b>
Tax	0	0	0
<b>Net result</b>	<b>(24 595)</b>	<b>(34 372)</b>	<b>(372 330)</b>

<sup>1</sup> These unconsolidated figures include both continued and discontinued operations.

**Insr ASA Condensed Statement of Financial Position (NOK 1,000)**

<b>ASSETS</b>	<b>31.03.2021</b>	<b>31.12.2020</b>
<b>Intangible assets</b>		
Goodwill	0	0
Other intangible assets	0	0
<b>Total intangible assets</b>	<b>0</b>	<b>0</b>
<b>Investments</b>		
Investments in associates and joint ventures	0	0
Investments in shares and parts	149	148
Bonds and other fixed-income securities	565 594	631 572
<b>Total investments</b>	<b>565 742</b>	<b>631 720</b>
<b>Reinsurance share of gross technical provisions</b>		
Reinsurance share of gross premium provisions	42 345	102 441
Reinsurance share of gross claims provisions	285 756	292 439
<b>Total reinsurance share of gross technical provisions</b>	<b>328 101</b>	<b>394 881</b>
<b>Receivables</b>		
Receivables in connection with direct insurance and reinsurance	170 646	207 127
Receivables in connection with associates	21 622	103 325
Other receivables	73 008	174 220
<b>Total receivables</b>	<b>265 276</b>	<b>484 673</b>
Cash and cash equivalents	72 660	130 162
Plant and equipment	0	0
<b>Total other assets</b>	<b>72 660</b>	<b>130 162</b>
<b>Prepaid expenses and earned income not received</b>		
Prepaid costs and earned income not received	13 526	18 592
<b>Total prepaid expenses and earned income not received</b>	<b>13 526</b>	<b>18 592</b>
<b>Total assets</b>	<b>1 245 306</b>	<b>1 660 028</b>

<b>Insr ASA Condensed Statement of Financial Position</b>		
<b>EQUITY AND LIABILITIES</b>	<b>31.03.2021</b>	<b>31.12.2020</b>
<b>Paid-in equity</b>		
Share capital	118 534	118 534
Share premium	1 542 267	1 542 267
Sub.loan classified as equity	0	75 000
Other paid-in equity	75 000	0
<b>Total paid-in equity</b>	<b>1 735 801</b>	<b>1 735 801</b>
Other equity	(1 679 735)	(1 662 073)
Other reserves	0	8 142
Provision for Natural Perils Fund	28 498	27 057
Provision for Guarantee scheme	56 227	56 227
<b>Total equity</b>	<b>140 792</b>	<b>165 153</b>
<b>Subordinated loans</b>	<b>75 811</b>	<b>75 773</b>
<b>Technical provisions</b>		
Gross premium reserve	157 366	385 433
Gross claims reserve	707 968	735 637
<b>Total technical provisions</b>	<b>865 333</b>	<b>1 121 070</b>
<b>Accrued liabilities</b>		
Pension liabilities	3 073	3 073
<b>Total Accrued liabilities</b>	<b>3 073</b>	<b>3 073</b>
<b>Financial liabilities</b>		
Liabilities in connection with direct insurance and reinsurance	34 384	96 793
Other liabilities	59 183	99 453
<b>Total financial liabilities</b>	<b>93 568</b>	<b>196 246</b>
<b>Accrued costs and received unearned income</b>	<b>66 729</b>	<b>98 713</b>
<b>Total liabilities</b>	<b>1 104 514</b>	<b>1 494 875</b>
<b>Total equity and liabilities</b>	<b>1 245 306</b>	<b>1 660 028</b>

# Glossary

This report contains Alternative Performance Measures (APMs). A description of these, with reconciliation to the accounts, is published on the company web page [www.insr.io/investor-relations](http://www.insr.io/investor-relations).

**Available capital:** Capital available for solvency purposes, determined under regulatory rules

**Solvency capital requirement (SCR):** The amount of capital the company is required to hold to fulfil regulatory requirements under Solvency II. The Standard formula is used to calculate SCR.

**Solvency ratio:** Available capital / Solvency capital requirement

**Vintages:** Policies written in prior underwriting years.

**Underwriting year:** The year commencing with the effective date of a policy or with the renewal date of that policy.

**Portfolio:** Sum of annualised premium for all insured as of given date

**Written premium:** Total premium on policies issued during a specific period

**Earned premium:** premium recorded during a specific period based on the ratio of the time passed on the policies to their coverage period

**Net / For own account (f.o.a.):** Net of reinsurance

**Net earned premium:** premium for own account, i.e. after deducting premium shared with reinsurers

**Technical result:** Result before return on investment, other income, other costs and taxes

**Gross underwriting result:**  $(1 - \text{Gross combined ratio}) * \text{Gross premium earned}$

**Net underwriting result:**  $(1 - \text{Net combined ratio}) * \text{Earned premium f.o.a.}$

**Gross loss ratio:** Gross claims incurred / Gross premium earned

**Gross cost ratio:** Sales and administration costs / Gross premium earned

**Gross combined ratio:** Gross loss ratio + Gross cost ratio

**Net Loss ratio / Loss ratio f.o.a.:** Claims incurred f.o.a. / Earned premium f.o.a.

**Net Cost ratio / Cost ratio f.o.a.:** Administration costs f.o.a. / Earned premium f.o.a.

**Net Combined ratio / Combined ratio f.o.a.:** Loss ratio f.o.a. + Cost ratio f.o.a.

**Unexpired risk (previously termed non-adjusted risk):** The excess risk, if expected claims and claims handling costs for future claims related to insurance contracts effective at the reporting date exceed the unearned premium reserves.

## Disclaimer

This report may contain forward-looking statements, which are based on our current expectations and projections about future events. The terms “anticipates”, “assumes”, “believes”, “can”, “could”, “estimates”, “expects”, “forecasts”, “intends”, “may”, “might”, “plans”, “should”, “projects”, “will”, “would” or, in each case, their negative, or other variations or comparable terminology are used to identify forward-looking statements. All statements other than statements of historical facts included in this report, including statements regarding our future financial position, risks and uncertainties related to our business, strategy and our plans and objectives for future operations, may be deemed to be forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guaranteeing future performance. You should not place undue reliance on these forward-looking statements. In addition, any forward-looking statements are made only as of the date of this report, and we do not intend and do not assume any obligation to update any statements set forth in this report.

## Financial Calendar

<b>Annual General Meeting</b>	May 19, 2021
<b>Second Quarter 2021 Results</b>	August 17, 2021
<b>Third Quarter 2021 Results</b>	November 17, 2021

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